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Market Entry and Cross-Cultural Integration in International Expansion: The Case of Renault Group

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Abstract

This thesis explores the dynamics of post-entry integration processes in multinational enterprises, with a specific focus on Renault Group. Drawing on qualitative data collected through semi-structured interviews and analyzed using the Gioia methodology, the research examines how cultural distance, leadership practices, and knowledge management influence the effectiveness of international expansion strategies. The study highlights the tensions between global integration and local responsiveness, identifying mechanisms such as trust-building, adaptation, and knowledge flows as critical to overcoming integration challenges. Findings contribute to the literature on international business by providing an in-depth analysis of the human, organizational, and cultural factors that shape multinational performance, while offering practical insights for managers involved in cross-border expansion and collaboration.

Keywords: Internationalization, Post-entry integration, Cultural distance, Knowledge management, Leadership, Global strategy, Multinational enterprises, Renault Group.

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1. Introduction

1.1 Background and Rationale

The dynamics of globalization, technological advancement, and the increasing interconnectedness of markets have profoundly reshaped the way multinational enterprises (MNEs) operate. In a global economy where borders are increasingly porous yet cultural, institutional, and regulatory differences remain substantial, the ability of firms to enter and integrate effectively into foreign markets has become a decisive factor for sustained competitiveness. Among the sectors most exposed to these challenges, the automotive industry stands out for its global value chains, complex cross-border production networks, and the necessity of tailoring products, strategies, and operations to diverse local contexts in order to succeed and face competition.

This thesis examines these dynamics through the case of Renault Group, one of Europe's leading automotive company that designs, manufactures, and markets vehicles and mobility services worldwide, whose international expansion over recent decades provides a rich context to explore the interplay between strategic market entry, post-entry integration, cultural adaptation, knowledge management, leadership, and collaboration across borders. While Renault's presence spans mature and emerging economies, each market entry and subsequent integration has unfolded under unique institutional, cultural, and operational conditions. These differences have shaped both the strategic decisions made by headquarters and the responses of local subsidiaries.

The relevance of this research lies in the observation that entering a market is not, in itself, a guarantee of success. The choice of entry mode - whether joint venture, acquisition, or greenfield investment - marks only the beginning of a much longer process. What follows, namely the post-entry integration phase, often determines whether anticipated synergies, efficiencies, and market access are realized. Integration is not a purely technical exercise; it is shaped by cultural compatibility, leadership approaches, knowledge flows, and the quality of collaboration between corporate headquarters and local operations.

1.2 Research Objectives and Questions

Renault's global footprint, its diverse product portfolio, and its participation in alliances amplify the complexity of integration. Opportunities arise from sharing resources, best practices, and innovations across markets. Challenges emerge when national and organizational cultures clash, when local autonomy conflicts with global standardization, or when knowledge is not effectively transferred and embedded. Against this backdrop, the central research question guiding this thesis is:

How does Renault navigate the challenges of market entry and post-entry integration across diverse cultural and institutional environments, and what role do culture, knowledge management, leadership, mobility, and collaboration play in shaping integration outcomes?

As will be shown in the literature review, this research question is grounded in existing theoretical debates and empirical gaps. The review highlights how prior studies on internationalization, cultural distance, and post-entry integration informed the formulation of the central question, while also identifying areas where further research is needed - thus justifying the focus of this thesis. This question is complemented by sub-questions addressing (1) how entry modes are selected and adapted to specific contexts, (2) how cultural distance and leadership styles influence integration outcomes, and (3) how knowledge management and collaboration practices enable or hinder cross-border cohesion.

1.3 Methodological Approach

This study employs a qualitative research design, relying primarily on semi-structured interviews with managers and employees from different countries and organizational levels of Renault Group. This approach captures a wide range of perspectives, from strategic decision-making at headquarters to the lived experiences of local subsidiaries. The qualitative method allows for a nuanced understanding of the subjective, relational, and cultural dimensions of integration, which are often overlooked in large-scale quantitative studies.

The analysis is informed by a multi-disciplinary theoretical framework. Foundational models such as Dunning's Eclectic Paradigm and Ghemawat's CAGE and AAA frameworks provide insights into strategic entry choices, while Hofstede's cultural dimensions and the concept of "liability of foreignness" highlight the role of cultural and institutional distance. Nonaka and Takeuchi's SECI model and Edmondson's notion of psychological safety shed light on knowledge creation, trust, and learning within multinational enterprises. Together, these

frameworks provide the analytical tools to interpret Renault's experiences and draw broader implications.

1.4 Structure of the Thesis

The structure of this thesis was carefully designed to ensure both theoretical depth and empirical clarity, following a logical progression from broad academic debates to the specific case study of Renault.

- I.* Chapter 1 (Introduction) establishes the context, background, and rationale of the research. It presents the research objectives and central questions, outlines the methodological approach, and explains how the thesis is organized. This ensures that the reader understands both the relevance of the study and the analytical lens through which it will be conducted.
- II.* Chapter 2 (Literature Review and Theoretical Framework) builds the conceptual foundation by reviewing key academic debates. It examines strategic entry modes, the role of cultural distance, cross-cultural dynamics in leadership and knowledge management, and the specific characteristics of the automotive industry. The chapter concludes with a synthesis that identifies gaps in the literature, thereby justifying the need for this research.
- III.* Chapter 3 (Methodology) outlines the qualitative research design, with particular emphasis on semi-structured interviews as the primary data collection method. It also details the procedures for data processing and analysis, ensuring transparency and rigor in the research process.
- IV.* Chapter 4 (Case Study: Renault's International Expansion) introduces the empirical setting by presenting an overview of Renault's global strategy and the entry modes it employed in key markets. This contextualization is essential to understand the subsequent analysis.
- V.* Chapter 5 (Findings and Discussion) forms the core of the thesis. It examines the main themes that emerged from the interviews: post-entry integration strategies, cultural dynamics, knowledge management and learning, leadership and governance, and collaboration and organizational cohesion. The section concludes with a synthesis that integrates these themes, linking empirical findings back to the theoretical framework.

- VI.* Chapter 6 (Conclusion) summarizes the key insights and provides recommendations. It highlights the contributions of the study to both theory and practice, draws out managerial implications, and acknowledges the limitations of the research while suggesting avenues for future work.
- VII.* Finally, the References and Appendices provide academic rigor and transparency, offering the reader access to the sources and supporting material that underpin the analysis.

In this way, the thesis follows a clear trajectory: from identifying the research problem and situating it within academic debates, to exploring it through empirical investigation, and finally drawing out theoretical, managerial, and practical implications. This progression ensures that the research is both firmly grounded in the literature and directly relevant to real-world organizational challenges.

2. Literature Review and Theoretical Framework

This chapter will critically examine the key theoretical frameworks and empirical studies related to internationalization strategy, entry mode choices, and cross-cultural integration. It will explore how multinational enterprises (MNEs) expand across borders, manage institutional and cultural differences, and navigate post-entry challenges - particularly through the lenses of knowledge sharing, leadership, and organizational design.

While foundational theories such as Dunning's OLI paradigm and Transaction Cost Economics offer structural explanations for foreign market entry, this chapter will highlight more recent contributions that emphasize dynamic capabilities, institutional distance, and the strategic role of cultural intelligence. In doing so, it identifies a gap in the literature: the limited attention paid to how integration is experienced and enacted at the operational level by multicultural teams. By synthesizing classic and contemporary perspectives, this chapter will lay the groundwork for a case study on Renault Group, offering a conceptual foundation for analyzing how strategic entry modes and integration practices impact organizational effectiveness in international contexts, especially focusing in the automotive one.

2.1 Strategic Entry Modes in Internationalization

In today's highly globalized landscape, the process of internationalization represents a critical strategic priority for multinational enterprises (MNEs). According to Dunning's (2002) Eclectic Paradigm, a firm's decision to invest abroad is guided by a combination of ownership-specific, location-specific, and internalization advantages. This foundational framework remains vital in understanding how and why firms pursue global market entry.

The process of internationalization presents both opportunities and challenges for firms seeking to expand beyond their domestic markets. As outlined also by Grant (2016), entering foreign markets exposes companies to intensified competition, challenges profitability margins, and increases complexity in strategic decision-making. Key drivers of internationalization include market factors such as global customer needs, cost advantages through scale economies, government trade policies, and competitive interdependencies across borders (Li & Ferreira, 2008), as well as access to new technologies and complementary skills in driving productivity growth (Jha et al., 2019). Lojacono et al. (2017) discuss how offshoring contributes to these improvements, and Tower, Hewett, and Saboo (2021) argue that leveraging foreign resources

strengthens competitive advantage. Additionally, Zhang, Lyles, and Wu (2020) suggest that sharing tacit knowledge through alliances and acquisitions is vital for organizational success. Transaction cost scholars also suggest that alliances, which combine aspects of both hierarchy and markets, can be more effective in facilitating the transmission of resources and capabilities compared to traditional market transactions (Parkhe, 1993).

The strategic dimension of internationalisation has long been recognised as crucial within international business scholarship. Dunning's seminal work on the eclectic paradigm (OLI) laid early foundations by conceptualising ownership, location, and internalization advantages as critical determinants of firms' cross-border expansion (Dunning, 2005). His framework underscored how strategic choices about whether to enter and operate abroad are deeply linked to the firm's ability to exploit its own resources efficiently and to internalize operations in foreign markets.

Later developments, including the strategy tripod proposed by Peng (2009), built on this logic, integrating the resource-based view (Penrose, 1959; Barney, 1991), the industry-based view (Porter, 1980), and the institution-based view. The latter is particularly relevant for internationalization, as firms must assess both formal institutions (laws, regulations, political structures) and informal institutions (culture, norms) in host countries (North, 1990; Hofstede & Hofstede, 2005). Strategic models such as the PESTEL analysis, Porter's Diamond, and Hofstede's cultural dimensions have become essential in understanding the multifaceted environments that shape entry decisions (Vaszkun, 2024).

The CAGE framework by Ghemawat (2001) further refined this analytical lens by highlighting four critical dimensions of distance between home and host countries: cultural, administrative, geographic, and economic. The CAGE analysis helps firms assess not just opportunities, but also institutional frictions and risks that may arise during foreign market entry. Firms must decide not only why, but also where, when, and how to internationalize (Vaszkun, 2024). These four questions - rooted in Dunning's motives (resource-seeking, market-seeking, efficiency-seeking, and innovation-seeking) - guide entry mode choices ranging from low-commitment exporting or licensing to high-commitment foreign direct investments, joint ventures, or wholly owned subsidiaries (Dunning, 1998; Johanson & Vahlne, 2009).

In parallel, Grant (2016) emphasises the strategic logic of entry modes through aggregation, adaptation, and arbitrage, known as Ghemawat's AAA Triangle. Aggregation involves leveraging scale across borders, adaptation focuses on tailoring to local differences, and arbitrage exploits international differences (e.g., cost structures, knowledge bases). Choosing the appropriate combination of these logics allows multinational corporations to respond to

global integration pressures while accommodating national differences (Grant, 2016; Ghemawat, 2007). In sum, the literature on internationalisation and entry strategies has evolved from foundational theories like OLI to dynamic, multi-layered frameworks that integrate institutional, competitive, and organisational perspectives. This theoretical grounding enables firms not only to identify attractive markets, but also to build resilient, context-sensitive international strategies when entering them.

Entry Modes

As said, firms must carefully assess their mode of entry - ranging from low-commitment options like exporting to high-commitment strategies such as foreign direct investment - based on resource availability, risk tolerance, and the need for control (Grant, 2016). Entry decisions are shaped by many factors like cultural and economic distance and location-specific advantages, making international strategy inherently multi-dimensional and context-dependent. Entry mode choice - whether exporting, licensing, joint ventures (JVs), greenfield investments, or mergers and acquisitions (M&As) - is far from a bureaucratic decision; it is a reflection of a firm's broader strategic vision and commitment to the host market.

Researchers such as Beamish and Delios (1997) and Robson (2002) highlight that increasing globalization and competitive pressures have led to an explosion of foreign market entries. Root (1994) emphasizes that foreign market entry can unlock growth and profitability opportunities not accessible in home markets. Yet, scholars argue that it is not the mode of entry alone but its strategic fit with organizational capabilities and transaction-specific conditions that predicts success (Aulakh & Kotabe, 1997).

The choice between high-control modes such as M&As or greenfield ventures versus low-commitment modes like exporting often hinges on the trade-off between risk and control (Anderson & Gatignon, 1986). Transaction cost theory (Hennart, 1982) supports this logic by positing that firms will internalize operations where external transaction costs are too high. Empirical studies further indicate that entry strategies are shaped by host country variables, particularly when entering resource or technology-intensive sectors (Hennart & Reddy, 1997). In developed markets, wholly owned subsidiaries are typically preferred due to their long-term potential, while in riskier environments, shared-control models offer flexibility and local resource access (Dunning, 1988).

Recent scholarship introduces a more dynamic understanding of entry mode choice, one that emphasizes learning, agility, and adaptation. Brouthers (2013) argues that firms increasingly

rely on dynamic capabilities post-entry, reshaping their strategies as they learn from local operations. Verbeke and Kano (2016) reinforce this view by linking equity-based entry modes with the pursuit of strategic control. For instance, firms may start with contractual alliances and escalate to equity involvement as they accumulate local knowledge. The Uppsala Model (Johanson & Vahlne, 1977; 2009) captures this iterative learning process, suggesting that knowledge, acquired mainly through experiential engagement, reduces uncertainty and encourages greater resource commitment.

As Figueira-de-Lemos et al. (2011) and Hilmersson (2014) highlight, firms entering foreign markets initially operate with limited knowledge, which they gradually accumulate through experiential learning. This supports the assumption that firms first gain experience in their domestic markets before expanding abroad (Eriksson et al., 1997), and that experience gained in one foreign market may be transferable to others, especially when market characteristics are similar (Carrère & Strauss-Kahn, 2017). Fernandes, Gouveia, and Pinho (2014) support this with a real options perspective, arguing that contractual modes provide valuable flexibility in the early stages. Especially in smaller or higher-risk markets, entering through contracts or alliances enables a firm to explore opportunities, gather critical market intelligence, and evaluate potential without the sunk costs of equity-based investments. Once the firm has reduced uncertainty and confirmed market viability, it can escalate its commitment through joint ventures or wholly owned subsidiaries.

Foreignness

Another key dimension influencing entry mode is the concept of foreignness - specifically the liability of foreignness (LOF) and advantage of foreignness (AOF). According to Hymer (1976), Dunning (1980), and Johanson and Vahlne (2009), LOF increases with different factors: cultural, economic, and geographic distance, resulting in higher transaction costs. However, Eden and Miller (2004) introduce AOF, arguing that firms can leverage their foreign identity when it aligns with perceived quality or prestige, as in the case of French wines or Swiss watches. This duality of foreignness indicates that MNEs can strategically manage their country-of-origin image to mitigate LOF and enhance AOF. To mitigate LOF for example, firms adopt different strategies such as local hiring (Mezias, 2002b), embedding in local networks (Guo et al., 2018), or mimicking institutional norms (Kostova & Zaheer, 1999). Recent identity-based perspectives take this further by exploring how multinational subsidiaries reconcile global mandates with local pressures through hybrid or minority identities (Edman, 2016b; Pant & Ramachandran, 2017). Mechanisms such as identity bridging or logic ordering enable firms to navigate competing institutional demands, offering a more nuanced understanding of how cultural diversity can be managed, and even turned into a strategic asset. Country-of-origin literature supports the notion that foreignness is not inherently a liability but can serve as a key advantage, depending on the context. Firms often manage perceptions through branding strategies that emphasize origin selectively - e.g., using labels like “designed in California” while downplaying production origins (Moeller et al., 2013). Therefore, understanding how to leverage or mitigate the effects of foreignness becomes an essential part of global strategy.

In summary, internationalization strategy and entry mode selection are multifaceted processes shaped by firm capabilities, host country characteristics, and dynamic learning. While foundational theories like Dunning’s OLI paradigm and transaction cost theory provide structural explanations, recent literature pushes for more adaptive frameworks that account for experiential learning, knowledge development, and the strategic management of foreignness.

2.2 The Role of Cultural Distance and Integration Challenges

One of the key challenges often encountered in multinational integration and entry strategies is cultural distance, defined as “the difference between two cultures along specific dimensions” (Peng, 2021, p. 103). This disparity can create obstacles in communication and collaboration,

making it harder for teams to work effectively together (Pothukuchi et al., 2002). Cultural distance, originally conceptualized by Hofstede (2001), refers to national differences in values, beliefs, and behaviors, and continues to play a crucial role in explaining firm performance in foreign markets. To assess differences between countries, Hofstede designed a measurement of 6 core particularities through the position of one country relative to another and the assignment of corresponding scores between 0 and 100, which was a result of empirical research on 93 states around the world (Hofstede et al., 2010).

These six dimensions include:

- I.* Power Distance: The extent to which less powerful members of society accept and expect power differences.
- II.* Individualism vs. Collectivism: The degree to which individuals are integrated into groups, focusing on personal achievement or the welfare of the group.
- III.* Masculinity vs. Femininity: The distribution of roles between genders, where masculinity emphasizes achievement and material success, while femininity focuses on quality of life and nurturing.
- IV.* Uncertainty Avoidance: The level of discomfort a society has with uncertainty and ambiguity, with higher levels seeking structure and rules.
- V.* Long-Term vs. Short-Term Orientation: The focus on long-term planning, persistence, and future rewards (long-term) versus valuing tradition, immediate results, and social obligations (short-term).
- VI.* Indulgence vs. Restraint: The extent to which a society allows for the gratification of desires and enjoyment (indulgence) compared to controlling and regulating desires through social norms (restraint).

These dimensions provide a framework for comparing cultural differences between countries (Hofstede et al., 2010). In corporate life, this is manifested by, for instance, decision-making at the group level with the corresponding group responsibility or supporting hierarchical structure, top-down from the higher managerial positions. When cultural practices in a joint venture, for example, are not recognized or acknowledged, it can result in misunderstandings, conflicts among managers, and difficulties in communication and collaboration (Robson, Katsikeas, Schlegelmilch, & Pramböck, 2019).

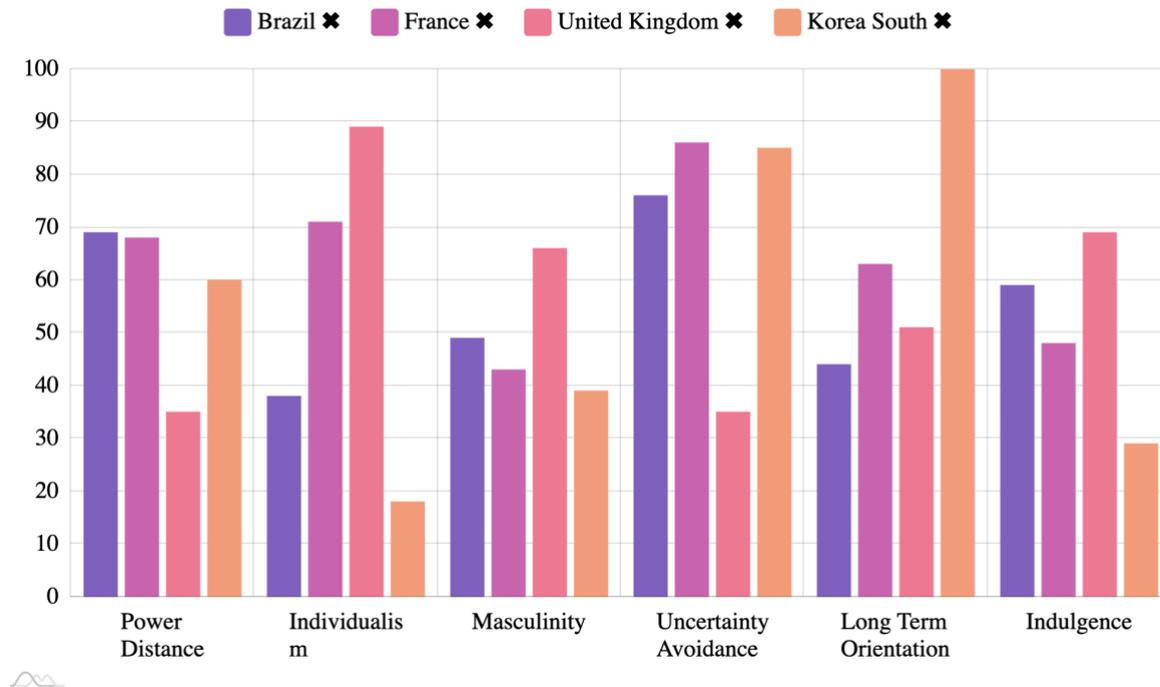


Fig.1 Cultural dimension comparison: Brazil, France, United Kingdom, and South Korea (Hofstede Insights, 2025)

Figure 1 for example compares Brazil, France, the United Kingdom, and South Korea across Hofstede’s six cultural dimensions. The results show significant contrasts that help explain managerial and organizational behavior across these contexts. Brazil and France score relatively high on power distance (69 and 68), reflecting hierarchical work cultures, while the United Kingdom (35) is far more egalitarian. Individualism is strongest in the UK (89) and France (71), which aligns with more autonomous and individual-centered approaches to work, in contrast with Brazil (38) and South Korea (18), where collectivism dominates. Masculinity is highest in the UK (66), suggesting competitiveness and achievement orientation, whereas South Korea (39) and France (43) reflect more balanced gender role expectations.

Uncertainty avoidance is strongest in France (86), followed by Brazil (76), reflecting a preference for structure and predictability, while the UK (35) is more tolerant of ambiguity. Long-term orientation is particularly salient in South Korea (100), illustrating a future-oriented perspective, while Brazil (44) and the UK (51) are more short-term oriented. Finally, indulgence varies across the cases: the UK (69) and Brazil (59) favor leisure and enjoyment, while South Korea (29) and France (48) are more restrained cultures (Hofstede Insights, 2025).

These differences highlight why multinational enterprises such as Renault face complex challenges in integrating subsidiaries across borders. Leadership, governance, and knowledge management cannot follow a one-size-fits-all model but must adapt to different cultural expectations around hierarchy, time, risk, and motivation. This comparative perspective reinforces the importance of cultural intelligence and adaptive management strategies for successful post-entry integration.

The second layer of culture, organizational culture, should be described as well, as it also has an impact on cross-national operations. Schein (2004) defines it as the shared assumptions, values, and routines that guide employee behavior-elements which become especially salient during post-acquisition integration phases. Strategies such as assimilation, separation, integration, or deculturation (Nahavandi & Malekzadeh, 1988) influence whether cross-border teams succeed in harmonizing practices or face discord. Some of the researchers considered, that organizational culture differences may have an even more intense effect on the partners within strategic alliances (Pothukuchi, Damanpour, Choi, Chen, & Park, 2002).

Organizational culture is manifested through “the climate and practices that organizations develop around their handling of people, or to the espoused values and credo of an organization” (Schein, 2004, p. 7). Hence, the main difference between organizational and national cultures is that the latter differs mostly on the level of values, while the former differs at the level of practices, and is easier to be changed since national culture influences individuals from a very young age (Hofstede et al., 2010).

When entering culturally distant countries, firms face greater uncertainty - not only about customer behavior and regulatory compliance, but also about how their own management practices will be perceived and whether they can build trust with local stakeholders. For this reason, many scholars have argued that high cultural distance often leads firms to adopt low-commitment entry modes such as exporting, licensing, or contractual partnerships. These strategies allow firms to test the waters without making heavy resource investments, and offer the flexibility to adjust or exit if challenges arise (Gatignon & Anderson, 1988; Kim & Hwang, 1992).

However, this perspective is not universally supported. Other researchers, most notably Buckley and Casson (1996), suggest that greater cultural distance may actually encourage high-control entry modes, such as wholly owned subsidiaries or acquisitions. Their reasoning is that operating in unfamiliar cultural contexts increases the need for coordination, strategic alignment, and control over operations. In this view, MNCs might be more inclined to internalize operations precisely to avoid misunderstandings or dependency on culturally

misaligned partners. This divergence in theoretical perspectives reflects the complexity of the issue. While cultural distance has been studied in relation to entry mode choice, M&A performance, international diversification, and subsidiary behavior (Gomez-Mejia & Palich, 1997; Morosini et al., 1998), empirical findings remain inconsistent. Tihanyi et al. (2005), in a comprehensive meta-analysis of 66 studies, found no strong, consistent relationship between cultural distance and entry mode. Instead, they argue that cultural distance may function as a moderating variable, influencing outcomes based on the specific context, the firm's capabilities, and the industry in question. This ambiguity in the literature is both a limitation and an opportunity for this research to explain the role of culture in international business strategy. However, the notion of cultural distance is far from being straightforward. Scholars such as Shenkar (2001, 2012) have criticized its conceptual and methodological consistency, pointing out issues like the illusion of symmetry, linearity, and stability. More recent critiques by Beugelsdijk, Ambos, and Nell (2018), and Cuypers et al. (2018), reinforce this position, suggesting that cultural distance is often treated as a "black-box" variable that may oversimplify or distort the complexity of cross-cultural interactions. Despite this, cultural distance remains widely used in empirical studies. Tihanyi et al. (2005) and Griffith et al. (2021) emphasize the importance of considering cultural distance as a moderating variable rather than a direct predictor of firm behavior. This is supported by findings from institutional theory, which posit that firms' adaptation to local norms, laws, and practices is influenced by broader institutional and cognitive distances (Berry et al., 2010; Lu & Ma, 2022).

A growing body of research examines cultural distance not only as a strategic barrier but also as a key factor shaping knowledge transfer and post-entry integration. Cultural distance, thus, becomes more than a contextual variable - it is a strategic concern influencing everything from entry strategy to post-entry organizational design and knowledge management.

2.3 Cross-Cultural Dynamics, Leadership, and Knowledge Flow

In the current landscape of international business, achieving success goes far beyond the deployment of capital or technological infrastructure. It increasingly depends on an MNC's capacity to understand and operate within the cultural, legal, and social realities of the host countries in which it operates. The concept of cultural intelligence (CQ) has therefore emerged as a strategic capability for navigating these complexities. As Reynolds (2024) argues, cultural intelligence is not just a soft skill - it is a competitive advantage that allows companies to

effectively localize their global strategy, anticipate friction, and build lasting relationships in foreign markets.

The academic literature supports the view of emphasizing that cultural variation is central to how organizations function across borders. The GLOBE study (House et al., 2004) provided robust empirical data linking cultural attributes to leadership styles and organizational effectiveness. These studies underline the need for multinational firms to build intercultural competence into their operational design, leadership development, and communication practices. This is equally important for the knowledge flow, misalignments in communication styles and organizational norms often hinder cross-border knowledge sharing (Ahammad et al., 2016; Chua et al., 2015; Nadolska & Barkema, 2014), whereas cultural alignment has been shown to facilitate innovation and performance by enabling more effective integration of knowledge (Basuil & Datta, 2015; Wang et al., 2020). Weber et al. (1996) note that many M&A failures are not due to poor financial judgment but to overlooked cultural incompatibilities. This resonates with Bartlett and Ghoshal's (1989) broader observation that successful global organizations are those that can simultaneously maintain global consistency and enable local responsiveness. This dual capability requires a high degree of organizational agility and cultural reflexivity.

Cross-Cultural Knowledge Management

Knowledge Management (KM) is the systematic process of creating, sharing, using, and managing knowledge to add value and support organizational learning. It involves the coordination of people, processes, and technology to foster innovation and reuse knowledge (Dalkir, 2005). KM also helps organizations transform intellectual assets into value (Uriarte, 2008). The SECI model by Nonaka and Takeuchi (1995) explains how knowledge evolves between tacit and explicit forms within organizations. Ultimately, KM ensures that valuable expertise is captured and applied to improve performance and adaptability.

Knowledge management further shapes the success of international integration. De Long and Fahey (2000) caution that even well-designed knowledge infrastructures may underperform in the absence of a culture that supports collaboration and trust. Nonaka and Takeuchi (1995) emphasize that tacit knowledge - deeply embedded in people rather than systems - is vital to innovation and is best transferred through trust-based, leader-facilitated interactions. This is especially important in culturally fragmented organizations like Renault, where centralized strategies must remain compatible with localized knowledge and capabilities.

In the case study of a U.S.-based MNC with a Sri Lankan subsidiary, Sapuarachchi (2021) finds that cultural distance substantially affects the effectiveness of inter-organizational knowledge transfer (IOKT). The study applies Trompenaars' (1993) cultural dimensions to reveal how conflicting cultural orientations such as universalism vs particularism, individualism vs communitarianism, and achievement vs ascription-shape participation, initiative, and trust during knowledge-sharing sessions. For example, while U.S. managers tend to encourage proactive participation, Sri Lankan employees often wait for explicit instructions due to hierarchical cultural conditioning. This mismatch can unintentionally limit bottom-up feedback, leading to incomplete transfer or misinterpretation of knowledge (Sapuarachchi, 2021). In multicultural MNEs, differences in time orientation (sequential vs synchronous) and relationship models (specific vs diffuse) led to scheduling frictions and different expectations around multitasking. Furthermore, post-integration communication was strained by employees' reluctance to voice concerns, rooted in ascription-oriented cultural norms-affecting both the depth and reciprocity of knowledge exchange (Sapuarachchi, 2021).

Diverse teams bring multiple perspectives to problem-solving, which is particularly valuable in international strategy execution, where adaptability and contextual understanding are essential. The key lies in creating an environment of psychological safety, a concept defined by Edmondson (1999) as a climate where team members feel safe to express opinions, raise concerns, and take interpersonal risks without fear of being judged or marginalized.

As Brown and Treviño (2006) argue, ethical leaders foster an environment of trust and psychological safety, both of which are critical when teams must adapt to new systems, roles, or ways of working. Kroumova and Mittal (2023) add that exposure to cross-cultural training and global work experience significantly reshapes managerial outlook and enhances international team effectiveness. However, they also highlight that simply living abroad does not guarantee a global mindset-underscoring the importance of targeted interventions like structured interviews and cultural intelligence assessments in recruitment and leadership development. The strategic importance of knowledge management on a cross-cultural environment has been further substantiated in more recent studies. Kianto et al. (2014) and Giacosa et al. (2017) argue that the integration of intangible resources - especially knowledge - is essential for sustained innovation and long-term value creation. Cabrilo and Dahms (2018) support this by emphasizing that knowledge must be actively managed through organizational processes and leadership behaviors. Meanwhile, Teece et al. (1997) and Lee et al. (2013) affirm that intangible assets alone cannot generate value unless combined with coherent knowledge

processes. A systematic approach to managing knowledge - as proposed by Andreeva and Kianto (2012), Donate and de Pablo (2015), and Hussinki et al. (2017) - includes activities such as knowledge creation, flow management, and application. Such practices, when integrated across the firm, especially diversified ones, enhance the firm's capacity to innovate and adapt. In essence, cross-cultural leadership and knowledge management are not separate domains but deeply intertwined. A dynamic and inclusive organizational culture, supported by culturally intelligent leadership, creates a fertile environment for knowledge flow and strategic learning, especially crucial for global firms like Renault navigating integration across 114 diverse national contexts.

2.4 Global Strategy and Organizational Dynamics on the Automotive Industry

The automotive industry plays a pivotal role in shaping both economic development and societal transformation, standing as one of the most dynamic and influential manufacturing sectors globally (Smerichevskyi et al., 2018; Mathivathanan et al., 2018). Its interconnection with manufacturing and services highlights its economic relevance, especially in emerging markets (Mohiuddin et al., 2017; Shukor et al., 2017). However, globalization has not only intensified opportunities for growth and collaboration but also introduced complex challenges in competitiveness and strategic adaptation (Lamprecht & Tolmay, 2017).

The globalization of the automotive industry has prompted firms to adopt diverse and evolving strategies to remain competitive in increasingly interconnected markets. Belis-Bergouignan, Bordenave, and Lung (2000) argue that no single organizational model universally applies across all firms in the sector. Instead, automotive companies adapt their structures based on competencies and contextual challenges, leading to distinct organizational trajectories shaped by both synchronic and diachronic transformations. This evolutionary perspective frames internationalization as a learning process, wherein firms develop unique capabilities over time. In this sector, the choice of entry mode becomes especially strategic. Full acquisitions provide high levels of control, which can be essential when innovation cycles are fast and integration needs to be tight. But they also come with high demands in terms of post-merger coordination and resource allocation. Alliances, on the other hand, allow more autonomy to local units but require a very strong alignment of strategic goals and mutual trust to work. Inkpen (2001) highlights this trade-off, and Fernandes, Gouveia, and Pinho (2014) offer further insight by

historically emphasized localized production and frugal innovation, tailoring products to the specific needs and purchasing power of diverse market (Pardi, 2019).

Cultural dynamics further complicate international collaboration and integration in the automotive sector. Recent scholarship shifts from viewing culture as a passive background variable to treating it as a strategic asset. Cultural friction, as noted by Li (2023), can undermine joint ventures unless mitigated through deliberate “bridging” mechanisms. Konara and Mohr (2023) find that including culturally proximate partners enhances communication and strategic alignment. Supporting this, KPMG (2021) advocates for structured intercultural leadership programs, while Demirbağ et al. (2024) empirically demonstrate that trust and reduced cultural distance significantly improve joint venture performance. To give an example of the influence of cultural distance in the automotive sector, the case of the failure of the Daimler-Chrysler-Mitsubishi alliance. Formed in 2000, this partnership lasted only 69 months, primarily due to various internal challenges. A significant issue was the considerable cultural gap between the American-European and Japanese automakers, which was not adequately addressed. For instance, German and American managers, who were tasked with uniting the companies and addressing Mitsubishi's financial difficulties, misunderstood a “yes” response from their Japanese counterparts. In Japanese culture, a “yes” often means “I hear you” rather than an agreement to take action, leading to miscommunication. This lack of understanding of cultural differences resulted in poor collaboration, a lack of trust, an authoritarian approach to decision-making, and an absence of synergies and strategic alignment, all of which are critical for the success of such ventures (Gill, 2012). Together, these studies highlight the need for a more fluid, contextual, and culturally aware approach to global strategy in the automotive industry. Success depends not only on structural choices or integration models but also on the ability to manage complexity, foster innovation, and navigate the cultural dimensions of international operations. Firms like Renault must manage culturally diverse subsidiaries operating under unified corporate standards while enabling market-specific adaptations and taking into account cultural differences.

2.5 Synthesis and Research Gap

Looking across the existing literature on internationalization, entry modes, and cultural integration, we observe a solid foundation of theories and strategic models. Much has been written about how firms become international and choose their entry strategies, manage global expansion, and account for cross-cultural complexities at a macro level. However, while strategic frameworks are well developed, there is considerably less focus on how integration processes unfold at the operational level, especially within the multicultural teams that are responsible for executing these strategies.

This gap becomes particularly evident when moving from strategic intentions to the actual human interactions and team dynamics that define day-to-day collaboration. Questions such as how employees interpret integration initiatives, how cultural differences influence trust and communication, and how alignment is built across geographically dispersed teams remain underexplored. In other words, while we know that integration is important, we still know too little about what integration feels like and looks like from the inside.

Another underdeveloped area concerns the interdependence between leadership, organizational culture, and knowledge sharing. These elements are often treated as separate domains, when in reality, they are deeply interconnected in shaping successful integration. Knowledge sharing, in particular, is a critical yet fragile process in multinational contexts. It requires more than technological infrastructure: it depends on trust, shared understanding, and culturally sensitive communication. Differences in language, power distance, or work norms can act as subtle barriers that weaken knowledge flows between headquarters and local subsidiaries, or among international teams.

This thesis seeks to contribute to closing this gap by connecting strategy with lived experience. Through a focused case study on Renault, it explores how integration is actually experienced by individuals working in diverse, cross-border environments. It investigates how cultural differences shape trust and coordination, how leadership influences team cohesion, and how knowledge is shared, or fails to be shared, across national boundaries. In doing so, the research aims to move beyond abstract theory and offer insights that are both conceptually meaningful and practically relevant for firms managing international growth in real-world contexts.

The latter element constitutes the core focus of this thesis, which seeks to answer the following research question:

How do strategic entry modes and cross-cultural integration practices affect organizational performance during international expansion, and what insights can be drawn from Renault's experience in navigating cultural complexity across global subsidiaries?

3. Methodology

In this chapter, the methodology adopted in order to answer the research question will be described in detail. In the first section, the research design is presented, explaining the rationale behind the choice of a qualitative approach and the relevance of qualitative data in capturing the complexity of international expansion and cross-cultural integration from different perspectives. The second section outlines the data collection method, based on semi-structured interviews with managers and employees involved in Renault's international operations. The third section illustrates the data processing and analysis, which was carried out using thematic coding inspired by the Gioia Methodology. This approach allowed the identification of first-order concepts, second-order themes, and aggregate dimensions that reveal how strategic entry modes and cultural dynamics impact organizational integration during international growth.

3.1 Research Design

This thesis adopts a qualitative, exploratory case study design, aiming to investigate how strategic entry modes and cross-cultural integration practices influence organizational performance during international expansion, with a specific focus on Renault's experience in managing cultural complexity across global subsidiaries. Given the complexity and context-specific nature of these phenomena, a case study approach enables in-depth exploration of real-life organizational practices and individual perceptions within a bounded setting. The research follows an interpretivist epistemology, seeking to understand how cultural and strategic decisions are experienced by individuals and embedded in organizational routines. The goal is not to generalize statistically, but to develop context-rich insights into the relational and behavioral dimensions of global strategy implementation.

This thesis adopts a process model, which is aligned with qualitative research. This approach does not rely on statistical techniques or hypothesis testing but instead aims to construct a narrative explanation of how and why certain phenomena unfold over time. In this framework, the research question is not approached through predefined hypotheses, but through inductive exploration, seeking to "discover", "explore", and "understand" emerging patterns-especially those related to the behavior, decisions, and perceptions of individuals involved in cross-cultural integration (Hammarberg, Kirkman, & de Lacey, 2016).

The process model is particularly well suited to studying evolving, dynamic processes such as cultural integration, organizational learning, or knowledge transfer in multinational contexts. The choice of a qualitative process model is justified by the nature of the research topic. The goal is not to quantify relationships, but to understand how integration challenges and strategic decisions are experienced, interpreted, and managed by individuals in real organizational contexts. This approach enables to identify generative mechanisms - such as trust-building, adaptation, or resistance - and to examine the specific contingencies (e.g., cultural distance, leadership style, team configuration) under which these mechanisms operate. This methodological perspective also allows for a deeper analysis of how phenomena emerge, develop, evolve, or terminate over time. The aim of this process is to reconstruct the sequence of events, identifying meaningful patterns and underlying dynamics that explain organizational behavior in cross-border settings in the specific corporate group of Renault.

Gioia Methodology

Aligned with the principles of Grounded Theory (Glaser & Strauss, 1967), this study seeks to build conceptual understanding from the bottom up. While initial knowledge and literature review about the topic provides a conceptual orientation, the theoretical framework is not fixed in advance. Instead, insights are derived directly from the empirical data, allowing the theory to emerge from the field rather than being superimposed. This approach is further informed by the methodological contributions of Eisenhardt (1989) and Gioia et al. (2013), which emphasize the importance of iterative comparison between data and emerging constructs. The research process is therefore designed to be flexible and responsive, enabling the identification of new, potentially unexpected insights that might be overlooked in more rigid, hypothesis-driven designs and that are naturally collected by the flow of the conversations with participants.

To analyze the qualitative data collected through semi-structured interviews, as said this research adopts the Gioia Methodology - a widely recognized qualitative research approach that aims to bring rigor, transparency, and systematic structure to inductive theory building (Gioia, Corley, & Hamilton, 2013). The Gioia Methodology is particularly suited to single case studies, where the goal is to develop a process-based theoretical explanation grounded in empirical evidence.

The methodology responds to a key challenge in qualitative research: how to analyze complex textual data (e.g., interview transcripts) and move from raw informant expressions to abstract

theoretical insights, while maintaining a close link between the participants' voices and the emerging concepts.

Data collection and analysis occurred in parallel, consistent with the principles of grounded theory (Glaser & Strauss, 1967). Initial interviews were analyzed immediately, and new participants were selected using a theoretical sampling logic, often guided by insights emerging from previous interviews (Strauss & Corbin, 1998) - in some cases future candidates were selected thanks to others' indication, based on the profile's similarity. This allowed the study to evolve dynamically, adjusting focus areas and refining data collection as the coding process progressed. Data collection was stopped once theoretical saturation was reached - i.e., when additional interviews no longer yielded novel insights (Busetto, Wick, & Gumbinger, 2020).

The Gioia Methodology was used to structure the analysis in three iterative coding stages. First, informant-centric expressions were extracted verbatim from the interviews and grouped into initial categories based on recurring ideas and similarities, without interpretation (Gioia et al., 2013). Then, more abstract, researcher-centric concepts were developed to explain and connect the first-order codes, representing emerging theoretical patterns (Thomas, 2006). Finally, these second-order themes were clustered into a few aggregate dimensions, which capture the core mechanisms and dynamics observed in the data and form the theoretical foundation of the research (Langley & Abdallah, 2011). This structured process supports transparency and analytical depth, making the Gioia Methodology an effective tool for inductive theory building.

3.2 Data Collection

In line with the discussion of the previous section, and in order to answer the research question, primary data were collected using a qualitative research approach through semi-structured interviews. This method, as defined by Saunders et al. (2019), is non-standardized and allows for flexibility in the phrasing and order of questions, enabling the interviewer to adapt to each respondent and delve deeper into specific concepts.

This approach facilitated the collection of personal experiences, opinions, and interpretations from individuals directly involved in cross-cultural collaboration and integration processes within the multinational context of Renault Group. Semi-structured interviews enabled open yet guided conversations, generating rich data on how organizational actors interpret and respond to strategic entry and integration challenges.

For this thesis, ten semi-structured interviews were conducted with Renault Group employees engaged in international projects and cross-border teams. Participants held positions across a range of functional areas - such as project management, HR, operations, and international coordination - and were located in both headquarters and subsidiaries, ensuring a broad yet focused perspective on the organizational dynamics under investigation.

A purposive sampling strategy was adopted to select participants able to provide informed insights into cross-cultural collaboration and strategic integration. The sample included individuals from various hierarchical levels and with diverse professional backgrounds and experiences. Participants were selected based on their alignment with the profile relevant to this thesis - specifically, managerial roles with international experience, who had been involved in or had witnessed post-entry or post-acquisition integration processes in markets different from that of the corporate headquarters, particularly within Renault Group subsidiaries. All participants were granted full anonymity, and informed consent was obtained.

The interview questions were developed from the literature review and aimed to explore core dimensions of cross-cultural integration such as organizational coordination, trust and communication, and knowledge sharing. The design also sought to understand how these factors are shaped by entry modes and both perceived and experienced cultural distance.

The interview guide consisted of approximately 20 open-ended questions, offered in English, Italian, or French depending on participant preference. Questions were structured into three thematic sections: strategic entry experience, cultural integration practices, and personal/team dynamics. Probing questions - such as "Could you tell me more about that?" or "How did you

experience that situation?” - were used frequently to prompt deeper reflection and insight (Saunders et al., 2019). Participants were initially contacted via email or Microsoft Teams messages using internal networks of Renault Group. Interviews were conducted remotely via Microsoft Teams or in person at the Paris office (with one exception conducted in the Istanbul office), depending on participant preference. To enhance transparency and data quality, the interview questions were shared with participants in advance. This practice supported participant preparation, contributed to clearer and more thoughtful responses, and is recognized for improving reliability and credibility in qualitative research (Saunders et al., 2019).

The interviews were conducted during June and July 2025. Each session lasted between 40 and 70 minutes, with an average duration of approximately 55 minutes.

While most interviews followed the structure of the interview guide, some evolved into more open conversations, as participants chose to share insights via personal narratives or pre-prepared notes. In all cases, the interviewer ensured that core research themes were adequately covered. To respect confidentiality and corporate sensitivity, participant names were anonymized. When granted, interviews were audio-recorded and later transcribed and translated into English - as some interviews were originally conducted in Italian or French. For those who declined recording, detailed notes were taken to preserve accuracy and completeness. The study followed ethical research practices. Participants were informed of the study's purpose, their voluntary participation, and their right to withdraw at any time. All data were securely stored and anonymized. Participants agreed to share their job titles, which were considered key to understanding international mobility and leadership dynamics within the group. The research received no external funding and was conducted without institutional bias. The dual role of the researcher - as both insider and investigator - was carefully managed through critical reflexivity, with potential biases acknowledged throughout the research process.

Each interview began with general introductory questions to build rapport and identify the participant's profile, such as: “Could you briefly describe your role within the organization?”. These were followed by topic-specific questions aligned with the research objectives. Sessions concluded with reflective prompts to gather final insights and personal perceptions of the processes experienced within the organization. A summary of the interview process and anonymized participant profiles is presented in Table A, while the full interview guide and transcripts are provided in Appendix.

Respondents	Date of the meeting	Role	Interview length	Setting
Respondent 1	15/05/2025	CEO Renault Group Turkey	1 hour	On-site Renault Turkey
Respondent 2	26/06/2025	Brand Director Portugal	1 hours and 10 minutes	Teams
Respondent 3	08/07/2025	Marketing Manager Korea	45 minutes	Teams
Respondent 4	08/07/2025	Corporate Digital Manager	45 minutes	On-site HQ Paris
Respondent 5	09/07/2025	Sales Manager Romania	40 minutes	Teams
Respondent 6	10/07/2025	PhD Expert in Multicultural Management	1 hour	Teams
Respondent 7	15/07/2025	Corporate Product Manager	45 minutes	On-site HQ Paris
Respondent 8	15/07/2025	Partnership Nissan Director	1 hour	Teams
Respondent 9	24/07/2025	Project Manager Corporate	1 hour	On-site HQ Paris
Respondent 10	30/07/2025	CEO MFS France	1 hour	Teams

Table A

3.3 Data Processing

The data analysis process adopted in this research was guided by the structured methodology of the Gioia Method (Gioia, Corley, & Hamilton, 2013), which emphasizes systematic inductive coding to derive theoretical insight from qualitative data. The foundation of this

approach lies in constructing a transparent and conceptually grounded data structure - a tool that captures how raw data evolve into theoretical constructs through layered interpretation.

A particularly relevant application of this method is presented by Grøgaard, Colman, and Stensaker (2022), who developed a multi-stage data analysis protocol in their longitudinal study of a Nordic multinational enterprise. Their research illustrates how organizations respond to evolving strategic pressures across geographies and time, using semi-structured interviews as the primary data source.

Their process unfolded in three distinct stages:

- I.* First-order analysis involved identifying recurrent expressions and concrete themes in the raw interview data, while staying close to the language used by respondents. These captured how actors described strategic tensions between global integration and local responsiveness.
- II.* Second-order coding adopted a more abductive and interpretive approach. Using constant comparison techniques, the researchers contrasted emergent patterns with existing literature and theoretical frameworks, allowing for theory-building grounded in empirical reality.
- III.* Finally, they consolidated the data by aggregating 1st- and 2nd-order insights into aggregate dimensions, resulting in a robust and transparent data structure that linked informant language to conceptual categories.

Inspired by this process, the present thesis followed a similar step-by-step method.

All interviews were recorded via Microsoft Teams, which offers built-in transcription functionality, allowing for real-time capture of the dialogue. As previously mentioned, some interviews were conducted in Italian, French, or English depending on participant preference; all transcripts were subsequently translated into English to ensure consistency of language throughout the thesis. Translations were performed with great care to avoid any loss of meaning or nuance during the process.

Transcripts were coded using TurboScribe software to ensure traceability and consistency across themes. The analysis began with the identification of first-order categories directly derived from participant narratives. These were iteratively refined into second-order themes, informed by both theory (e.g., entry mode strategy, cultural distance, knowledge sharing) and recurring empirical patterns. Finally, the analysis culminated in the construction of aggregate dimensions, capturing the deeper dynamics of cross-border integration processes within Renault Group.

This rigorous approach ensured that both data-driven and theory-informed insights could emerge, providing a strong analytical foundation for the findings presented in the next sections. The following data structure (Table B) represents the coding phase of the Gioia methodology adopted in this research. After carefully analyzing all the interview transcripts, I manually identified the first-order concepts, second-order themes, and corresponding aggregate dimensions. These dimensions reflect the key dynamics observed in the post-entry integration process at Renault, covering areas such as strategic entry and integration, cultural dynamics, knowledge management, leadership and governance, and organizational cohesion.

This process aimed to ensure a coherent and insightful analysis of the retrieved data, aligning it with the theoretical framework and objectives of the thesis. For additional details regarding the coding procedures, please refer to the appendix.

First Order Concepts	Second Order Themes	Aggregate Dimensions
Use of joint ventures, acquisitions, or subsidiaries depending on market context	Strategic entry modes	Post-entry strategy and integration processes
Adaptation of entry mode to regulatory and cultural environments		
Operational and cultural challenges during integration	Integration complexity	
Misalignments between pre-existing structures and group systems		
Resistance or loss of talent due to role redefinition		
Tension between centralized strategies and local execution	Global-local strategy alignment	
Flexibility in operational branding and market activation		
Recognition of differences in communication and decision-making styles	Cross-cultural awareness	Cultural dynamics in integration

Need for cultural sensitivity in implementing corporate processes		
Variability in acceptance of hierarchy and autonomy across contexts	Power distance and authority	
Impact of national culture on leadership interaction and delegation		
Importance of being perceived as a local vs. foreign brand	Cultural identity and perception	
Cultural legitimacy as a trust-building factor in integration		
Use of digital tools and structured routines to share practices	Knowledge sharing mechanisms	Knowledge management and learning
Role of HQ in identifying and distributing best practices		
Language, hierarchy, and organizational silos limiting fluid exchange	Barriers to knowledge flow	
Lack of standardization in sharing methods across units		
Scaling of local innovations to other markets	Learning from experience	
Limited institutionalization of learning from past integrations		
Coexistence of directive, participative, and consensus-based leadership	Leadership style variability	Leadership and governance
Influence of individual manager traits on leadership expression		
Differences in hierarchy, office layout, and reporting practices	Governance structure	
Alignment between corporate policies and local employment norms		

Limited structured opportunities for cross-border project work	Cross-unit collaboration	Collaboration and organizational cohesion
Dependence on HQ as the central point of coordination		
Desire for more direct interaction between local teams	Horizontal integration	
Need for incentives to foster transnational cooperation		
Value of physical exchanges and informal knowledge sharing	Intercultural teamwork	

Table B

4. Case Study: Renault Group's International Expansion

This chapter presents the rationale for selecting Renault Group as the central case study and explores the company's relevance in addressing the core research objectives of this thesis. Drawing from both empirical access and theoretical alignment, the chapter positions Renault as a meaningful and strategic choice to investigate the organizational dynamics of international expansion, with a particular focus on cross-cultural integration, entry strategies, and knowledge transfer within multinational enterprises (MNEs).

Renault Group offers a compelling context for this study due to its long-standing presence as a global automotive manufacturer operating in over 130 countries, and its history of navigating diverse institutional environments through various modes of internationalization - including acquisitions, joint ventures, and greenfield investments. This diversity provides fertile ground for exploring how multinational firms balance global strategic imperatives with local responsiveness in the post-entry integration phase.

In particular, Renault's evolution over the past two decades - from European-focused operations to a broader footprint across Latin America, North Africa, Asia, and more recently strategic partnerships in emerging markets - demonstrates the type of complex international expansion that brings to the fore issues of cultural distance, knowledge coordination, and leadership adaptation. These are precisely the themes investigated in this research.

Furthermore, the selection of Renault Group is grounded not only in its empirical richness, but also in my personal professional involvement with the company. As a current employee based at Mobilize Financial Services, one of the brands of Renault Group, at their global headquarters in Paris, I was granted privileged access to internal teams, documentation, and key informants. This insider position enabled me to conduct in-depth, semi-structured interviews with individuals operating across various functional areas and international contexts. While maintaining the necessary ethical boundaries and analytical distance, this direct engagement allowed for a deeper understanding of how integration is experienced and negotiated across geographic and organizational boundaries.

The dual role of practitioner and researcher enriched the quality of insights, while also requiring a reflexive stance throughout the data collection and analysis process. As Eisenhardt (1989) suggests, case studies benefit significantly from proximity to the subject, provided that the researcher maintains methodological rigor and transparency. In line with this, measures were

taken to ensure objectivity, including the anonymization of participants, triangulation of data sources, and the application of an established coding framework.

Ultimately, Renault's real-world relevance and the feasibility of data access made it a highly suitable case through which to explore broader theoretical questions related to multinational strategy, intercultural collaboration, and post-entry integration. Beyond contributing to the academic field of international business, this case also adds reflective value to my own experience working at the intersection of corporate strategy and cross-border operations - making this research both intellectually and professionally meaningful as the culminating project of my Master's journey of Double Degree Program in Management and International Business at Luiss and Paris Dauphine universities.

4.1 Overview of Renault's Global Strategy

Founded in 1899 by Louis Renault and his brothers, Renault Group is one of the oldest and most influential players in the global automotive industry. Headquartered in Boulogne-Billancourt, near Paris, the company has evolved from a small carmaker to a global player in the automotive industry. Renault is nowadays recognized for its innovation, competitiveness, and continuous commitment to sustainable mobility.

The company quickly gained recognition also for its innovative engineering, producing the first sedan with a closed body and becoming a pioneer in industrial production techniques in France. During the first half of the 20th century, Renault established itself as a key military and commercial vehicle producer, particularly during both World Wars. Following World War II, the French government nationalized Renault, making it a state-owned company until its partial privatization in the 1990s. As of today, the French government remains a key stakeholder in Renault, holding approximately 15% of the company's shares, reflecting the strategic importance of the automotive sector to national industrial policy. From the 1980s onward, Renault underwent significant restructuring and strategic reorientation to respond to increasing global competition and changing market demands. It was privatized in 1996, marking a shift toward a more market-driven governance model (Renault Group, 2021).

In terms of corporate structure, Renault operates within a complex network of strategic partnerships and alliances. A defining moment came in 1999, when Renault entered a strategic alliance with Japanese carmaker Nissan - later joined by Mitsubishi in 2016 - creating one of the largest automotive alliances in the world. The Renault-Nissan-Mitsubishi Alliance enabled

cross-border integration of operations, platforms, and R&D efforts, while maintaining each firm's cultural and operational autonomy. This is a cross-shareholding structure that allows the three companies to collaborate on research and development, manufacturing, and procurement while maintaining their distinct brand identities. This alliance is one of the largest automotive groups in the world by volume. Throughout its history, Renault has produced several iconic and commercially successful models such as the Renault 5, Clio, and Mégane. The brand has long been associated with accessible, everyday transportation for the European consumer. In recent years, Renault has emerged as a pioneer in the electric vehicle (EV) sector with its Zero Emissions (Z.E.) range, positioning itself as a key player in the transition toward decarbonized mobility (Renault Group, 2021).

Today, Renault Group comprises several brands: Renault, Dacia, Alpine, Mobilize, and Renault Samsung Motors, each with a distinct positioning and strategic focus. Being part of a group allows these brands to share technological capabilities, platforms, and global resources while maintaining specific market identities.

- Renault is the core brand focused on innovation, electrification, and mainstream mobility solutions.
- Dacia delivers essential, affordable vehicles with a strong value-for-money proposition.
- Alpine represents the sport and performance division, increasingly oriented toward electric sports cars.
- Mobilize is dedicated to new mobility models, data, energy services, and financial services that plays a crucial role in supporting the group's strategic transition by enabling access to mobility through innovative credit, leasing, insurance, and subscription models
- Renault Samsung Motors serves the South Korean market with regionally adapted vehicles.

Renault expanded aggressively in emerging markets during the 2000s and 2010s, including major investments in Brazil, India, Morocco, Russia (with AvtoVAZ), and more recently, in the startup ecosystem, such as the acquisition of the Spanish car-subscription platform Bipi in 2020. The company's strategic focus has shifted in recent years toward electrification, sustainable mobility, and digital transformation - pillars of the broader "Renaulution" plan announced in 2021 by CEO Luca de Meo, aimed at repositioning the group from volume to value (Renault Group, 2021).

Renault's history offers rich material for understanding how multinational firms evolve across industrial revolutions, navigate cultural complexity, and respond to technological disruption - all of which are central to the dynamics of global strategy and organizational learning.

4.2 Renault Group Strategy in Key Markets

Renault Group's internationalization strategy reflects a dynamic and context-sensitive approach to global market entry. In line with Meyer et al. (2009), multinational enterprises (MNEs) adapt their entry strategies based on the institutional and cultural environments of target countries. Renault adopted a dual strategy: acquisitions were typically used for mature or strategically important markets to ensure rapid access to resources and existing infrastructures (Slangen & Hennart, 2007), whereas greenfield investments and joint ventures were favored in emerging economies to enable gradual market entry and relationship building (Harzing, 2002).

This approach aligns with the integration-responsiveness framework proposed by Prahalad and Doz (1987), where global integration is balanced with local responsiveness. Renault's entry into Romania through the acquisition of Dacia, and into South Korea with Samsung Motors, exemplifies its use of acquisitions for fast market penetration. Conversely, its greenfield joint venture with Nissan in India allowed a more flexible and adaptive engagement in a culturally distinct and developing market.

The Renault-Nissan Alliance formed in 1999 provides a prominent example of hybrid market entry, combining equity-based cooperation and operational synergy. Renault's 36.8% acquisition of Nissan, coupled with Nissan's 15% stake in Renault, formed a cross-shareholding structure that institutionalized mutual trust and strategic alignment (Abu Farha, 2015). This structure allowed the two companies to collaborate across production, procurement, and R&D, while maintaining their brand identities.

Post-entry, integration becomes critical to realizing synergies. Renault's method involved a combination of top-down mechanisms - such as standardized onboarding, formal toolkits, and cross-functional integration teams - and bottom-up practices informed by local input. This echoes the findings of Larsson and Finkelstein (1999) and Schweiger and Goulet (2005), who argue that the most effective integrations blend structured guidance with local ownership and cultural learning.

A salient cultural integration challenge emerged due to divergent national business cultures. Drawing from Hofstede's cultural dimensions, Nissan's collectivist and hierarchical structure contrasted with Renault's more individualistic and flexible culture (Hofstede, 2001). Carlos Ghosn's introduction of a dual hierarchy system in Nissan exemplifies a strategic response to reconcile these differences, fostering innovation while preserving cultural legitimacy (Abu Farha, 2015). Crucially, the integration process benefited from the presence of "cultural brokers"- employees with cross-border experience who served as informal mediators of expectations, values, and behaviors. As Brannen and Salk (2000) note, such individuals are instrumental in reducing friction and ambiguity during international integration. Furthermore, Renault supported both formal knowledge-sharing platforms and informal social interactions, recognizing that knowledge absorption depends heavily on trust and socialization (Gupta & Govindarajan, 2000).

Renault's global strategy shows that entry mode is not only a structural choice, but also a foundation for the long-term success of cross-border collaboration. The ability to combine central direction with local adaptation, build cultural bridges, and institutionalize learning determines whether an MNE can sustainably integrate into diverse markets.

For what concerns the internal organizational structure of the Renault Group is built around a centralized headquarters in Paris, which serves as the strategic nerve center for the company's global operations. The HQ is responsible for setting long-term direction, overseeing group-wide initiatives, and coordinating with national subsidiaries across many countries. Frequent communication and alignment mechanisms - such as steering committees, transnational project teams, and shared platforms - ensure that corporate priorities are adapted locally and that innovations from the field are surfaced centrally. Many employees at the headquarters have previously worked in subsidiaries (e.g., in Spain, Italy, or Korea) or are preparing for future assignments abroad. This intentional mobility policy is designed to foster internal cohesion, create a shared corporate culture, and ensure that strategic vision is translated into operational realities. It also supports the circulation of tacit knowledge, helps bridge cultural differences, and strengthens trust between local and global teams: an essential component for managing integration in such a culturally and geographically diverse organization.

5. Empirical Findings and Analysis

This chapter presents the empirical findings emerging from the qualitative data collected through ten semi-structured interviews conducted with professionals within the Renault Group. The purpose of this analysis is to uncover the key dynamics that shape international integration processes, with particular attention to the interplay between strategic decisions, cultural realities, and organizational practices.

Following an inductive coding approach inspired by the Gioia methodology, the data were analyzed through multiple iterative cycles. From repeated and meaningful expressions in the interviews, numerous first-order concepts were identified. These concepts were subsequently grouped into 14 second-order themes, which reflect more abstract, theoretical categories capturing common patterns and mechanisms observed across the interviews. Ultimately, the second-order themes were clustered into five major aggregate dimensions, which represent the overarching dynamics central to Renault's international integration experience.

The five aggregate dimensions identified are:

- I.* Post-entry strategy and integration processes
- II.* Cultural dynamics in integration
- III.* Knowledge management and learning
- IV.* Leadership and governance
- V.* Collaboration and organizational cohesion

Each of the following sections (5.1 to 5.5) will be dedicated to one aggregate dimension. Within each, the related second-order themes and supporting first-order concepts will be unpacked, using illustrative verbatim quotes from the interview data. The analysis aims to show not only how each dimension manifests in practice, but also how it interacts with broader theoretical insights on international business strategy, cross-cultural management, and organizational integration. This chapter therefore constitutes the analytical core of the thesis, offering a grounded, data-driven understanding of Renault's internationalization experience and its internal organizational dynamics across subsidiaries and markets.

5.1 Post-entry Strategy and Integration Processes

Renault's international expansion offers a compelling example of how multinational enterprises (MNEs) strategically calibrate their entry modes in response to diverse institutional, cultural, and operational environments. Echoing Dunning's (2002) Eclectic Paradigm and later refinements such as Peng's (2009) strategy tripod and Ghemawat's CAGE framework, the interview data reveal a nuanced, context-sensitive approach to market entry and post-entry integration. The findings cluster around three core themes: strategic entry modes, local adaptation, and integration challenges.

In line with the OLI framework and transaction cost theory (Hennart, 1982; Anderson & Gatignon, 1986), Renault has employed a range of entry modes depending on the trade-off between risk, control, and local knowledge. The company's decision-making process reflects a blend of resource-seeking and market-seeking motives (Dunning, 1998), as well as Ghemawat's (2007) AAA strategies, particularly adaptation and aggregation. As one interviewee noted, *"The entry strategy has a significant impact on cultural integration."*

Strategic Entry Modes

In high-risk or culturally distant environments such as Russia and Turkey, Renault favored joint ventures (JVs):

"Historically, entering through a joint venture was the most viable option... Joint ventures help share investment risks and allow for mutual knowledge sharing and adaptability in such a volatile environment."

"In Russia, at that time, it was mandatory to work with another partner. Similarly, in Romania, with Dacia, Renault followed a strategic entry adapted to local realities."

"The entry strategy was to be a non-controlling partner with a local bank for a certain period before establishing a direct presence."

This approach aligns with the literature suggesting that Renault started to test the waters without making heavy resource investments (Gatignon & Anderson, 1988; Kim & Hwang, 1992) with alliances so to reduce the liability of foreignness (Hymer, 1976; Johanson & Vahlne, 2009) and facilitate access to critical local resources (Tower et al., 2021). By contrast, in more familiar or stable institutional environments - such as Spain, Portugal, and Italy - Renault opted for acquisitions and greenfield investments:

“In Spain... Renault initially acquired a local company, which was then progressively integrated into the group.”

“In Portugal and Italy, Renault entered through greenfield investments, creating wholly owned subsidiaries.”

“Entering Portugal was key because of cultural closeness with France (a large part of the population can speak French due to migration) and the success of the short-term rental market in the country.”

Local proximity and similar language and culture enabled Renault to enter these market in an easier way and exploit the available opportunities there.

Influence of Regulatory and Economic Factors

Entry decisions were also shaped by regulatory and financial considerations:

“Malta’s entry strategy was chosen because of its strong political and tax advantages.”

“Entry strategy in Romania enabled Renault to enter the Eastern market and sell cars in a country where manufacturing costs and salaries are lower. The group grew faster than it would have on its own, and other companies tried to replicate this success.”

From an economic perspective, the process often began with key questions:

- I. *“Is the market mature?”* - If not, and if car ownership is low, it is considered a growth market worth entering.
- II. *“Can I localize production?”* - Without a local factory, the company is vulnerable to exchange rate fluctuations. Local production also requires a supplier network and sufficient scale.

As one manager remarked:

“If the market is growing - meaning people are getting richer and can afford cars - then yes, it’s worth it. That is why the US will never happen: it is too mature and would require too much investment and brand awareness from scratch.”

These high-commitment strategies indicate Renault’s intention to establish strategic control (Verbeke & Kano, 2016), consistent with patterns found in developed markets (Dunning, 1988; Grant, 2016).

Local Adaptation and Glocal Strategy

Renault's approach reflects a glocal strategy - maintaining a global strategic core while adapting to local institutional and market realities (North, 1990; Hofstede, 2005; Grant, 2016).

As one interviewee put it:

"Each country has its own regulatory environment, so implementing the global strategy in a way that fits local conditions was key."

Examples of local adaptation include:

- Extending financing durations to 120 months in Portugal, negotiated as a local exception to make cars more affordable.
- Adopting an agent-based sales model in Romania instead of the traditional dealer network.
- Leveraging Dacia's status as a national brand in Romania to strengthen customer trust and cultural alignment after acquisition.
- Complying with specific regulatory requirements in Russia, which demanded additional coordination.

Such examples underscore the relevance of the institution-based view and the CAGE framework (Ghemawat, 2001) in shaping foreign market strategies. Renault's operational flexibility - becoming a fully licensed insurer in Malta or forming alliances in tightly regulated markets - illustrates strategic adaptability rooted in institutional analysis.

Despite well-informed entry decisions, post-entry integration often presented structural and cultural challenges. While equity-based entry modes offer control, they also demand deeper organizational alignment and cultural integration (Johanson & Vahlne, 2009; Eden & Miller, 2004).

Integration issues included:

- Inter-company cultural clashes, notably between Renault and Nissan:
"There were concerns from unions and a cultural mismatch. The integration meant merging two teams doing the same job, but in different ways."
- National cultural differences, such as between Romanian and French teams, which impacted mentality and working styles.
- System fragmentation, with each country using its own platforms, tools, and processes.

Governance changes sometimes provoked resistance and talent attrition:

“Some people from Nissan Financial took on key roles... others didn’t and eventually resigned due to frustration. That’s common in mergers: some benefit, others feel displaced.”

“They twice made employees reapply for their own jobs... change two lines and tell people: ‘If you want it, reapply.’”

In the case of Bipi’s acquisition, Renault sought to preserve the startup’s agility, but tensions emerged:

“Start-ups move fast but carry risks due to lack of procedures. MFS is very process-driven, so it was about finding a balance.”

These examples show that the cultural dimension extends beyond national differences to encompass organizational cultures and operational mindsets - whether corporate, startup, or joint-venture oriented.

Summary and Implications

Renault’s experience reinforces the literature on the *liability of foreignness* and post-acquisition integration difficulties (Aulakh & Kotabe, 1997; Carrère & Strauss-Kahn, 2017), highlighting the importance of balancing technical alignment with cultural sensitivity - an area often underestimated in international expansion (Fernandes et al., 2014).

Ultimately, Renault’s internationalization journey demonstrates:

- The strategic agility to adapt entry modes - JVs, acquisitions, or greenfield investments - to host country conditions.
- The necessity of tailoring operations to local regulations, cultural contexts, and market maturity.
- The reality that post-entry integration can be a critical bottleneck, requiring sustained attention to organizational cohesion and cultural intelligence.

Internationalization, in Renault’s case, is not a one-off decision but a multi-phase strategic process where continuous learning, integration sensitivity, and cultural awareness are as essential as the initial market entry strategy.

5.2 Cultural Dynamics in Integration

This section examines how cultural distance and differences in national and organizational cultures shape the post-entry integration process across Renault's international subsidiaries. Building on Hofstede's (2001) cultural dimensions and contemporary critiques of the cultural distance concept (Shenkar, 2001; Beugelsdijk et al., 2018), the findings underscore the multifaceted impact of culture on leadership expectations, communication norms, perceived legitimacy, and organizational trust.

Three main themes emerged:

- I. Cross-cultural communication and leadership adaptation
- II. Identity and authority perceptions
- III. Cultural legitimacy and trust-building mechanisms

Cross-cultural Communication and Leadership Adaptation

A central insight from the interviews is that communication and leadership styles are not universally transferable. Echoing Hofstede's (2010) framework - particularly Power Distance, Uncertainty Avoidance, and Individualism vs. Collectivism - respondents emphasized that divergent cultural norms require adaptive leadership and flexible communication strategies.

"We've learned that how you communicate is just as important as what you communicate. That's why onboarding and early training are so important."

"At first we wanted fact convergence; now we focus more on alignment and flexibility. It's a successful mindset shift."

Renault had to adapt its approach in each country, learning how local cultures conduct business to maximize effectiveness.

Examples:

- Portugal and Italy: decision-making is consensual and deliberative.
- UK and Russia: value directness and speed.
 - *"In Russia... I needed to say, 'Can you do this by Tuesday at 5 p.m.?' - very direct with expectations."*
- Korea and Russia: high power distance, strict adherence to hierarchy.
 - *"In Korea, hierarchy plays a huge role... unless tasks are clearly impossible, they're followed exactly without much discussion."*

- *“The hierarchical setup in Russia is efficient for meeting deadlines but limits collaboration. In Spain’s more horizontal environment, there are more opportunities for cross-team knowledge sharing.”*
- Germany: less hierarchical than France, similar to the US in egalitarianism; highly structured work culture where original deadlines are considered sacred - contrasting with France’s greater tolerance for delays.

Some cultural approaches can limit flexibility, reinforcing a top-down dynamic and leaving less room for local adjustment.

High-context cultures favored face-to-face communication:

“The speaker prefers face-to-face meetings over virtual ones like Teams or Skype... better understanding and communication.”

“Cultural practices impacted trust and communication: what one side saw as transparency, the other saw as aggression. Over time we learned to decode each other, but it wasn’t automatic.”

These differences reflect both national values and organizational culture (Schein, 2004), reinforcing the need for cultural fluency and adaptive leadership in multinational teams.

Identity and Authority Perceptions

Cultural distance is not only operational but also perceptual and symbolic. Many interviewees noted that Renault is widely perceived abroad as a “very French company”, which shapes attitudes toward authority and corporate identity:

“Subsidiaries often perceive Renault as a very French company.”

“There’s always this idea that ‘the French are like that.’”

This perception can be positive:

- In Russia, working with a European company is seen as an advantage for personal and professional growth.
- Renault’s French heritage adds value and prestige and remains central to the brand identity.

However, geographic proximity does not always mean cultural closeness or limited liability of foreignness:

- *“Portugal was later grouped under the Iberian cluster managed by Spain, which sometimes created tensions. Portugal depended hierarchically on Spain, not directly on Paris HQ.”*

- Not all European countries are culturally similar to France - Germany, for example, is closer to Anglo-Saxon cultures like the US.
- French-speaking countries are sometimes wrongly assumed to be culturally similar:
 - *“In Morocco, French is widely spoken, which helps integration, but cultural differences remain and communication issues still arise.”*

Authority expectations vary:

- Russia and Korea: formal, top-down authority.
- Malta: people take more initiative than in France.
- Asia: greater emphasis on politeness, avoiding loss of face, and indirect communication.
- Japan (Nissan culture): collectivistic, in contrast to France’s individualism.
- France: more interruptions in meetings compared to Japan’s preference for long silences.
- UK: less feedback-oriented than France.
- Poland: indirect communication can be perceived as misleading;
- Switzerland: very direct and transparent.
- Italy: direct but balanced.
- Russia: “win-lose” mindset, rather than seeking win-win solutions.

In Spain and Brazil, management is more horizontal and relationship-driven:

“Brazil is much more about personal relationships... if you build a close relationship, business flows easier.”

Differences also emerge in long- vs. short-term orientation:

- France prefers detailed analysis and long planning, with higher risk aversion, something South Korea may interpret as slow decision-making.

“If you’re not aligned culturally, you might assume someone is slow or careless, when in fact they’re just following their standard practice”

This aligns with individualism-collectivism dimensions (Hofstede, 2001), as well as with more recent work on institutional distance and hybrid organizational identities (Edman, 2016b). These findings suggest that a uniform management style is not only ineffective but potentially damaging to local engagement, further complicating integration efforts.

“Each country has its own rhythm.”

Cultural Legitimacy and Trust-Building Mechanisms

Cultural distance often increases the liability of foreignness (Hymer, 1976; Zaheer, 1995), making trust-building essential in post-entry integration.

Key enablers of trust:

- Bicultural managers and local language proficiency:
 - *“A bicultural French manager... makes it easier for the local team to listen and trust.”*
- Leadership aligned with corporate strategy, supported by hiring locals with relevant experience.
- Trust earned over time through interaction and results, not assumed by authority:
 - *“Trust took time... people were skeptical. Once they saw results, they were more open.”*

These findings are in line with identity-based views of cultural distance, where legitimacy is co-constructed rather than imposed (Kostova & Zaheer, 1999; Edman, 2016a).

Renault introduced cultural integration initiatives:

- *Alliance Working Culture* workshops.
- Bicultural leadership programs pairing French and Japanese co-leaders.
- Targeted cultural integration training during acquisitions - e.g., Dacia–Renault collaboration programs.

However, several respondents considered these efforts insufficient:

- *“I’m not sure the company invests enough in preparing them culturally.”*
- *“We only had language courses or country introduction sessions.”*
- *“The group often doesn’t take cultural differences into account enough.”*

This supports literature arguing that firms often underestimate the strategic role of cultural training in M&A and international expansion (Ahammad et al., 2016; Robson et al., 2019).

But at the same time the Group provided deeper formation in the case of acquisition:

“Renault organized training sessions on cultural intergrayion and communication to help Dacia and Renault teams to collaborate more effectively”

“ Bi-cultural management was introduced to pair French and Japanese leaders to co lead teams”

This reflects a broader critique in the literature that many firms underestimate the strategic role of cultural training in M&A and international expansions (Ahammad et al., 2016; Robson et

al., 2019). Effective integration requires more than process alignment; it demands deep, relational engagement with local cultural logics.

Summary and Strategic Implications

Cultural distance - though debated (Shenkar, 2001; Cuypers et al., 2018) - remains a strategic variable in shaping integration outcomes. Renault's experience shows that successful post-entry integration depends on:

- Communication adaptation
- Locally tailored leadership styles
- Earned legitimacy through trust and empathy

Culture must be treated as a core strategic concern in the internationalization process (Tihanyi et al., 2005; Griffith et al., 2021). By decoding and respecting both national and organizational norms, firms can transform cultural distance from a barrier into a source of resilience and differentiation, strengthening long-term performance and global coherence.

5.3 Knowledge Management and Learning

This section examines how knowledge is created, shared, and institutionalized across Renault's international operations. Drawing on both interview data and theoretical literature, the findings show that knowledge management (KM) within a global, culturally diverse organization like Renault is not solely a technical process - it is also a social and cultural endeavor. Its effectiveness depends on trust, cultural intelligence, psychological safety, and leadership behavior.

Five key themes emerged:

- I.* Use of structured tools and routines
- II.* HQ's selective role in knowledge diffusion
- III.* Barriers to knowledge flow
- IV.* Scaling and replication of local innovations
- V.* Institutional learning from experience

Structured Tools and Routines

Renault has developed a broad digital infrastructure for knowledge sharing, including Salesforce, Microsoft Teams, SharePoint, and Jira. These platforms are supported by structured routines such as inter-departmental reviews and cross-country best-practice sharing sessions.

“We use Salesforce, Microsoft Teams, SharePoint, KPI dashboards... now integrating Jira.”

“There are regular inter-departmental meetings... countries share their methods, and others evaluate whether they’re replicable.”

“We use KPIs to verify results and track the impact of knowledge sharing. At first people resist, but when they see the benefits, they start engaging.”

This aligns with classical KM frameworks emphasizing the interplay between people, processes, and technology (Dalkir, 2005).

However, in practice, informal channels - such as personal Teams calls or emails - remain central to knowledge exchange (De Long & Fahey, 2000).

There are also differences in how tools are applied locally, affecting knowledge flow:

“In Korea, although system tools are important, there’s more flexibility to adapt them to local needs. When HQ directives aren’t practical in our context, it affects my work quality, motivation, and communication.”

“It’s always important to personalize content for customers, but approaches vary: in Russia, communication must be very direct; in the UK, it can be more informal. Each country’s style needs to be considered when spreading knowledge.”

HQ’s Selective Role in Knowledge Diffusion

Headquarters plays a central but non-coercive role in promoting knowledge sharing. Best practices are identified and promoted, but rarely mandated:

“The HQ can see 40 countries, 40 different commercial and training strategies - so best practice sharing is key.”

“We present new practices as ‘options’ and not ‘instructions.’”

“Renault is very good at picking up what works locally and adjusting it to apply elsewhere - they don’t copy-paste, they adapt.”

This “soft governance” reflects Bartlett and Ghoshal’s (1989) transnational strategy model, balancing global consistency with local autonomy.

Symbolic recognition is also used to encourage diffusion:

“Sometimes the person responsible for a successful initiative gets brought to corporate.”

“There is little international contamination in subsidiaries - cultural openness is more visible at HQ in Paris.”

Such mechanisms reflect a network-based diffusion model (Kianto et al., 2014), relying on visibility and recognition rather than purely hierarchical dissemination.

Barriers to Knowledge Flow

Despite technological tools and formal routines, human and cultural barriers remain significant:

- Language limitations: *“Language has definitely been a barrier... I give a shortened version of what I want to say, which makes meetings stressful.”*
- Hierarchical bottlenecks: *“Each team had its own manager - any issue had to go through proper channels.”*
- Ego and local pride: *“No one wants to be told ‘do it like them.’”*

Some managers addressed language barriers proactively:

“I hired a middle management layer with the necessary language skills, so my communication improved.”

These frictions align with Sapuarachchi’s (2021) findings that cultural distance - particularly between high-hierarchy and egalitarian cultures - affects communication, initiative-taking, and feedback loops. Even with digital tools, psychological safety (Edmondson, 1999) and cultural intelligence (CQ) (Reynolds, 2024) are essential for meaningful participation.

Scaling and Replication of Local Innovations

Some local innovations, such as Romania’s digitalization initiatives or Iberia’s Salesforce adaptation, were successfully scaled when their value was clear and local champions were visible and respected:

“Visitors from other countries have been surprised by Romania’s digitalization.”

“Salesforce is a good example... guidelines from Iberia were adapted more broadly.”

“It’s a two-way exchange.”

However, doubts remain about the consistency of adoption of the best practices method:

“I’m not sure it always works.”

“We share them, but they don’t apply them most of the time.”

“It’s more an expectation than a rule.”

These cases validate the SECI model (Nonaka & Takeuchi, 1995), showing that tacit knowledge becomes explicit, shared, and internalized through trust-based interactions. This supports Teece et al.'s (1997) argument that intangible resources gain value when embedded into organizational routines and supported by leadership (Cabrilo & Dahms, 2018).

Institutional Learning from Experience

Respondents emphasized that learning is cumulative - particularly in terms of integrating new countries, systems, or teams. Renault is adapting a more deliberate, reflective approach to cross-cultural integration:

“Every rollout gets smoother... we’ve learned... practice makes perfect.”

“We underestimated human alignment... now we invest in cultural integration sooner.”

Renault appears to be moving toward institutionalized learning, where mistakes and misalignments become catalysts for improvement (Andreeva & Kianto, 2012; Donate & de Pablo, 2015). Examples include cultural integration workshops and bi-cultural leadership programs.

Still, some question the depth of intercultural preparation:

“I’m not sure the company invests enough in preparing them culturally.”

This suggests a gap between awareness and action, with cultural competence often addressed superficially.

Summary and Strategic Implications

Renault’s KM practices are increasingly structured, but success depends on cultural and interpersonal dimensions - language, trust, hierarchy, and local pride influence what knowledge is shared, how it is interpreted, and whether it is applied.

The company’s journey illustrates the interdependence of KM and cultural intelligence:

- Structured tools and routines provide the infrastructure.
- Inclusive leadership, adaptive culture (Schein, 2004), and psychological safety (Edmondson, 1999) enable genuine cross-border learning.

As Bartlett and Ghoshal (1989) argued, the hallmark of a successful multinational lies in global efficiency, local responsiveness, and continuous learning. Renault’s increasing cultural reflexivity and institutional learning represent a promising evolution toward that goal.

5.4 Leadership and Governance

This section analyzes how leadership styles, individual managerial traits, governance practices, and corporate policy adaptation shape integration across Renault's international structure. Drawing on interview data and theoretical literature, it becomes evident that effective leadership in multinational enterprises (MNEs) like Renault is less about uniformity and more about contextual agility, cultural reflexivity, and personal capability.

Four major themes emerged from the data:

- I. Leadership style variability
- II. Individual traits and leadership expression
- III. Governance structures and hierarchy
- IV. Policy alignment and local adaptation

Leadership Style Variability

Renault's leadership styles are not monolithic. They range from directive to participative, shaped by national cultures, market maturity, and team composition:

"In Portugal and Italy, decision-making tends to require consensus. In the UK, it's much more pragmatic - meetings are efficient compared to Southern European teams, where discussions are longer and more political."

"In Malta... people take initiative. In France... they may wait for tasks to be assigned."

"Spain is more collaborative and horizontal."

"In Korea... about 70% directive and 30% participative, but now there's a bit more room for collaboration and feedback than before."

These examples align with the GLOBE study (House et al., 2004), which finds that leadership effectiveness is shaped by culturally contingent expectations: participative leadership thrives in low power-distance cultures (e.g., Spain), while more authoritarian styles may be expected in high power-distance contexts (e.g., Korea).

Renault encourages hybrid leadership, blending consensus-building with goal orientation:

"Alliance pushed us toward something in the middle: consensus with a deadline."

"You guide, you build consensus... if people feel the idea is theirs, they support it."

This hybridity reflects cultural intelligence (CQ) (Reynolds, 2024) and adaptive capacity, essential for balancing global integration with local responsiveness (Bartlett & Ghoshal, 1989).

Individual Traits and Leadership Expression

While national culture shapes expectations, individual managerial traits - such as empathy, clarity of communication, and bicultural experience - often determine the success of integration:

“The actual leadership style still depends a lot on the individual manager’s personality.”

“A manager with both French background and local experience can decode cultural differences effectively.”

“Having a bicultural French manager makes it easier for the local team to listen and trust, as they understand both the local culture and the French way of doing things.”

“They could decode cultural differences effectively and the local team is more likely to respect leadership”

Renault frequently assigns expatriate CEOs for visibility, rotation, and risk management:

“It’s easier to assign expats as CEOs, you can rotate them every 3–4 years, get a fresh perspective, and reduce the risk of complacency or misconduct.”

However, sending HQ managers abroad can also cause cultural misalignment with local teams. Most subsidiaries are predominantly local in composition, with CEOs and CFOs often being expats. The UK is an exception, with more international teams no matter which are the roles. Switzerland stands out for its internal diversity too, reflecting the country’s four official languages and distinct regional cultures, which both complicate communication and foster adaptability. That is why clear and contextualized communication emerged as a recurring leadership strength:

“I simplify complex strategy... once a director told me, ‘For the first time, I understood this.’”

This reinforces the idea that clear, contextualized communication is a key success factor in global leadership - especially in diverse knowledge environments (Edmondson, 1999; Nonaka & Takeuchi, 1995).

Governance Structures and Hierarchy

Governance practices vary widely across subsidiaries, reflecting national institutional legacies and organizational culture (Schein, 2004).

Some markets maintain strong hierarchical structures:

“France... has multiple layers of management - CEOs rarely interact directly with lower levels.”

“In Italy, directors still have private offices; in Spain and Portugal, it’s all open space.”

Others flatten hierarchies and promote informal accessibility:

“Even the top executives... were sitting in the same open space with everyone else in the UK.”

Such contrasts highlight how organizational culture can either reinforce or challenge national cultural norms, particularly in integration contexts. At the same time, reporting complexity emerged as a barrier:

“Reporting is quite complex... you can’t just choose one; you need to follow both.”

These dynamics illustrate the tension between corporate standardization and subsidiary autonomy (Weber et al., 1996; Sapuarachchi, 2021). Effective governance requires both structural clarity and relational transparency.

Policy Alignment and Local Adaptation

Renault’s approach to policy implementation balances global coherence with local flexibility. Corporate defines overarching strategies, while local leaders adapt them to regulatory, social, and cultural contexts:

“Renault’s global strategy is centrally developed to ensure consistency and quality. We have flexibility at the local level to adapt strategies to resonate with Turkish consumers.”

“Corporate guidelines set a 72-month cap... but we negotiated a local exception.”

“In France, you’re required to give one month’s notice. In Malta, it’s only two weeks.”

“If they are part of the solution, they’ll own it. If it’s an idea from HQ only, it won’t work.”

This “contextual tailoring” approach (Bartlett & Ghoshal, 1989) ensures strategic alignment without undermining local responsiveness.

Gender diversity in leadership boards also varies by country, reflecting socio-cultural evolution:

“In Italy, the leadership team was all male until recently. In Spain, by 2018, half the board was female.”

This echoes House et al. (2004), who highlight the intersection of cultural values, gender roles, and leadership legitimacy as well as Hofstede’s dimensions (masculinity vs femininity).

Summary and Strategic Implications

Renault’s leadership and governance practices highlight the complex interplay between global systems and local contexts. While corporate structures and guidelines provide stability, integration success depends on:

- Adaptive leadership grounded in cultural intelligence

- Individual managerial agility
- Governance that balances standardization with local autonomy
- Policies adapted to institutional and cultural realities

This supports the view that multi-level, dynamic leadership frameworks are essential for international integration (Trompenaars, 1993; Kianto et al., 2014; Edmondson, 1999). As Renault navigates diverse markets, its ability to blend structural coherence with cultural sensitivity will remain critical to sustaining performance.

5.5 Collaboration and Organizational Cohesion

The final aggregate dimension emerging from the data is Collaboration and Organizational Cohesion, which synthesizes second-order themes such as limited structured cross-border initiatives, over-reliance on HQ as a coordinator, the need for stronger local-to-local engagement, and the irreplaceable value of informal, in-person interaction. The findings portray a hybrid collaboration model at Renault - structured at the top, fragmented at the periphery, yet increasingly self-aware and evolving.

As one HQ leader explained:

“HQ is a chameleon - constantly adjusting behavior, communication, and expectations depending on who you’re dealing with. I manage 21 countries and I don’t approach any two the same way.”

Limited Cross-Border Mechanisms and HQ Dependence

Many interviewees highlighted the absence of recurring, self-sustaining mechanisms for cross-national interaction. While digital platforms and joint projects exist, they are often reactive and limited in reach. Subsidiaries frequently operate in functional silos unless explicitly mobilized by headquarters:

“Each country operates independently... no real reason to collaborate.”

This dynamic aligns with De Long and Fahey’s (2000) observation that even well-designed knowledge systems underperform without an organizational culture that values collaboration. It also supports Edmondson’s (1999) view that psychological safety - the ability to share freely without fear of judgment - is a necessary precondition for authentic, horizontal knowledge flow.

The role of leadership, both locally and at HQ, is critical:

“A manager needs to create team cohesion by ensuring that all members feel understood and respected. They must be aware of cultural differences and integrate diverse perspectives into a coherent strategy.”

“I work with teams from Spain, Portugal, Italy, Germany, and the Netherlands - you have to make everyone feel heard and respected.”

HQ-Centric Collaboration and Its Limits

Renault’s HQ acts as the main coordination hub, channeling KPIs, strategy alignment, and inter-subsidary communications through Paris. This supports standardization and control (Bartlett & Ghoshal, 1989), but limits spontaneous peer-to-peer collaboration:

“Most of the collaboration happens through HQ... local teams don’t interact directly unless HQ is involved.”

This setup supports standardization and control (Bartlett & Ghoshal, 1989), but inhibits the lateral diffusion of ideas and know-how. The absence of peer-to-peer interaction reflects a missed opportunity to build shared meaning and trust - key components of cultural intelligence (Reynolds, 2024) and effective global teamwork (Kroumova & Mittal, 2023).

The importance of this practice is recognized across employees:

“Improving channels and fostering a culture of collaboration across borders would be key to improving integration.”

“We need more horizontal collaboration. The group needs to create a reason for countries to collaborate, not just the tools.”

“The idea is to have a team that services all countries, the team will be based in the country with more expertise in that area, potentially at the cheaper rate.”

The solution of having general teams together is not always very effective since they don’t see the value for themselves:

“People underestimate the value of connecting with peers since they believe their market is too specific”

That is why it is better to group them by area of interest and focusing on teams with more similar background so that becomes more enriching.

Grouping Strategies and Thematic Communities

Some suggested that grouping teams by shared characteristics - such as geography, language, or market similarities - can foster more relevant exchanges:

“It’s better to categorize teams by continent or language, so the interaction is richer.”

When implemented, such grouping produced tangible results:

“We created communities, divided by topic. Each has a community of experts, with a different country taking the lead each time - this fosters knowledge sharing.”

“We created CX champions with different formats - regular calls, chats, knowledge-sharing sessions.”

From a business perspective, grouping by market commonalities also proved useful:

“The international game plan tailors brand strategy to large markets like Latin America, Korea, North Africa, and Europe - strategies are more uniform there, but still require adaptation.”

“In Europe, markets are closer in structure and regulation, making aggregation easier; in South America, even customer profiles are too diverse, requiring deeper adaptation.”

The Value of In-Person Interaction

Despite digital advancements, respondents consistently stressed the unique value of face-to-face engagement. Physical proximity during regional seminars, joint workshops, and informal gatherings fosters cultural empathy and relational trust:

“The most effective means of building trust is in person.”

“Joint events and travel help build familiarity - you remember people better.”

“The idea is to see the faces behind the names and build a sense of connection.”

By contrast, online meetings with representatives from all countries were often perceived as less effective:

“It’s mostly one-directional - just presentations. People listen and go back to their own work.”

This aligns with Nonaka and Takeuchi’s (1995) view that tacit knowledge is best transferred through direct, trust-based interaction, and with Sapuarachchi’s (2021) observation that cross-cultural exchange depends as much on interpersonal rituals as on formal systems.

Incentives for Collaboration

Several interviewees called for stronger incentives, such as shared KPIs, cross-functional targets, and mutual accountability:

“If we all have a shared priority, knowledge flows more naturally.”

This reflects Kianto et al.’s (2014) argument that knowledge integration requires embedding collaboration into daily workflows. Without strategic necessity, even well-designed systems risk underutilization (Cabrilo & Dahms, 2018).

Lessons from the Pandemic

The pandemic accelerated digital tool adoption, but also exposed their limitations. Remote meetings alone could not replicate the relationship depth and cultural learning that emerge from shared milestones, crisis co-management, or informal social exchanges:

“The conviviality is essential: sitting at a table and exchanging ideas face to face helps build better cooperation and understanding.”

“Informal knowledge sharing, during crises or celebrations, is irreplaceable.”

This echoes Edmondson’s (1999) concept of team learning and Weber et al.’s (1996) finding that true integration relies not only on formal authority but on human engagement across boundaries.

Summary and Strategic Implications

Collaboration across Renault’s global network is evolving but still marked by structural and cultural divides. Over-centralization through HQ, limited local incentives, and a lack of spontaneous exchanges hinder cross-border cohesion. However, there is growing organizational awareness of these constraints and a strong desire for change.

Renault’s opportunity lies in moving from a command-and-control model to a networked, trust-based ecosystem, where cultural intelligence, shared goals, and informal connection rituals fuel collaboration.

Investing in intentional cross-border cohesion strategies - from joint projects to leadership rotation, from shared KPIs to in-person engagements - will be vital for sustaining a learning culture and a resilient global structure.

5.6 Synthesis and Interpretation

The analysis of the interview data reveals a complex and multifaceted picture of Renault's international integration process. Following the Gioia methodology, the coding process led from concrete, first-order concepts to more abstract second-order themes and finally to five aggregate dimensions. While these dimensions - post-entry strategies, cultural dynamics, knowledge management, leadership and governance, and collaboration - can be analytically distinguished, they are in practice deeply interrelated. Taken together, they illustrate that internationalization is not a single act of market entry, but rather a continuous and adaptive organizational process, in which strategic decisions, cultural realities, and organizational practices interact in shaping outcomes.

A first central insight emerging from the data concerns post-entry strategies and integration processes. Renault's experience confirms that entry modes are context-dependent and reflect a careful balancing of control, risk, and local responsiveness. Joint ventures have historically been preferred in volatile or institutionally distant environments such as Russia or Turkey, where risk-sharing and access to local knowledge are crucial. In contrast, acquisitions and greenfield investments have been pursued in more stable and proximate contexts like Spain, Portugal, or Italy, reflecting higher control and strategic ambition. These findings resonate strongly with Dunning's OLI paradigm and Ghemawat's CAGE framework, which emphasize the role of ownership advantages, location-specific conditions, and distance in shaping entry mode choices. Yet, while entry strategies determine the initial conditions of internationalization, the interviews highlight that post-entry integration frequently proves more challenging than the entry itself. Equity-based strategies create opportunities for control but also intensify cultural and organizational clashes, whether between Renault and its partners, or within its own subsidiaries. Integration is therefore best understood not as a technical process of aligning systems, but as an ongoing negotiation between different institutional, cultural, and organizational logics.

Culture emerged across the interviews as the most powerful force influencing integration, extending well beyond the narrow notion of national cultural distance. Respondents consistently pointed out that Renault is perceived abroad as a "very French company," an identity that can provide prestige and legitimacy but also create barriers to trust and collaboration. National differences remain salient. In Southern European countries such as Italy, Portugal, and Spain, decision-making tends to be consensual and deliberative, with longer

negotiation times and a stronger emphasis on personal relationships. In such contexts, horizontal and collaborative leadership proves more effective, while the imposition of rigid top-down directives often generates resistance. The relational culture observed in Brazil reinforces this logic, where proximity and personal trust are considered prerequisites for cooperation and business success. In Anglo-Saxon contexts, such as the United Kingdom, and in Northern European economies such as Germany, a more direct, structured, and pragmatic approach prevails. Efficiency and clarity are highly valued: deadlines are binding, processes are well defined, and deviations or interruptions are perceived negatively. Leadership in these contexts relies on transparency, procedural rigor, and straightforward communication, with less emphasis on informal negotiations. In Eastern European settings (e.g., Russia) and East Asian countries (e.g., Korea and Japan), higher power distance is evident. Leadership is perceived as strongly hierarchical, and directives from superiors are followed with limited questioning. In Korea and Russia, hierarchical order secures efficiency and compliance with deadlines, but at the expense of collaboration and creativity. In Japan, collectivism takes precedence over individualism, with a preference for silent consensus and group harmony - standing in contrast to the more individualistic and interruption-tolerant French style.

Some cases further show that linguistic proximity - as between France and francophone countries such as Morocco - facilitates integration but does not eliminate underlying cultural differences, which continue to produce misinterpretations in communication. Similarly, geographic proximity does not always equate to cultural closeness: Germany, for example, is geographically close to France but culturally more aligned with Anglo-Saxon patterns of organization and communication. From these observations, a key lesson emerges: cultural differences cannot be treated as static variables but must instead be understood as relational and contextual dimensions. They shape expectations toward authority, the construction of trust, and the modalities of collaboration. Renault's ability to adapt leadership styles, governance models, and knowledge-sharing practices to these diverse cultural realities proves decisive for the success of its international integration processes.

Organizational and professional cultures are equally decisive. For instance, cultural frictions between the corporate mindset of Renault and the startup ethos of acquisitions like Bipi illustrate that integration challenges cannot be reduced to national stereotypes. Culture in this sense is multi-layered: it includes national norms, organizational practices, and even individual leadership preferences. What the interviews reveal is that successful integration depends on cultural intelligence, trust-building, and adaptive leadership. Technical strategies alone cannot

overcome misalignments in expectations, communication, and authority if cultural dimensions are neglected.

Knowledge management represents another critical domain where cultural and organizational dynamics intersect. Renault has invested in digital platforms, KPIs, and structured routines to facilitate knowledge sharing across subsidiaries. Tools such as Salesforce, Teams and SharePoint, provide infrastructure for codifying and disseminating best practices. However, interviewees repeatedly emphasized that effective knowledge transfer depends less on technological systems and more on interpersonal trust, language competence, and mutual legitimacy.

Headquarters plays a selective role as facilitator: successful local practices are identified, highlighted, and sometimes scaled, but adoption ultimately requires local buy-in. This reflects a model of “soft governance,” where knowledge is diffused through recognition and encouragement rather than imposed by authority. Barriers to knowledge flow persist, including linguistic challenges, hierarchical bottlenecks, and local pride, echoing findings in the literature on psychological safety and tacit knowledge exchange. The implication is that knowledge management in multinational enterprises is a profoundly social process, requiring not only platforms and routines but also cultural intelligence, empathy, and relational investments to enable genuine cross-border learning.

Leadership and governance practices further illustrate the need for contextual agility. Renault’s leadership is characterized by hybridity rather than uniformity: in some contexts, directive styles dominate, while in others, participative and horizontal approaches are more effective. The interviews show that effective leaders are not those who impose a single model, but those who combine strategic clarity with cultural reflexivity and the ability to adapt their style to local expectations. Bicultural leaders, or those with deep local experience combined with corporate knowledge, were seen as particularly effective in bridging divides. Governance structures, too, reflect this tension: while headquarters provides consistency through centralized strategies, local subsidiaries require autonomy to adapt policies to their regulatory, cultural, and social contexts. This duality highlights that governance in multinationals is not simply about hierarchy, but about balancing structural coherence with relational legitimacy. Individual leadership traits - such as empathy, clarity of communication, and the ability to foster trust - are decisive in making global strategies locally meaningful.

The final dimension concerns collaboration and organizational cohesion. While Renault possesses digital tools and formal structures, collaboration across subsidiaries remains limited and heavily dependent on headquarters coordination. Local-to-local exchanges are rare, and

subsidiaries often operate in functional silos. This reflects an over-centralized model that, while ensuring alignment, inhibits the spontaneous development of trust and peer-to-peer collaboration. Interviewees underscored the irreplaceable value of face-to-face interaction in building cohesion, particularly during joint workshops, regional seminars, or informal encounters. Digital meetings, by contrast, were often described as one-directional and ineffective in fostering genuine exchange. Moreover, the absence of strong incentives - such as shared KPIs or cross-border accountability - further weakens the motivation to collaborate. These findings highlight a paradox: despite globalization and digitalization, multinational enterprises still rely fundamentally on human proximity, informal rituals, and shared experiences to build cohesion and trust. The pandemic experience reinforced this point, as remote collaboration revealed its limitations in sustaining cultural learning and relationship depth. Taken together, the findings provide several broader insights. First, they show that internationalization is not reducible to entry mode decisions; it is a multi-phase process where post-entry integration, cultural adaptation, and organizational learning are decisive for long-term success. Second, they demonstrate that culture - national, organizational, and interpersonal - is not a background variable but a central determinant of integration outcomes. Third, they reveal that knowledge management, leadership, and collaboration are deeply intertwined processes: knowledge cannot flow without trust; leadership cannot succeed without cultural reflexivity; and collaboration cannot be sustained without both structural incentives and informal, relational engagement.

6. Conclusion

The final chapter of this thesis brings together the main elements of the research, offering a comprehensive reflection on the journey undertaken from theory to empirical investigation. Building on the literature review, methodological framework, and the analysis of Renault's international expansion, this chapter synthesizes the insights that have emerged and situates them within the broader academic and managerial debate. The chapter is structured into four parts. The first section (6.1 Summary of Key Insights) provides an overview of the most important findings, highlighting the connections between entry strategies, cultural dynamics, leadership practices, and knowledge management in the context of multinational integration. The second section (6.2 Contributions to Theory and Practice) positions the study within existing scholarly discussions and identifies how it advances theoretical understanding while also offering concrete contributions for practitioners. The third section (6.3 Managerial Implications) translates the research findings into actionable recommendations for multinational enterprises, emphasizing how organizations can better manage the challenges of international expansion. Finally, the fourth section (6.4 Limitations and Suggestions for Future Research) acknowledges the boundaries of the study and proposes directions for future inquiry that could extend and refine the conclusions drawn here.

By combining these different dimensions, the conclusion not only consolidates the results of the thesis but also underscores its relevance for both academic research and managerial practice, while pointing towards new paths for continued exploration.

6.1 Key Insights and Recommendations

This thesis has examined Renault's international expansion and post-entry integration processes through the combined lenses of international business theory, cultural studies, knowledge management, and organizational behavior. By integrating interview data with established theoretical frameworks - including Dunning's Eclectic Paradigm, Ghemawat's CAGE model, Hofstede's cultural dimensions, Nonaka and Takeuchi's SECI model, and Bartlett and Ghoshal's transnational strategy - the research has provided a multi-dimensional understanding of how a multinational enterprise (MNE) navigates the complexities of global operations.

The findings show that Renault's approach to market entry is highly context-sensitive, balancing global strategic imperatives with local realities. Entry modes are chosen based on a combination of institutional conditions, market maturity, cultural distance, and operational feasibility. This strategic agility enables the company to employ joint ventures in high-risk or culturally distant markets, acquisitions in more familiar contexts, and greenfield investments where control and brand positioning are critical. Yet, the post-entry phase often proves more challenging than entry itself, revealing the importance of integration planning as a continuous process rather than a single event.

Across subsidiaries, cultural dynamics emerge as both a differentiator and a source of tension. Differences in communication norms, authority perceptions, feedback cultures, and time orientation influence the effectiveness of integration and collaboration. While Renault has developed mechanisms such as bi-cultural leadership roles and Alliance cultural workshops, gaps remain in fully embedding cultural intelligence and psychological safety into everyday practices.

Mobility of managers plays a fundamental role in facilitating integration. Sending local managers with proven best practices to corporate headquarters allows them to share practical expertise, while also strengthening their connection with HQ and legitimizing their experience in the eyes of corporate leaders. Conversely, sending corporate managers to subsidiaries can bring tighter control, fresh perspectives, and career incentives - but also introduces significant cultural adaptation challenges, especially when leading predominantly local teams. These expatriate managers face a dual difficulty: adapting to a new cultural environment while fulfilling demanding leadership responsibilities. Success in such roles requires not only technical competence but also the ability to communicate effectively, respect local norms, and

demonstrate the added value they bring as outsiders. Working in culturally close countries reduces barriers, whereas culturally distant assignments demand higher cultural agility but also offer opportunities to inject new perspectives. From a knowledge management perspective, mobility creates a two-way flow: expatriates gain market-specific expertise and become strategic resources for the group, while locals gain exposure to corporate practices, tools, and strategic thinking. Language, while still relevant, is increasingly less of a barrier due to the predominance of English in corporate communication.

However, the most complex challenges arise not between corporate and local entities, but between countries themselves when collaborating without understanding each other's local specificities. In such cases, corporate plays a key role in creating motivation and proving the mutual value of collaboration, using its broader perspective and facilitating tools to make future cooperation more fluid and self-sustaining.

Knowledge management within Renault combines structured digital platforms and routines with the informal, trust-based exchanges that drive meaningful learning. While HQ plays a pivotal coordination role, the study reveals a reliance on top-down dissemination that sometimes limits lateral knowledge flows between subsidiaries. Successful scaling of local innovations occurs when visibility, credibility, and adaptation replace rigid replication. This highlights the interdependence of technology, leadership, and organizational culture in transforming individual insights into organizational capabilities.

Leadership and governance practices demonstrate the critical role of adaptive, culturally intelligent leadership. National culture shapes expectations, but individual traits - such as empathy, communication clarity, and cross-cultural exposure - determine integration success. Governance structures range from hierarchical to highly collaborative, with policy adaptation often negotiated to balance global consistency with local responsiveness. The findings underscore that multi-level leadership agility, rather than rigid uniformity, is essential for sustaining cohesion in a culturally diverse enterprise.

The dimension of collaboration and organizational cohesion highlights both progress and limitations in Renault's current model. Collaboration is highly structured at the top but fragmented at the periphery, with over-reliance on HQ as the primary connector. Digital tools enable interaction, yet the most impactful exchanges remain face-to-face, where trust and cultural empathy can develop. The company's strengths lie in its strategic agility in market entry, willingness to adapt policies locally, effective use of mobility, and growing awareness of cultural complexity. However, future success will depend on embedding cultural

intelligence, distributed leadership, and horizontal collaboration into the fabric of the organization.

From a broader perspective, this thesis contributes to the literature by illustrating that international expansion is not a linear progression from market entry to integration, but a multi-phase, iterative process where cultural, strategic, and organizational variables are continuously renegotiated. For practitioners, the Renault case reinforces the value of:

- Viewing culture and mobility as core strategic drivers.
- Designing KM systems that integrate both structured processes and informal trust-building.
- Equipping leaders with cross-cultural agility and adaptive governance capabilities.
- Moving from HQ-driven coordination to self-sustaining collaborative networks.
- Creating the need for an horizontal interaction with countries and grant them the possibility to maintain it.

Ultimately, the research underscores that in an era of accelerating global interdependence, an MNE's competitive advantage lies not solely in its products, technologies, or market position, but in its ability to connect people, knowledge, and cultures across borders in a way that is inclusive, adaptive, and strategically coherent.

These insights point to a critical shift in how multinational enterprises should approach international integration. The evidence suggests that MNEs must move beyond centralized, control-oriented models toward networked ecosystems that are inclusive, trust-based, and adaptive to cultural diversity. Recommendations emerging from this thesis include:

- I.* Adopt strategic agility in market entry, ensuring that entry mode selection accounts not only for institutional and economic factors but also for long-term integration feasibility.
- II.* Embed cultural intelligence systematically, making intercultural training, local empowerment, and psychological safety central to organizational routines.
- III.* Leverage mobility as a two-way exchange, with stronger preparation and support mechanisms to maximize the benefits of both expatriate assignments and local managers' corporate experiences.
- IV.* Strengthen horizontal knowledge flows, by empowering local champions, recognizing grassroots innovations, and reducing reliance on HQ as the sole coordinator of practices.
- V.* Foster intentional collaboration, creating structured opportunities for cross-border communities of practice, shared performance metrics, and regular in-person exchanges to complement digital platforms.

In sum, the findings show that Renault - and MNEs more broadly - can enhance their global integration journey by rebalancing the relationship between global consistency and local responsiveness. Competitive advantage in today's interconnected world depends not only on market entry strategies or technological resources but, crucially, on the ability to connect people, knowledge, and cultures across borders in ways that are coherent, inclusive, and sustainable.

6.2 Contributions to Theory and Practice and Managerial Implications

From a theoretical perspective, this research extends and refines several foundational frameworks in international business and organizational studies. It develops Bartlett and Ghoshal's transnational model by showing that managerial mobility, both from subsidiaries to headquarters and from headquarters to subsidiaries, together with cultural intelligence, can act as a dual enabler of integration and local responsiveness. It also enriches Nonaka and Takeuchi's SECI model by demonstrating that tacit knowledge transfer becomes significantly more effective when reinforced by mobility and face-to-face interaction, rather than relying exclusively on digital platforms. Furthermore, it provides empirical validation of the GLOBE study and more recent research on cultural intelligence, illustrating that leadership effectiveness in multinational contexts requires a hybrid approach that blends consensus-building with goal orientation, while remaining adaptive to the cultural expectations of each environment.

The results also support but go beyond traditional theories such as Dunning's OLI and transaction cost approaches. While these frameworks remain useful for explaining entry mode selection, they prove insufficient to account for the challenges of post-entry integration, which are strongly shaped by cultural, organizational, and relational factors. Similarly, Hofstede's cultural dimensions and the broader cultural distance literature retain explanatory value, but the findings highlight the need to move away from static, one-dimensional measures towards a more relational and context-sensitive understanding of culture. The thesis confirms the relevance of tacit knowledge in Nonaka's framework, while stressing the importance of psychological safety and cultural intelligence as prerequisites for its successful transfer. In doing so, it illustrates that integration is not a technical process alone but one that is

fundamentally relational, requiring leadership agility and intentional collaboration strategies that embed trust into everyday practices.

From a practical perspective, the Renault case offers significant insights for managerial practice. It shows that culture must be treated as a core strategic factor in post-entry integration rather than as a peripheral concern. Entry strategy and integration cannot be understood as two separate moments; they must be planned together, since decisions made at the entry stage inevitably shape subsequent challenges and opportunities. Anticipating cultural frictions, workforce integration issues, and the impact of directives from headquarters or alliances at the outset of market entry can prevent long-term inefficiencies, while also strengthening how the brand is perceived by consumers in the local context.

The findings further demonstrate that managerial mobility should not be conceived merely as a tool for control or a career incentive but as a strategic mechanism for reciprocal knowledge exchange and trust-building. Expatriation programmes, when designed effectively, provide cost-efficient and highly valuable bridges between headquarters and subsidiaries, fostering mutual understanding and legitimacy. However, for mobility to reach its full potential, companies must offer cultural preparation, clearly defined objectives, and recognition mechanisms that reinforce the contribution of mobile managers.

Another key implication concerns collaboration and governance. The current reliance on headquarters as the central orchestrator of knowledge and practices often limits the organic development of peer-to-peer exchanges across subsidiaries. Managers should therefore design structures that promote horizontal collaboration, such as thematic communities, shared projects, and cross-country performance indicators, which help reduce silos and foster genuine cohesion. At the same time, effective knowledge management requires more than digital platforms and formal reporting systems. While technological tools remain important, the decisive enabler of knowledge diffusion lies in trust-based relationships, the visibility of local champions, and leadership support for cross-border innovation transfer.

Taken together, these implications reinforce the importance of adaptive leadership and flexible governance models. Instead of imposing uniformity, multinational enterprises should adopt an approach of “oscillating autonomy,” whereby subsidiaries are granted degrees of freedom while remaining aligned with global standards. In this sense, the managerial contribution of the thesis lies in showing that successful integration depends less on rigid control mechanisms than on the ability to build cultural intelligence, enable mobility, and cultivate collaborative structures that support learning and adaptation across borders.

6.3 Limitations and Suggestions for Future Research

This study is not without limitations, which must be acknowledged to properly contextualize its contributions. First, the research focuses on a single multinational enterprise, Renault Group, operating within the automotive and financial services sector. While this allows for a rich, in-depth exploration of international integration dynamics, it inevitably constrains the generalizability of the findings. Insights drawn from this case may not fully capture the experiences of smaller firms, organizations in other industries, or companies with different governance structures and levels of internationalization.

Second, the qualitative design, based primarily on semi-structured interviews, privileges depth of understanding over breadth of coverage. Although this method has generated valuable insights into the lived experiences of managers and employees, it does not allow for statistical validation or large-scale testing of hypotheses. In addition, the scope of interviews was uneven across geographies and functions: while certain European subsidiaries were well represented, perspectives from regions such as Asia, Latin America, and Africa were less prominent. This introduces a potential bias toward European-centric dynamics and may underrepresent integration challenges in more culturally or institutionally distant environments.

Third, the cultural lens of the study is influenced by Renault's French identity. Although interviewees from multiple countries were included, the predominance of references to French leadership and cultural norms suggests that the findings are, to some extent, shaped by the headquarters' perspective. This may limit the ability to fully reflect the diversity of cultural encounters across Renault's global operations.

Future research could address these limitations in several ways. Comparative studies across multiple multinational enterprises would be valuable in assessing whether the patterns observed at Renault hold true in other contexts, thereby strengthening the external validity of the findings. Mixed-methods approaches - combining qualitative interviews with quantitative surveys - could provide both depth and breadth, allowing for triangulation and statistical validation of results. Longitudinal studies would also be useful to capture the long-term effects of international integration, particularly with regard to mobility programs, cross-border communities of practice, and collaborative networks, and their impact on innovation and cohesion over time.

In addition, extending the research to small and medium-sized enterprises (SMEs) could provide important insights, as their resource constraints, flatter structures, and limited international presence may generate different forms of integration challenges and opportunities. Another promising direction lies in exploring the role of digital transformation and artificial intelligence in overcoming cultural and structural barriers. The post-pandemic shift toward hybrid work models raises critical questions about how technology can foster or hinder trust, collaboration, and knowledge sharing across borders.

Another potential avenue for future research would be to examine post-integration dynamics by focusing on one specific integration case at a time. Rather than analyzing multiple subsidiaries simultaneously, scholars could conduct an in-depth study of how two particular countries or units integrate, observing in detail the cultural, organizational, and strategic mechanisms at play. Such a micro-level approach would allow for a finer-grained understanding of the tensions, adaptations, and learning processes that emerge when two different contexts are brought together, offering insights that may be obscured in broader, multi-case comparisons.

Finally, broadening the geographical scope of future studies to include underrepresented regions would provide a more comprehensive picture of internationalization dynamics in diverse institutional and cultural environments. Such comparative and multi-sectoral approaches would enrich the understanding of how multinational enterprises adapt their strategies and organizational practices in an increasingly complex and interconnected world.

7. References

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8. Appendix

8.1 Interview Guide and Transcripts

Introductory Information

Before we begin, could you please confirm a few points:

Current role/title: *(or simply: could you briefly describe your current role?)*

Which markets are you currently working with / supervising?

How long have you worked within the Renault Group?

Have you been directly involved in a post-entry or post-acquisition integration process? Yes / No

Have you worked in international or multicultural teams before? Yes / No *(If yes: within Renault or also in other companies?)*

Section 1 - Integration After Entry or Acquisition

Could you describe how the integration process unfolded following the acquisition or market entry?

What were the main challenges you encountered during that integration?

Would you say the process was mostly driven by headquarters, or was there significant local autonomy?

Were there any turning points or key moments that influenced how successful the integration was?

Section 2 - Cultural Differences

How are cultural differences handled in day-to-day operations in your experience?

Have you noticed significant differences between Renault's corporate culture and local team culture?

How do these differences impact collaboration, trust, or internal communication?

Does the group culture tend to adapt to local contexts, or remain more centralized?

Section 3 - Leadership and Local Autonomy

How would you describe the prevailing leadership style in your local context?

Do local managers have space to contribute to strategy, or do they mostly implement global directives?

How do teams from different countries collaborate in practice?

Are there structured opportunities for sharing or learning across international teams (e.g., workshops, cross-country projects)?

Section 4 - Knowledge Sharing

How is knowledge shared across the group – for example, best practices, innovations, or ways of working?

What tools, systems, or routines help facilitate this exchange between HQ and local teams?

Have you experienced barriers to knowledge sharing (e.g., language, cultural norms, organizational structures)? If so, in which contexts or with which teams?

How do you ensure that shared knowledge is not just sent, but actually understood and used in local contexts?

Section 5 - Learning and Mutual Adaptation

Has the organization learned or improved something from past integration experiences?

Have any local practices been scaled or replicated in other parts of the group?

Would you say there was a mutual adaptation process between HQ and the local entity?

Section 6 - Closing Reflections

In your view, what aspects of the integration worked particularly well?

Looking back, what would you improve or approach differently in a similar situation?

Interview Transcripts

Interview 1

Q: Why did Renault choose to enter the Turkish market through a joint venture, and not independently?

A: Historically, entering through a joint venture was the most viable option. At the time, the Turkish market was much more closed and state-driven than it is today. There were strong incentives for foreign investors to work with Turkish operators, and in many cases, it was highly recommended - if not an unofficial requirement. Many of our competitors followed the same model. Today, while it's no longer an obligation, it still makes strategic sense. Joint ventures help share investment risks and allow for mutual knowledge sharing and adaptability in such a volatile environment.

Q: Could you give a concrete example of this?

A: Yes - Russia is another case. When I worked for the Renault brand in Moscow, it was mandatory to operate with a local partner. Similarly, Dacia in Romania also followed a strategic entry adapted to local realities. Every country has its own regulatory and business logic, and our entry mode has to reflect that.

Q: How do cultural differences affect operational processes?

A: Culture plays a huge role. For example, in Turkey, one of the challenges we encountered was how employees respond to safety norms. We've learned that how you communicate is just as important as what you communicate. You have to convince people to act, not just instruct them. That's why onboarding and early training are so important - we dedicate a lot of effort to conveying our expectations clearly from day one.

Q: How is Renault perceived by Turkish consumers today?

A: That's a great question. Today, Renault is perceived as a local brand in Turkey, which has a massive impact. The company has been present here for over 65 years, and our joint venture partner, Oyak, is among the top 10 largest companies in Turkey. So, people see us as a Turkish company with French partnership, not the other way around. That strengthens trust and brand loyalty.

Q: What are the top purchase drivers for Renault cars in Turkey?

A: Price has always been a major factor, historically. Renault was known for producing small, affordable vehicles. But this is changing. Today, we're pushing into higher segments - especially the C-segment and crossover market. For example, out of every 4 cars sold now, only 1 might be in the B-segment. The other 3 are increasingly crossovers. Design is another major driver - often the first or second reason people choose Renault. We're also expanding our electric vehicle offerings in line with global trends.

Q: Given this dual positioning - local presence and global brand - how does Oyak Renault implement Renault's global strategy?

A: That's a key part of our model. Today, Renault's global marketing strategy is centrally developed. It's no longer like before, where each country created its own campaigns with local agencies, often spending large budgets for fragmented results. Now, around 80% of the content - TV ads, visuals, brand messages - is produced centrally to ensure global consistency and top-tier quality.

That said, we still have flexibility at the local activation level. We adapt the strategy for sales campaigns, use local influencers, and engage in short-term operational branding that resonates with Turkish consumers. It's about balancing central strategy with local execution.

Q: Has this global-local balance helped you remain competitive?

A: Definitely. The market has become much more open and competitive in recent years, especially with Chinese and Korean brands entering aggressively. In the past, being "local" was enough. Not anymore. Today, we have to keep pace, stay flexible, and deliver value on both a global and local scale. That's what makes our positioning with Oyak Renault so effective - we're agile, we're experienced, and we're deeply embedded in the local market.

Interview 2

Q: Can you describe your role and whether you've been directly involved in any post-acquisition or market-entry integration processes?

A: Well, if we go back a bit, yes. In 1999, there was the equity swap between Renault and Nissan. At that time, I was working at Nissan Financial Services, which was not yet integrated with Renault. I joined in 1997 as an intern. The agreement meant that Renault would fully acquire all Nissan financial subsidiaries in Europe. So, overnight, we suddenly found ourselves inside the Renault world.

Q: What kind of cultural impact did this integration have?

A: It was a big shock. Nissan Financial was a very young, dynamic, and highly educated organization, while Renault was more traditional, with older staff and less academic background. There were concerns from unions and a cultural mismatch. The integration meant merging two teams that were doing the same job, but in very different ways.

Q: How did this affect responsibilities and roles?

A: Some people from Nissan Financial took on key roles because of their skills, others didn't and eventually resigned due to frustration. That's common in mergers - some benefit, others feel displaced. The transition wasn't easy, even though it was within the same country. We had two completely different ways of working.

Q: Were there organizational differences between Nissan and Renault Financial?

A: Absolutely. Nissan Financial focused more on transaction price and competed directly with banks. Renault was more passive, using zero-interest offers heavily supported by the manufacturer. This created a less competitive and more volume-driven culture at Renault.

Q: How did your career develop from there?

A: I started in credit analysis, moved to account management in the field, then became brand manager for Nissan within the integrated Renault structure. Later I worked in marketing and commercial methods, and eventually became Marketing Director for Renault Credit International. In 2018, I was appointed Country Manager for our Portuguese subsidiary.

Q: Do you know how Renault initially entered markets you worked in like Portugal, Italy, and Spain? Were local subsidiaries established from the start, or did the company follow different entry modes?

A: Yes, the entry modes varied slightly across the three countries, but all ended up with strong local subsidiaries. In Portugal and Italy, Renault entered through greenfield investments, creating wholly owned subsidiaries to manage local operations. In Spain, the case is a bit different: Renault initially acquired a local company, FASA, which was then progressively integrated into the group - so this was closer to an acquisition model. Spain also became a key industrial and regional hub. Over time, all three countries have operated with a high level of localization, but under governance and strategic direction from the French HQ. Portugal, for

instance, was later grouped under the Iberian cluster managed from Spain, which sometimes created tensions despite Renault's leadership in that market.

Q: What was specific about the Portuguese subsidiary?

A: While similar in governance to Italy, Portugal was under the Spanish cluster, which was frustrating. Despite being market leader, Portugal depended hierarchically on Spain, not directly on Paris HQ. This caused tension, especially as Portuguese culture is quieter and more reserved, contrasting with the more dominant Spanish influence.

Q: Why did Renault succeed so strongly in Portugal?

A: There's a cultural closeness with France due to massive Portuguese migration. Many Portuguese speak French, especially older generations. Renault capitalized on this familiarity and also smartly leveraged the short-term rental market, which is big in Portugal due to tourism. This helped Renault become the number one brand.

Q: Were there local adaptations made to fit market realities?

A: Definitely. For example, in Portugal the average salary is much lower. To make cars more affordable, we extended financing durations to 120 months - something unique to Portugal. The corporate guidelines set a 72-month cap, but we negotiated a local exception.

Q: How is knowledge shared within the group?

A: This is one of the most important functions of the headquarters. They don't deal with customers directly like we do in the countries, so they operate more at the strategic level. The HQ can see 40 countries, 40 different commercial and training strategies - so best practice sharing is key. There are regular inter-departmental meetings (e.g., marketing, finance, risk) where countries share their methods, and others evaluate whether they're replicable. For example, the 120-month financing in Portugal may not be exportable, but a commercial strategy that proves successful can be.

Q: Do you think physical exchange between teams (rather than online) is still important?

A: Absolutely. There's a conviviality that's essential. Sitting together at a table, exchanging ideas face-to-face - also among Northern Europeans, contrarily to what we could think - helps build better cooperation and understanding.

Q: Have any practices born in Italy or Portugal been adopted elsewhere in the group?

A: Yes, for example the “value boost” strategy started in Italy under CEO Luca De Meo, shifting from volume to value. Instead of discounting, we protect the residual value of cars using financial products like Balloon. It became a best practice shared by corporate and adopted elsewhere, including Portugal.

Q: What cultural differences have you observed between working in Italy and Portugal?

A: Not major ones at the team level, though in Portugal I was the only foreigner. There’s little international contamination in subsidiaries; cultural openness is more visible at HQ in Paris.

Q: Did you find integration in Portugal easy, despite being the only international profile?

A: Yes. Portuguese people are reserved but welcoming. Language wasn’t a huge barrier: many Portuguese speak French or English. Within six months I was speaking Portuguese. Overall, integration was smooth.

Q: What leadership differences did you notice across countries?

A: In Portugal and Italy, decision-making tends to require consensus, even at CEO level. In the UK, it’s much more pragmatic, decisions are faster and more direct. Meetings with British teams were very efficient compared to Southern European teams, where discussions are longer and more political.

Q: What are the organizational differences, especially regarding office culture?

A: In Italy, directors still have private offices, which is rare elsewhere. In Portugal and Spain, it’s all open space, even managers share desks. There’s less emphasis on hierarchy, unlike Italy where symbolism is stronger.

Q: What about gender representation in leadership roles?

A: In Italy, the leadership team was all male until recently. In Spain, by 2018, half the board was female. Italy has made progress only in the last 3 - 4 years. Gender parity remains more of a challenge in Italy than elsewhere.

Q: Does the group try to instill a shared managerial style?

A: There are values promoted by HQ, and training initiatives come and go. But the actual leadership style still depends a lot on the individual manager's personality. Embedding a consistent managerial culture is still a work in progress.

Q: How does the group integrate acquired start-ups like Bipi?

A: The cultural difference is huge. Bipi had a flat structure, informal style, and very agile decision-making. After the acquisition in 2021, we tried to preserve their dynamism, but it clashed with MFS's strict governance. Start-ups move fast but carry risks due to lack of procedures. MFS is very process-driven - sometimes too much so. It's about finding balance.

Q: What are the main cultural and operational differences between the start-up world and the structured banking environment?

A: It's not exactly anarchy, but start-ups have an ease of execution because there's no rigid governance. That allows for speed—but also increases the risk of mistakes. The philosophy is totally different. Start-ups operate in a clean, calm atmosphere, with younger, very competent and digitally skilled staff.

Q: Were the teams at Bipi mostly Spanish? Was there cultural diversity?

A: They were mostly Spanish. There wasn't much cultural diversity, to be honest - probably for the same reasons we discussed earlier. And being digital natives, they didn't need to establish physical teams in each country.

Q: So, Bipi could operate everything from Spain?

A: Exactly. They apply a centralized digital strategy from Madrid and only delegate operations to local teams if volumes grow. But decision-making stays centralized.

Q: How did this compare with Renault's structure?

A: At Renault, we are fully localized - each country has its own structure and teams. It's necessary, especially in highly regulated industries like finance. In the banking world, you have to follow strict compliance, capital ratio rules, procedures... whereas the rental sector, like where Bipi started, is far less regulated. That makes them more dynamic, but with very different constraints.

Q: Would you say this structural contrast is also a form of cultural difference?

A: Absolutely. Moving between a heavily regulated, procedure-driven world and a deregulated, fast-paced one - especially in financial services - is like moving between cultures. It's not just about geography; it's about operational mindset.

Interview 3

Q: Have you been directly involved in a post-entry or post-acquisition integration process?

A: No, I haven't had direct involvement in post-entry or post-acquisition integration processes.

Q: Have you worked in international or multicultural teams before?

A: Yes, I've worked in international and multicultural teams within Renault. Plus, I also had the chance to work in the Philippines for three months under a U.S.-based company, which gave me experience in a different cultural context as well.

Q: How are cultural differences handled in day-to-day operations in your experience?

A: Well, sometimes, tasks that come from headquarters are a bit hard to fully understand, especially in Korea. There, hierarchy plays a huge role, so when we get tasks from HQ, they are usually carried out exactly as they are, without much room for discussion, unless they are clearly impossible to execute. This approach limits flexibility and doesn't always allow for local adjustments.

Q: Have you noticed significant differences between Renault's corporate culture and local team culture?

A: In daily operations, I didn't feel much difference, but after spending a longer time within the group, I noticed some things. At HQ, there's a lot of focus on creating system tools first and then aligning all work within that structure. In Korea, although system tools are important, there's more flexibility to adapt the approach to local needs and situations. So, while I understand the idea behind HQ's strategy, it can sometimes be hard to apply it in a way that works locally.

Q: How do these differences impact collaboration, trust, or internal communication?

A: I get the intention behind the HQ guidelines, so I follow them. But some of them aren't as practical in our local context, which can affect the quality of my work and my motivation. If

the guidelines don't align well with local needs, it becomes harder to collaborate smoothly, and it also affects the internal communication.

Q: Does the group culture tend to adapt to local contexts, or remain more centralized?

A: It really depends on the task, but most of the time, the group culture remains more centralized. While there's some flexibility to adapt to local needs, the overall culture tends to prioritize a unified approach across the company.

Q: How would you describe the prevailing leadership style in your local context?

A: In Korea, the leadership style is mostly directive, but recently, I've seen a shift. I'd say it's about 70% directive and 30% participative, so there's a bit more room for collaboration and feedback than before.

Q: Do local managers have space to contribute to strategy, or do they mostly implement global directives?

A: From my perspective, local managers focus more on addressing local needs rather than contributing to global strategy. Although global directives shape the overall direction, the local team's priority is to adapt those strategies to meet local demands.

Q: How do teams from different countries collaborate in practice?

A: Most of the collaboration happens through HQ, which controls the majority of communication. Direct collaboration between local teams isn't common unless HQ is involved. It feels like everything is funneled through HQ, and that limits opportunities for local teams to interact directly.

Q: Are there structured opportunities for sharing or learning across international teams (e.g., workshops, cross-country projects)?

A: There haven't been many structured opportunities for cross-country collaboration, but I have had a few meetings with different affiliates about tool development. We shared how we use our current tools and discussed work processes, but I haven't yet had the chance to collaborate on any cross-country projects.

Q: How is knowledge shared across the group – for example, best practices, innovations, or ways of working?

A: Knowledge is mainly shared through email or Teams. However, because of language barriers, email tends to be more common as it gives people more time to think and write more detailed responses.

Q: What tools, systems, or routines help facilitate this exchange between HQ and local teams?

A: If everyone speaks the same language, Teams is usually preferred for real-time communication. However, because of language barriers, email is often the go-to for clearer, more detailed communication.

Q: Have you experienced barriers to knowledge sharing (e.g., language, cultural norms, organizational structures)? If so, in which contexts or with which teams?

A: Language has definitely been a barrier for me. I find it hard to express myself fully in English compared to my native language. This often leads to me giving a shortened version of what I want to say, which can make meetings stressful. I find writing detailed emails much more comfortable, even though it takes more time.

Q: How do you ensure that shared knowledge is not just sent, but actually understood and used in local contexts?

A: To make sure shared knowledge is understood and applied correctly, I try to be as detailed as possible when explaining things. I also follow up to check if the information makes sense in the local context and encourage feedback to ensure that it's being used effectively.

Q: Has the organization learned or improved something from past integration experiences?

A: Honestly, I haven't noticed much improvement. While there have been some efforts to improve processes, the pace of change seems slow, and we haven't seen significant changes in the way integration is handled.

Q: Have any local practices been scaled or replicated in other parts of the group?

A: No, I haven't seen any local practices scaled or replicated in other parts of the group. There's a lot of focus on local needs, but not much sharing of practices that could benefit other countries.

Q: Would you say there was a mutual adaptation process between HQ and the local entity?

A: No, I haven't seen much mutual adaptation. It's mostly been about the local teams adapting to global directives without much two-way exchange or adaptation.

Q: In your view, what aspects of the integration worked particularly well?

A: I think the integration of tools and resources between HQ and local teams has worked well. The sharing of resources has been smooth, but there is a need for more structured collaboration across countries to truly make integration successful.

Q: Looking back, what would you improve or approach differently in a similar situation?

A: I would focus more on creating structured opportunities for cross-country collaboration. Global strategies need to be more adaptable to local contexts, and there should be a stronger emphasis on ensuring knowledge is shared effectively and understood in local teams. Improving communication channels and fostering a culture of collaboration across borders would be key to improving the integration process.

Interview 4

Q: Could you start by explaining your background and where you've worked?

A: Yes, I'm from Malta, and I have a technical background in IT. I studied IT some years ago. Over the course of my career, I worked in several industries: public sector, aviation, telecoms, insurance, and banking. I spent most of my early career in Malta. My first job in aviation involved working closely with North African countries, which led me to travel there frequently. After spending 10 years working in insurance companies in Malta, I got the opportunity to move to Russia, which I did. I lived in Russia for nearly three years but had to move due to the conflict between Ukraine and Russia. After that, I relocated to France.

Q: Did you work for Renault Group while in Russia?

A: Yes, I've been working with Renault Group since 2009. In Malta, we have some insurance companies affiliated with Renault. We worked mainly on products like Payment Protection Insurance (PPI) and GAP insurance. GAP insurance is a product that covers the difference between the car's residual value (which decreases over time) and the remaining financing amount if the car is totaled. I was involved in building the company, the team, and the technology for this project from day zero, and we worked on this for 10 years.

Q: Why was Malta chosen for the insurance company?

A: Malta was chosen because of its strong political and tax advantages. In addition, it is within the EU framework, which includes directives on insurance, anti-money laundering, banking, and so on. This made Malta a great location to set up an insurance company. MFS, which is part of Renault Group, decided to open an entity in Malta in 2008 to become a licensed insurer. This was the first time MFS had done so, and the regulatory environment in Malta made it easier to grow the company.

Q: What was the entry strategy for Renault in Russia?

A: Renault entered Russia about 10 years ago. They started manufacturing in Moscow and St. Petersburg with factories and production facilities. The country offers a huge market with a population of 170 million people, and there's a significant local player, Aftovaz, with their Lada brand. When Renault entered, they initially partnered with a local bank due to banking regulations that restrict foreign banks. The entry strategy was to be a non-controlling partner with a local bank for a certain period before establishing a direct presence. This strategy was similar to the one Renault used in other markets like Turkey, where they also did joint ventures to build strong local relationships. Over time, Renault and its partners gradually expanded, growing their presence in Russia.

Q: How was Renault's entry strategy in Malta?

A: In Malta, the entry strategy was different. MFS, a subsidiary of Renault, decided to become a licensed insurer. This was a very complex and lengthy process because becoming an insurer requires a lot of regulatory approvals and compliance. MFS launched in 2008 and was the first to become a licensed insurer in Malta. By the time I left, MFS had a portfolio of around 4 million active customers. Today, MFS is the largest non-domestic insurer in Malta, thanks to its strong regulatory framework and tax advantages. The company is regulated by the Financial Services Authority in Malta, which ensures that it adheres to European Union standards.

Q: How do you perceive the French leadership of the group in different countries, particularly in Russia and Malta?

A: In Malta, working with French leadership felt different because the insurance sector was new to the company. Although Renault is a French multinational, the leadership maintained close alignment with the corporate strategy while also adapting to the local environment. In Russia, it was a bit more challenging. There were strict local regulations that required us to adapt our operations to fit within Russian laws. Even though Renault has a global strategy, the

local regulations and reporting styles in Russia required more effort and coordination. The French leadership had to manage these complexities while aligning with global goals.

Q: How do you manage the balance between local and global strategies?

A: It's all about having leadership teams that are aligned with the corporate strategy. This could mean deploying people to certain countries or hiring locals who have experience and can closely align with the company's objectives. For example, in countries like the UK and Spain, MFS hired local managing directors, but they still closely followed the overall corporate strategy. In Russia, local regulations created additional challenges, so it was essential to balance global directives with local needs. Each country has its own regulatory environment, so implementing the global strategy in a way that fits local conditions was key.

Q: How does reporting work across different standards?

A: Reporting is quite complex because you need to report to local authorities according to local accounting standards, but also to European standards, as you must integrate into the group systems. You can't just choose one; you need to follow both. Local standards are required for tax authorities, while the European standards are needed for group integration, especially for companies with headquarters in France. In addition to these, there is a distinction between accounting for insurance and banking, which are handled differently, making it a very technical and complex process. You need to manage premiums, provisions, liquidity, and have buffers.

Q: How do you manage integrating group policies while also respecting local regulations?

A: You have to integrate the group policies while respecting local regulations. For example, in France, you're required to give one month's notice when resigning, but in Malta, it's only two weeks. You need to respect these local differences but still align with the broader company policies. This is the same for language and other regulatory requirements, such as employment laws, where every country has its own set of rules.

Q: Was the team you worked with in Russia very international?

A: In Russia, there were local teams, and then there were teams that worked for foreign companies. In my team, we had local Russian employees, but many of them had experience working for international companies. This was especially important in Russia because working for a European company was seen as a big advantage for personal and professional growth. It

provided exposure to languages, technologies, and new ways of working, which is highly valued in Russia.

Q: Did you face language barriers in Russia?

A: I did learn a bit of Russian, but most of my team had good English skills. I hired a middle management layer with the necessary language skills, so my communication with them was in English. They then communicated with their teams in Russian. The management team, including myself, communicated in English. It was part of the hiring process, as working in an international company meant being able to speak English.

Q: How would you describe the business culture in Russia?

A: In Russia, the business culture is very hierarchical and top-down. It's not uncommon to have a very direct approach to communication. For example, when I needed someone to do something, I would normally say, "Can you do this when you have time?" But in Russia, one of my employees pointed out that this was not how things work. Instead, I needed to say, "Can you do this by Tuesday at 5 p.m.?" It's about being very clear and direct with expectations. There's a strong respect for hierarchy, and employees will not go to my boss or equivalent directly; they always come through me.

Q: How does this hierarchy affect knowledge sharing?

A: The hierarchical structure is limiting for knowledge sharing because everything goes through one channel. My team would bring issues to me, and I would then negotiate with other members of the management team. Knowledge sharing wasn't as fluid as it could be because there was no direct communication across teams. Each team had its own manager, and any issue had to go through the proper channels. This setup reduces opportunities for collaboration and quick problem-solving.

Q: Do you think this hierarchical structure impacts performance compared to more collaborative environments, like in Spain?

A: Yes, the hierarchical setup in Russia has its benefits in terms of efficiency and meeting deadlines, but it does limit collaboration. In a more collaborative environment, like in Spain, where teams work more horizontally, there are more opportunities for knowledge sharing and cross-team cooperation. The hierarchical structure in Russia may make things run more

smoothly in terms of task completion, but it comes at the cost of limiting collaboration and flexibility.

Q: How is the work culture in Malta compared to France?

A: Malta has a slightly more relaxed work culture than France. Externally, it might seem more laid-back, but people in Malta are very dedicated and proactive. Unlike in France, where employees may wait for tasks to be assigned, in Malta, people often take the initiative to get things done. The workday in Malta is also shorter, with a quick lunch break, allowing people to finish work earlier, which contrasts with the longer workdays in France.

Q: Are there cultural differences across countries in Europe that affect the way people work?

A: Yes, there are cultural differences, though they're often subtle. For example, in Spain, people take longer lunch breaks and work later, while in Malta, the lunch breaks are shorter, and the workday ends earlier. These differences can affect the pace of work, but overall, each country has its own rhythm. However, there's no significant impact from these differences as long as teams are working in their local contexts. The challenge comes when you try to collaborate across borders without understanding those local differences.

Q: Do you think the group underestimates the cultural differences between countries?

A: Yes, sometimes. There's not much overlap between countries, and I think the group often doesn't take cultural differences into account enough. Personally, I think more collaboration between countries is needed. We are currently very siloed, and there's not much impact from these cultural differences because teams usually work independently. However, we need more horizontal collaboration, and I'm working to make that happen.

Q: How do you think the group can improve in terms of integration and collaboration across countries?

A: The group needs to create a reason for countries to collaborate, not just the tools to do so. Right now, there's no real incentive to share knowledge or collaborate across borders. Teams often work independently, even though they might have similar needs. To improve, we need a clear reason to collaborate, such as sharing resources or tools, and to ensure there is enough expertise and capacity to make collaboration successful. The first step is creating that need for collaboration.

Q: Do you think Renault can expand more globally, or are they already in most countries?

A: Renault is already present in many countries, including Latin America, Europe, Asia, and Russia. The group has partnerships in China, and we are in markets like India, South Korea, and Brazil. However, expanding into the U.S. would be a challenge due to the strong local competition, so there aren't many large markets left for Renault to enter. Most of the big markets are already covered.

Q: Do you think Renault will ever be seen as a global enterprise rather than a French company?

A: Renault will always be perceived as a French company, and that's something to be proud of. People buy brands because of their national identity, like BMW for being German or Ferrari for being Italian. Renault's French heritage adds value and prestige to the brand, and it's a positive thing. It's part of the brand's identity, and it will remain that way.

Q: How is working in a country that's culturally close to headquarters versus one that's more distant?

A: Working in a culturally close country has fewer barriers, and it feels more natural, but working abroad brings its own set of challenges. As a foreigner, you have to prove yourself and show that you bring expertise and knowledge that local employees may not have. It's a challenge, but it's also an opportunity to bring a different perspective. The working culture may be different, but it's not a limitation; it's something you have to adapt to. Being an outsider means you have to demonstrate your value and show that you bring something the local team might not have.

Q: How does the goal of working horizontally across countries, rather than vertically, affect the way teams work?

A: The idea is to have a team, for example, working on Salesforce Marketing Cloud, that services all countries. The team would be based in the country with the most expertise, potentially at a cheaper rate. But the real challenge here is to also address the cultural differences when working across countries. This includes things like how to write customer emails — in some countries, communication needs to be very explicit and factual, while in others, like Italy, you can be more informal and playful, using emojis and less formal language.

Q: Isn't it difficult to personalize the content for different countries if the team is working from one country?

A: It's always important to personalize content for customers, but the challenge is managing different approaches across countries. For example, in Russia, communication needs to be very direct and clear, while in countries like the UK, the communication can be more informal and casual. Each country has its own style, and this needs to be taken into account when creating content. Even if the content is technically correct, it's not always how people would naturally write or speak in their own language. In marketing, you need to be close to the "street language" to make the message resonate with customers.

Q: How should Renault manage the exchange between countries if they want to create a more collaborative culture?

A: There are things that are always local, like customer care, which needs to be adapted to each country. However, for other areas, like technical expertise, it's possible to have cross-country collaboration. The main issue is creating a reason for countries to collaborate, not just the tools for it. Each country has its own platform, tools, and ways of operating, so there's no immediate reason to share or collaborate. To improve collaboration, you need a clear incentive, like sharing resources or working on joint projects.

Q: Have you tried getting countries to collaborate more in meetings and share best practices? Is that effective?

A: It's mostly one-directional, just presentations. People listen and then go back to their own teams and implement things in their own way. Before COVID, we had events once or twice a year where all the country DSCs would meet. It was a mix of business and networking, with a focus on sharing best practices and key projects. It worked better because we could build relationships and connect personally. Now, we're trying to restart these events, and while it's still in the early stages, the idea is to see the faces behind the names and build a sense of connection.

Q: Do you think in-person events like these help with collaboration?

A: Yes, they're very helpful because they allow you to build personal connections with people. It's easier to reach out to someone if you've met them in person. Even now, I still keep in touch with many of the people I met in these events, which is beneficial in the long run. Virtual meetings don't provide the same level of personal connection, and the events allowed us to meet and talk in a more informal, meaningful way.

Q: Do you think it's possible to achieve better collaboration across countries, even if there are cultural differences?

A: Yes, it's possible, but it takes effort. You need to recognize and respect the cultural differences. It's not just about having the right tools or systems, but also understanding that every country has its own way of doing things. For example, some cultures are more hierarchical, while others are more flexible. The key to successful collaboration is understanding these differences and creating a culture where people can collaborate across countries, despite these distinctions.

Q: How do you think the group can improve integration and collaboration across countries?

A: The group needs to create a reason to collaborate, not just the means to do so. Right now, there's no real reason for countries to share resources or work together unless there's a clear need. Once we have that need established, collaboration can happen. For example, if a team in one country has expertise in a certain area, other countries can benefit from that expertise, but only if they are encouraged to collaborate and share knowledge. Without that need, countries will continue to work in silos.

Q: Is there a cultural difference in how people work in different countries, and how does this affect collaboration?

A: Yes, there are differences, but they're often subtle. For example, in Spain, people have longer lunch breaks and work later, while in Malta, lunch is shorter, and the workday ends earlier. These cultural differences can affect the pace of work, but overall, they only impact collaboration if teams aren't working in a way that accounts for these differences. The challenge comes when you try to force a one-size-fits-all approach to teamwork across cultures. Understanding and adapting to those cultural nuances can help improve collaboration.

Q: Do you think Renault should focus more on collaboration and reducing silos between countries?

A: Yes, absolutely. There's too much siloed work today, and it limits the potential for innovation and cross-learning. Teams in different countries should collaborate more to share expertise and resources. If we want to improve, we need to break down the silos and work more horizontally, so teams can learn from each other and contribute to each other's success.

Q: Do you think Renault has the potential to expand into more countries, or is the market already saturated?

A: Renault is already in most major markets, including Latin America, Asia, and Europe. We have partnerships in China, and we are in markets like India, South Korea, and Brazil. Expanding into the U.S. would be difficult due to strong local competition. Most of the large markets are already covered, and there aren't many large, untapped markets left.

Q: Can Renault ever be seen as a truly global enterprise rather than a French company?

A: Renault will always be seen as a French company, and that's something to be proud of. Much like how people buy BMWs because they're German or Ferraris because they're Italian, Renault's French heritage adds value to the brand. Being French is an integral part of Renault's identity, and that will always be part of the brand's charm.

Q: How does the experience of working in a culturally close country compare to working in one that's more distant from the headquarters?

A: Working in a culturally close country is easier because there are fewer barriers, and it's more familiar. However, working in a country that's more distant, like Russia, is a challenge because you have to adapt to the culture, and you're often seen as an outsider. But that challenge is also an opportunity to bring expertise and experience that local teams might not have. The key is to prove your value and show that you bring something different to the table, which makes the experience rewarding.

Q: How can Renault facilitate collaboration between headquarters and local teams if in-person meetings aren't possible?

A: It's very difficult right now, and we don't have the expertise to manage it. The first step is to create a reason for countries to collaborate. Right now, each country operates independently with its own tools and customer base, so there's no real reason to collaborate. The challenge is creating a shared need. For example, if Renault stops doing something in one country, it could be moved to another, and then collaboration will happen, such as moving Marketing Cloud from one country to Spain. This creates a reason to collaborate.

Q: Do you think it's difficult to work across culturally distant countries compared to countries closer to the headquarters?

A: I think it's easier in some ways because when you're in a distant country, people don't know exactly what you're doing. There's less interference, but also fewer expectations. It depends

on the strategy of the group. In the last two years, the strategy has been to centralize operations, especially regarding tools and solutions. This could be beneficial if the necessary capacity, tools, and people are ready to take over. If you don't have those resources, you risk failing to deliver and people will resort to managing things locally.

Q: Do you think Renault can expand more globally, or are they already in most countries?

A: Renault is already in most large markets. We are in Latin America, Europe, Asia, and even in countries like South Korea and India. We have partnerships in China as well. The U.S. and Canada are challenging markets for Renault due to strong local competition. Markets like Russia are out of scope for the next few years, and other remaining markets are too small to make a significant impact. So, I think we are already in the key markets.

Q: Do you think Renault can become a truly global enterprise, or will it always be seen as a French company?

A: Renault will always be perceived as a French company, and that's something to be proud of. It's similar to how people buy BMWs because they're German or Ferraris because they're Italian. The national identity of a brand is an important part of its image. People associate value and prestige with the country of origin, so Renault's French heritage will always be a part of the brand.

Q: How is the experience of working in a country culturally close to the headquarters compared to working abroad?

A: There are pros and cons to both. When you work in a country closer to headquarters, it's easier because there's no language barrier and a shared cultural understanding. However, working abroad as a foreigner presents its own challenges. You have to prove yourself and demonstrate that you bring expertise and knowledge that local employees may not have. The working culture may differ, but it's not a limit; it's a challenge that you need to adapt to. If you come from abroad, it's because you bring something extra that the local team might not have.

Interview 5

Q: Can you start by explaining your role within the group and how long you've been with Renault?

A: Sure! I've been with Renault since 2009, right after I graduated from the University of Polytechnic in Bucharest. I started at Renault Technologies Romania in the Aprefant area. For

three years, I managed the treatment of warranty files sent by the Renault network in France. We'd analyze warranty claims and verify if the service network in France was meeting the car standards.

Then, in 2012, I moved to Renault Commercial Romania, which is the department managing Renault dealers and agents in Romania. My role involved overseeing the launch of cars, sales, and after-sales activities with Renault, Dacia, and Nissan dealers. One of the key projects I worked on was implementing electric vehicles in the dealer network, specifically for the Renault Zoe, which involved increasing the number of charging stations and accrediting workshops for electric vehicle maintenance.

Since 2022, I've been working with Mobilize LCE Leasing, managing the sales team for the entire country of Romania. I oversee the commercial activities of LCE Leasing in Romania. My career journey started from working in workshops in Skoda, and now I'm in the office handling LCE financing, which has been a big transition for me. I've gained experience in after-sales, sales, and financing, especially given my background in engineering.

Q: That's quite an interesting journey! Now, could you explain a bit more about Renault's entry strategy in Romania? Was it an acquisition, or something else?

A: Renault's entry strategy in Romania is actually one of the most successful integration examples in Eastern Europe. They acquired Dacia in 1999. Initially, Renault owned 51% of the company, with the Romanian government holding 49%. Over time, Renault increased its stake and now owns 100% of Dacia. There had been discussions and partnerships with Renault even before the acquisition. I believe Renault had collaborations with Dacia starting in the 1960s. In fact, the first car produced by Dacia with Renault was the Dacia 1100 in 1968, which was similar to the Renault 8. The Dacia 1300, launched in 1969, became an iconic car in Romania, essentially based on the Renault 12.

Q: That's really interesting! It seems like Renault has been a part of Romania's car culture for decades. Do you think Romanian customers see Renault as a brand that is close to them, especially after the Dacia acquisition?

A: Yes, absolutely. Initially, Dacia was seen as the national brand, and Renault's acquisition of Dacia helped strengthen that bond with Romanian customers. At first, Dacia held a dominant position in the market, selling around 45,000 vehicles per year in a market of 165,000–170,000 cars, capturing about 30-40% of the market share. Renault, in contrast, initially had a smaller

share. But as time went on, customers started to look more closely at the cost of the cars, with Dacia being the more affordable option.

Renault, although not the cheapest, started competing directly with brands like Volkswagen and Ford. Today, Dacia still holds the largest share in the Romanian market, but Renault is also strong, especially when it comes to imported vehicles. It's a good strategy because it helped Renault tap into the market with a brand that locals were already familiar with and saw as part of their own.

Q: Do you think this strategy helped Renault solidify its place in the market, especially in the eyes of the Romanian customer?

A: Definitely. Dacia was already a trusted brand in Romania, and Renault's acquisition made the brand even more recognizable and reliable. The Romanian market has always been competitive, and this strategy allowed Renault to connect more deeply with Romanian customers by offering affordable options through Dacia, while still providing higher-end models under the Renault name. The two brands complement each other in the market, with Dacia holding a significant share and Renault fighting the competition with international brands like Volkswagen.

Q: You mentioned Dacia being the cheapest option. How do you think the price factor played into Renault's strategy in Romania?

A: The price factor has always been crucial. Dacia was positioned as the most affordable car in Romania, which gave it a competitive edge, especially with customers looking for a cost-effective option. Renault, on the other hand, wasn't the cheapest but competed with other major players like Volkswagen and Ford. Over time, the distinction between Dacia and Renault became more about price and value, with Dacia serving the budget-conscious customer while Renault targeted a broader audience, offering more premium options.

Q: How has the competitive landscape changed in Romania since Renault entered the market?

A: When Renault entered the Romanian market, it was primarily competing with Dacia, the national brand, and Olcit, which had a factory in Craiova in collaboration with Citroën. But over the years, brands like Volkswagen, Ford, and others have entered the market, making it more competitive. Today, while Dacia still leads in market share, Renault competes with other international brands, and the landscape is far more dynamic, with each brand targeting different segments of the market.

Q: What challenges did Renault face during its acquisition of Dacia?

A: One main challenge was the cultural integration between the Romanian and French teams due to differences in mentality and life experience. Trainings were conducted to bridge this gap, particularly focusing on collaboration and communication.

Q: How did Renault address these challenges?

A: Renault organized training sessions on cultural integration and communication to help both Romanian and French teams collaborate more effectively.

Q: What are the key differences between the Romanian and French ways of doing business?

A: The primary difference is the technological adaptation. Renault introduced new technology and increased quality control at the Romanian factory. Additionally, the concept of international mobility is an advantage for employees in the group.

Q: Is the Romanian team multicultural?

A: While the Romanian team is predominantly local, there are a few employees from other countries, such as France and Italy, especially in departments like finance.

Q: How easy is it for foreign employees to integrate into the Romanian team?

A: Integration depends on the person. Open, enthusiastic individuals find it easier to integrate, while those who are isolated or less communicative may face challenges.

Q: Does the Romanian subsidiary have local autonomy?

A: Yes, there is local autonomy. The speaker has had discussions with colleagues at the headquarters regarding various activities and has the freedom to take local initiatives, especially with their experience in the group.

Q: Are there global rules applied in all Renault countries?

A: Yes, some global rules apply, but there are also country-specific variations. For instance, in Romania, the sales model involves agents rather than dealers, which differs from other countries where dealers buy cars and sell them to customers.

Q: Does the Romanian team collaborate with other countries within Renault?

A: The Romanian team does not frequently collaborate with other countries like Italy or Spain. Interactions mostly happen in seminars or meetings but not for regular business collaboration.

Q: Do you participate in international meetings?

A: Yes, there are big meetings with participants from multiple countries. However, the speaker prefers face-to-face meetings over virtual ones like Teams or Skype, as they believe in better understanding and communication during in-person discussions.

Q: How is the communication between the headquarters and you?

A: The communication is clear. The instructions are clear, and they are helpful. The interaction is vertical, meaning the headquarters provides proposals, and we analyze them for the Romanian market. If the proposal is applicable, we implement it; if not, we suggest adjustments or explain why it's not suitable.

Q: How does the interaction work regarding the implementation of proposals in Romania?

A: When the headquarters proposes something for Romania, we analyze it to see if it can be implemented as it is. If necessary, we adjust it to fit the Romanian market. If it's not suitable at all, I explain why and provide resources to help understand the limitations.

Q: Does Romania have any best practices that have been shared with other countries?

A: Yes, Romania has a best practice related to the financing files. We are 100% digitalized and have an application where customers can interact with the salespeople via laptops or PCs in showrooms. The customer receives an offer via email or print, depending on their email availability. The system also allows customers to sign digitally with a code sent via SMS. This digitalization has been recognized as very effective, and others, like the General Manager now in Poland, are trying to implement similar practices.

Q: How has digitalization in Romania been implemented and received?

A: The digitalization has been very successful. The system avoids paper and simplifies the financing process, which has been well-received in Romania. Customers prefer to do everything online, and this practice has been recognized as highly efficient. Visitors from other countries have been surprised by Romania's implementation of digitalization.

Q: Was the acquisition of Dacia the best option for Renault?

A: The acquisition of Dacia was highly beneficial for Renault. It allowed Renault to enter the Western market and sell affordable cars in Romania, where manufacturing costs and salaries are lower. This strategy also enabled Renault to gain market share in Europe and North Africa. The Dacia acquisition helped Renault grow faster than it would have on its own, and other companies have tried to replicate this success.

Interview 6

Q: Can you hear me?

A: Yes, I can hear you.

Q: Thank you for your time. I just want to introduce myself briefly. I'm writing my thesis on cultural post-integration, focusing on Renault because I'm working there. I want to study the different entry strategies Renault uses in different countries and how they manage cultural integration, as Renault is a French company present in over 100 countries. It must be difficult to integrate different teams and cultures. Since you're an expert in intercultural management, how would you approach intercultural negotiation in the context of a multinational business expansion like Renault? What are your recommendations for handling it?

A: Intercultural negotiation is a general concept that applies globally. When dealing with different countries, like Renault in South Korea, the approach to intercultural negotiations varies. I recommend focusing on the cultural frameworks when doing research, such as Hofstede's cultural dimensions, to better understand how negotiations might differ between countries.

Q: I haven't chosen a specific country, but Renault operates in over 114 countries. Can you give examples from different countries?

A: It's true, Renault operates in many countries. You could look at different regions like Asia or South Korea. For intercultural negotiation, it's important to understand the cultural nuances in each region. For instance, the negotiation process in Korea is quite different from that in France.

Q: For my thesis, I want to understand how multinational companies manage the intercultural process of integration when they start a new subsidiary in a different country. So, I'm particularly interested in the difference between the global strategy and the local strategy, as

Renault tries to adapt to each country. Could you share some insights on the French way of doing business and leadership?

A: The French way of doing business is very analytical. French people prefer to analyze all the advantages and disadvantages before making decisions, which results in long-term planning. They take time to assess risks, and only if the feasibility is high, they proceed. They don't like to take risks with projects. This is very different from other cultures, especially in Asia, where decisions are made more quickly and with more flexibility.

Q: Can you give an example of how French leadership might struggle with local leadership?

A: The challenge arises when French leadership, which is more risk-averse and analytical, interacts with local leadership that tends to be more pragmatic and fast-moving. For example, in Southeast Asia, decisions are made quickly, and adjustments are made as things move forward, which is the opposite of the French style. In places like South Korea, this can create confusion because the local team may not understand why the French leadership is so slow to act and prefer to analyze everything before making decisions.

Q: How can French leadership adapt to local leadership, especially in countries like South Korea where the teams receive directions from the French headquarters? What challenges do you see in this process?

A: The main difficulty is the lack of trust. The South Korean team might wonder why the French team isn't moving forward quickly enough. South Korea tends to make decisions based on objectives and adapts as they go along, whereas the French team tends to focus on detailed analysis first. There's also a cultural misunderstanding because French leadership is more hierarchical, and the South Korean team has to understand why the French team operates that way. Similarly, the French team must understand the South Korean team's faster-paced decision-making process.

Q: Do you think there is a way to overcome these challenges?

A: Yes, overcoming these challenges requires better mutual understanding and respect for each other's approaches. French and South Korean teams need to communicate more effectively and recognize the different ways they approach decision-making. The key to overcoming cultural incomprehension is patience, trust-building, and adapting to each other's methods without compromising the overall goals of the company.

Q: Do you think it's better to send a French manager to represent France in a subsidiary, or is it not a good idea because they are a foreigner?

A: It really depends on the strategy of the headquarters. There is a lot of ESPAT (Expatriate Assignments), where French managers are sent to local markets to see how things go and manage the team. However, ESPAT is expensive for companies, and many now prefer hiring bicultural people. A bicultural French manager with strong local market knowledge and international experience will be able to adapt much more quickly. This makes it easier for the local team to listen to and trust the manager, as they understand both the local culture and the French way of doing things.

Q: Would it be better to hire a French manager with local experience or a manager who has no knowledge of the local market?

A: It's much better to hire a French manager with local experience. If the manager doesn't understand the local market, culture, or the way things are done, it can lead to failure. With a manager who has both French background and local experience, the integration process becomes much easier. These managers can decode cultural differences effectively, and the local team is more likely to respect and understand their leadership.

Q: Do you think that the way of working between France and South Korea is similar, especially in terms of knowledge sharing and technology?

A: It depends. If the technology is centralized, it might be difficult to share it effectively in the South Korean market. But if the central strategy aims to share know-how and improve local technical skills, that's possible. South Korea, like France, is hierarchical, so clear orders must be given. The manager sets the objectives, and the team is expected to reach them. The cultural aspect is crucial here—especially in Asia, where it's important to speak politely, not hurt feelings, and avoid losing face.

Q: Do you think a global strategy works universally across all countries?

A: A global strategy applied uniformly across all countries doesn't work. It needs to be personalized and adapted according to local market requirements. Renault follows a general global strategy, but they adjust it to better suit each market. Think of it like a framework that gives the structure, but the local managers are responsible for adapting the strategy to their specific market needs.

Q: Which countries are more similar to France in terms of cultural integration, and would it be easier for France to integrate fully in those countries?

A: Not all European countries are similar to France, even though we often think of Europe as being culturally close. For example, Germany and France have significant cultural differences. Germans are closer to Anglo-Saxon culture, like the US. In contrast, countries like Italy, Spain, and Portugal, which share a Latin background with France, are easier to assimilate culturally.

Q: Why do you say that France has a lot of hierarchies?

A: France is quite hierarchical, which means there's a lot of bureaucracy. It's not like Germany, which is less hierarchical, or the USA, which has a more egalitarian structure. In France, you'll rarely see a CEO interact directly with lower levels. There are multiple layers of management. This hierarchical structure is deeply embedded in the culture and affects how companies are managed.

Q: Do you think that language would be a barrier in countries like Morocco for integration?

A: Yes, language can be a barrier. In Morocco, French is widely spoken, which helps with integration. However, the cultural differences remain. Even in French-speaking markets, it's important to adapt to the local culture, not just the language. Communication issues can still arise, especially when working in countries where English or the local language is dominant, even if English is commonly spoken.

Q: How can a manager build cohesion within a multicultural team with members from countries like China, Mexico, India, and the USA?

A: A manager needs to create team cohesion by ensuring that all team members feel understood and respected. The manager must be aware of cultural differences, as people from different cultures might communicate or behave differently. The objective must be clear for everyone. For example, if the goal is to increase turnover by 10%, each team member brings their own ideas based on their cultural perspective. The manager must ensure these diverse perspectives are integrated into a coherent strategy. The richness of cultural diversity should be leveraged to build a more effective team strategy.

Q: How do you think we can improve collaboration between countries, especially given that after COVID and budget constraints, it's difficult to have in-person meetings where countries

share their best practices? Some countries say the online meetings are not efficient. How can we improve this?

A: I think it's better to categorize teams by continent. For example, even though Germany and France are different, within Europe, there's some common ground. You could have a meeting for countries within the same region to exchange ideas and best practices. For English-speaking countries, for example, the approach may differ, so a separate meeting for countries in Asia or other regions might be more productive. This way, you're focusing on teams with more similar cultural backgrounds, and it becomes more enriching.

Q: Do you think that Russia is more Asian or European in terms of business culture?

A: I would say that Russia is neither fully Asian nor European. It's quite distinct. Russia has a more hierarchical culture than China, for instance. In Russia, you can't easily question the boss's decision—it's more top-down. So, while there are similarities to Asian cultures in terms of hierarchy, Russia also has its own unique characteristics.

Q: Do you think the cultural impact is bigger depending on the entry strategy a French multinational like Renault adopts in a market? For example, Renault's entry into Turkey involved a joint venture because of the strong loyalty of Turkish clients to local brands. Do you think the entry strategy impacts cultural integration?

A: Yes, the entry strategy has a significant impact on cultural integration. For example, in Japan, Renault didn't succeed as well as Peugeot, but with a joint venture in China, Renault did much better. In markets where the company is completely unknown, a joint venture with a local partner is a very strategic way to enter. The local partner helps improve the company's image and establishes trust with local customers, making it easier to integrate. However, choosing the right partner is crucial. It's important to evaluate their reputation, market share, and risks carefully before proceeding.

Q: What do you think about joint ventures? For example, Renault used a joint venture in China. What are your thoughts on joint ventures as a strategy in international markets?

A: Joint ventures can be a great strategy, especially in markets where you're unfamiliar or the local culture is very different. The key is choosing the right partner. You need to ensure they have a good reputation and that their market share can help you succeed. When Renault developed a new vehicle model, they used the local partner's market share to help push the product more easily. The risks and benefits must be carefully evaluated to ensure success.

Q: What are the common mistakes multinational companies make when they don't take cultural differences into account when expanding into new countries?

A: The biggest mistake is not considering cultural differences. Companies must understand that culture has a massive impact on how business is done. If they don't adapt to local cultures, their expansion will likely fail. The approach that works in France might not work in other countries. Companies need to understand the local market's dynamics and adapt accordingly.

Q: Do you think that integrating different cultures properly can lead to better performance? Or is the link between cultural integration and performance not so clear?

A: It depends. The definition of performance varies between cultures. In France, performance might mean selling more, while in other countries, it could mean earning more or achieving other goals. So, performance isn't always defined the same way across markets. Therefore, integrating cultures effectively can improve performance, but the performance metrics should be adapted to local understandings of success.

Q: Do you think it's possible for a multinational company like Renault, which has a strong French identity, to evolve into a company that is seen as global rather than tied to one country?

A: For a company like Renault, there will always be a cultural identity. However, it's possible to adapt and become more global while maintaining that core identity. Renault can still keep its French "touch" and heritage, but it needs to innovate to stay relevant in international markets. Like LVMH, which maintains its French identity but adapts its strategy for local markets, Renault can focus on global expansion while preserving its core values. The key is balancing the French identity with market-specific adaptations.

Q: What is a good example of a company that has successfully integrated and adapted its strategy across different countries?

A: LVMH is an excellent example. They maintain their French heritage but adapt their strategy to local markets, such as adjusting their boutiques to fit local cultures. Their success comes from maintaining the core values of the brand while also recognizing the need to personalize the experience for each market.

Q: Do you think local managers should be French or not?

A: Local managers can keep the French identity but must adapt to local culture. A French manager can still bring a lot to the table, but they must personalize the approach to meet local needs and market demands. It's about striking a balance between maintaining the company's identity and adapting to the local market.

Q: How should Renault train employees, especially at the headquarters, to improve understanding of cultural diversity and integration?

A: Training on cultural diversity is vital, but it's challenging to organize, given everyone's schedules. One approach could be to organize quarterly team exchanges, where employees can connect virtually to discuss cultural challenges they're facing. It's not just about formal training - it's also about creating spaces where employees can share experiences and learn from each other. Online training could be an effective tool for this, but having an in-person or virtual exchange is also valuable for real-time discussions and understanding.

Interview 7

Q: Have you been directly involved in post-entry or post-acquisition integration processes?

A: Yes. I don't know if Lamia told you about my career. I studied economics and business administration. After university, I moved to Italy and worked at Benetton in marketing. Then I moved to the UK, worked in banking at the Bank of Scotland, and later in telecom - first at Qualcomm, which became Verizon, then at British Telecom. There, I worked on strategic projects including system rollouts like Salesforce and led international teams.

Q: Have you worked in multicultural teams before?

A: Yes. That's what I like the most. I'm a people person. I don't believe in imposing decisions from above without understanding the local context. Every place, every team works differently. Listening is key, and cultural alignment is one of the hardest things to achieve.

Q: What are the main challenges in post-entry integration?

A: Cultural alignment. Right now I work with teams from Spain, Portugal, Italy, Germany, and the Netherlands. You have to make everyone feel heard and respected. If people feel pushed, they'll resist. And when something goes wrong, they'll say, "We told you so." But if they're part of the solution, they'll own it.

Q: Among the different countries, have some been more resistant to change?

A: Initially I thought Germany, but I realized it's not resistance—it's context. They often have stricter regulations, less digital maturity, and older systems. They're willing, but can't always move as fast as others like Spain or Italy.

Q: Is the integration process more HQ-driven or locally led?

A: It's a balance. Sometimes HQ has to step in to clarify the rules, especially when there's confusion. But the key is not to impose. You guide, you build consensus. When people feel the idea is theirs, they support it. If it comes from HQ only, it won't work.

Q: Was there a turning point that made integration more successful?

A: Yes, when we started involving regulatory and IT people early, and focused on delivering quick wins. That helped us build credibility and accelerate. You need to show KPIs and results; otherwise, people won't buy in.

Q: How would you describe the leadership style in the local contexts?

A: It varies a lot. Some leaders are very collaborative. Others seem collaborative but do what they want. Some look rigid at first but turn out to be your best allies. You have to read the room and adapt.

Q: Do local managers contribute to strategy?

A: I think they do when it's a key project. As long as the strategy is clearly defined, local input is valuable. But when the strategy is unclear, that's when confusion starts and people begin to criticize. So first, we need HQ to clarify the strategic line—only then can local teams contribute effectively, especially during implementation.

Q: How do teams from different countries collaborate in practice?

A: In Mainz, for example, we implemented something called "Communities." We're divided by topics, and each topic has a community of experts—usually from the first-wave countries. In my case, I think it worked well because I genuinely like people. I always try to understand their perspective. I was once a field manager in the countries, so they respect that I know what their daily life looks like.

Q: Does that previous experience help with credibility?

A: Absolutely. They know I've dealt with the same issues. Sometimes I even tell them, "Yes, this is not fun, but we have to do it, come on, forza!" And they listen. I also help frame things politically: "Let's present it this way to HQ", and it works. That shared understanding really helps with collaboration.

Q: Are communities efficient for knowledge exchange?

A: Yes, very. People share their "miserias," their problems and they also give advice to each other. We hold regular meetings, weekly or biweekly. We use a shared SharePoint, Teams chat, and within each community, we have working groups.

Q: Are there leaders within these groups?

A: Yes, depending on the topic, one country might take the lead. We always assign a leader and a collaborator from two different countries. In another topic, someone else takes the lead. So roles rotate, and that really helps build trust and shared ownership.

Q: What systems do you use to facilitate collaboration?

A: We use Salesforce a lot, and Microsoft Teams. We rely heavily on KPI dashboards, and now we're integrating Jira as well. Dashboards really help—you can say what you want, but numbers speak. I always say: back your case with data. You can argue all day, but numbers don't lie.

Q: Have you experienced barriers to knowledge sharing?

A: Yes, absolutely. First, language. Even if I speak Italian, I still think in Italian. If I switch to Spanish or English, some meaning gets lost. It happens to everyone - Germans, Portuguese, French. And when you're not confident in a language, you share less. Some things get "lost in translation."

Q: Are there other barriers beyond language?

A: Priorities. If your priorities don't match mine, you may not share everything. For example, if I'm under pressure to deliver something else, I won't prioritize contributing knowledge to a community. But if we all have a shared priority, like the one defined by Martin, our director, it's easier. Then everyone is aligned, and knowledge flows more naturally.

Q: Besides language and priorities, what other challenges affect knowledge sharing?

A: Culture, definitely. Different countries do business in very different ways. Spaniards and Italians, for example, have a lot in common in how they work: they're relationship-driven, fast, sometimes a bit informal, but highly adaptive. That rhythm doesn't always match with, say, more structured or hierarchical cultures.

Q: Can that impact how people set priorities?

A: Yes. It's not just about what is urgent, but *how* urgency is perceived. For instance, in some countries, people prefer to go step by step and document everything, while others want to move fast and adjust as they go. If you're not aligned culturally, you might assume someone is slow or careless, when in fact, they're just following their standard practice.

Q: Does this affect collaboration across countries?

A: Of course. Sometimes it creates misunderstandings. Someone might say, "We're blocked because the other team isn't delivering," but in reality, they're just working in a different way. That's why creating shared frameworks and having frequent, open communication is so important.

Q: What problems arise when trying to align priorities across countries?

A: Cultural and business model differences. For example, in Spain and Italy, we often act like the dealer's bank- we pay for the cars before activation to support them financially. In France, they don't give the money until the car is activated. So we say, "If we don't help, the dealer will go elsewhere," but they think we're just trying to be clever. These are structural differences, not just attitudes.

Q: How do you ensure that knowledge shared is actually understood and used locally?

A: You need a full process. First, you deliver training, then you validate understanding, then you ask: "Now, what did you understand you need to do?" After that, teams must design their own local deployment, and later we verify results. KPIs are key, we track impact. At first, people resist, but then they see the benefits and start engaging.

Q: Can you give an example?

A: Germany resisted Salesforce for years. But now, they understand that having Salesforce will make the E-Miles implementation easier. So they actually asked to delay E-Miles by a year so

they could do Salesforce first. They understood its value—now they're motivated and pushing the project themselves.

Q: Has the organization learned from past integration efforts?

A: Definitely. Every rollout gets smoother. People are better prepared, they understand their roles more clearly. Early on, we tried to apply “agile” without really doing it properly. Now, after several projects, we've learned, practice makes perfect.

Q: Have local practices been scaled globally?

A: Yes. Salesforce is a good example. Also, guidelines I created in Iberia were adapted and are now used more broadly across the group. Renault is very good at picking up what works locally and adjusting it to apply elsewhere. They don't copy-paste - they adapt it.

Q: Has there been mutual adaptation between HQ and local teams?

A: Yes, for sure. Many of us at HQ today come from subsidiaries. We've brought a different mentality, and HQ has learned to listen more. That openness has improved over time.

Q: What aspects of integration worked particularly well?

A: Cross-functional collaboration, setting clear KPIs, involving local teams from the very beginning, and giving each country its own identity and space to contribute. Respect is key.

Q: What would you improve for future projects?

A: We learned a lot from the MILES project. Three years ago, it didn't go well because the countries weren't involved early enough. This time, we changed that. We began with phases: Discovery, then Pre-Pair, and now we're starting the Build. By involving countries from Discovery, you give them a voice to explain how they work, what their expectations and problems are.

Q: Why is that important?

A: Because when you understand their pain points, you can adjust the project and create real “wow” moments - especially in customer care. You won't fix everything, but if you target the worst pain points, and you succeed there, people feel heard and engaged. That creates real buy-in and strong results.

Q: Based on your experience as a local manager in Spain, how is the company perceived there? Do people feel it is French, or global?

A: We definitely have a bit of a “French company” perception. It’s almost cultural - between Spaniards and Italians, there’s always this idea that *“the French are like that.”* When something doesn’t go as planned, we often joke, *“It’s the French’s fault.”* There’s a kind of friendly stereotype, you know, *“those French people who never see the sun in Paris.”* So yes, Renault isn’t always perceived as global, especially in day-to-day conversations.

Q: But would you say it has become more global in practice?

A: Yes, absolutely. While people may still talk about “HQ in France,” the company is becoming more open and global every day. I’ve experienced firsthand how they support international mobility, for example. When they wanted me to move, I told them I couldn’t relocate fully because of my husband’s role in a U.S. company. They found a solution - I work one week in Paris, one week remotely. They made me feel that my contribution mattered. That kind of flexibility shows openness.

Q: So even compared to very modern companies, Renault does well in international mindset?

A: Yes. My husband works in cybersecurity for a cutting-edge American company, and he himself said Renault is more open-minded in how it supports talent mobility. That says a lot. Renault really listens to employees and adapts to their lives. That’s very global, in my view.

Q: What contributes to this sense of global evolution?

A: The diversity of people coming in. And also the fact that many of us at HQ today come from the subsidiaries - we bring a different mentality. I’m someone who likes to make people feel at ease, even with a little humor or lightness, and I think people appreciate it. At first they might say, *“this Spanish woman is crazy,”* but then they see that it works. It’s about making complex things simple, and being close to people. That human side makes a difference.

Q: Has that helped bridge the gap between strategic and operational levels?

A: Yes. I often explain operational concepts in a simple, accessible way. Directors sometimes ask me to clarify things for everyone - because I can translate complex strategy into real-life language. Once, a director even told me, *“For the first time, I understood this, because you explained it.”* That kind of simplification supports better knowledge sharing and global integration.

Q: One last thing : how is the Iberian structure set up? Does Portugal have autonomy, or is it under Spain?

A: Portugal and Spain operate under a unified Iberia structure. We have a single general director for both countries. Some roles, like commercial directors, exist separately for Spain and Portugal, but for other functions, the director is shared. Portugal has its own market reality and identity, but benefits from Spain's resources. For example, they can implement things we develop in Spain, saving on costs. It's a smart model : they retain uniqueness but gain support where needed.

Interview 8

Q: Thank you so much for taking the time. To begin, could you briefly describe your current role?

A: Of course. I'm currently Director within Renault Group. My focus is mainly on coordinating cross-company initiatives within the Alliance - especially those involving operational convergence between Renault and Nissan.

Q: Great, and which markets are you currently working with or supervising?

A: At the moment, I'm working closely with teams in Japan, France, and also in India and Brazil. These are key Alliance markets for us, each with very different dynamics and integration histories.

A: How long have you been with Renault?

A: I joined back in 1998—just before the Renault-Nissan Alliance was officially launched. So I've been here for over 25 years, and I had the chance to witness the very beginning of the integration with Nissan.

Q: That's very interesting, thank you. Have you been directly involved in any post-entry or post-acquisition integration process?

A: Yes. I was part of the early task force after the equity swap with Nissan in '99. Later, I coordinated with HR and purchasing teams as we built up shared operations across both companies. So yes, hands-on experience from the start.

Q: Have you worked in international or multicultural teams before?

A: Definitely. Both within Renault and across the Alliance. My teams have always included French, Japanese, Brazilian, Indian, and sometimes even Korean colleagues. It's part of the DNA of the Alliance.

Q: Can you describe how the integration process unfolded following the initial agreement with Nissan?

A: Sure. In the beginning, the situation was quite delicate. Nissan was in financial crisis, and Renault had to step in quickly but carefully. We started with governance and financial stabilization - Ghosn's Nissan Revival Plan was key. Then, gradually, we built integration layers: cross-company teams, joint purchasing, joint R&D... but always without forcing a merger. It was very strategic. The alliance's cross-shareholding structure, with Renault owning 43.4% of Nissan and Nissan holding 15% of Renault, helped institutionalize this partnership and ensured that both companies remained invested in each other's success. Such financial interdependence was essential in fostering long-term cooperation without compromising brand autonomy or identity.

Q: What were the biggest challenges you faced? Did culture played a role on this?

A: Definitely yes. The Japanese decision-making process was extremely consensus-driven - sometimes slow. Renault, on the other hand, was much more directive and individualistic. Also, there was some internal resistance, on both sides. People were skeptical - "Why are we doing this? What do we have to gain?" Trust took time.

Q: Was the process more HQ-driven or locally managed?

A: Initially, very HQ-driven - especially from Renault's side. But we learned quickly that we needed to give local units some breathing room. Over time, decision-making became more balanced. For example, we allowed Nissan to retain autonomy in product development while aligning strategic KPIs at Alliance level.

Q: Were there any key turning points?

A: Yes. The formation of the Renault-Nissan Purchasing Organization in 2001 was huge. It created immediate synergies and gave the Alliance credibility internally. Also, the launch of the Logan project - using Dacia as a low-cost platform - proved that integration could lead to innovation.

Q: How are cultural differences handled in day-to-day operations?

A: Carefully. We had to institutionalize things like “Alliance Working Culture” workshops. Also, we set up bi-cultural management - pairing French and Japanese leaders to co-lead teams. But even with all that, you still feel it in meetings. French people interrupt each other constantly; Japanese colleagues prefer long silences before speaking.

Q: Have you noticed significant differences between Renault’s corporate culture and local team cultures?

A: Absolutely. Renault values debate and directness. Nissan, at least back then, placed more value on harmony and protocol. You could feel the tension, especially when making decisions under pressure.

Q: How did this impact trust and collaboration?

A: It slowed things down at first. People would misread intentions. What one side saw as transparency, the other saw as aggression. Over time, we learned to “decode” each other, but it wasn’t automatic.

Q: Does the group culture adapt to local contexts?

A: Of course it does. But we still have a strong “French center of gravity,” if I can put it that way. The alliance was successful especially because the Japan team adapted.

Q: How would you describe the leadership style in your context?

A: In the Alliance? It depends. Renault encourages assertive leadership - take a stand, defend your idea. Nissan is more collective. I’d say the Alliance pushed us toward something in the middle: consensus with a deadline.

Q: Do local managers contribute to strategy?

A: Yes, especially in mature markets. Local CEOs propose strategic plans that are reviewed at Alliance level.

Q: How do teams from different countries collaborate?

A: Mostly through structured programs: cross-company projects, joint committees, talent exchanges. But real collaboration only happens when people trust each other. That takes time and travel.

Q: Are there structured opportunities for learning?

A: We have Alliance schools, job swaps, common platforms. But the most effective learning still happens informally - during project work or shared crisis moments.

Q: How is knowledge shared across the group?

A: Through joint reviews, dashboards, and the CCTs—Cross-Company Teams. Also a lot of internal benchmarking and “best practice transfers.”

Q: Which tools or routines help most?

A: Shared KPIs. When you measure the same thing across markets, you start speaking the same language. Also, having common platforms like Alliance Talent helped align HR.

Q: Have you experienced barriers?

A: Oh yes - language, of course. But also ego. No one wants to be told “you should do it like them.” That’s why we present new practices as “options” and not “instructions.”

Q: Has the organization learned from past integration?

A: For sure. At first, we wanted fast convergence. Now we focus more on alignment and flexibility. It’s a mindset shift.

Q: Any local practices scaled globally?

A: Yes - the frugal engineering from Logan, Nissan’s quality standards, and Renault’s financial tools. It’s a two-way exchange.

Q: Would you say there was mutual adaptation?

A: Yes, although asymmetrical. Nissan adapted more in the early years, but now Renault is also evolving - especially in digital and product planning.

Q: In your view, what worked particularly well?

A: Trust-building. Once people saw results - cost savings, faster time to market - they were more open. Also, not merging fully helped preserve identity.

Q: And what would you do differently?

A: Invest in cultural integration sooner. Technical alignment is easy. Human alignment takes time, and we underestimated that.

Interview 9

Q: Have you worked in international or multicultural environments before? And do you currently?

A: Yes, absolutely. I currently work in a role where I'm heavily involved with pilot countries - 21 currently, and it used to be 22 before we exited Russia. So I regularly collaborate with teams from all over. Previously, I also spent five years working in London, which exposed me to a wide range of cultures. London really is a global hub, so I've worked with people from everywhere.

Q: Have you ever encountered difficulties in collaboration or coordination due to cultural differences?

A: Yes, I have. Interestingly, the most challenging cultural gaps weren't with countries you'd typically think of as very different from France - like those in Asia or South America. Those teams usually have a strong culture of respect and are quite adaptable. But with Germany, it's different.

Q: Could you elaborate on the challenges you faced with the German teams?

A: Sure. Germans tend not to adapt to others - they expect you to adapt to them. Their work culture is very structured. I noticed this even more when I was in London working, I frequently traveled to Germany and worked closely with their local subsidiary, and the difference was striking.

Q: In what ways did their approach differ from other countries'?

A: Germans are very strict about deadlines and processes. What's agreed upon at the beginning is non-negotiable. In contrast, in countries like France and others, it's more common for projects to be delayed. People manage expectations and communicate when things shift. But with German teams, the original timeline is sacred.

Q: Do you think Germans build in buffer time to meet their deadlines?

A: I don't think they do. I believe it's more about mindset. For them, meeting the target isn't just a goal - it's the standard. Deviating from it isn't considered acceptable.

Q: How does this translate into your current work managing pilot countries?

A: It's still there, but less intense because I'm now at corporate, so there's a power dynamic that gives us some leverage. In the past, when I worked with German clients, especially from a service provider position, it was more challenging - they wouldn't adapt at all. We had to follow their lead.

Q: How does this compare to British culture, especially since you worked in London?

A: The British are very different. Their communication is much more diplomatic. Even when something goes wrong, it's softened with politeness. I had another experience with a high-level German executive based in the UK. Despite being in a British environment, he retained that blunt German communication style. So it's definitely cultural.

Q: Would you say you have a "French way" of doing business?

A: Yes, I'd say so. There's definitely a French approach - more flexible, more about managing expectations. We communicate more, and we're okay with revisiting plans. That contrasts sharply with how Germans operate, and even with the British, who are more about subtlety and consensus.

Q: Did you find British communication difficult to interpret?

A: Yes. British people are honest, but in a very subtle way. If you're not deeply familiar with the language, idioms, and cultural cues, you might not even realize what they really mean. What they say can sound neutral, but it might carry a very different meaning. You need to "translate" what they say into what they actually mean.

Q: And how does this affect professional feedback?

A: In countries like France or Germany, if you say something wrong, people will tell you directly. In the UK, no one will ever correct you, even if you ask them to. When I moved to the UK, my English wasn't great. I asked my colleagues to correct me when I misused words. They would just say, "That's not really something we say," and move on. No direct correction.

Q: How does this affect doing business?

A: It leads to misunderstandings. People might not say when something is wrong. I've never personally been in a situation where that caused a big problem, but the lack of a feedback culture is noticeable. For instance, at the agency I worked at in the UK, they didn't even do year-end reviews. So you never really knew if you were doing a good job or not. They lack a feedback culture, but they try to copy U.S. corporate practices. It's a strange mix - super polite, very indirect, but adopting performance systems from the U.S., where feedback is open and frequent.

Q: In France, hierarchy plays a big role. How does that compare to the UK?

A: Yes, in France, hierarchy dictates everything about how you interact with someone. In the UK, it's completely different. Even the top executives, like the Europe director, were sitting in the same open space with everyone else. I was just a few desks away from him. All levels of the company sit together, and your position doesn't affect how you interact with others.

Q: So would you say that hierarchy influences communication in France, but not in the UK?

A: Exactly. In France, there's this culture of hiding things or saying things in a way that others won't fully understand. In the UK, it's more transparent. You can say the same thing to your colleague and to the CEO. There's no wall between levels.

Q: But isn't there also a harsh side to the UK model, like sudden terminations?

A: Yes, I've seen that too. One morning, people were called into the office, and they came back to grab their stuff and left immediately. It happened to my boss too. That's how they do it - very quick.

Q: Could that happen in the UK subsidiary of Renault, even though it's a French company?

A: Yes, I think so. Even if it's a French group, in the UK they follow British rules. For example, in Korea, I remember hearing that one day the whole team was fired overnight - no handover, nothing.

Q: Any other cultural contrasts you've noticed?

A: Yes, for example, Poland. It's not about being direct - actually, it's the opposite. They never say "no." They'll say "yes, but we're busy," or "yes, it's a budget issue," or "we have it in

mind.” But the truth is, they’re never going to do it. It wastes a lot of time and creates delays because you think something’s moving when it’s not.

Q: So the impact isn’t just cultural misunderstanding, but real inefficiencies?

A: Exactly. It’s not only that they don’t follow the group’s vision or strategy - it’s also a massive waste of time. They’re basically misleading you, and that’s a big problem when you’re coordinating across countries. Switzerland is very honest. They’ll tell you both when they’re happy and when they’re not. Italy is similar, direct but balanced. France, on the other hand, will tell you when they’re not happy but won’t bother saying when they are. It’s like, “I’m only telling you this so you can improve. If I’m happy, you’ll just assume it.”

Q: Sounds like you really have to adapt to each culture.

A: Absolutely. You need to be a chameleon - constantly adjusting your behavior, communication, and expectations depending on who you're dealing with. I manage relationships with 21 countries, and I don’t approach any two the same way.

Q: Is this localized flexibility encouraged by Renault Group? Or is it more centralized?

A: That’s a great question. I think the strategic direction - the vision from HQ - is very centralized. It’s like a block that doesn’t move. It’s uniform, and it’s the same for everyone. There might be some flexibility based on local economic or legal conditions, but the core objectives and direction don’t change.

Q: So adaptation happens more at the individual level, on the ground?

A: Exactly. That’s why Renault favors people with diverse backgrounds and international experience. There’s an understanding that adaptation is needed, but it’s up to individuals to do it day by day, based on who they’re talking to.

Q: Do you think local managers have any autonomy?

A: Yes but the HQ decides who the Managing Director (MD) will be in each country. The subsidiaries don’t choose - they’re appointed directly by the corporate level. So it's another sign of how centralized the model is.

Q: Are these MDs often French, to maintain coherence across countries?

A: Not necessarily. Many MDs are not French, but they almost all went through a period working at corporate. That experience helps them understand what's expected and makes them better suited to transmit the company culture.

Q: So it's more about company culture than national culture?

A: Yes. For example, the MD in Turkey, is Italian. He worked in the Italian office, came to corporate, and then went to Turkey. Or another one, who was in Spain, moved to corporate, and then was sent out. They aren't French, but they've been "socialized" into the company culture.

Q: Does the company help these MDs understand local culture?

A: Honestly, I'm not sure there's formal training. They're often just sent, and they learn on the job. Many subsidiaries aren't multicultural internally - they tend to be made up of locals - so it's even more important that incoming MDs understand how to operate in those local contexts. But I'm not sure the company invests enough in preparing them culturally.

Q: Could that cultural gap between a local team and a foreign MD cause issues? Does the company address this?

A: Honestly, I don't think it goes beyond language lessons. Maybe if someone is sent to Korea or another very culturally different place, there could be more support. People are chosen because they've already worked at corporate and are used to working with subsidiaries. I've never seen a director hired externally. If you're at that level, you've worked your way up internally.

Q: So to become an MD, you need to have that operational and intercultural exposure?

A: Exactly. Manager might be the highest role where you could be hired from outside, but anything above that - director or MD - you must have internal experience, especially with subsidiaries.

Q: Do countries collaborate horizontally among themselves, or is everything managed vertically through corporate?

A: We try really hard to foster collaboration between countries. They all do the same business, and it's a great opportunity to learn from one another. But it's very hard to build a real community. We've created committees like the "Customer Experience Champions"

community and tried different formats - regular calls, chats, knowledge-sharing sessions - but it's difficult. Everyone is so focused on daily business, they don't take the time to connect.

Q: What's the biggest blocker? Lack of time? Awareness? Tools?

A: It's mostly about time and mindset. People underestimate the value of connecting with peers. They think their market is "too specific." Like Switzerland says, "We're different because we have three languages." But that's just an operational detail, not a strategic difference.

Q: Do you think in-person gatherings help?

A: Yes, massively. They used to bring everyone to Paris every year - it worked well. But now, due to COVID and budget cuts, it stopped. They did it once post-COVID, but it hasn't resumed regularly.

Q: Would resuming regular in-person meetings help build that community?

A: Definitely. But only if it's done regularly. If you do it every three years, it's useless : people change roles and you lose the continuity. And it should go beyond just Marketing Directors. The operational teams, the people doing the job, need to meet their peers too. Once people meet face-to-face, they understand each other better and feel more comfortable reaching out afterwards.

Q: Is knowledge shared through formal processes, like documenting best practices?

A: We tried that. In the past, during the 6 committees, every three months, two countries would share best practices. That was the structure: pure experience sharing. Some practices were shared, but I'm not sure they were fully understood or applied by others. It's one thing to share; it's another to ensure that the message lands and creates value elsewhere.

Q: You mentioned working with the six champions. How did you manage those interactions?

A: Yes, we would meet via Teams, and I always encouraged them to invite others who might be interested in the topic. I did this for three years- two countries every quarter. So that's a lot. Sometimes someone would reach out afterward to learn more, and I'd connect them with the presenter. I don't really know if people actually took those experiences into account in their daily jobs or if they just joined the calls and moved on.

Q: Because I've heard from other interviewees that sometimes best practices get adopted across countries when one country performs very well...

A: Yes, that's true. When something really efficient happens in one country, others are definitely encouraged to follow. I don't know exactly how this replication works or how much it's pushed, but I do know that sometimes the person responsible for a successful initiative gets brought to corporate. They try to replicate it for every country.

Q: Let's shift a bit: what about your experience with Nissan? Can you feel the difference between Renault Group and Nissan?

A: Oh yes. The strategies were never aligned. Renault owns a part of Nissan, but Nissan always had its own independent strategy from Japan. So no shared vision, and it made the relationship between Renault and Nissan a bit tense.

Q: Would you say that was also due to cultural differences?

A: Absolutely. Working with Nissan Europe was very different from Renault. Renault has a deeply French culture - it's a big industrial company embedded in all layers of society, from factory workers to corporate. It's very "French" in that sense. Nissan was strange. They managed to diffuse Japanese culture even in their European offices. Their management style was more aggressive. I saw this firsthand.

Q: Can you give an example?

A: Sure. In just a couple of years working with them, they twice made employees reapply for their own jobs. They'd rewrite the job description, change two lines, and tell people: "If you want it, reapply." That would never happen in France. And management was more aggressive too. It reflected a more hierarchical, pressure-driven Japanese approach, and it was accepted in that environment.

Q: Do you think this type of cultural difference still creates tension in collaborations today?

A: Not as much anymore. The alliance dynamics changed. Renault and Nissan now own the same percentage of each other, and that power imbalance is gone. They only coordinate on purchases or financing in specific countries. Even those contracts are reviewed each time, nothing is fully integrated.

Q: So the strategic collaboration is limited?

A: Yes, it's more about coordination when convenient, no real shared processes. And business is still approached the Japanese way on Nissan's side.

Q: So to wrap up, would you say that even global companies like Renault still feel very local in their culture?

A: Yes, definitely. In the subsidiaries, Renault is perceived as a very French company. It's top-down. For example, Renault subsidiaries likely feel more of the French culture than Mobilize Financial Services' subsidiaries. That's because Renault controls more tightly how cars are built and sold - it's standardized globally. But credit and finance products require local expertise, so the subsidiaries have more autonomy and feel less of that central French influence.

Q: So you mean that even nowadays, it's still a bit difficult to interact with Nissan sometimes?

A: Well, not anymore, because the alliance dynamics have changed. At one point, Renault owned a big part of Nissan, while Nissan had a small stake in Renault. But now, they both own an equal share. That balance has removed the sense of superiority. Today it's mostly limited to joint purchasing to get better prices. There's some coordination and we also finance in some countries, but nothing is fully integrated. Every time the contract ends, it needs to be renewed. It's not automatic, and the processes remain quite separated.

Q: So the cooperation is very transactional?

A: Exactly. They align only when it makes sense for both, especially to get financial or operational advantages. But the approach to business is still very Japanese on Nissan's side.

Q: So even big global companies can never fully detach from their local cultural identity?

A: Yes, I think so. Subsidiaries often perceive Renault as a very French company. They sense it because of the top-down structure. Renault subsidiaries probably feel the French culture more than MFS subsidiaries. That's because building and selling a car is standardized. But when it comes to credit and finance, each subsidiary has its own regulations, product knowledge, and market logic. We don't manage them, we pilot them. That's a different kind of relationship. It gives them more autonomy, so they feel the French culture a bit less compared to Renault's industrial side.

Interview 10

Q: Thank you for your time. To begin, could you briefly introduce your background and your current role at Renault Group?

A: Sure. I've been working at Renault Group and Mobilize Financial Services for 25 years now, 15 of which I spent abroad. I've been back in France for six years. Currently, I'm the CEO of Mobilize Financial Services in France, a position I've held for one year. Before that, I was part of the executive committee for five years. Prior to returning to France, I served as interim CEO for the group for about eight to nine months.

Q: That's impressive. Could you walk me through the countries where you've worked during your career?

A: Yes. My most recent posting was in Brazil, where I was CEO for a little over three years. Before that, I was CEO in Argentina for nearly two years. Prior to Argentina, I spent almost three years in Russia. And before Russia, I had two separate periods in the UK - one at the start of my career (three years), then a return at corporate for another three and a half years.

Q: Have you ever been involved in integration processes in these different countries? How does Renault approach entering and operating in new markets?

A: Yes, especially in complex countries like Russia. For such environments, Renault typically provides what we call "country induction sessions." These sessions offer cultural insights - what to do or not do, and how locals may react to certain behaviors. This preparation is extended to your family as well. For example, in Russia, there's a perception that the government listens in - so certain caution is advised. Also, language courses are often provided.

Q: Was language ever a major challenge for you in your assignments?

A: Yes. Russia was the most difficult. The Cyrillic alphabet and the complexity of the language made it tough. I took two hours of lessons per week for six months. I could read some things, but not understand everything. In other countries, like Argentina or Brazil, it was easier. I had some Spanish basics, and Portuguese is close to Spanish. Of course, the UK was no problem, being English-speaking.

Q: Any memorable anecdotes about cultural misunderstandings?

A: Yes, one story comes to mind. My boss once went to a supermarket in Russia thinking he was buying beef. Turns out, it was horse meat. These things happen. But in countries like

Russia, you're supported quite a bit. For example, the CEO's assistant helped me a lot with enrolling my children in school and even accompanied me to the kindergarten to assist with the language.

Q: Beyond language, what were the main business challenges you encountered due to cultural differences?

A: Russia was the most challenging. There's no concept of "win-win" - if someone wins, the other loses. The business culture is very binary: black or white. It's not necessarily violent, but it's quite brutal. In contrast, Brazil is much more about personal relationships. Brazilians are creative and not as rigorous, but if you build a close relationship, business flows easier. In Argentina, it felt close to Europe, especially because of the large Italian community - many even had Italian passports.

Q: Many interviewees I've spoken to said that Renault's local teams are not very multicultural. Have you observed that as well?

A: That's correct. In most countries, the executive teams are composed of local people - with the exception of the CEO and CFO, who are usually expatriates. One exception is the UK, where teams are far more international. When I was there, we had a team of five to six different nationalities including Polish and Colombian colleagues. But in Russia, Brazil, and Argentina, the teams are very local.

Q: It seems Renault's strategy is to send CEOs who are either French or have worked at corporate. How does this influence the company's global coherence?

A: Absolutely. It's a deliberate strategy. The idea is not necessarily to send someone French, but to send someone who has worked at corporate. That exposure gives them a deep understanding of the group's values, culture, and operational methods, which they can then transmit to the subsidiary. It creates alignment with headquarters while still allowing for local adaptation.

Q: Do you think this approach has changed over time?

A: Yes, I believe the Renault Group has somewhat scaled back on this strategy. There seems to be a shift towards more local empowerment in certain contexts. But the general principle still holds - key leadership roles, especially CEO and CFO, are usually filled by people with corporate experience.

Q: Earlier you mentioned the choice between local and expatriate CEOs. Can you expand on Renault's experience with local leadership?

A: Yes. At one point, the Group decided to put local people in all key positions. But that proved to be a bad calculation. For example, if you appoint a local CEO in a market like Argentina, you get less visibility over operations. The culture is very different, and in places like Argentina or Colombia, fraud levels can be quite high.

Q: So what risks does this bring?

A: If locals stay too long in those roles, they can become too comfortable. They have family, good salaries, and won't be willing to move. For example, if you ask someone in Argentina to relocate to Poland, they simply won't do it. That's why it's easier to assign expatriates as CEOs or CFOs. You can rotate them every 3-4 years, get a fresh perspective, and reduce the risk of internal complacency or misconduct.

Q: Was this shift to local leaders also a cost-saving measure?

A: Yes, they thought locals were cheaper than expatriates, since expats come with relocation packages, housing, school fees, and travel costs. But in many countries, like the UK or Brazil, it turns out that local CEOs earn more than what we would pay an expatriate. I remember in Brazil, I was trying to recruit a sales director from a bank - and his salary was higher than mine as CEO.

Q: Doesn't having one foreigner - often the CEO - in a fully local team create tension?

A: Not really. It's part of the game. In Russia, for instance, employees actually preferred working for an international company with a foreign CEO. It was perceived as "softer" than working for a local Russian company. People appreciated the exposure to English - or even French, which many spoke. So no, it wasn't a source of tension.

Q: Let's move to strategic decision-making. Does the Renault Group take cultural differences into account when shaping strategy?

A: Yes, definitely. Strategies are adapted by region. For example, Europe has one approach, Latin America another. Salaries, consumer needs, and economic structures vary too much to apply a one-size-fits-all model.

Q: Could you give an example of how this adaptation plays out?

A: When Luca de Meo came in, he focused heavily on brand strategy - Renault, Dacia, Alpine, and Mobilize. But over time, this evolved into a more region-specific approach. Now, you hear about the “international game plan,” which tailors the brand strategy to big markets like Latin America, Korea, and North Africa. In Europe, strategies are more uniform, but even there, some adaptation is needed.

Q: And how is Renault perceived abroad - as a global or a French company?

A: That’s tricky. But I’d say people abroad often like working for a French company. It adds appeal. So yes, Renault is seen as international, but its French identity is still an asset, not a limitation.

Q: What about the autonomy of local CEOs? Do you receive detailed instructions from corporate or have freedom?

A: It depends on how far you are from Paris. The farther you are, the more autonomy you have. In Brazil and Argentina, I had much more freedom - partly because of the time zone and also because those markets are so different. In France, it’s the opposite. I speak with corporate every day. There’s more pressure and oversight.

Q: Is the relationship with corporate hierarchical or more collaborative?

A: In France, it’s very vertical. Abroad, it’s less so - again, because the markets are different, and corporate struggles to fully understand them.

Q: Does Renault encourage countries to collaborate and share best practices across borders?

A: They try, yes. But in practice, it rarely works - especially outside Europe. In Europe, where markets are closer in structure and regulation, it's easier. But Latin America is a different story. Regulation, purchasing power, and customer profiles are too diverse. So sharing practices between, say, Brazil and Colombia doesn’t always make sense.

Q: But when something works really well in one country, isn’t there an effort to scale or replicate it?

A: Yes, if there’s a very strong success story, headquarters takes a look and sometimes tries to roll it out. But honestly, it doesn’t happen often. It’s more the exception than the rule.

Q: Some people at corporate told me that they used to hold in-person reunions with all the countries. Do you think it's more effective than Teams or online formats?

A: Yes, absolutely. It's much better to do it on site. We used to organize local seminars where we brought together people from all countries around specific functions - like Customer Experience. That worked really well. When you do it online with a big group, especially on Teams, most people don't listen - they're doing something else in the background. It's just not the same.

Q: And to conclude, could I ask your opinion about Renault Group's strategy for entering new markets? How do they typically go about it?

A: It always starts with a few questions. First: "Is the market mature?" If not - if people don't own many cars - it's considered a growth market. That makes it worth entering. Then comes the question: "Can I localize production?" Because if you don't have a factory in the country, you're vulnerable to exchange rate fluctuations.

Local production also means bringing in suppliers, which requires scale. But if the market is growing - meaning people are getting richer and can afford cars - then yes, it's worth it.

Q: Is that what Renault did in Brazil and Argentina?

A: Exactly. That's what we did in Brazil, Argentina, and also in Morocco. These are all markets outside Europe that were developing. Renault invested in them because of that.

That's why US is never going to happen. The U.S. is a very mature market with well-established local brands. Entering it would require massive investment and building brand awareness from scratch. It's simply not worth it.

Q: What about from the perspective of RCI or Mobilize Financial Services?

A: It's similar. Once you reach a certain level of activity in a country, it makes sense to create a small bank or financial service locally. But if the volume is too small, we'll just partner with an existing local bank instead of setting up our own.

8.2 Additional Data Table

Data from interviews	First Order Concepts	Second Order Themes	Aggregate Dimensions
<p>“Historically, entering through a joint venture was the most viable option... Joint ventures help share investment risks and allow for mutual knowledge sharing and adaptability in such a volatile environment.” 1</p> <p>“In Spain... Renault initially acquired a local company, FASA, which was then progressively integrated into the group – so this was closer to an acquisition model.” 2</p> <p>“In Portugal and Italy, Renault entered through greenfield investments, creating wholly owned subsidiaries...” 2</p> <p>“Renault entered Russia... with a local bank due to banking regulations that restrict foreign banks... similar to the one used in Turkey.”</p> <p>“MFS, a subsidiary of Renault, decided to become a licensed insurer [in Malta]... a very complex and lengthy process.” 4</p> <p>“Renault’s entry strategy in Romania is actually one of the most successful</p>	<p>Use of joint ventures, acquisitions, or subsidiaries depending on market context</p>	<p>Strategic entry modes</p>	<p>Post-entry strategy and integration processes</p>

<p>integration examples in Eastern Europe. They acquired Dacia in 1999.”</p> <p>“Initially, Renault owned 51% of the company... now owns 100%.” 5</p> <p>“In Japan, Renault didn’t succeed as well as Peugeot, but with a joint venture in China, Renault did much better.”</p> <p>“Joint ventures can be a great strategy... especially where the local culture is very different.” 6</p> <p>“I coordinated with HR and purchasing teams as we built up shared operations across both companies.”</p> <p>“The Logan project – using Dacia as a low-cost platform – proved that integration could lead to innovation.” 8</p> <p>“They both own an equal share. That balance has removed the sense of superiority. Today it, Nissan and Renault’s interactions are mostly limited to joint purchasing...” 9</p> <p>“That is what we did in Brazil, Argentina, and also in Morocco. These are all markets outside Europe that were developing, Renault invested in them because of that.” 10</p>			
<p>“Every country has its own regulatory and business logic, and our entry mode has to reflect that.” 1</p>	<p>Adaptation of entry mode to regulatory</p>		

<p>“Spain also became a key industrial and regional hub... all three countries have operated with a high level of localization, but under governance and strategic direction from the French HQ.” 2</p> <p>“Global strategies need to be more adaptable to local contexts...” 3</p> <p>“Each country has its own regulatory environment, so implementing the global strategy in a way that fits local conditions was key.”</p> <p>“You need to report to local authorities according to local accounting standards, but also to European standards.” 4</p> <p>“At first, Dacia held a dominant position in the market... Renault competed directly with brands like Volkswagen and Ford.”</p> <p>“Renault, although not the cheapest, started competing... offering more premium options.” 5</p> <p>“In markets where the company is completely unknown, a joint venture with a local partner is a very strategic way to enter.” 6</p> <p>“Nissan retained autonomy in product development while aligning strategic KPIs at Alliance level.”</p> <p>“The Alliance cross-shareholding structure... ensured long-term</p>	<p>and cultural environments</p>		
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<p>cooperation without compromising brand autonomy.” 8</p> <p>“Even if it is a French group, they follow local rules. For example, in Korea, I remember hearing that one day the whole team was fired overnight...” 9</p> <p>“Now, you hear about the 'international game plan,' which tailors the brand strategy to big markets like Latin America, Korea, and North Africa. Then comes the question: 'Can I localize production?' Because if you don't have a factory in the country, you are vulnerable to exchange rate fluctuations”.10</p>			
<p>“There were concerns from unions and a cultural mismatch. The integration meant merging two teams that were doing the same job, but in very different ways.” 2</p> <p>“Some of [the HQ] guidelines aren't as practical in our local context, which can affect the quality of my work and my motivation.”</p> <p>“While there have been some efforts to improve processes, the pace of change seems slow, and we haven't seen significant changes in the way integration is handled.” 3</p> <p>“In Russia, the business culture is very hierarchical and top-down.”</p> <p>“Working in a country that's more</p>	<p>Operational and cultural challenges during integration</p>	<p>Integration complexity</p>	

distant... is a challenge because you have to adapt to the culture, and you're often seen as an outsider.” 4

“One main challenge was the cultural integration between the Romanian and French teams due to differences in mentality and life experience.”

“Integration depends on the person. Open, enthusiastic individuals find it easier...” 5

“The challenge arises when French leadership, which is more risk-averse and analytical, interacts with local leadership that tends to be more pragmatic and fast-moving.”

“The main difficulty is the lack of trust.” 6

“Cultural alignment... is one of the hardest things to achieve.”

“If people feel pushed, they'll resist... but if they're part of the solution, they'll own it.” 7

“French people interrupt each other constantly; Japanese colleagues prefer long silences...”

“What one side saw as transparency, the other saw as aggression.”

“Ego... no one wants to be told ‘you should do it like them.’” 8

“Nissan always had its own independent strategy from Japan... Renault has a deeply French

<p>culture... Nissan managed to diffuse Japanese culture...” 9</p> <p>“Russia was the most challenging. There is no concept of 'win-win' , if someone wins, the other loses.” 10</p>			
<p>“Renault was more traditional, with older staff and less academic background.” 2</p> <p>“MFS is very process-driven – sometimes too much so. It’s about finding balance.” 2</p> <p>“You need to manage premiums, provisions, liquidity... accounting for insurance and banking... a very technical and complex process.”</p> <p>“Each country has its own platform, tools, and ways of operating.” 4</p> <p>“If the manager doesn’t understand the local market, culture, or the way things are done, it can lead to failure.” 6</p> <p>“They [Germany] often have stricter regulations, less digital maturity, and older systems.”</p> <p>“Cultural and business model differences... In France, they don’t give the money until the car is activated. In Spain and Italy, we act like the dealer’s bank.” 7</p> <p>“Initially, very HQ-driven: especially from Renault’s side.”</p> <p>“Technical alignment is easy. Human alignment takes time.” 8</p>	<p>Misalignments between pre-existing structures and group systems</p>		

<p>“Some people from Nissan Financial took on key roles... others didn’t and eventually resigned due to frustration.” 2</p> <p>“At HQ, there’s a lot of focus on creating system tools first... In Korea, although system tools are important, there’s more flexibility.”</p> <p>“Tasks from HQ are usually carried out exactly as they are, without much room for discussion...” 3</p> <p>“Three years ago, it didn’t go well because the countries weren’t involved early enough... now we’ve changed that.” 7</p> <p>“They twice made employees reapply for their own jobs. They did rewrite the job description, change two lines, and tell people: ‘If you want it, reapply.’“ 9</p> <p>“If locals stay too long in those roles, they can become too comfortable. They have family, good salaries, and won’t be willing to move. You can rotate them every 3-4 years, get a fresh perspective, and reduce the risk of internal complacency.” 10</p>	<p>Resistance of talent due to role redefinition</p>		
<p>“Portugal was under the Spanish cluster, which was frustrating. Despite being market leader, Portugal depended hierarchically on Spain...” 2</p> <p>“At Renault, we are fully localized...”</p>	<p>Tension between centralized strategies and local execution</p>	<p>Global-local strategy alignment</p>	

in contrast with Bipi where decision-making stays centralized.” 2

“Most of the time, the group culture remains more centralized.”

“From my perspective, local managers focus more on addressing local needs rather than contributing to global strategy.”

“There hasn’t been much mutual adaptation... it’s mostly been about the local teams adapting to global directives.” 3

“The group needs to create a reason to collaborate, not just the means.”

“In the last two years, the strategy has been to centralize operations... if you don’t have those resources, you risk failing.” 4

“The interaction is vertical... HQ provides proposals, and we analyze them for the Romanian market.”

“If the proposal is not suitable, I explain why and provide resources.”

5

“A global strategy applied uniformly across all countries doesn’t work.”

“Renault follows a general global strategy, but they adjust it...” 6

“It’s a balance... you guide, you build consensus. If it comes from HQ only, it won’t work.” 7

“Initilly, very HQ-driven... but over time, decision-making became more

<p>balanced.”</p> <p>“Local CEOs propose strategic plans that are reviewed at Alliance level.”</p> <p>8</p> <p>“The strategic direction - the vision from HQ - is very centralized. It is like a block that doesn’t move...” 9</p> <p>“It depends on how far you are from Paris. The farther you are, the more autonomy you have.” 10</p>			
<p>“That’s what makes our positioning with Oyak Renault so effective - we’re agile, we’re experienced, and we’re deeply embedded in the local market.” 1</p> <p>“To make cars more affordable, we extended financing durations to 120 months – something unique to Portugal... we negotiated a local exception.” 2</p> <p>“Dacia serving the budget-conscious customer while Renault targeted a broader audience.” 5</p> <p>“Like LVMH... Renault can still keep its French ‘touch’ but adapt to markets.” 6</p> <p>“Preserving brand autonomy... not merging fully helped preserve identity.” 8</p> <p>“Credit and finance products require local expertise, so the subsidiaries have more autonomy...” 9</p>	<p>Flexibility in operational branding and market activation</p>		

<p>“We’ve learned that how you communicate is just as important as what you communicate.” 1</p> <p>“In Portugal and Italy, decision-making tends to require consensus... In the UK, decisions are faster and more direct.” 2</p> <p>“In Korea, hierarchy plays a huge role... unless tasks are clearly impossible to execute, they’re followed exactly.”</p> <p>“Leadership style is mostly directive... but recently I’ve seen a shift. I’d say it’s about 70% directive and 30% participative.” 3</p> <p>“In Russia... I needed to say, ‘Can you do this by Tuesday at 5 p.m.?’... very direct with expectations.”</p> <p>“Communication in Russia needs to be very direct and clear, while in the UK it can be more informal and casual.” 4</p> <p>“The speaker prefers face-to-face meetings over virtual ones like Teams or Skype... better understanding and communication.” 5</p> <p>“In Asia... decisions are made more quickly and with more flexibility.”</p> <p>“In France... people prefer to analyze all the advantages and disadvantages before making decisions.” 6</p>	<p>Recognition of differences in communication and decision-making styles</p>	<p>Cross-cultural awareness</p>	<p>Cultural dynamics in integration</p>
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<p>“Spaniards and Italians... are relationship-driven, fast, sometimes a bit informal... That rhythm doesn't always match with... hierarchical cultures.” 7</p> <p>“Renault values debate and directness... Nissan placed more value on harmony and protocol.”</p> <p>“Renault was more directive and individualistic... Japan was extremely consensus-driven.” 8</p> <p>“British people are honest, but in a very subtle way... Germans are very strict about deadlines and processes...” 9</p> <p>“Brazil is much more about personal relationships. Brazilians are creative and not as rigorous, but if you build a close relationship, business flows easier.” 10</p>			
<p>“Culture plays a huge role. For example, in Turkey, one of the challenges we encountered was how employees respond to safety norms.” 1</p> <p>“We adapt the strategy for sales campaigns, use local influencers, and engage in short-term operational branding that resonates with Turkish consumers.” 1</p> <p>“If the guidelines don't align well with local needs... it becomes harder to collaborate smoothly.” 3</p>	<p>Need for cultural sensitivity in implementing corporate processes</p>		

<p>“Portuguese people are reserved but welcoming... integration was smooth.” 2</p> <p>“Start-ups move fast but carry risks due to lack of procedures.” 2</p> <p>“You need to respect local differences but still align with broader company policies.”</p> <p>“The challenge is creating a shared need... each country has its own way of doing things.” 4</p> <p>“Renault organized training sessions on cultural integration and communication...”</p> <p>“Integration depends on the person... those less communicative may face challenges.” 5</p> <p>“If they don’t adapt to local cultures, their expansion will likely fail.” 6</p> <p>“You have to make everyone feel heard and respected.”</p> <p>“When you understand their pain points, you can adjust the project.” 7</p> <p>“We institutionalized things like ‘Alliance Working Culture’ workshops... bi-cultural leadership teams.”</p> <p>“We learned to ‘decode’ each other, but it wasn’t automatic.” 8</p> <p>“I’m not sure the company invests enough in preparing them culturally...” 9</p>			
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<p>“The company provides sessions that offer cultural insights - what to do or not do, and how locals may react to certain behaviors.” 10</p>			
<p>“In Italy, directors still have private offices... In Portugal and Spain... even managers share desks.” 2</p> <p>“In Korea... tasks from HQ are usually carried out exactly as they are... hierarchy plays a huge role.” 3</p> <p>“The hierarchical structure is limiting for knowledge sharing because everything goes through one channel.”</p> <p>“Employees will not go to my boss directly... always come through me in Russia.” 4</p> <p>“The interaction is vertical... HQ provides proposals, and we analyze them.”</p> <p>“There is local autonomy... with freedom to take local initiatives.” 5</p> <p>“France is quite hierarchical... multiple layers of management.”</p> <p>“In Russia, you can’t easily question the boss’s decision - it’s more top-down.” 6</p> <p>“In France, hierarchy dictates everything... In the UK, it is completely different...” 9</p> <p>“In France, it is very vertical. Abroad, it is less so - again, because the markets are different.” 10</p>	<p>Variability in acceptance of hierarchy and autonomy across contexts</p>	<p>Power distance and authority</p>	

<p>“Cultural openness is more visible at HQ in Paris.”</p> <p>“The actual leadership style still depends a lot on the individual manager’s personality.” 2</p> <p>“Leadership style is mostly directive... but shifting slowly.”</p> <p>“There’s more flexibility [in Korea] to adapt the approach to local needs.” 3</p> <p>“In Malta, people often take the initiative... unlike in France, where employees may wait for tasks.”</p> <p>“Russia is very hierarchical... but Spain is more collaborative and horizontal.” 4</p> <p>“France is more hierarchical... Korea expects clear orders.”</p> <p>“South Korean team might wonder why the French team isn’t moving forward quickly enough.” 6</p> <p>“Some are very collaborative. Others seem collaborative but do what they want. Some look rigid at first but turn out to be your best allies.” 7</p> <p>“Renault encourages assertive leadership... Nissan is more collective... consensus with a deadline.” 8</p> <p>“Your position doesn’t affect how you interact with others... There is no wall between levels...” 9</p>	<p>Impact of national culture on leadership interaction and delegation</p>		
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<p>“In Russia... employees actually preferred working for an international company with a foreign CEO.” 10</p>			
<p>“Today, Renault is perceived as a local brand in Turkey... That strengthens trust and brand loyalty.” 1</p> <p>“There’s a cultural closeness with France due to massive Portuguese migration... Renault capitalized on this familiarity.” 2</p> <p>“Renault’s acquisition of Dacia helped strengthen that bond with Romanian customers.”</p> <p>“Dacia was already a trusted brand in Romania... Renault made it more recognizable and reliable.” 5</p> <p>“We definitely have a bit of a ‘French company’ perception... There’s always this idea that ‘the French are like that.’” 7</p> <p>“Preserving brand autonomy... helped preserve identity.” 8</p> <p>“Subsidiaries often perceive Renault as a very French company...” 9</p> <p>“But I’d say people abroad often like working for a French company. It adds appeal, so yes, Renault is seen as international, but its French identity is still an asset, not a limitation..” 10</p>	<p>Importance of being perceived as a local vs. foreign brand</p>	<p>Cultural identity and perception</p>	

<p>“Many Portuguese speak French... This helped Renault become the number one brand.” 2</p> <p>“As a foreigner... you have to prove yourself and show you bring expertise that locals may not have.” 4</p> <p>“This strategy allowed Renault to connect more deeply with Romanian customers.” 5</p> <p>“A bicultural French manager... makes it easier for the local team to listen to and trust the manager.” 6</p> <p>“They know I’ve dealt with the same issues... I frame things politically: ‘Let’s present it this way to HQ’... and it works.” 7</p> <p>“Trust took time... people were skeptical.”</p> <p>“Once people saw results... they were more open.” 8</p> <p>“They have been 'socialized' into the company culture...” 9</p> <p>“That exposure gives them a deep understanding of the group’s values, culture, and operational methods, which they can then transmit to the subsidiary.” 10</p>	<p>Cultural legitimacy as a trust-building factor in integration</p>		
<p>“There are regular inter-departmental meetings... countries share their methods, and others evaluate whether they’re replicable.” 2</p>	<p>Use of digital tools and structured routines to share practices</p>	<p>Knowledge sharing mechanisms</p>	<p>Knowledge management and learning</p>

<p>“Knowledge is mainly shared through email or Teams.”</p> <p>“I try to be as detailed as possible when explaining things... I also follow up to check if the information makes sense in the local context.” 3</p> <p>“We are 100% digitalized... the system allows customers to sign digitally with a code via SMS.”</p> <p>“Visitors from other countries have been surprised by Romania’s implementation of digitalization.” 5</p> <p>“Online training could be an effective tool...”</p> <p>“Quarterly team exchanges... to discuss cultural challenges.” 6</p> <p>“We use Salesforce, Microsoft Teams, SharePoint, KPI dashboards... now integrating Jira.” 7</p> <p>“Joint reviews, dashboards, Cross-Company Teams (CCTs), internal benchmarking, Alliance Talent platform.” 8</p> <p>“We used to organize local seminars... That worked really well.” 10</p>			
<p>“The HQ can see 40 countries, 40 different commercial and training strategies – so best practice sharing is key.” 2</p> <p>“HQ controls the majority of communication... everything is</p>	<p>Role of HQ in identifying and distributing best practices</p>		

<p>funneled through HQ.”</p> <p>“I haven’t seen any local practices scaled or replicated in other parts of the group.” 3</p> <p>“Before COVID, we had events once or twice a year where all the country DSCs would meet... with a focus on sharing best practices.” 4</p> <p>“This digitalization has been recognized as very effective... others like the GM now in Poland are trying to implement similar practices.” 5</p> <p>“Guidelines I created in Iberia were adapted... Renault is very good at picking up what works locally and adjusting it.” 6</p> <p>“Best practice transfers, internal benchmarking.”</p> <p>“We present new practices as ‘options’ and not ‘instructions.’” 8</p> <p>“Sometimes the person responsible for a successful initiative gets brought to corporate...” 9</p> <p>“If there is a very strong success story, headquarters takes a look and sometimes tries to roll it out.” 10</p>			
<p>“There’s little international contamination in subsidiaries.” 2</p> <p>“Language has definitely been a barrier for me... I find it hard to express myself fully in English.”</p> <p>“I find writing detailed emails much</p>	<p>Language, hierarchy, and organizational silos limiting fluid exchange</p>	<p>Barriers to knowledge flow</p>	

<p>more comfortable, even though it takes more time.” 3</p> <p>“Knowledge sharing wasn’t as fluid... no direct communication across teams.”</p> <p>“Each team had its own manager... any issue had to go through the proper channels.” 4</p> <p>“Language can be a barrier. Even in French-speaking markets... communication issues can still arise.” 6</p> <p>“Even if I speak Italian... I still think in Italian... some meaning gets lost.”</p> <p>“When you're not confident in a language, you share less.” 7</p> <p>“Language... but also ego. No one wants to be told ‘do it like them.’”</p> <p>“Misreading of intentions slowed down collaboration.” 8</p> <p>“People underestimate the value of connecting with peers...” 9</p> <p>“In France, it is very vertical. Abroad, it is less so, again, because the markets are different.” 10</p>			
<p>“There are values promoted by HQ... but embedding a consistent managerial culture is still a work in progress.” 2</p> <p>“There haven’t been many structured opportunities for cross-country collaboration.” 3</p>	<p>Lack of standardization in sharing methods across units</p>		

<p>“It’s mostly one-directional, just presentations... then back to own teams.” 4</p> <p>“Now we focus more on alignment and flexibility... it’s a mindset shift.” 8</p> <p>“Some practices were shared, but I am not sure they were fully understood or applied by others...” 9</p> <p>“But in practice, it rarely works , especially outside Europe.” 10</p>			
<p>“The 'value boost' strategy started in Italy... adopted elsewhere, including Portugal.” 2</p> <p>“I haven’t seen any local practices scaled or replicated...” 3</p> <p>“This digitalization... has been recognized as very effective... GM in Poland is trying to implement similar practices.” 5</p> <p>“Salesorce is a good example... guidelines from Iberia were adapted and used more broadly.” 7</p> <p>“Frugal engineering from Logan, Nissan’s quality standards, Renault’s financial tools.”</p> <p>“It’s a two-way exchange.” 8</p> <p>“When something really efficient happens in one country, others are definitely encouraged to follow...” 9</p> <p>“Yes, if there it is a very strong success story, headquarters takes a</p>	<p>Scaling of local innovations to other markets</p>	<p>Learning from experience</p>	

<p>look and sometimes tries to roll it out.” 10</p>			
<p>“We haven’t seen significant changes in the way integration is handled.”</p> <p>“The pace of change seems slow...” 3</p> <p>“Trainng on cultural diversity is vital, but it’s challenging to organize.” 6</p> <p>“Every rollout gets smoother... we’ve learned... practice makes perfect.” 7</p> <p>“We underestimated human alignment... now we invest in cultural integration sooner.” 8</p> <p>“They try to replicate it for every country...” 9</p> <p>“It is a deliberate strategy. The idea is not necessarily to send someone French, but to send someone who has worked at corporate.” 10</p>	<p>Institutionalization of learning from past integrations</p>		
<p>“Instead of discounting, we protect the residual value of cars using financial products like Balloon.” 2</p> <p>“I’d say [leadership in Korea] is about 70% directive and 30% participative...” 3</p> <p>“In Malta... people take initiative. In France... may wait for tasks to be assigned.” 4</p> <p>“Spain is more collaborative and horizontal.” 4</p>	<p>Coexistence of directive, participative, and consensus-based leadership</p>	<p>Leadership style variability</p>	<p>Leadership and governance</p>

<p>“There is local autonomy... with the freedom to take local initiatives, especially with their experience.” 5</p> <p>“France is hierarchical... but companies like LVMH have managed to balance heritage and local adaptation.” 6</p> <p>“You guide, you build consensus... if people feel the idea is theirs, they support it.”</p> <p>“Roles rotate... that really helps build trust and shared ownership.” 7</p> <p>“Alliance pushed us toward something in the middle: consensus with a deadline.” 8</p> <p>“Not all MDs are French, but they almost all went through a period working at corporate...” 9</p>			
<p>“The actual leadership style still depends a lot on the individual manager’s personality.” 2</p> <p>“The key is to prove your value and show that you bring something different to the table.” 4</p> <p>“Integration depends on the person... open individuals integrate better.” 5</p> <p>“A manager with both French background and local experience... can decode cultural differences effectively.”6</p> <p>“I simplify complex strategy... once a director told me, ‘For the first time, I understood this.’” 7</p>	<p>Influence of individual manager traits on leadership expression</p>		

<p>“People are chosen because they have already worked at corporate managing subsidiaries.” 9</p>			
<p>“In Italy, directors still have private offices... in Spain and Portugal, it’s all open space.” 2</p> <p>“Reporting is quite complex... you can’t just choose one; you need to follow both.”</p> <p>“Differences between insurance and banking standards...” 4</p> <p>“In Romania, the sales model involves agents rather than dealers, which differs from other countries.” 5</p> <p>“France... has multiple layers of management... CEOs rarely interact directly with lower levels.” 6</p> <p>“Even the top executives... were sitting in the same open space with everyone else...” 9</p> <p>“Even the top executives, like the Europe director, were sitting in the same open space with everyone else.” 10</p>	<p>Differences in hierarchy, office layout, and reporting practices</p>	<p>Governance structure</p>	
<p>“Corporate guidelines set a 72-month cap... but we negotiated a local exception.” 2</p> <p>“Some of [HQ] guidelines... don’t align well with local needs.” 3</p> <p>“In France... you’re required to give one month’s notice. In Malta, it’s only two weeks.” 4</p>	<p>Alignment between corporate policies and local employment norms</p>		

<p>“Some global rules apply, but there are also country-specific variations.” 5</p> <p>“Portugal has its own market reality and identity, but benefits from Spain’s resources... It’s a smart model.” 7</p> <p>“They follow British rules... Even though it is a French group...” 9</p> <p>“In Italy, the leadership team was all male until recently. In Spain, by 2018, half the board was female.” 2</p> <p>“Strategies are adapted by region. For example, Europe has one approach, Latin America another.” 10</p>			
<p>“There’s little international contamination in subsidiaries...” 2</p> <p>“There haven’t been many structured opportunities for cross-country collaboration...” 3</p> <p>“Right now, each country operates independently... no real reason to collaborate.” 4</p> <p>“The Romanian team does not frequently collaborate with other countries like Italy or Spain.” 5</p> <p>“Quarterly team exchanges... could help address cultural challenges.”</p> <p>“After COVID and budget constraints... online meetings are not efficient.” 6</p>	<p>Limited structured opportunities for cross-border project work</p>	<p>Cross-unit collaboration</p>	<p>Collaboration and organizational cohesion</p>

<p>“Mostly through structured programs: cross-company projects, joint committees, talent exchanges.” 8</p> <p>“Everyone is so focused on daily business, they don’t take the time to connect...” 9</p>			
<p>“Governance and strategic direction from the French HQ...” “MFS’s strict governance vs. Bipi’s flat structure.” 2</p> <p>“Most of the collaboration happens through HQ... local teams don’t interact directly unless HQ is involved.” “Everything is funneled through HQ.”3</p> <p>“The interaction is vertical... HQ provides proposals... we adjust if necessary.” 5</p> <p>“If the strategy is unclear... people begin to criticize. We need HQ to clarify the strategic line first.” 7</p> <p>“Initially, very HQ-driven... now more balanced.” “Local autonomy with Alliance-level KPIs.” 8</p> <p>“The subsidiaries don’t choose – they are appointed directly by the corporate level...” 9</p> <p>“I speak with corporate every day. There is more pressure and oversight.” 10</p>	<p>Dependence on HQ as the central point of coordination</p>		

<p>“There’s a conviviality that’s essential. Sitting together at a table... helps build better cooperation.” 2</p> <p>“Direct collaboration between local teams isn’t common unless HQ is involved.” 3</p> <p>“You need to create a reason to collaborate, not just the tools.”</p> <p>“Before COVID... we could build relationships and connect personally.” 4</p> <p>“It’s better to categorize teams by continent... more productive exchange of best practices.” 6</p> <p>“Real collaboration only happens when people trust each other... that takes time and travel.” 8</p> <p>“You need to be a chameleon - constantly adjusting your behavior...” 9</p>	<p>Desire for more direct interaction between local teams</p>	<p>Horizontal integration</p>	
<p>(Implicit in: “many practices remain local and unexported unless pushed by HQ”) 2</p> <p>“I would focus more on creating structured opportunities for cross-country collaboration.” 3</p> <p>“You need a clear incentive, like sharing resources or working on joint projects.” 4</p> <p>“If we all have a shared priority... knowledge flows more naturally.” 7</p>	<p>Need for incentives to foster transnational cooperation</p>		

<p>“Shared KPIs... when you measure the same thing across markets, you start speaking the same language.” 8</p> <p>“We used to organize local seminars where we brought together people from all countries around specific functions - like Customer Experience.” 10</p>			
<p>“Face-to-face helps build better cooperation and understanding.” 2</p> <p>“In-person events... were helpful because they allowed you to build personal connections.” 4</p> <p>“Having an in-person or virtual exchange is also valuable for real-time discussions.” 6</p> <p>“I work one week in Paris, one remotely... That kind of flexibility shows openness.”</p> <p>“Being close to people... makes a difference.” 7</p> <p>“Most effective learning still happens informally – during project work or shared crisis moments.” 8</p> <p>“They used to bring everyone to Paris every year - it worked well...” 9</p> <p>“We used to organize local seminars... you get to know people and... it's a lot easier.” 10</p>	<p>Value of physical exchanges and informal knowledge sharing</p>	<p>Intercultural teamwork</p>	