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Turning Three Sides into a Delta at General Motors: Enhancing Partnership Integration on Corporate Ventures

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General Motors had enjoyed global operations that were based on exports, acquisitions, joint ventures and strategic alliances throughout the 20th century. Its global-programme strategy appeared assured. However, the carmaker came unstuck when it came to creating a large-scale collaborative effort involving its own internal units. The Delta Small Car Program, involving three fully internal GM units, was terminated after its goals failed to materialise. The carmaker's long-standing cultural tradition of autonomy for its units was what made collaboration between them difficult. We examine this GM global programme, placing it in its historical context. Our primary database consists of the perceptions and experiences offered to us by a cross-section of programme participants. By examining partner integration at the working level, we identify insights and offer recommendations pertaining to venture structure and dynamics and their role in venture success.

Introduction

Companies pursuing a global strategy often look to global ventures to help them with new product development, branding, procurement, marketing, account management, pricing and market intelligence.[1] General Motors (GM) had several goals in mind when it created its global product programmes: to reduce costs and lead time, improve profitability and quality, and streamline and standardise vehicle-development processes. The Delta Small Car Program, in which the internal GM units of Saturn Corporation, International Operations and Small Car Group participated, was GM's first, large-scale collaborative effort of this type.[2]

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Such internal ventures represented a break from GM's past. Exports, acquisitions, joint ventures and strategic alliances that were the cornerstone of the carmaker's global operations during the 20th century have had to make room for a new strategy that we have labelled *partnership integration.* We define partnership integration as the ability to engage with one's partner in ways that yield organisational interdependency and effectiveness, and the fullfilment of joint goals.[3] GM employees soon discovered that they were expected to co-operate with others who did not share the same views regarding vehicle requirements and architecture as well as work practices and processes. Globalisation would now affect the GM workforce in ways that were significantly different from the past.

The Delta Small Car Program's structure and operations were a product of GM's corporate culture. GM has long fostered autonomy, or in Alfred Sloan Jr's words, "decentralisation", within all its units.[4] Historically, there has been a strict division of labour between GM's North American and overseas operations, and within these operations, individual product programmes have operated independently of one another.

In launching global programmes, senior leaders envisioned that the Delta team would design and manufacture a number of vehicle models (e.g., sedan, hatchback, station wagon) from a single vehicle platform, and market them in specific geographic regions to specific customers. The new emphasis on interdependence and integration, rather than independence and self-reliance, became the symbolic foundation for the programme. Beginning in the mid-1990s, the core Delta employees from the three partnering organisations were co-located in Warren, Michigan, as part of an organisational matrix and charged to begin their work.

The Delta programme was active for several years but was terminated at the turn of the century. Some have labelled it a "failure" while others said its results were "mixed". What is clear is that Delta failed to accomplish its goals and objectives, and that GM opted to develop alternative models for global product programmes. Interestingly, no one single explanation for Delta's termination has surfaced. Indeed, the explanations offered by programme participants and others in the corporation vary quite broadly. While some have emphasised the manufacturing challenges associated with producing the Delta vehicles in different parts of the world, others have stressed leadership difficulties in managing the programme's complexity, while others still have underscored issues in the formulation and execution of GM's strategy for its compact cars. It is likely that all of these explanations, and others, played some role in Delta's termination, and contributed to GM's subsequent exploration of other options for globalising vehicle production.

The Delta case represents a significant opportunity for corporate learning. For organisations desiring to compete, or remain competitive, globally the stakes are rising. Many lessons can be extracted for consideration and use by organisations interested in pooling their expertise, resources and work practices. As such, we focus on describing and explaining the overall effectiveness of the Delta partnership at a micro level. Our approach was to explore the emerging Delta culture while it was operating, rather than retrospectively. With such ethnographic detail, we see a link between the antecedent conditions of day-to-day programme operations and the final outcomes. Our recommendations also target future globalisation ventures that GM management, and others, might contemplate.

Several different lines of research have influenced our conceptualisation of venture success and failure. One early model that is still very relevant today categorises corporate orientations based on the extent to which they have evolved in the direction of the global marketplace.[5] Geocentric companies, in contrast to nationally or regionally orientated ones, focus on worldwide objectives and exhibit extensive multicultural heterogeneity. The internal corporate venturing literature also served as a starting point for us as it focuses on the pre-existing conditions and causes of failure such as insufficient corporate autonomy and support.[6] Much of the literature on other corporate ventures (e.g., joint ventures, mergers, acquisitions, alliances) emphasises the difficulties of achieving synergy among previously independent firms.

Organisational and cultural differences among these different entities largely explain their high failure rates—upwards of 60 percent with some as high as 80 percent.[7]

In our review of the literature on venture success and failure, we found a variety of attributes associated with venture outcomes. Some have argued for an emphasis on process, including routinisation.[8] Others have emphasised aspects of the partnering relationship, including the presence of collaborative attitudes among participants.[9] Others still have stressed alliance-management skills, and complementary missions, resource and managerial capabilities.[10] While some of this research captures a micro-level perspective of partnering dynamics, our approach emphasises the centrality of culture to partnering activities. Unlike this prior research, we illustrate the effect of a key GM cultural principle—autonomy—on the operations and final outcome of this internal venture.

We begin by focusing on GM's autonomy as it manifested itself both within the corporation and within the participating global-programme units. Our primary database consists of the views offered by a cross-section of programme participants. We examine the effects of autonomy on Delta's performance, including the fragmentation that developed among programme personnel. Turning three organisational units into a "Delta", that is, a new culture based on a globally orientated collaboration, is a highly complex and technically difficult endeavour. Nevertheless, we identify insights from the Delta experience relevant to companies aspiring to be geocentric. We also recommend specific solutions not only to mitigate the effects of autonomy on attempts at partnership integration, but also to serve as guidelines to enhance the success of other partnering entities.

Types of GM global ventures

GM has been involved in a range of global ventures throughout its history, each of which has aimed at extending the carmaker's market penetration. Considerable resources, effort and energy were required to evaluate feasibility, negotiate with foreign governments, and/or organisational entities, and manage these ventures to maximise value. Thus, corporate decision makers have had to pay attention to the degree of "strategic fit" between GM and any new business, purchase or alliance under consideration.[11] We define strategic fit as the degree to which the participating entities complement each other to create additional value. Table 1

Table 1. Selected GM global ventures

Types of venture	Definition	Example
Export	Portion of a business dedicated to the sale and service of products outside the home market	GM Export Company (1911)
Acquisition	Purchase of one company by another in which assets and resources are combined	Adam Opel AG (1929)
Joint venture	Separate legal and organisational entity representing part of the holdings of two or more parent companies	New United Motor Manufacturing Inc. {NUMMI} (1984)
Global product programme	Matrix organisation consisting of globally distributed units with the mission of developing a vehicle together for sale in various markets	Delta Small Car Program (1996)
Strategic alliance	Coalition between two or more firms to engage in selected joint activities to improve growth, share costs and gain economies of scale	Fuji Heavy Industries {in which GM has 20% equity} (1999)

identifies some of the key types of GM global ventures, with examples arranged chronologically.

During the 20th century, GM used exports, acquisitions, joint ventures and strategic alliances to enter foreign markets. Selection of export sites, candidate companies and joint venture and alliance partners was typically based on business considerations, that is, consistent with strategic fit. However, as GM's experience with joint venture and alliance partners increased, and as global programmes emerged, the day-to-day implications of operating globally have become more apparent to a broader array of employees. Relying on strategic fit to achieve global-programme success would be insufficient. Instead, both strategic fit and partnership integration would be critical in the continuing globalisation of GM's operations.

Relying on strategic fit to achieve global-programme success would be insufficient

The cultural principle of autonomy

From an historical perspective, partnership integration was likely to present challenges to GM's globalisation. With a culture that emphasised independence and self-reliance, GM had developed an organisational structure based on distinctive, differentiated and typically self-contained units.[12] Frequently heard phrases characterise both the structural aspect of autonomy (e.g., "functional chimneys", "silos") and its perceptual or ideological dimension (e.g., "turf", "territory", "fiefdom").

Autonomy is also a characteristic of the organisational cultures of Saturn, International Operations and Small Car Group. It is manifested in the perceptions that members of each of the three units hold of each other, issues surrounding the day-to-day behaviours of the employees of those units, and GM's organisational structure. We discuss these three dimensions of autonomy to underscore the likelihood of conflicts when two or more autonomous units are combined into a larger entity. Indeed, we argue that without an alignment between these three cultural elements—perceptions, behaviour and structure—programme success is unlikely. These three units symbolise the strength of organisational boundaries within the corporation. These boundaries are deeply rooted in the past and are not easily dismantled by the formation of Delta's organisational matrix. Our data are primarily based on interviews with the Delta programme participants, supplemented by observation at Delta meetings and corporate documents (see Appendix A).

Autonomy exhibited in perceptions

The comments of our Delta respondents reflect their perceptions about their particular GM unit as well as their perceptions of their partners. We found a high degree of internal consistency in the responses regardless of organisational affiliation. This consistency enables the identification of some of the salient elements of the three organisational cultures.[13] Table 2 summarises these perceptions.

Perceptions of Saturn. The overriding impression of Saturn participants is the extent to which they value their home organisation. They underscore the "team orientation" and welcome input from team members. While they believe that healthy conflict drives good decisions, they stress the importance of reaching consensus. They emphasise their "can-do" attitude, giving the impression that nothing is beyond their reach. Saturn respondents attribute their collaborative abilities, in part, to Saturn's risk-and-reward structure which establishes targets for financial returns, quality and production-schedule completion.

Table 2. Perceptions of organisational-culture attributes among the Delta partners

Saturn	International Operations	Small Car Group
• Value team contributions • Give input • Resolve conflict • Reach consensus • Express a "can-do" attitude • Expect accountability • Reward based on performance	• Follow leadership direction • Take action to solve problems • Integrate technical with managerial expertise • Encourage organisational stability	• Invoke authority structure as appropriate • Work primarily alone • Make a pitch to garner support • Focus on domestic issues

Small Car Group's perceptions of Saturn are similar to those of the Saturn respondents themselves (e.g., input into decisions, consensus approach, accountability). By contrast, respondents from International Operations usually do not refer to Saturn as an organisational entity.[14]

Perceptions of International Operations. Participants from International Operations point to the centrality of the leader and his clear, precise direction. They indicate that taking action is important within their organisational culture. Making decisions is part of this proactive orientation; remaking decisions is not viewed very positively. This culture also values the integration of technical and managerial expertise. Executives actively participate in technical discussions and decisions. In addition, employees hone their technical skills by remaining in a particular job—or at least in a particular function—for many years. One consequence of this value is greater organisational stability—a feature that differs markedly from GM's North American Operations.

Small Car Group and Saturn's perceptions of International Operations are completely aligned, focusing on the theme of International Operations' leadership authority. They describe it as "top-down directed" and "hierarchic driven".

Perceptions of Small Car Group. Small Car Group respondents make virtually no comments about their own organisational culture.[15] However, Saturn participants suggest that Small Car Group has a "top-down" authority structure, with an emphasis on the individual rather than the team. They indicate that you are asked to "make your pitch" to garner support for an idea, rather than "seek first to understand and then to be understood". Participants from International Operations perceive that Small Car Group focuses exclusively on its own domestic issues (e.g., own costs, own marketing) rather than sharing some broader programme orientation.

Autonomy exhibited in GM's organisational structure

Corporate structure. The organisational structures associated with Saturn, International Operations and Small Car Group are also characterised by the cultural principle of autonomy. First, these three organisations lend employees to the Delta matrix on a temporary basis. The Delta participants expect to remain on the programme for the duration of their assignment (i.e., two to four years) and then return to their home unit. Their home unit covers their salaries, benefits, travel and other miscellaneous expenses. Furthermore, their home unit largely determines their career path.

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Second, by virtue of the fact that employees "belong" to their home unit, they are expected to act as ambassadors to Delta. This role places them in the precarious position of balancing the demands of their home unit and its customer base with venture expectations to be globally focused.

Third, each home unit operates as a separate profit centre. The existence of multiple profit centres on one car programme reinforces home-unit autonomy rather than global-venture integration. Finally, each partnering unit has its own set of leaders, external to the venture, who play an important role in influencing venture decisions.

Delta structure. Structural features within the global programme itself also make a global focus difficult. Small Car Group was designated "lead unit and home base" for Delta's design and development. Its employees accounted for the vast majority of Delta personnel. Small Car Group also held all key leadership roles in both the technical (e.g., engineering, design) and business (e.g., finance, purchasing) functions, though counterparts were ultimately named to ensure a broader input into programme decisions. With Small Car leaders in the key positions, it seemed both pragmatic and appropriate to them to manage the programme using their own work practices.

Small Car Group employees had insufficient experience with international product development requirements and issues and had little exposure to non-domestic work experiences. Moreover, Small Car Group employees were already living and working in Michigan when Warren was selected as the primary engineering site for the programme. Furthermore, Small Car's organisational culture was more akin to GM's broader American national culture than the organisational cultures of the minority members. This alignment between Small Car's organisational culture and American national culture also worked in Small Car's favour to reinforce its dominance within Delta.

Meetings take different forms and serve different functions depending on the participating organisation

Autonomy exhibited in behaviour

Autonomy also characterises the behaviour—particularly, the work practices—of Saturn, International Operations and Small Car Group. Each of these three units has its own established processes and procedures for conducting work and completing assignments.

Vehicle-development processes. The Saturn and International Operations' respondents explicitly contrast their vehicle-development processes with 4ØVDP—the four phase vehicle-development process developed in GM's North American Operations and associated with Small Car Group. Both the Saturn and International Operations' respondents indicate that 4ØVDP "is very complicated", "has too many templates" and is an "activity trap", such that "getting a car done is incidental to the process". Because these respondents do not perceive 4ØVDP as a global process, they believe it is unable to comprehend the array of issues that their units face.

Meetings. Meetings take different forms and serve different functions depending on the participating organisation. Each partner has a strong preference for how large-group interactions (i.e., from 20 to 67 attendees) are conducted. Because English serves as the "official" Delta language, most meetings are conducted in English. Yet, we note differences in partner meeting styles—time spent in meetings, meeting purpose, and meeting content and format (see Table 3). Respondents from all three organisations indicate that meetings are often highly frustrating.

Table 3. Selected work-practice differences among the Delta partners

	Saturn Corporation	International Operations	Small Car Group
Time spent in meetings	• Most work occurs outside of meetings • Keep meeting times to a minimum	• Most work occurs outside of meetings • Keep meeting times to a minimum	• *Meetings = work* • Much work time spent in meetings
Meeting purpose	Develop consensus	Make decisions	• Share information • Discuss issues
Meeting content/format	Focused	Predetermined	Evolving
Decision-making models	100% consensus	Leadership driven	Majority preferred

The amount of time allocated to meetings varies greatly across the three units. At Saturn and International Operations, most work time does not involve large-scale meetings: these two units prefer to discuss the issues, "work the solutions off-line" and keep meeting time to a minimum. By contrast, at Small Car Group, large-scale meetings appear to be one of the principal mechanisms for getting the work done. The Small Car Group employees consider meetings a forum for work and it is customary for much of the week to be spent in meetings.

We found it useful to conceptualise the purposes of meetings as points along a continuum with Small Car Group and International Operations at opposite ends. At Small Car Group, the purpose of a meeting is to share information and discuss the issues. By contrast, International Operations uses meetings primarily to make decisions. Saturn is situated in the middle of the continuum because meetings are viewed as opportunities to create consensus.[16]

A continuum with Small Car Group and International Operations at opposite ends, and Saturn in the middle, is also illustrative in discussing meeting content and format. At Small Car Group, the content of a meeting evolves as the discussion proceeds: it is quite possible for items to be added to a meeting agenda prior to or during the actual meeting. At Saturn, the content is focused, while at International Operations, meeting content is predetermined. Prior to large-scale meetings at International Operations, the necessary documentation must be completed, reviewed and approved. During the meeting, decisions are made and new work is assigned. After the meeting, minutes are distributed.

Decision-making models. Each unit exhibits a distinct decision-making model consistent with other attributes associated with that unit (see Table 3). Saturn respondents say they make their decisions based on 100 percent consensus. Their decision-making process typically involves individuals representing a range of classification levels and a variety of functions. Saturn employees use two strategies to enable their decision-making model. First, they adhere to the rule of thumb that if someone is 70 percent comfortable with a particular decision, he/she must be 100 percent committed to it. Second, if the "team" is unable to make a particular decision, team members seek assistance from a higher-ranking management group.

International Operation's decision-making model is largely leadership driven. Prior to the decision, the leader requests input from numerous sources. At this stage, it is possible for International Operations' employees to provide technical detail and recommendations. Leaders seek to make decisions which are both consistent with the "data" and which reflect widespread support within their organisation. In this sense, International Operation's decision-making model draws on an emerging organisational consensus. Once the decision is finalised, organisational members typically fall in line behind it.

Small Car Group's decision-making model can broadly be construed as a majority-preferred approach: a cross between "majority rule", in which attempts are made to foster as much consensus as possible, and "leadership rule" in which the leader plays a significant role in directing decision-making. There are frequent and continuous efforts to "pitch" both technical and business-related ideas in the hopes of generating "buy-in" from the appropriate leader(s) and organisational members. Some within Small Car Group have more influence than others. If the relevant Small Car Group leader(s) agrees with a particular proposal, there is a greater likelihood that the proposal will be accepted and the decision made.

Autonomy's effects on partnership integration

It is important to keep in mind the magnitude of the challenge that Delta faced. The technical difficulties of designing a product that satisfied the engineering, manufacturing and legal requirements on two continents were formidable. Differences in drivers and markets turned out to be bigger obstacles than originally expected. The logistics of engineering a complex product in different locations were challenging. The pressures to meet cost, quality and other design requirements were intense. Added to the technical challenges was the expectation that Delta would pioneer a new form of work—one that emphasised co-operation and collaboration. While the staff may have understood the programme's intent, agreed to it and worked to support it, GM's autonomous culture, including its structure, proved to be too strong a force to meet the new corporate mandate.

Use of organisational power and influence

The programme participants from all three Delta units used their power and influence to change Delta's direction and reverse selected Delta decisions. Issues would surface within one, if not two, of the participating organisations. The affected organisation(s) would document the technical and/or business-related concerns and propose a solution for consideration by the Delta programme leaders as a group. The problem for the Delta leaders was that proposed changes had to be considered in light of the entire global programme, not just one (or two) of the participating units.

Usually, a few months after the issue first surfaced, the Delta programme leaders would make a decision based on the majority-preferred decision-making model; the Delta programme manager, known as the Vehicle Line Executive, was told he had the authority to oversee and uphold programme decisions. However, when a decision by the Delta leaders ran against the proposing unit(s), the following pattern emerged:

- Programme personnel from the proposing unit(s) passed on their concerns and opposition to the Delta decision through the chain of command in their home units—a set of leaders who were not part of the Delta programme per se.
- On occasion, these home-unit leaders would intervene in programme matters to force a reversal of the decision in question. They would argue that the Delta decision would negatively affect their ability to market their product and make a profit. In addition, they would sometimes threaten to "pull out of the programme" if the decision were not reversed.
- The Delta programme manager would ultimately acquiesce to the demand to reverse the decision, though not without debating the issue thoroughly with the home-unit leaders.
- Senior corporate management would typically condone the views of the home-unit leaders—arguably for reasons related to the specific customer requirements and expectations advocated by the home-unit leaders.
- The reversed decision typically held.

Partnership fragmentation rather than integration

Delta's attempt at partnership integration was not successful. As evident from the pattern described above, unit goals, allegiances, perspectives and work practices often trumped the corporate mandate to execute a global programme. Participating units optimised for themselves

instead of the Delta programme, a behaviour entirely consistent with GM's autonomy. Unit self-interest was the focus, not some abstract global or corporate good. In this process, the authority of the Delta programme manager was weakened, making it difficult to manage the programme to meet corporate expectations. The problems with the Delta programme caused senior corporate management to reconsider and ultimately abandon the entire strategy.

Thus, we see that partnership integration leading to the achievement of joint goals was never fully realised for the Delta programme. The early efforts to coalesce gave way to fragmentation of the constituent parts. Within the programme itself, day-to-day work activities were often characterised by internal conflict and inefficiency. Programme decisions were sometimes second-guessed and revisited, delays occurred and rework costs resulted. Interestingly, when programme relationships did form, they solidified largely along home-unit lines rather than functional area, individual expertise, or some other variable. Moreover, alignment between senior corporate management and home-unit management created another fracture point, eventually resulting in a product-programme concept for the 21st century that was closer to the more traditional, geographically specific programmes.

The scales must be tipped in favour of the "global good" rather than the individual partnering units

Recommendations to enhance partnership integration

Global vehicle programmes as ambitious as Delta will never be easy. However, Delta was a valiant effort and much can be learned from it. In Delta's case, we saw that the stated goals for the programme lacked both corporate and home-unit supports. There were insufficient incentives for the participating units to adhere to or achieve the Delta vision. We suggest building features into the structure of the global venture to encourage programme participants to act in a unified way. The scales must be tipped in favour of the "global good" rather than the individual partnering units. We offer three specific recommendations that would enhance the success of a cross-unit venture (see Table 4). These recommendations parallel the three dimensions of culture introduced earlier.[17]

Table 4. Recommendations for partnership integration

Organisational structure	Work behaviour	Perceptions and expectations
• Choose a final decision maker to settle disputes when agreement among the partners cannot be reached • Develop common business vision and plan in pursuit of shared goals and objectives • Align incentives with venture performance, employing special compensation as appropriate	• For large-scale meetings select a hybrid style; for working-group interactions, maintain sensitivity to attendees' expectations • If partner consensus cannot be reached, default to arbitration by final decision maker	• Solicit partner expectations informally to build a collaborative relationship • Engage in cross-cultural training to encourage information sharing and conflict mediation • Adapt a culturally based problem-solving model to generate, implement, and evaluate solutions, and to foster a "hybrid" or "synergistic" culture

Recommendations pertaining to organisational structure

Our first recommendation is that someone must be assigned to lead and act as final decision maker or arbiter of the global programme so that it does not lose momentum.[18] There will be times when the partners will not be able to agree. The venture's key programme manager may play the role of this final decision maker, though an individual with some relevant technical and/or business experience might also serve in that capacity. Individuals playing both the leadership and arbitration roles should exhibit the following characteristics: be empowered by all the partnering organisations at the outset; be knowledgeable about the venture and its issues; be objective in any assessments; be able to respond quickly; and be evaluated on the venture's overall success.[19]

Second, we recommend the development of a common business vision and a plan (e.g., investment cost, product volumes, time frame) as an initial step in unifying the partners.[20] A global profit-reporting mechanism would also help solidify partnership integration. Partners could then examine their achievement of both interim and final venture goals, and make appropriate modifications.

Third, we suggest that companies engaged in global ventures consider the use of "team" or venture incentives. Special compensation awards, consistent with the human-resource policies of the partnering organisations, could be employed to reward exemplary performance and venture success.

Recommendations pertaining to work behaviour

Differences in work practices can be quite frustrating for programme personnel because they can threaten the assumptions, priorities and traditions of the participating units. Parochial attitudes can exacerbate such differences further. Negotiating an agreed-upon way of conducting joint work activities (see Table 4) can yield stronger, more effective relationships.[21] Ideally such negotiations would begin during the planning phase, before the launch of the venture. We offer two specific suggestions with respect to work practices.

First, global-venture personnel need to agree on how they will manage the meetings and work-group interactions in which they jointly participate. Otherwise, partner dissatisfaction is likely to be created, and productivity is likely to suffer. Since large-scale venture meetings are likely to reflect the emerging venture culture, it is probably best to create a hybrid meeting style. The hybrid should consist of selected elements from among the partners so that it will not be associated exclusively with one particular partner. For smaller working-group interactions, there is more flexibility in how meetings are managed. If the meeting involves only one of the partners, it may be appropriate for that partner to manage the meeting. If the meeting involves two or more partners, participants need to be sensitive to partner differences in meeting styles.

Relationship development is a prerequisite to collaborative work

Decision-making models also distinguish partnering organisations. Because decision-making models range from consensus to a leadership decision, agreeing on how to make decisions is a complex issue, but without such agreement, it will be difficult to make steady progress. We suggest that the partners attempt to reach agreement. If they are unsuccessful (i.e., they find that decisions are frequently stalled, delayed, revisited), we propose that the partners default to arbitration. This decision-making model enables opposing sides to reach a decision quickly and effectively.

Recommendations pertaining to perceptions and expectations

The Delta case demonstrates that each partnering organisation has a distinct set of expectations pertaining to the joint work. To begin to uncover these and other perceptions, face-to-face interactions with one's counterparts provide opportunities for discussion and observation that

can yield some initial baseline information (see Table 4). Relationship development is a prerequisite to collaborative work. As the collaboration gets under way, participants are positioned to clarify perceived ambiguities and express their own expectations about work assignments and relationships.

A more structured approach to understanding organisational-culture differences involves cross-cultural training sessions in which participants are encouraged to address stereotypical images, and identify alternative ways of structuring work and work interactions. Information sharing and discussion can reveal insights about one's home unit compared with the partnering organisations. These sessions can also be used to mediate potential or actual conflicts.

Recognising that this differentiation in perceptions exists among the partnering organisations is the first step towards partnership integration. By directing attention to the differences, and then the similarities in perceptions among the partners can begin to mould features of their venture culture. We have found Adler's model particularly useful in fostering a "hybrid" or synergistic culture.[22] This model is focused on problem-solving, a key component in partnership integration. Adapting this kind of a model in a complex, multifunctional, multiorganisational environment will assist participants to partnership integration.

Postscript

Though GM has discontinued its Delta programme, it is important to view this decision in its historical context. Four of the five types of global ventures listed in Table 1 continue to be active—export, acquisitions, joint ventures and strategic alliances—suggesting that GM continues to pursue such ventures to remain competitive in the global marketplace. From a product portfolio point of view, GM's strategic alliances have become a critical and integral part of its globalisation efforts. GM has created a new type of venture—a non-equity partnership—that is also likely to have a significant impact on the company's ability to leverage global resources. In this kind of arrangement, GM develops agreements with other companies and research institutions to engage in joint work in a variety of areas with the potential for a high payoff. In addition, GM has been encouraging its internal units to work together to share knowledge, vehicle requirements and components, and modify vehicle designs for alternative GM markets.

The lessons from Delta are applicable in all these global ventures. More and more, GM is relying on partnership integration—whether within or beyond its traditional organisational boundaries. Many of the same organisational-culture issues faced by the Delta participants have been, or will be faced, by GM and its partners in the future. Thus, while Delta's own goals were not achieved, its lessons provide a roadmap for enhancing GM's collaborative relationships and performance as the globalisation process continues.

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Appendix A. Data and methods

We adopted the qualitative method of grounded theory to understand the attempted integration of selected organisational cultures within an internal global venture.[23] Our case study is based primarily on 42 interviews conducted at GM during a seven-month period between 1996 and 1997.[24] This initial sample consisted of a cross-section of technical and managerial

employees: six from Saturn, 13 from the International Organization, eight from Small Car Group, and 15 senior corporate executives, members of internal support organisations and participants on another GM global programme.

The interviews lasted one hour on average and elicited data on the respondents' relationship with Delta, the key cultural and organisational problems facing Delta, and recommendations for improving the programme performance. We asked additional questions related to the structure and functioning of the three units, and solicited documentary materials pertaining to Delta's operations. We used content analysis to identify the key cultural themes. We derived these themes inductively, and then compared and contrasted them. Results from this initial data-collection effort are consistent with later project findings, the field period of which extended into 1998.

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2. Delta I, the predecessor of the current Delta (or Delta II), was in operation during 1995. The programme was cancelled due to cost, technical and cultural problems. The current Delta programme began in 1996. At the time of the study, Saturn was based in Springhill, Tennessee. International Operations was the name given to the sector responsible for GM's operations outside North America and was based in Russelsheim, Germany. Most of the International Operations staff were German nationals employed by Adam Opel, one of GM's wholly-owned subsidiaries. Small Car Group was the organisation responsible for the engineering of compact cars marketed under the Chevrolet and Pontiac marques. Small Car Group was reorganised from the former Lansing Automotive Division in Lansing, Michigan and relocated to Warren, Michigan in 1996.
3. We modified the definition of "integration" from work done on effective integration in mergers by R. Olie, Shades of culture and institutions in international mergers, *Organization Studies* **15**(3), 381–405 (1994).
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11. R. Olie, Shades of culture and institutions in international mergers, *Organization Studies* **5**(3), 381–405 (1994); A. F. Buono and J. L. Bowditch, *The Human Side of Mergers and Acquisitions: Managing Collisions Between People, Cultures, and Organizations,* Jossey-Bass, San Francisco (1989).
12. We define organisational culture as a system of shared beliefs, ideas, and assumptions that guide the behaviour of those associated with a particular organisation.
13. The discovery that study participants expressed attitudes and expectations in ways consistent with their organisational culture was surprising to us as we anticipated the salience of national-culture differences as have others (N.J. Adler, *International Dimensions of Organizational Behavior,* 3rd ed., South-Western College, Cincinnati, OH (1997); G. H. Hofstede, *Cultures consequences: International differences in work-related values,* Sage, Beverly Hills, CA (1980). Saturn respondents, for example, contrasted attributes of their organisational culture with Small Car Group's. Their response suggests an explanation beyond the fact that both were "American" in their orientation.
14. International Operations employees may not have recognised the differences between the two North American units—at least in the early phase of the programme. It is also possible that because the proportion of Americans from Saturn was considerably smaller than those from Small Car Group, International Operation's focus may have been largely directed towards Small Car Group.
15. Small Car Group respondents may have assumed that those around them understood their culture. At the time of the initial interviews, Small Car Group employees accounted for the vast majority of those associated with Delta.
16. Meeting purposes also are discussed in E. T. Hall and M. R. Hall, *Understanding cultural differences: Germans, French and Americans,* Intercultural Press, Yarmouth, ME (1989).
17. One researcher has argued that implementing a global strategy is dependent upon four elements: organisation structure, management process, culture, and people (G. Yip, *Total Global Strategy,* 2nd ed., Prentice Hall, Englewood Cliffs, NJ (1995). For us, "culture" encompasses perceptions, behaviour and structure. In addition, our categorisation yields insights into day-to-day venture functioning because it focuses on what people say (their perceptions), what people do (their behaviour), and how people organise themselves (their structure).
18. Relying on a common superior to intervene when necessary to ensure the viability of the matrix has been promoted by S. M. Davis and P. R. Lawrence, *Matrix,* Addison-Wesley, Reading (1977).
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20. Of course, companies need to be cognisant of the application of antitrust laws if their partners are competitors.
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24. The study continued for another 17 months during which time Briody conducted 46 additional interviews, observed more than 70 hours of engineering and business meetings of the programme, and validated the results and recommendations at more than 35 presentations.

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