

# Spitzenforschung in Bayern



Research Cooperation for Transnational Networking –  
Success by Intercultural Risk Management

## USEFUL BUT RISKY: TRANSNATIONAL NETWORKS

**S**mall and medium sized enterprises (SME) take much higher economical, political, social and cultural risks than large corporations when it comes to getting involved abroad. Negotiation marathons, product boycotts, share price variations, bribery demands and terrorist attacks are only some of the problems these companies have to face. Building and maintaining transnational networks (be them personal or business) is considered an important tool to control such internationalization risks. Networks are not just an instrument to manage risks, but can paradoxically be the cause of new risks for all parties involved. For example: Even though both sides had agreed to cooperate there is a chance that one side would prioritize its own interests above the agreed cooperation. This then questions the cooperation within the entire network.

The scientists working for fortrans go beyond traditional network research as they combine investigations in internationalization with network integration risks. From this they develop a new understanding of risk management as a cross-cultural interaction. fortrans gives organizational advice, which is important especially for the Bavarian economy because of its large



Photo: Hans Gärtner, Wolfratshausen

share of medium business and its intensive involvement/ assignment abroad. A cooperation of this size between humanities and the social sciences applied to network research so far only exists in Bavaria. The scientists of the four Bavarian universities themselves are part of networks which integrate research partners not only from Germany, but also from other European countries, America and Asia.

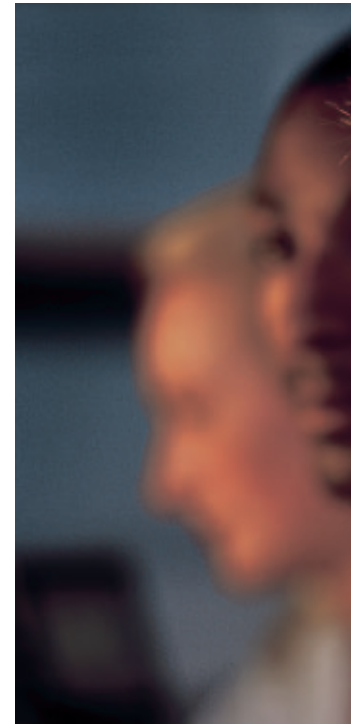
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## RESEARCH TOPICS :

The goal of fortrans is to re-research the role and effectiveness of international networks within the globalization process of SME (small and medium-sized enterprises). This is done by international comparison and covers all kinds of industry. The central question is how trans-national personal and business networks can be protected from the risks of internationalization of SME. The networks fortrans analyses connect people, interest groups, local authorities and businesses with each other. The relationships between the network partners are partially founded on formal regulations, but can also be based on acquaintances and employee loyalty. If and how networks can minimise such risks is as much of interest as the creation of new risks in relation to the integration into networks (keyword: opportunism). Research is being carried out on networks of German businesses in India, Indonesia, Bangladesh, Japan, Latin-America, Russia and the USA. The businesses there encounter many different kinds of risks which influence the realization of their economic goals. A few examples of these risks are

economical turbulences, corruption, crime, value conflicts and problems with loyalty. fortrans combines the competence of business studies, economical geography, ethnology and organizational psychology of the universities of Bamberg, Bayreuth, Erlangen-Nuremberg and Munich with the international experience of the project leaders and staff. The fortrans projects are executed in close cooperation with and supported by international mentors and partners from the business environment.

### **Economic, Political and Societal Applications:**

- Compiling of possibilities and limits of trans-national networks in relation to the limitation of risks caused by internationalization
- Analysing and describing the reciprocal effect of inter-personal and inter-organizational networks
- Finding the connection between risk limitation and the creation of new risks within the network
- Formulating suggestions for network management within the region being researched.

### **Cooperation:**

University of Bayreuth:

- Prof. Dr. T. M. Kühlmann, Chair of Business Administration IV, Human Ressource Management

University of Bamberg:

- Prof. Dr. B. Braun, Chair of Geography

University of Erlangen-Nuremberg:

- Prof. Dr. D. Holtbrügge, International Management

Ludwig-Maximilian-University Munich:

- Prof. Dr. A. Moosmüller, Institute for Intercultural Communication
- Prof. Dr. E. Spieß, Department for Psychology
- Prof. Dr. L. v. Rosenstiel, Department for Psychology
- Prof. Dr. H.-D. Haas, Institute for Economic Geography
- Dr. J. Rehner, Institute for Economic Geography

