FIAS Colloquium

Thursday, March 8, 2012, 14:30
FIAS, Ruth-Moufang-Str. 1, 60438 Frankfurt am Main
Lecture hall 0.100

Speaker: Prof. Dr. Wolfgang König, House of Finance, Goethe University, Frankfurt

Title: Bridging Barriers by Negotiated Culture - The Case of IT Offshoring in a Bank

Important researchers state that areas where it is necessary to bridge gaps between traditional "bodies of knowledge" offer most promising innovations. We selected a particular case - the off-shore reorganization of a core banking system in India - to analyze cultural differences between Germany and India and study procedures to substantially better align the interaction between both cultures. Following the paradigm of inductive knowledge and theory building, we dissected 46 semi-structured interviews with decision makers on both the German as well as the Indian side and complemented the research by analyzing secondary data (the method is called triangulation). We come up with a process model consisting of three sequential phases where in each step antecedent conditions - for example a particular control balancing (which was mainly determined by the customer) - trigger trust development between the German buyer and the Indian supplier, or, in the second phase, inevitably, trust deterioration. The passage from the first to the second phase was characterized by a lack of a serious shared learning whereas the trust "turn-around" after the second phase was fostered by what we call a "negotiated culture", a common behaviour which is neither pure Indian nor pure German (also imposing for example substantial stress on the German side - but this was in the end seen as an investment).

We conjecture that this type of problem solving is a blueprint when it is necessary to bridge cultural gaps under substantial time constraints, as for example in other areas: interdisciplinary work between IT and business management, in the grand politics between north and south, or in companies between the production and sales departments and so forth.

After the presentation and discussion of "negotiated culture" we jointly should discuss preliminary thoughts on requirements and solution approaches to the phenomenon of systemic risk which is not only valid in the financial sphere and where we should set-up an interdisciplinary work group to compile and evaluate the ideas of different disciplines.