## **Mandatory Binationalism: Organizing Multiple Identities in a Cross-border Company**

Simone Pulcher, Bicocca University of Milan, email: [simone.pulcher@unimib.it](mailto:simone.pulcher@unimib.it)

Lia Tirabeni, Bicocca University of Milan, email: [lia.tirabeni@unimib.it](mailto:lia.tirabeni@unimib.it)

### Introduction

The European Union (EU) motto, "united in diversity", alludes to the idea that a supranational identity is reachable through the cohabitation of different languages and national cultures, although some have questioned this possibility (Holmes, 2010; Shore, 2006). One of the tools put in place by the EU to foster integration amongst member states has been the European Economic Interest Grouping (EEIG). This is a specific entity established under EU law to facilitate cooperation across borders among natural persons, companies, firms and other bodies. Born as an EEIG project, the Lyon-Turin railway line is now under construction. The cost of the cross-border section, consisting of a 57,5-km-long tunnel under the Mont Cenis, amounts to 8.6 billion Euros; 40% of which to be financed by the EU, 35% by Italy, and 25% by France. Since 2015, the organization in charge of the realisation and functioning of the cross-border section of the railway line is TELT (*Tunnel Euralpin Lyon-Turin*), a French law company owned 50% by the French State and 50% by the Italian State.

Using TELT as an extreme case study (Patton, 2002), this article explores how binationalism is structurally and discursively constructed within the organization, and how it works as an identity framework that both constrains and enables the enactment of multiple, situated organizational identities.

The rest of this short-paper is organized as follows: the first section briefly locates our contribution in organizational identity and cross-cultural management studies; the second section provides an overview of our method; in the third section we describe the case of TELT; in the fourth section we present our preliminary results.

### National and organizational identity

Since Hofstede's (2001) seminal studies in the '70s, the concept of national identity in management and organization studies has largely overlapped with that of national culture, intended as an objective set of values that create stable cognitive and behavioural patterns. Along with this objectivist stance, however, other approaches to national and organizational culture have developed (Romani et al., 2018; Alvesson, 2013), as well as more nuanced understandings of the relationship between organizational culture and identity (Ravasi, 2016; Hatch & Schultz, 2002). Relying on different ontologies, various scholars have argued in favour of more situated and dynamic understandings of national culture and identity (e.g., Fang, 2011; McSweeney, 2009; Ybema, 2010), taking also into account the capacity of organizational members to define and reinterpret them (Brannen, 2004; Ailon-Souday & Kunda, 2003).

In this respect, cross-cultural management studies represent a privileged field of inquiry, as they focus on organizational contexts where different (national) cultures meet, such as international joint ventures and multinational corporations' subsidiaries. In such settings, actors 'negotiate' their organizational culture, engendering new shared meanings and working practices (Brannen & Salk, 2000; Barmeyer et al., 2019). For example, Barmayer and colleagues' (2019) study of the EEIG Franco-German television channel ARTE shows how this bicultural context comprises both stable elements derived from national cultures, and emerging, hybrid working practices. Yet, cross-cultural studies have rarely focused on national identity at the organizational level (Kreiner & Murphy, 2016; for an exception see Vaara, 2003), privileging the identity work (Brown, 2015) carried out by specific national groups within the organization (e.g., Ailon-Souday & Kunda, 2003; Ybema, 2012).

Relying on a process ontological perspective (Whitehead, 1929; Langley et al., 2013), and considering the ever present tension between a single and multiple organizational identities (Pratt, 2016), this article focuses on a French-Italian organization involved in a European megaproject to show how: i) a unitary binational identity is structurally and discursively constructed, and how ii) at the same time, binationalism both constraints and enable the organization to enact multiple situated identities. In doing so, our work aims to contribute to both organizational identity and cross-cultural management studies, which as yet lack accounts of how binational identities are constructed and enacted at the organizational level.

### Method

We adopted a case study approach (Yin, 2014) in order to enrich the emerging theory (Eisenhardt, 1989) around the studied problem. An extreme case has been purposely sampled (Patton, 2002) within a logic of single case design (Yin, 2014). Despite its limits, the single case design is particularly apt to provide a rich description of the existence of a particular phenomenon (Siggelkow, 2007).

Data were collected from multiple sources: interviews, participant observations, and document analysis. We interviewed top and middle managers for a total of 28 interviews. Moreover, by setting up meetings with managers occupying different hierarchical positions, we were able to observe and take ethnographic notes regarding organizational practices and produced artifacts; importantly, we had a chance to interact with management in informal occasions/contexts. Two ethnographic diaries were drawn up separately by each author, taking note of impressions, specific working situations, and surrounding elements impossible to gather by means of interviews. In the interviews, as well as during participant observation, we tried to deepen our understanding of the specific organizational life under study - both at formal and informal level. The interviews lasted between 90 and 120 minutes and were recorded, transcribed verbatim, and analysed according to an inductive interpretive approach. To do so, we relied on recognized techniques of coding, analysing and structuring data in coherent schemes (Corbin and Strauss, 2008; Charmaz, 2014; Gioia, Corley and Hamilton, 2013). Even though the authors have some knowledge of French, in order to avoid as much as possible cultural bias (Beamish & Lupton, 2009), interviews in French have been carried out and transcribed by a French collaborator, who also helped in the coding process.

### A brief presentation of TELT

TELT is the public, binational promoter responsible for the realisation and operation of the cross-border section of the Lyon-Turin railway line. It is a French law company owned 50% by the French State (via the Ministry of the Economy and Finance) and 50% by the Italian State (via the *Ferrovie dello Stato Italiane* group). It was founded in 2015, replacing LTF (*Lyon Turin Ferroviaire*), which was responsible for the preliminary study and design of the project from 2001 to 2015. LTF, in turn, had replaced *Alpetunnel*, an EEIG in charge of studying the feasibility of the Lyon-Turin project.

By statute, TELT’s legal headquarters are in Bourget du Lac, France, where at least half of its employees must reside, whereas its operative headquarters are in Turin, Italy; two further representative offices are to be found in Paris and Rome. The company is led by a President, who is appointed by the French State, and represents the company before the stakeholders, and by an Executive Director, appointed by the Italian State, who operatively directs the company. Both are part of the board of directors, alongside eight other members appointed by each State in equal parts, and a non-voting member appointed by the EU. The statute also institutes two control bodies, the Commission of Contracts and the Permanent Control Service: they are equally composed by French and Italians, but they are both chaired by a French President, whose vote is decisive in case no majority obtains. Always by statute, the Legal Director (i.e., the Chief Legal Officer) is appointed by France, while the Financial Director (i.e., the Chief Financial Officer) is appointed by Italy.

At present, TELT has 183 employees, almost equally divided by gender (88 women, 93 men) and nationality (93 French, 88 Italian, even though some employees are actually binational). The company is structured in staff units called "Directions", and an operative unit called "Technical Division", responsible for the engineering and the management of the working sites. All Directions, as well as the Technical Division, are binational, that is, they operate on both sides of the border employing, in different proporportions, nationally mixed teams. The only exception are the "Directions of Procedures, Agreements and Concertation", which are in charge of land expropriations and local conciliations and must operate according to local regulations; two such units, identical in purpose, therefore exist, one operating in France, the other in Italy.

The shareholding and the carefully balanced governance system of TELT create, both symbolically and normatively, a strong binational framework for the organization. Yet, within this framework, binationalism gets discursively and operationally interpreted in different ways.

**Preliminary results**

***Binationalism as a mandate***

So, let's say that there is a first aspect, that is, the obligations that force us to be binational. Like it or not, we must be binational: the board of directors is half Italian, half French; the President is French and the Executive Director is Italian; the French government appoints the Legal Director, the Italian government appoints the Financial Director... that is, there's this balancing *by default* [emphasis added], that requires us to be, there's a minimum imposed threshold, to be binational. Then subjectivity begins, that is, how we feel binational, how we decide to live binationality: as a burden, as an obligation, as pain in the neck, or as a potential. (Executive Director)

In TELT, binationalism is perceived as a higher will coming from the financing countries and the EU and, thus, as a constitutive element of the organization. Moreover, rumour is the EU is considering increasing its contribution to the Lyon-Turin project of 5% to reward TELT's effort of doing things "binationally".

To explain what it means to be binational, many interviewees spontaneously made comparisons with the Brenner Base Tunnel (BBT), a parallel European infrastructural project that shares many characteristics with the Mont Cenis base tunnel, first of all the fact of being a cross-border project involving two countries (Italy and Austria). In this case, the company is split in two offices, one in Italy and the other in Austria, each with its own CEO and independent from the other, that is, free to operate according to its own national laws and procedures. The comparison was made to emphasize the difficulties inherent in applying the same set of technical and legal procedures in different national contexts, as well as the continuous effort required to counterbalance every decision that might, even just symbolically, imply an inclination toward one country or the other. For instance, document presentation and translation seem to be delicate issues in TELT. Every document must be presented with a parallel-text translation in the other language; that makes documents hard to read and very long to prepare, also because many technicalities are hardly translatable in the other language. Yet, inaccurate translations have in some cases been the cause of diplomatic quarrels. When asked to describe TELT through a metaphor, an interviewee gave us a sharp image of its precarious, dynamic equilibrium:

[...] it comes to my mind something like an image... an acrobat, like a tightrope walker on the ridge of the mountains that divide us... this walking suspended, on balance, where you can always slip on one side or the other. (Environment and Security Officer)

### *Enacting binational identities*

Binationalism can be seen as intrinsically paradoxical, since it implies the construction of a unitary identity while keeping alive, and distinguishable, two different national identities. The ambition to maintain a perfectly balanced binational identity, paired with the necessity to operate at the local level in different national contexts, generates a persisting tension in TELT. In order to deal with this tension while keeping its identity coherent, TELT takes advantage of a certain degree of ambiguity in the definition of binationality, engendering multiple, situated identities.

Therefore, binationality in TELT manifests itself in various ways, which are in turn related to the different interpretations its members give of their being binational. For some, it is a matter of keeping and combining elements pertaining to both national cultures, as in the case of TELT's procurement procedures. Procurement contracts must, in fact, comply with both the French law and the Italian anti-Mafia regulations. This implies, for both TELT's internal staff and its external contractors, to get acquainted with a hybrid regulation system. From this perspective, then, it could be wrong to consider TELT as a "merger", as both French and Italian elements are kept together but still remain distinct.

In contrast, others consider TELT as neither French nor Italian, but as something different. This perspective gets manifested through arrangements that cannot be directly linked to either country. For instance, TELT works with its own Geographic Information Systems (GIS), operating with coordinates that differs from those used both in Italy and France. In this case, identity coherence is often achieved recurring to a superior European identity, as some interviewees referred to TELT as a "European atelier".

For some others, finally, perfectly balanced binationalism is simply not always possible: "there are from 5% to 10% of cases where you have to be able to admit that, even if we are a binational company, things can be done differently... written or managed differently on the two sides" (Director of Procedures, Agreements and Concertation for France). Indeed, when dealing with local politicians, TELT relies on local, independent offices, made up of nationally homogeneous staff.

Interestingly, binationalism seems to allow TELT to modulate the salience of its identities according to the circumstances. For instance, during a local fair in France, to privilege local understanding while maintaining its binational identity, TELT banners were written in French, with underneath Italian translations in a smaller font. On another occasion, the company strategically relied on the French legal term *"avis de marché"*, which does not have an Italian equivalent, to communicate the start of tendering procedures for excavation on the Italian side, in order to confuse the Italian public opinion during a particularly turbulent political phase, in which the Italian government seemed to want to retreat from the project.

In conclusion, TELT binational identity can be seen as continuously sliding along a continuum, whose poles are represented by French and Italian identities, overarched by a third pole of European identity. These multiple identities always tend toward an ideal centre of perfect binationality but, in fact, they continuously slide according to the context, the organizational problem at hand and, as well, according to the subject position of who is answering the question: "who are we as a binational organization?". The examples we presented as manifestations of organizational identity were by no means uncontroversial, that is, they were the result of negotiation and conflict within the organization. If at the institutional level this conflict can be easily brought back to differing national interests, at the operational level it can be related to a binational identity imposed from above, which compels organization members to find practical and symbolic solutions balancing two national identities, while solving the problem of digging one of the longest tunnels in the world.

### References

Ailon-Souday, G., & Kunda, G. (2003). The local selves of global workers: The social construction of national identity in the face of organizational globalization. *Organization Studies*, 24(7), 1073-1096.

Albert, S. & Whetten, D.A. 1985. Organizational identity. In L.L. Cummings & M.M. Staw (Eds.),  *Research in Organizational Behavior*, 7: 263-295.

Alvesson, M. (2012). *Understanding Organizational Culture* (2nd ed.). SAGE Publications Ltd.

Barmeyer, C., Davoine, E., & Stokes, P. (2019). When the ‘well-oiled machine’ meets the ‘pyramid of people:’ Role perceptions and hybrid working practices of middle managers in a binational organization–ARTE. *International Journal of Cross Cultural Management*, 19(3), 251-272.

Beamish, P. W., & Lupton, N. C. (2009). Managing joint ventures. *Academy of management perspectives*, 23(2), 75-94.

Brannen, M. Y. 2004. “When Mickey Loses Face: Recontextualization, Semantic Fit, and the Semiotics of Foreignness.” *Academy of Management Review,* 29 (4):593–616.

Brannen, M. Y., & Salk, J. E. (2000). Partnering Across Borders: Negotiating Organizational Culture in a German-Japanese Joint Venture. *Human Relations*, 53(4), 451-487.

Charmaz, K. (2014). *Constructing grounded theory*. Sage, London.

Corbin, J., and Strauss, A. (2008). Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory (3rd ed.), Sage, Thousand Oaks, CA

Eisenhardt, K.M. (1989). Building theories from case study research. *The Academy of Management Review*, **14**: 532-550.

Gioia, D.A., Corley, K.G., & Hamilton, A.L. (2013). Seeking qualitative rigor in inductive research: Notes on the Gioia methodology. *Organizational Research Methods,* 16(1): 15-31.

Holmes, D. R. (2010). *Integral Europe: Fast-capitalism, multiculturalism, neofascism*. Princeton University Press.

Kreiner, G. E., & Murphy, C. 2016. Organizational identity work. In M. G. Pratt, M. Schultz, B. E. Ashforth, & D. Ravasi (Eds.), *The Oxford handbook of organizational identity* (pp. 276–296). New York: Oxford University Press.

Langley, A. N. N., Smallman, C., Tsoukas, H., & Van de Ven, A. H. (2013). Process studies of change in organization and management: Unveiling temporality, activity, and flow. *Academy of management journal*, *56*(1), 1-13.

Patton, M. Q. (2002). *Qualitative research and evaluation methods* (3rd ed.). Thousand Oaks, CA: Sage.

Ravasi, D. (2016). Organizational Identity, Culture, and Image. In: Schultz, M., Ashforth, B. E. and Ravasi, D. (Eds.), *The Oxford Handbook of Organizational Identity*. (pp. 65-78). Oxford: Oxford University Press.

Romani, L., Barmeyer, C., Primecz, H., & Pilhofer, K. (2018). Cross-cultural management studies: state of the field in the four research paradigms. *International Studies of Management & Organization*, 48(3), 247-263.

Salk, J. E., & Brannen, M. Y. (2000). National Culture, Networks, and Individual Influence in a Multinational MAnagement Team. *Academy of Management Journal,* *43*(2), 191-202.

Shore, C. (2006). ‘In uno plures’(?) EU Cultural Policy and the Governance of Europe. *Cultural Analysis*, 5(2006), 7-26.

Siggelkow, N. (2007), “Persuasion with case studies”, Academy of Management Journal, Vol. 50, No. 1, pp. 20–24.

Stankiewicz, D. (2017). Nationalism without borders: Contradictory politics at a transborder European media organization. *American Ethnologist*, 44(4), 670-683.

Vaara, E., Tienari, J., & Säntti, R. (2003). The International Match: Metaphors as Vehicles of Social Identity-Building in Cross-Border Mergers. *Human Relations*, 56(4), 419-451.

Whitehead, A. N. (1929). *Process and reality*. New York. Macmillan.

Ybema, S. (2010). Talk of change: Temporal contrasts and collective identities. *Organization Studies*, 31(4), 481-503.

Ybema, S., Vroemisse, M., & Marrewijk, A. V. (2012). Constructing identity by deconstructing differences: Building partnerships across cultural and hierarchical divides. *Scandinavian Journal of Management*, 28(1), 48-59.

Yin, R.K. (2014). *Case study research: Design and methods*. Fifth Edition. Applied Social Research Methods Series. Sage Publications, Thousand Oaks. California.