



Intercultural Management in Eastern Europe

French— Slovenian Plant

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Summary of the case

- 1989- automobile factory in Slovenia taken over by French company
- To modernize the Slovenian company --
 - French modern technology
 - Financial resources
 - Training and French human resource personnel
- Slovenian staff had to adapt to new working methods



Problems

- Worker inefficiency
- Lack of authority
- Lack of responsibility
- Slovenia – feeling of inferiority
- Problems happened in certain divisions more than others

Why did the problems happen?

- The French headquarters conducted a study on management cultures of French and Slovenians
- The work behaviors were affected by French or Slovenian history and culture

Differences between cultures

FRENCH

- Strong hierarchical culture
- Social classes – differentiation of authority
- Territorial of one's work
- Individualistic

SLOVENIAN

- Flexible hierarchical system
- Less defined social classes
- Collectivistic – cooperative management style
- Teamwork encouraged

Differences between cultures (continued)

FRENCH

- Authority legitimized by position
- Quality control approach

SLOVENIAN

- Authority legitimized by expertise
- Mutual help approach



Case Study Results

- Both Slovenian and French cultures have a better understanding of each other's work habits
- It was easier to adapt with the awareness of cultural differences

Discussion

- Worker inefficiency – combination of teamwork with the concentration of one's own tasks
- Lack of authority – flexible hierarchical system
- Lack of responsibility – responsibility was distributed throughout the company with awareness of cultural differences
- Feeling of inferiority – time and modernization of the state will change it

Questions

- Do you think the study was effective?
- What do you think were some faults of the study?
- Should this kind of study be done in every international company?
- ANY QUESTIONS?