

**The Influence of Language Differences  
on Power Dynamics in Multinational Teams**

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## **ABSTRACT**

Based on 90 interviews with leaders and members of 15 multinational teams, this study explores the influence of language differences on power dynamics in multinational teams. First, we establish hierarchical position and professional expertise as general sources of power in teamwork. Subsequently, we demonstrate how different language policies, the degree of formality in language structures, and language proficiency disparity moderate team members' capacity to capitalize on these power sources. Our study elucidates the complexity of linguistic influences on power dynamics in teamwork, reveals previously neglected differences in language structures, emphasizes the importance of relative proficiency and carries significant practical implications.

Keywords: language policy; language structure; language proficiency; power dynamics; multinational teams

## INTRODUCTION

The relatively banal fact that employees of multinational corporations (MNCs) speak different mother tongues creates manifold significant consequences for their organizations. Among many other effects, international business researchers have recently uncovered that language differences can influence social identity formation among employees (Bordia & Bordia, 2014; Reiche, Harzing & Pudelko, 2015), knowledge transfer (Schomaker & Zaheer, 2014; Peltokorpi, 2015) or cross-border alliance formation (Joshi & Lahiri, 2014; Cuypers et al., 2015). For our study, the implications of language differences for the distribution of power in organizations are of particular interest. The widespread introduction of English as a common corporate language for MNCs (Neeley, 2012) has been found to create “power-authority distortions” (Harzing & Pudelko, 2013), as language proficiency-based advantages can modify the power structures mandated by official corporate hierarchies (Vaara, Tienari, Piekkari, & Säntti, 2005; Harzing & Feely, 2008; Steyaert, Ostendorp, & Gaibrois, 2011; Yamao & Sekiguchi, 2015). In line with Magee and Galinsky’s (2008, p. 361) definition of power as “asymmetric control over valued resources in social relations” and the portrayal of language proficiency as a socially highly valued resource in MNCs (Barner-Rasmussen, Ehrnrooth, Koveshnikov, & Mäkelä, 2014; Neeley & Dumas, 2016), language is now commonly acknowledged as a significant source of power in global corporations.

Whereas prior studies have established language to be “extremely relevant” (Janssens & Brett, 2006: 132) for power dynamics in MNCs, they have not yet captured this relationship in all its complexity. Firstly, they almost invariably treated language as a power source per se, i.e. an *antecedent* to power differentials. Whereas we acknowledge the important contributions this stream has made, we see the need to complement it by looking at language as a *moderator* to other sources of power, most notably position and expert power. Secondly, extant work has rarely differentiated various aspects of language such as language policies, structures or proficiency levels. We emphasize the need to recognize the multidimensional nature of both power (Finkelstein, 1992) and language (Chen, Geluykens, & Choi, 2006) in organizations. Thirdly, extant research has mostly investigated linguistic influences on power dynamics on the firm level, focusing on corporate hierarchies or power differentials between subsidiaries. Only few studies have touched upon the power implications of language differences for the cooperation in multinational teams (MNTs) (Janssens & Brett, 2006; Hinds, Neeley, & Cramton, 2014; Lauring

& Klitmøller, 2015). We argue that this specific setting needs deeper exploration, since power dynamics in teamwork are particularly complex and delicate. They are more complex than traditional line management hierarchies, as team outcomes hinge on interdependencies between multiple individuals drawing on different sources of power (Greer, 2014). They are highly delicate, since changes in a team's power architecture can harm team outcomes if members perceive them as unjustified (Halevy, Chou, & Galinski, 2011; Greer, 2014). We aim to capture these under-researched complexities and elucidate the interplay between language and power on the team level by answering the following research question: *how do language differences influence team leaders' and members' capacity to capitalize on position and expert power?*

Given that qualitative studies are excellently suited to address “how” questions and to examine processes (Pratt, 2009) and considering the paucity of theory in this area, we chose to explore these mechanisms with an inductive research strategy that lets theory emerge from the data (Siggelkow, 2007: 21). Based on 90 interviews in 15 MNTs of three major German automotive corporations, covering 19 nationalities and 14 mother tongues, our study provides an in-depth understanding of the complex interrelations between individual team members' language proficiency and their various sources of power.

Our study advances (1) *research on power dynamics in teams* by revealing team members' evaluations regarding position power and expert power. It contributes (2) to *MNT research* by showing how language differences interact with those general power sources in teamwork and by distinguishing team members' evaluations of different linguistic influences. Furthermore, our study adds (3) to *research on language in international business* by highlighting the previously neglected implications of different language structures, by emphasizing the importance of team members' language proficiency relative to one another and by uncovering a distinction between spoken and written communication. Furthermore, we develop practical recommendations for MNT leaders and members facing different power constellations in teams, for decision makers formulating corporate language policies and for international human resource managers deciding on the optimal composition of MNTs.

## THEORETICAL FRAMEWORK

### **The impact of language differences on power dynamics in MNCs**

Already the pioneering publications on language in international business (Marschan et al., 1997; Marschan-Piekkari, Welch, & Welch, 1999a, b; Charles & Marschan-Piekkari, 2002) revealed that language differences influence power dynamics in MNCs. Observing that many employees prefer to contact a colleague sharing their native tongue rather than speak in a foreign language to the manager who is officially in charge, these studies discovered language-based “shadow structures”, i.e. communication networks functioning independently from official organizational structures. These “parallel information networks” (Marschan et al., 1997; Harzing & Feely, 2008; Harzing & Pudelko, 2014) counteract formal authority relationships.

Subsequent studies investigated this phenomenon with particular focus on headquarters-subsidiary relationships. They found that employees can enhance their power if they are proficient in the official corporate language, the MNC’s home country language and/or the language used by senior management (Piekkari, Vaara, Tienari, & Säntti, 2005; Welch & Welch, 2008; van den Born & Peltokorpi, 2010). Proficiency in the relevant languages allows key employees to function as informal “language nodes” (Marschan-Piekkari et al., 1999) or “linking pins” (Harzing, Köster, & Magner, 2011) with privileged access to information and to take on a range of intermediary roles such as “gatekeepers, liaisons, translators, and intermediaries for colleagues with more limited language skills” (Barner-Rasmussen et al., 2014, p. 890). This, in turn, increases their power in the organization (Vaara et al., 2005). Since many MNCs have selected English as their official corporate language, native English speakers are particularly likely to achieve language-based positions of power (Tietze, Cohen, & Musson, 2003; Peltokorpi & Vaara, 2012; Neeley, 2013). Conversely, employees lacking proficiency in the official corporate language are limited in their conversation abilities and may be excluded from critical exchanges of information (Fredriksson, Barner-Rasmussen, & Piekkari, 2006). They are less involved in decision-making (Louhiala-Salminen, Charles, & Kankaanranta, 2005) and experience a loss of power within the organization (Luo & Shenkar, 2006).

Neeley (2013) and Neeley & Dumas (2016) enriched this debate by studying language-based changes in MNC employees’ perceived status. Non-native English-speaking employees experience a status loss when their corporation changes to the exclusive use of English as a corporate language (Neeley, 2013), whereas this mandate elevates the status of native English

speakers in the organization (Neeley & Dumas, 2016). These findings are in line with Butler's (2006) work on status cues in multinational collaboration and support Berger et al.'s (1986, p. 7) early assertions that "highly fluent speakers usually are evaluated more highly", are "more influential in different sorts of situations", and "more likely to achieve group dominance".

Such distortions in the status and power balance can cause resentment, distrust, frustration, and stress among individuals with lower proficiency levels in the corporate language (Harzing et al., 2011; Harzing & Pudelko, 2013; Neeley, 2013). Consequently, language-based power shifts trigger affective conflicts and disputes (Harzing & Feely, 2008) and disrupt cohesion, collaboration, and performance within MNCs (Harrison, Price, & Bell, 1998; Yamao & Sekiguchi, 2015). These effects become particularly critical when headquarters managers holding formal authority must relinquish part of their power to subsidiary employees who are more skilled in the corporate language. Speaking of "power-authority distortion", Harzing and Pudelko (2013) suggest that language proficiency-based advantages alter the power structures mandated by official corporate hierarchies (also see Harzing & Feely, 2008).

These are important findings, but they do not fully reflect the complexity of power relations in MNCs. Language differences only constitute one source of power among many, but previous research has treated it in isolation. We therefore advance the field by investigating the interplay between language and other sources, from which individual MNC employees can draw power. Rather than studying language aspects as power sources per se, as prior studies did, we explore how they influence individuals' capacity to leverage various other power sources available to them. We consider language as an antecedent of power differentials and moderator to other power sources as two sides of the same coin and aim to elucidate the lesser-known side of it. Moreover, we break linguistic influences down into several mechanisms, which affect power dynamics in different ways, namely language policies, structures, and disparity in proficiency. This provides us with a more nuanced understanding of the complex linguistic influences on power dynamics in MNCs.

### **Power dynamics in teamwork**

The studies cited above mostly focus on headquarters-subsidary relations, a setting that much of the early work on language in international business has targeted. Given that research on power relations in multinational teams has begun emerging only recently (for an initial mention see

Butler, 2006), only few pioneering works have connected language and power in MNT settings. These studies suggested that language-based power creates process losses in teamwork (Janssens & Brett, 2006), showed how power struggles within teams activate linguistic fault lines (Hinds et al., 2014) and demonstrated how power differentials increase language-based communication avoidance (Lauring & Klitmøller, 2015). Whereas they treated the relationship between language differences and team power dynamics only as a side note to different topics, their varied foci already indicate the complexity of this issue. We chose MNTs as the context for our study, because power dynamics in teamwork are particularly complex and delicate given that teams are defined through their interdependence (Barrick et al., 2007) and can only fulfill their mandate through synergistic cooperation between many individuals, who draw on manifold power sources (Greer, 2014). Furthermore, power dynamics are critical for team outcomes, yet underexplored in the multilingual setting.

Whereas early laboratory research on power dynamics in teamwork studied how highly homogenous teams automatically assign tasks and roles between members (Bales, 1951, 1953), recent work recognizes the complexity and heterogeneity of real-life work teams. Focusing on the configurations of individually held power of team leaders and members, these contributions study how “multiple dimensions of power ... feed into the overall level of power held by each individual in the team” (Greer, 2014, p. 93). Among these dimensions, power based on *formal hierarchy*, variably referred to as “structural power” (Finkelstein, 1992) or “position(al) power” (Lines, 2007; Pantelli & Tucker, 2009), is the most commonly studied power source in management (Finkelstein, 1992). This formal authority is reflected in job titles, reporting structures, or organization charts (Magee & Galinsky, 2008) and includes a certain capacity to mediate punishments and rewards for subordinates (French & Raven, 1959). In most teams, it is represented by a formally assigned leader holding more position power than other members (Zaccaro, Rittman, & Marks, 2001). These official role designations entail the expectation that leaders participate more in interaction and exert greater influence on the team than their subordinates do (Cohen & Zhou, 1991; Tost, Gino, & Larrick, 2013).

The literature also describes *professional expertise* as an important source of power (e.g. French & Raven, 1959; Anderson & Brown, 2010; Greer, 2014) and a “central theme within social and organizational analysis” (Reed, 1996, p. 573). Status characteristics theory (Berger, Cohen, & Zelditch, 1972; Cohen & Zhou, 1991) postulates that status, power and prestige order

in teams are chiefly based on task competence and expertise. Professionals are sought out for advice and can accordingly influence strategic choices (Finkelstein, 1992), if their knowledge is scarce and critical for organizational tasks (Lines, 2007). This expert power, which is closely related to Pantelli and Tucker's (2009) concept of "knowledge power", is exercised through persuasion and informal influence (Galbraith, 1977). Its recognition among colleagues hinges on task cues, which explicitly verbalize or otherwise signal an individual's performance in specific task contexts (Butler, 2006; Berger et al., 1986). These power sources interact in complex ways. Even if formal superiors to some extent mediate punishments and rewards for their subordinates, the latter may control specific expertise on which their superiors depend (Magee & Galinsky, 2008). The resulting interdependencies make power relations in teamwork an intriguing topic to study (Greer, 2014).

Position power and expert power also interact with linguistic influences on MNTs, an connection that extant studies have so far entirely neglected. We argue that a nuanced understanding of these intricate relationships is crucial to capture the multifaceted influence of language differences on power dynamics in MNTs. It is also practically relevant, as MNTs constitute a pivotal management context (Butler, 2011) in today's organizations. Our study will therefore provide a fine-grained answer to the following research question: *how do language differences influence team leaders' and members' capacity to capitalize on position and expert power?*

## **METHODS**

### **Research design and setting**

Given that the interplay of language with position and expert power in MNTs has not yet been systematically studied, we considered an inductive, explorative approach to be best suited to address our research questions. As an inductive approach is open for novel and innovative concepts, it is highly appropriate for the investigation of complex issues (Suddaby, 2006) and therefore useful to explore the intricate influence of language differences on power dynamics in MNTs. Our aim was to generate new insights in the form of robust mid-range theory (Eisenhardt & Graebner, 2007). We chose a qualitative research design, as qualitative studies are highly appropriate to investigate "how" questions in depth (Pratt, 2009). We designed our study to yield a rich content base of interview data, which brings us "close to the informants' experience"

(Gioia, Corley, & Hamilton, 2013, p. 19) and helps to surface previously unrecognized concepts and their inter-relationships. Specifically, we interviewed leaders and members of 15 MNTs in three organizations.

We limited our research setting to global organizations from one industry (automotive) and one home country (Germany) in order to hold important macro-contextual factors constant between all teams while focusing our analysis on language differences and team power dynamics. The main criteria for our case companies were that they came from a highly globalized industry with a linguistically diverse workforce and depended on complex team-based processes. With these conditions in mind, we chose the automotive industry as our research context, as car companies employ a highly international workforce and commonly use multinational teams that are confronted with language barriers. We specifically selected German automotive organizations, as Germany is one of the three leading countries in the automotive sector. Furthermore, this setting entails advantages related to our personal background as researchers. Speaking the home country language German as our mother tongue and even sharing some informants' regional dialect helped us to make sense of German informants' accounts in a way that preserved the authenticity of their perspectives (Langley, 1999) and maintained the conceptual equivalence of their statements (Squires, 2009). Whereas we cannot claim an equally intimate understanding with informants from other nationalities, our familiarity with the German business culture still helped us to contextualize their narratives in their working environments.

In each of the three corporations (labelled GERMANDRIVE, GERMANAUTO and GERMANCAR for purposes of anonymity), we selected five MNTs (labelled DRIVE 1-5, AUTO 1-5 and CAR 1-5) with high linguistic diversity. Apart from the German-Russian team AUTO 4, we sampled only MNTs including at least three different native tongues among their members. To uncover the influence of language policies on power dynamics, we sampled teams using different languages. Teams DRIVE 1-4 and CAR 3-5 adopted English, the most commonly used lingua franca of international business (Kankaanranta & Planken, 2010), as their team language. Teams AUTO 1 and 2 used German, the headquarters' language, whereas the remaining teams did not regulate language use and allowed members to switch at discretion. This distribution reveals notable differences within and between corporations. Although GERMANDRIVE propagated English as the official corporate language, the company's business units followed different policies. Being part of a unit characterized by international acquisitions,

DRIVE 1-4 faced strong pressures to adopt English. In contrast, DRIVE 5 operated in a more German dominated line of business and largely ignored the official mandate. GERMANAUTO and GERMANCAR had no official language mandate, so many of their MNTs failed to decide on a common team language.

The 15 MNTs under study also represent different degrees of disparity in language proficiency. Whereas some teams united native speakers of the team language with colleagues who had little practice in this language, others consisted almost exclusively of non-native speakers with comparatively homogeneous proficiency levels. Our teams also differed in the degree to which position power aligned with command of the team language: in some MNTs, the leaders spoke the team language as their native tongue, whereas in other teams they were non-native speakers. Moreover, we aimed to include a large spread of native languages among our informants. Our final sample includes team members speaking 14 different mother tongues, covering eight of the ten most influential global languages (Ly, Esperanca, Pereira, & Amaral-Baptista, 2013).

To sample teams with intense direct interaction and, consequently, strong power dynamics, we only included MNTs, which were primarily co-located. Whereas the majority of teams (DRIVE 1, 2, 5; AUTO 1, 2, 5; CAR1-3 and 5) were working at the corporate headquarters, others were located at specific foreign subsidiaries (DRIVE 3-4; AUTO 3-4; CAR 4), which is reflected in their respective composition in terms of mother tongues. We also selected our teams in a way that included a variety of different team functions. Team sizes varied between 4 and 42 people, averaging 18 team members. This theoretically guided selection of teams helped us to identify the most information-rich cases, which yielded meaningful insights towards our specific research purpose (Patton, 2002). From a total of 270 team members, we interviewed 82 individuals, whom we selected to represent the largest possible range of mother tongues and proficiency levels in relevant languages. Table 1 summarizes important characteristics of our MNTs and interviewees.

[INSERT TABLE 1 ABOUT HERE]

## **Data collection**

For our specific research purpose, it was crucial to sample MNT members with different proficiency levels in English (the designated language of most MNTs) and German (the headquarters' language and the language of some MNTs). In order to triangulate how employees with varying degrees of position power perceive the interplay between language differences and formal hierarchy, we interviewed not only team members, but also the leaders of all 15 MNTs. Even for the smaller group of team leaders, our sample includes a range of linguistic backgrounds featuring native speakers of German, English, Mandarin Chinese and Turkish. The majority of leaders we interviewed spoke their team's language either as a mother tongue or very proficiently due to prior international assignments. However, several leaders still did not consider their skills fully satisfactory and reported that some subordinates spoke the team language at a higher level than they did. Most of the non-German leaders also lamented their lack of sufficient proficiency in their employer's headquarters' language.

As recommended by Zellmer-Bruhn & Gibson (2006), we also included senior managers into our sample, allowing us to obtain a profound understanding of each team's organizational context. These individuals held high position power, supervised the work of multiple MNTs at lower corporate levels and were therefore able to reflect on our topic from a more elevated perspective. They also provided us with insights into corporate language policies, showing to which degree these policies were influenced by senior management or autonomously defined by each team. Including a variety of perspectives from different hierarchical levels mitigates the potential biases of any individual respondent (Golden, 1992) and enables particularly rich theory building.

Due to this theoretically guided selection of MNTs and individual interviewees, we covered within-team constellations of power and language in all major varieties after almost two thirds of our interviews. Even so, we investigated additional teams to compare power dynamics between MNTs of similar constellations and further broadened the range of informants' native languages to probe the robustness of our findings. Saturation was reached when our within- and between-team comparisons no longer yielded new information (Mason, 2010).

Our final dataset includes 90 semi-structured and problem-centered interviews with all 15 leaders of our MNTs, 67 of their subordinates (individual team members coded as member 1, member 2 etc.) and 8 senior managers from the 3 organizations under study. Semi-structured

interviews guarantee a certain degree of consistency in questions, thus enabling us to build robust theory by constantly comparing respondents and cases. At the same time, they are suitable instruments for explorative purposes, as they leave enough flexibility for interviewees to bring up important, but unanticipated issues (Myers, 2008). The problem-centered interview is a highly efficient way to gather rich data, as it permits our informants to reflect comprehensively on critical incidents from their working environment (Hajro & Pudelko, 2010). It thereby provides us with deep insights into MNT members' experiences and perspectives and allows for detailed descriptions of linguistic influences on team power dynamics.

In the introductory part of our interviews, we gathered background information on the informants, the task and composition of their MNTs, the expertise specific members contributed and the formal hierarchal set-up between team leader and team members. We also solicited descriptions of general team interactions, which helped us to discover more implicit patterns of power and influence. Subsequently, we asked interviewees to specify and evaluate their companies' and their teams' language policies. We also asked members to rate their own proficiency in the mentioned language(s), to compare it with their colleagues' skill levels and to comment on the general distribution of language skills across the team. In the last and most extensive part of each interview, we investigated the influence of language barriers on different aspects of organizational behavior in MNTs. We solicited extensive description of critical incidents, i.e. memorable situations in which team members noticed specific linguistic influences on various aspects of team interactions. These narratives also conveyed interviewees' perceptions of language effects. Interviewees particularly often raised power-related incidents in their narratives, which formed the basis for the present investigation.

We conducted the interviews with German or English native speakers in their mother tongue. Informants speaking other languages were interviewed in either German or English or in a mix of both languages, depending on which option they preferred. Whereas one may argue that interviewing other native speakers in their respective mother tongues as well might have yielded more extensive critical incident descriptions, it was impossible for our small research team to speak all 14 represented languages fluently. It should be noted that all interviewees were used to speaking either English or German in the context of their daily work. In each of our 15 MNTs, we conducted multiple interviews in both languages, which we extensively compared to gain a holistic understanding of every team's particular dynamics. We found large agreement between

informants interviewed in English and German, which should alleviate possible concerns of equivalence. Our interviews typically lasted between 45 minutes and one hour. We digitally recorded all these conversations and transcribed them verbatim in their original language.

## **Data analysis**

As inductive research requires interviewing and data analysis to proceed together (Gioia et al., 2013), we already started content analyzing our interview transcripts in the Atlas.ti qualitative research software when data collection was still ongoing. Interview transcripts remained in their original languages during data analysis; we only translated the quotations used for illustration in this paper into English if necessary. Nevertheless, we coded all transcripts with English labels.

In the first stage of data analysis, which was similar to Strauss & Corbin's (1998) technique of open coding, we remained close to our informants' perspectives and word choices (Gioia et al., 2013). We carefully studied every passage of our interviews and marked each interviewee statement with short labels indicating its content. For each label, we subsequently collected all quotations across all interviews and summarized the main message in a short statement, a so-called first-order concept (Gioia et al., 2013). Table 2 illustrates this process with quotations, initial content labels and first-order concepts related to disparate language proficiency.

[INSERT TABLE 2 ABOUT HERE]

To reduce our many first-order concepts to a manageable number (Gioia et al., 2013), we proceeded to seek similarities and differences between them using a process resembling Strauss & Corbin's (1998) notion of axial coding. We applied the constant comparative method (Glaser & Strauss, 1967; Locke, 2001; Rynes & Gephart, 2004) and compared our data in different ways. We started by comparing concepts arising in different parts of each interview, then juxtaposed different interviews within each of the 15 teams under study and subsequently compared the statements of MNT members with their leaders' accounts. In the next step, we aggregated the data from each MNT to conduct between-team comparisons. Finally, we juxtaposed the findings from all three corporations and validated our interpretations against the information provided by senior managers. This way, we arrived at a consolidated set of first-order concepts, which we described in short phrases. Figure 1 reproduces the most important examples.

During this constant comparative process, we discovered frequently recurring themes in our data. Focusing on these clusters of meaning (Creswell, 2003), we aggregated related first-order concepts into more abstract second-order concepts, thus proceeding from a data-driven to a theory-guided analysis (Gioia et al., 2013). To perform these steps, we began comparing our concepts and emerging theoretical ideas against the literature on language in international business and power relations in teamwork. Finally, we summarized related second-order concepts into a set of conceptual building blocks for our theoretical model. Following the example of Corley & Gioia (2004), we visualize our data structure in Figure 1. This graphic representation shows how we distilled (informant-centered) first-order concepts into (theory-driven) second-order concepts and further consolidated them into conceptual building blocks.

[INSERT FIGURE 1 ABOUT HERE]

During the entire process of data collection and analysis, we followed an iterative process of cycling among data, existing literature and emerging theory until no new concepts emerged and saturation was reached (Locke, 2001). In this process, we gradually discovered relationships between our conceptual building blocks, which we integrated into a set of core findings explaining how language differences influence power dynamics in MNTs.

## FINDINGS

To answer our research question, we will now focus on how language differences influence employees' capacity to capitalize on position and expert power. For each of the relationships that emerged from our data, we will present an illustrative case description of one particular MNT. Every case will be complemented with information from other teams, juxtaposed with the literature and ultimately distilled into a general proposition. Finally, we will aggregate our propositions into a theoretical model of how language differences moderate the influence of general power sources on power differentials in MNTs.

### **General sources of power in teams**

Providing a baseline for our language-centered investigation, we start by exploring MNT members' perceptions of position and expert power in teamwork.

Position power. Exemplifying a team in which hierarchical differentiation drives performance outcomes, DRIVE1 was formed to develop a standardized motor for the North

American, European and Japanese markets. Located at the corporate headquarters, the team united American, German and Japanese research and development engineers, who were to contribute knowledge of their respective home markets' legal regulations and required technical specifications. This MNT was part of a very innovative project involving high risk and high financial stakes, therefore faced the pressure of high expectations and close monitoring by GERMANDRIVE's top management. It included specialists for production, quality management, purchasing, supplier management, after sales, cost calculation, and controlling. The majority of team members were German, but some of them came from U.S.-American and Japanese affiliates.

This national, linguistic and functional diversity among team members increased the complexity of collaboration (*"We all recognize the tremendous complexity of the program that I'm responsible for."* GERMANDRIVE senior manager 1, American) to an extent that made coordination through a formally assigned and hierarchically superior leader indispensable. Given the differences between the markets in the triad, the leader of DRIVE1 frequently needed to broker diverging interests among his German, Japanese and American subordinates:

*The colleagues from German R&D want one thing, the Japanese and Americans want something different. The Germans say 'we can clear this right now', the Americans say 'careful, we have to test it first' and the Japanese say 'forget it, we can't do it'. It is my task to bring everyone on the same page, so we can say in the end: 'This is our decision.'* (DRIVE1 leader, American)

He also mediated between the positions of different functional areas. When developers suggested using a specific component and controllers called it into question, for instance, he had to guide the team towards a consensual solution. Position power was a prerequisite for fulfilling this role:

*We are under enormous time pressure. If some detail like a simple handle to be bought from suppliers lands on my desk, I want to say: 'Hey guys, that's only a handle, just do it!' But then controlling would come in: 'No! You haven't checked this. We need to align it with our target details.' ... Getting the team to a timely decision would be really hard if team leaders did not have a clear leadership mandate.* (DRIVE1 leader, American)

Consequently, all members of DRIVE1 recognized the necessity of hierarchical differentiation and appreciated the benefits of integrative leadership (*"Our leader usually manages quite well to bring us all together."* DRIVE1 member 2, German).

We found similar appreciation for position power in all fifteen teams, all of which were headed by formally assigned leaders. In line with Zaccaro et al.'s (2001, p. 452) assumption that

leaders are “primarily responsible for defining team goals and for developing and structuring the team to accomplish these missions”, our interviewees agreed that “*the team leader sets the tone and the standard*” (DRIVE3 member 3, American) for his or her team. This emphasis on integrative tasks is in line with global leadership research, which posits that leaders of multinational work groups need to blend diverse collections of individuals into effective teams in order to leverage the creative potential of their diversity (Butler, Zander, Mockaitis, & Sutton, 2012; Zander & Butler, 2010; Zander et al., 2012). As this would be difficult to achieve for team members without position power, interviewees unanimously accepted the leaders’ formal superior position. We therefore propose:

*P1a: Team members consider the influence of formal hierarchy on within-team power differentials as beneficial.*

Expert power. Interviewees also accepted the heightened influence of those colleagues, who contributed particularly valuable expertise to the team. This is exemplified by team CAR3, which operated within GERMANCAR’s motorsport division and provided engineering support to the company’s racing team. This MNT united German representatives of the corporate headquarters, several British colleagues (“*from the homeland of motorsport*”, CAR3 leader, German) and one team member from France. Given the global dispersion of the motorsport business, all respondents from CAR3 displayed a highly international mindset (“*Aerodynamics development is a global job market.*” CAR3 member 3, French). Due to the limited number of engineers working in this specialized niche, the fierce competition and the intense pressure to win races, the team single-mindedly strove to recruit the best technical experts from the scarce global talent pool:

*We must hire the few engineers that are out there, specialized to the racing market. We are based in [headquarters’ city], but we supervise races in the USA, England or wherever. I am the one who sends out people to go there. Expertise in construction, testing etc. is internationally distributed, so I have international teams. For every task, we need the expert. It doesn’t matter if he comes from [headquarters’ city], [German subsidiary city], Southern or Northern Germany, France or from somewhere else. His qualification must be right and he must fit into the team as a person - this is the key factor.* (CAR3 leader, German)

As CAR3 members were convinced that only top quality engineering paved the way towards success, there was widespread consensus that team members with relevant expertise should influence the team by leveraging their knowledge.

Whereas CAR3 held technical specialists in particularly high esteem due to their scarcity in a highly sophisticated and narrow field, interviewees' appreciation of expert power was also apparent in the other MNTs we studied. Respondents from different functional areas believed that international colleagues were primarily selected into their team as carriers of valuable knowledge. Consequently, they expressed a willingness to be influenced by this expertise:

*They [business unit leaders] don't send anyone out into the world who doesn't know his area, so we really respect our Japanese colleagues. We request their opinions and ask them to make technical drawing for us. ... After all, they send us their best people.*  
(DRIVE3 member 1, German)

This kind of "expert worship" may have become particularly salient in our German-based corporations, as the German business culture is known to emphasize leadership based on expertise (Brodbeck & Frese, 2007). However, interviewees from other cultures also expressed their acceptance of expert power. This resonates with meritocratic principles, which are widely endorsed in most Western organizations (Castilla & Benard, 2010). In summary, we propose:

*P1b: Team members consider the influence of professional expertise on within-team power differentials as beneficial.*

Based on this presentation of general power sources, we will now describe how different aspects of language differences moderate the relationship between position / expert power and resulting power differentials in MNTs. As the influence of language policies, language structures and language proficiency disparity emerged most saliently from our analysis, we will explore each of them in a separate section.

### **Power implications of language policies**

We found formal language policies to be an important linguistic moderator of the power dynamics in our MNTs. As detailed in Table 1 above, our data collection covered MNTs using the headquarters' language German as their team language (AUTO 1-2) and others using English (DRIVE 1-4, CAR 3-5). Our sample also included MNTs applying a situation-dependent mix of

both languages (DRIVE 5, AUTO 3-5, CAR1-2), but most of those teams displayed tendencies towards either German or English. In the following, we will demonstrate how these diverging policies supported or inhibited otherwise empowered individuals in leveraging their available power sources.

Language of headquarters as the team language. Team AUTO1 exemplifies the influence of a policy to use the headquarters' language as the team language on the power of formal leaders and professional experts. Located at GERMANAUTO's headquarters, this team included a German leader, five team members from Germany and one each from China, Hungary, Greece, and Spain. Despite its linguistic diversity and the international component of its human resource management tasks, this team used German for all internal communication. Senior managers justified this policy with the engrained local language heritage at the corporate headquarters, where proficiency in German counted as a "key competence" (GERMANAUTO senior manager 1, German). They simultaneously admitted that this policy was influenced by corporate leaders from the parent country, as it "*reassures those at the top, who feel more secure in the German language*" (GERMANAUTO senior manager 1, German). Selective recruiting of German-speaking candidates into the human resource department perpetuated this practice, which assisted the leader of AUTO1 in further reinforcing his formal power:

*We have the luxury that many of our colleagues speak German, be they from the Czech Republic, Slovakia, Hungary, or Spain. ... This puts us in the position to say that we are the dominant side. We have the leadership and define communication.* (AUTO1 leader, German)

Foreign subordinates found this double dominance problematic:

*It is very difficult to argue against a German colleague, to show him that he is wrong. I feel that I have no chance to win in this situation.* (AUTO1 member 5, Hungarian)

Whereas a headquarters' language policy strengthens domestic leaders, it weakens the position of foreign superiors. Our sample did not include any German-speaking MNTs led by non-Germans, but interviewees observed this situation in other teams they occasionally joined:

*I notice that team leaders coming here [to headquarters] hold back, even if they speak reasonably good German, because others are so rhetorically skilled. I guess they feel inhibitions to speaking up here.* (AUTO2 member 4, Spanish)

Language policy similarly moderated the influence of professional expertise on power relations in AUTO1. Technical experts translated their knowledge into even higher power, if they spoke

German as their mother tongue. The flipside of this brought a substantial disadvantage to professionals speaking different mother tongues:

*If he is in a meeting conducted in German and he cannot speak any German, then he has no chance. He does not even survive for half a year, simply because he cannot bring out his achievements.* (AUTO1 member 1, German)

These linguistic hurdles to leveraging one's true competence particularly worried non-German AUTO1 members:

*Many people who are excellent specialists, have extensive knowledge and many competences just don't come across so well because of language problems.* (AUTO1 member 6, Greek)

In contrast, interviewees frequently commented that team members with high proficiency in the team language talked over leaders and experts despite having “no substance behind their talk” (DRIVE3 member 1, German). Based on these headquarters language policy effects, we propose:

*P2a: Use of the headquarters' language as the team language detrimentally reinforces the influence of general power sources if proficiency in this language coincides with those power sources.*

*P2b: Use of the headquarters' language as the team language detrimentally weakens the influence of general power sources if proficiency in this language clashes with those power sources.*

English as the team language. MNTs using the headquarters language (German) in daily communication constituted rare cases in our sample, in which most teams observed an English language policy. Particularly senior managers from GERMANDRIVE and GERMANCAR emphasized the importance of this omnipresent “lingua franca” (Nickerson, 2015) of global business:

*We have written down in the rules that English is our base language.* (GERMANDRIVE senior manager 1, American)

*English is GERMANDRIVE's international project language, the second corporate language.* (GERMANDRIVE senior manager 2, German)

*I am recruiting worldwide. If a candidate does not speak German, that is not hurdle. ... But if one does not speak English, that is a career killer. English proficiency is not a plus – it is a basic requirement.* (GERMANCAR senior manager 1, German)

Whereas a policy to use the headquarters' language always influenced individuals' capacity to leverage general power sources, the choice of English affected MNT power dynamics to different degrees, depending on the disparity in proficiency levels between team members. CAR4 illustrates a constellation, in which English usage left the relative weight of the general power sources untouched. This MNT was located in Beijing in order to evaluate potential Chinese suppliers and take purchasing decisions, which would fulfill local content requirements for the Chinese market. Consisting of a German leader, and, as team members, twelve Mandarin, four German and one French native speaker(s), this team chose English as a “*common denominator*” (CAR4 member 1, German), since everyone was proficient in that language:

*Our colleagues all speak advanced English. With the exception of two Chinese team members, everyone has studied abroad. ... We are critical in this respect and make sure this is given! GERMANCAR enjoys the image of an extremely attractive employer, so we can comfortably pick out good English speakers. (CAR4 member 4, German)*

Being among the most favored employers in both Germany and China, GERMANCAR was able to select top recruits with high English skills. Also given the absence of native English speakers, the non-English speakers in CAR4 were at similar proficiency levels. Under these conditions, English as the team language took language-based power play out of the equation. Interviewees much appreciated this effect:

*If we are all non-native speakers of English, we have the same starting conditions. This influences our rules of behavior and collaboration. It influences how freely we communicate with each other. I heard this from many friends and colleagues and I myself also feel better if I am talking to other non-native speakers. I also speak better. That is interesting! (laughs) That is really amazing. (CAR4 member 3, Chinese)*

This quote indicates why many scholars and practitioners advocate the use of English in global corporations (Neeley, 2012; Nickerson, 2005): it enfranchises a larger number of team members. However, CAR4 constituted a rare case, as even in most MNTs without native English speakers, members still differed in their English proficiency.

DRIVE3 exemplifies an MNT observing an English language policy, but facing stark proficiency differences between one English native speaker, six rather fluent Germans (including the team leader) and 15 less fluent Japanese team members. In contrast to CAR4, which was composed through careful language-sensitive recruitment, this team was set up after a corporate acquisition and included members without prior exposure to the English language. DRIVE3 was formed to implement the standardized corporate IT system in the new Japanese subsidiary, thus

combining headquarters representatives' expertise in the new software with Japanese colleagues' knowledge of the existing local infrastructure. This synergistic motive was impeded by the disparity in team members' English proficiency levels, which kept some Japanese from exercising the control that should have corresponded to their expertise:

*I have one Japanese colleague, who does not communicate well in English. Sometimes he wants to know the detailed content of our discussion, however, he loses important information in translation. Therefore, he doubts himself or the information he received.* (DRIVE3 member 4, Japanese)

In this constellation, the English language mandate shifted the power balance in similar ways as the use of German did in AUTO1. Even those DRIVE3 members, who gained in relative standing through their superior English proficiency, deplored that “*a brutal amount of knowledge is lost*” (DRIVE3 member 2, German) due to the marginalization of linguistically disadvantaged experts.

The team's only English native speaker concluded:

*The common basis was English, but still some people really struggled. So talking about performance ... I don't think those meetings were terribly efficient.* (DRIVE3 member 3, American)

In summary, comparisons between our 15 MNTs demonstrated that the consequences of an English language policy depended on the degree of disparity in English proficiency (to be discussed in more detail below). Based on these findings, we propose:

*P3a: Use of English as the team language beneficially weakens language effects on general power sources if team members share similar English proficiency.*

*P3b: Use of English as the team language detrimentally reinforces the influence of general power sources if superior proficiency coincides with those power sources.*

*P3c: Use of English as the team language detrimentally weakens the influence of general power sources if superior proficiency clashes with those power sources.*

### **Power implications of language structures**

Our in-depth study also revealed a factor, which has an extensive research tradition in sociolinguistics (see e.g. Brown & Gilman, 1960; Lambert & Tucker, 1976; Philipsen & Huspek, 1985; Dewaele, 2004; Wardhaugh, 2006), but has not been picked up by international business scholars: the structures of languages differ in the extent to which they reinforce or reduce power differences in their forms of address. These variations leave actual power differentials between

team members untouched, as they do not change the control of resources in any way, but change team members' *perceptions* of power relations in teamwork.

High formality in language structures. The German-speaking human resource management team AUTO1 used a team language characterized by strong (in)formality markers. Where the English language only knows the word “you”, the German tongue differentiates formal / polite personal pronouns (singular and plural: Sie) from informal / amicable ones (singular: Du; plural: Ihr). Brown and Gilman (1960: 253) accordingly distinguished between “polite” pronouns (labelled “V pronouns” from the Latin *vos*), and “familiar” pronouns (called “T pronouns” from the Latin *tu*). Whereas T-V distinctions exist in numerous other major languages (Wardhaugh, 2006; Norrby & Warren, 2012), informants emphasized that the polite personal pronouns were more often used in German than in many other languages (as, for example, in Spanish). Similarly, German speakers commonly used honorifics (Herr/Frau meaning Mr./Mrs.) when addressing team colleagues, whereas English (or Spanish) speakers preferred communication on a first-name basis:

*I notice that dealing with the Germans is very different from the Spanish. Here, you have to start a letter with ‘Sehr geehrter Herr’ [Esteemed Sir], even if you have a good relationship. In Spain, you easily address people in an informal fashion. Even the vice president is just Ramón for us. People are much more responsive in conversations that way. This feels very different. (AUTO1 member 6, Greek)*

This linguistic formality made within-team communication more cumbersome and influenced the collaborative atmosphere in all MNTs using German as their team language (“*I feel that we treat each other very differently, depending on whether we communicate in German or Spanish.*” AUTO2 member 4, Spanish). Forms of address served as categorical status cues (Butler, 2006; Berger et al., 1986), i.e. they indicated the addressee’s status category. In line with Gołąbek’s (2015, p. 281) view that “the T and V forms are strongly connected with the concepts of power and solidarity” and that “address forms may signal power and social status of individuals” (ibid, p. 292; also see Brown & Gilman, 1960), we found that formality markers reinforced perceived power differentials within these teams.

In German the use of more formal language is (unlike, for example, in Japanese) egalitarian and not sensitive to power imbalances, in the sense that it is used for superiors talking to subordinates as much as it is the other way around. Nevertheless, many non-German members of AUTO1 felt alienated by the formality inherent in German language structures:

*When I write in German, I am not unfriendly, but it sounds very direct and severe. I don't want to come across differently, but it happens automatically. Then I wonder: How can I put things more mildly?* (AUTO1 member 6, Greek)

The Chinese representative in AUTO1 was very familiar, not only with linguistic formality cues, but also with hierarchy markers, as her mother tongue's pronoun system and use of honorifics conveys intricate and subtle hierarchical differentiations. However, she noticed an ongoing change in some local language varieties of Chinese:

*In Northern China, where I come from, we have equivalents to 'Du' and 'Sie'. People use the formal 'Sie' all the time. You have to use it for official letters, but people also use it in the street. This is very different in Southern China. There, everyone uses the informal 'Du' equivalent. Back in the 90s, they still made a hierarchical distinction, but now the formal version has disappeared almost completely.* (AUTO1 member 4, Chinese)

Although not (yet) notable in our case study teams, others observed a similar, albeit much slower, shift from formal towards informal address forms in German corporate and public life, particularly among the young generation (The Economist, 2012). According to Norrby and Warren (2012), this development reflects general changes in human relations across Western countries. Our data indicates that this trend extends beyond the West (see e.g. the above quote), with business people from Asia also increasingly rejecting linguistic formality and hierarchy markers in favor of the more egalitarian structures of English. Based on these findings, we propose:

*P4: Languages with structures characterized by high formality are perceived as burdening communication and as increasing the influence of general power sources within the team.*

Low formality in language structures. In contrast to the above example, the cross-functional team DRIVE1 used English as its team language. This MNT provides an interesting setting, as it unites German and Japanese members, who had been socialized in hierarchy-sensitive contexts and in the use of languages conveying stark power differentials, with native speakers of English, whose mother tongue was much less formal and hierarchically determined. Many of the former highlighted this distinction in language structures by emphasizing the standard use of "you" as the only second-person pronoun for all cases, numbers and contexts. For example:

*If you are in a meeting talking to Japanese and Germans and you speak English, this reduces the hierarchy. If I talk in Japanese, for example, you can feel the difference between the words we are using. If someone comes to me and talks to me in Japanese, I can see according to the words how he is treating me. Is he very formal? Is he trying to treat me as a boss or lower? In German it is the same, if I treat you as 'Du' or 'Sie' also creates a different level. But in English it is always 'you'. You cannot play so much. You can only use the normal way, which puts you on the same level. (DRIVE1 member 10, Japanese)*

Along with choosing English as their team language, DRIVE1 members simultaneously adopted the convention of addressing each other on first-name basis. Comparing this to the formality and hierarchy markers that our German and Japanese interviewees described for their native tongue, the structures and speech conventions of English restricted the power distinctions conveyed through language. A minority of Japanese and German interviewees clung to their mother tongue's conventional forms of address. However, most of them quickly expanded their comfort zone:

*If I am talking to a project leader in German, I would never ever use his first name, he would always be 'Herr E.' [Mr. E.]. But my current boss said right from the beginning 'I'm Steve.' Already through this form of address, a somewhat relaxed atmosphere comes in. (DRIVE1 member 2, German)*

Japanese and German DRIVE1 members appreciated the simple and egalitarian address forms, which their team adopted along with English as the team language:

*I like the American style, which is a very rough, relaxed style. This way, it is easy for me to talk about my items and discuss them. (DRIVE1 member 9, Japanese)*

This is surprising, given that DRIVE1 resulted from GERMANDRIVE's acquisition of the Japanese affiliate and exposed many Japanese team members to international collaboration for the first time.

Also in other English-speaking MNTs, interviewees extolled the particular features of English for promoting conversations on a more egalitarian basis ("*If you speak English, the hierarchies are watered down a little.*" CAR3 member 2, German), thus supporting Wierzbicka's (2003, p. 47) view that "the English *you* is ... very democratic, it is a great social equalizer." Their views present an interesting context-bound contradiction to the portrayal of English as a hegemonic (Tietze & Dick, 2009, 2013) and imperialistic force (Brown & Boussebaa, 2016), which "(re-)produces colonial-style power relations between the 'Anglosphere' and the 'Rest'"

(Boussebaa, Sinha, & Gabriel, 2014, p. 1152). Whereas these authors capture the role of English on a macro level, our study shows its beneficial features confined to within-team dynamics.

Given that the egalitarian structures of the English language “*made many things easier*” (AUTO2 leader, German), interviewees did not object to the fact that the first-name basis and other egalitarian speech cues might obscure formal power differentials based on general power sources such as hierarchy or expertise. In contrast, they saw this as an opportunity to achieve a cooperative atmosphere within their teams. Based on these findings, we propose:

*P5: Languages with structures characterized by low formality are perceived as relieving communication and as decreasing the influence of general power sources within the team.*

### **Power implications of language proficiency disparity**

As the previous sections already indicated, team leaders or members with superior language skills effectively capitalized on their formal and expert power, whereas their less proficient colleagues found it hard to leverage these power sources. In the following, we will elaborate in more detail on the role of proficiency disparity for MNT power dynamics.

Language proficiency disparity and formal hierarchy. The above-mentioned team DRIVE1 exemplifies an MNT, in which proficiency in the team language coincided with and supported hierarchical superiority. Whereas the egalitarian structures of English reduced perceived power differentials between members, this language choice also bolstered the leader’s position power, who used his native command of English to his advantage:

*Language is a negotiation lever for me. My boss speaks rapid-fire German. Machinegun German. Brrrrrp! That is really hard for me. But ok: I get rapid-fire German from him – he gets rapid-fire English back. The same is true in negotiations or management meetings. If I want to bring something into those meetings I do that superfast! And I say ‘Sorry guys, the meeting is in English!’ But if I want that my guys understand every bit of what I am saying I slow down, of course. So I ask myself before every meeting: Which angle should I use? Rapid-fire English? Oxford English? Harvard English? Standard language? And how fast? That is like a game. (DRIVE1 leader, American)*

Apart from his five compatriots in the team, most of this leader’s subordinates were unable to match his rhetorical power in English. The linguistic struggle was particularly acute for the Japanese, whose original employer had only recently been acquired by the German multinational, who therefore lacked international experience and additionally faced a high linguistic distance

between English and their mother tongue. The German language is closer to English, but many German DRIVE1 members also perceived their subordinate position to be exacerbated by the linguistic disadvantage:

*When we are talking about critical issue, it is especially difficult for me to make my point [in English] as clearly as I would like to. In an argument, they quickly put me under pressure. Then I feel almost a little helpless. Well, helpless ... I am just in the subordinate position.* (DRIVE1 member 2, German)

Their view confirms Lauring & Klitmøller's (2015) recent observation that employees with low fluency in the mandated language are particularly inhibited when addressing hierarchical superiors.

Native proficiency in the team language equally compounded leaders' position power in MNTs using German as their team language, such as the above-mentioned human resource management team AUTO1. This team was headed by a German, whom we already quoted as brazenly leveraging his linguistic superiority to support his leadership mandate (*"We have the leadership and define communication."*). He may have gained even more power this way than the leader of DRIVE1, as his native tongue coincided with the headquarters' language, spoken by most top managers at GERMANAUTO. Non-German subordinates found it hard to participate in this constellation and admitted to feeling helpless in the face of disparate proficiency levels, which denied them *"an equal chance"* (AUTO1 member 5, Hungarian) within their team. Taken together, these findings support Méndez García and Pérez Cañado's (2005, p. 96) proposition that *"linguistic proficiency ... promotes your leadership within the group"*.

However, our dataset also covered MNTs, in which formal authority did not align with language skills. The German head of CAR5, for example, led an English-speaking team of Germans, U.S.-Americans, Mexicans and Argentineans. Located at one of GERMANCAR's U.S. subsidiaries, this engineering team ramped up the local facilities for a new model's start of production. To ensure efficient and timely completion of this important task, the leader had to mitigate tensions between instructions from headquarters (which he was supposed to implement) and local conventions (to which the American team members often clung). Having spent several years in the U.S., he had high English proficiency in absolute terms. Relative to his native speaking subordinates, however, he still felt disadvantaged and consequently struggled to enact his leadership mandate:

*If you are sitting in a large meeting and have an objection, the others have long moved on by the time you have formulated it. Formulated it in your head, I mean. By that time, the conversation has moved to an entirely different context. (CAR5 leader, German)*

He shared this experience with other German expatriates in the subsidiary:

*I also notice this quite often with other leaders. They can communicate quite well, but – how should I put this – they lack a certain composure in the language. They cannot bring in a witty note. Everything remains very, very straightforward. When we have a meeting in German, they act differently, take a stand, raise their opinions. If it is in English, they are happy when they are done talking. (CAR5 leader, German)*

Whereas the leader lost some of his grip on the team due to linguistic inferiority, relatively more proficient subordinates increased their standing in CAR5 (“*Native speakers are nimble, they can use rhetoric and play with words.*” CAR5 member 3, German). Given the need for coordinated action in ramp-up management, the lack of integrative leadership was a problematic outcome.

Interviewees of all MNTs and hierarchical levels confirmed that team leaders’ acceptance suffers severely if their language skills do not correspond to their formal position:

*In leadership positions, it is a huge disadvantage if you don’t speak the team language as your mother tongue. (...) If you give a presentation in front of 200 people, you should have a decent proficiency level. Otherwise, people will say that you can’t express yourself clearly and that there were misunderstandings. That conveys an image of you as a person who cannot be taken seriously. (CAR4 member 2, French)*

Informants clearly disapproved of linguistic distortions to formal hierarchical positions, irrespective of whether proficiency disparity bolstered or undermined position power. They agreed that team leaders should not attempt to enhance their position power any further by exploiting their communicative abilities. Leaders themselves admitted to doing this, but simultaneously criticized the practice:

*I make that experience more and more every day: Language can be used as an instrument of power, a means to ostracize people. If I communicate in German, then I just have to formulate in an aloof way and many people can’t follow me anymore. If you do this in a foreign language and you want to exclude listeners, you just use a language they don’t master. In my view, people do this on purpose. (AUTO3 leader, German)*

These findings support Neeley and Dumas’ (2016) notion that even those MNC employees who benefit from language-based status gains perceive these shifts as “unearned”, if they are independent from their individual efforts. Conversely, informants also disapproved of the fact that inferior language proficiency weakened leadership positions:

*I had a US colleague, who said: 'They brought me to [German] headquarters for international project work, so I insist that every meeting is in English – even if I am the only foreigner. They brought me in to run this project and I cannot work in German on this high level. This would be a misguided expectation.' (...) She has left the company by now. She didn't want to be in a disadvantaged position, because she knew she was taken advantage of. And she was right! (CAR1 leader, American)*

Taken together, these statements underline our informants' negative perception of language-based distortions to formal power.

Language proficiency disparity and professional expertise. Similar effects applied to MNT members aiming to leverage their professional expertise, as exemplified by DRIVE3. As already mentioned, this Tokyo-based Japanese-German-American team was formed to implement GERMANDRIVE's standardized IT infrastructure in the Japanese subsidiary. English was designated as its team language, although the majority of DRIVE3 members were Japanese native speakers with a clear linguistic disadvantage compared to their German and even more so their American colleagues:

*Language barriers were extremely high in the beginning, because our colleagues only spoke Japanese back then. We used English-Japanese translations, which means we had to speak in English and they got Japanese translations. This has improved, but it is still difficult. (DRIVE3 member 1, German)*

This inequality became problematic, as the team's success hinged on the integration of knowledge about the target system to be implemented (provided mostly by German team members) with expertise in the existing local IT infrastructure. Only by balancing out the two could compatibility issues be resolved. Nevertheless, various Japanese who should have been highly influential due to their specialized expertise were unable to claim this power because of linguistic shortcomings. In some cases, they even refused communication for fear of losing face:

*For example, take my colleague, who is not used to English. He has very good knowledge from a technical point of view. However, he just does not speak or understand English, so he refuses to enter discussions or join meetings. (DRIVE3 member 4, Japanese)*

In fact, proficiency levels were so disparate, that the German team leader often favored linguistic bridge-makers over technical experts:

*When we schedule a meeting with our Japanese colleagues, we always make sure that there is a contact person in the meeting who speaks good English. Both sides do that very consciously. We think 'Hmm, let's get XY on our invitation list; we know he speaks great English.' (...) It's interesting: if I plan a task-related meeting only with German colleagues, then I wonder: 'who is fittest in the task, and therefore the most important person in the meeting?' If I schedule such a meeting with our Japanese colleagues I*

*wonder more: 'who is fittest language-wise?' These are two entirely different aspects.*  
(DRIVE3 leader, German)

This extreme power distortion depended on the degree of disparity in proficiency levels: only because English skills differed so widely within DRIVE3 was the proficiency-based premium/loss in power so distinctive. German leader of a different team, who had previous experience in Japan, confirmed the importance of *relative* (rather than *absolute*) language proficiency:

*In Japan, I was a one-eyed king among the blind. In America, well, I was only the one-eyed and half-blind guy.* (CAR5 leader, German)

Informants across all MNTs and mother tongues disapproved of language-based distortions to expert power. They lamented that “*technical expertise doesn't count at all if you don't have the opportunity to show it and communicate it accordingly*” (AUTO1 member 1, German) and severely complained about these linguistic influences:

*Older colleagues are pushed into the background because they can't articulate themselves so smoothly. But the expertise and knowledge resides more with the older colleagues and not the younger ones who speak better English. This creates a field of tension.* (AUTO3 member 1, German)

Conversely, interviewees deplored that a colleague with superior language skills “*can put his mark on the meeting and influence it even if he is technically not that efficient*” (DRIVE4 member 4, Indian). A senior manager summarized:

*Those who have a linguistic advantage always have a hierarchical advantage, too. They speak more easily in discussions, presentations, everywhere. They come across more competent in their demeanor, their flow of speech, and their rhetoric.* (GERMANAUTO senior manager 2, German)

These statements support Zander, Mockaitis and Harzing's (2011, p. 297) observation that employees with high proficiency in the common corporate language “may experience preferential treatment, greater power, or fast-tracked career advancement, even if their technical skills are not up to par.” Unfortunately, senior managers observed that teams are far from addressing this issue:

*One of those challenges that we have, is the lack of understanding of the influence of the language barrier. I think we want to pretend we understand it, but we don't.*  
(GERMANDRIVE senior manager 1, American)

Our findings reveal that language barriers constitute a boundary condition to general status characteristics theory, which posits that expertise-based status and power in teams entails greater interaction levels for individuals with relevant expertise. This interaction is stifled by linguistic disadvantages. In contrast, our results support Butler's (2006) and Berger et al.'s (1986) work on status cues, which categorizes speaking speed, speech fluency, the use of complex syntax and large vocabularies as cues, upon which listeners assess an individual's abilities. Our findings also reinforce Tenzer, Pudelko, & Harzing's (2014) portrayal of language skills influencing MNT members' perceived task competence. Whereas Vaara et al. (2005, p. 609) found that a lack of language skills can falsely create "a strong sense of professional incompetence", our study also demonstrated the other side of the coin: individuals with high language proficiency may claim expert power, even if their task-related knowledge does not match their linguistic superiority. Overall, we can formulate the following propositions for the moderating role of language proficiency disparity:

*P6a: Superior language proficiency detrimentally increases the influence of general power sources.*

*P6b: Inferior language proficiency detrimentally decreases the influence of general power sources.*

## **DISCUSSION AND CONCLUSION**

Following Itani, Järnlström, & Piekkari's (2015, p. 376) recent recognition that "a language lens can expose asymmetrical power relations in organizations," we explored the complex influence of language differences on power dynamics in MNTs. More specifically, we complemented previous studies on language differences as *antecedents* to power differentials with a novel perspective on language as a *moderator* to power emanating from other sources. Figure 2 visualizes a process model, encompassing the multiple relationships we uncovered in this respect.

[INSERT FIGURE 2 ABOUT HERE]

### **Theoretical implications**

Our study establishes important links between the research streams of power dynamics in teams, MNTs and language in international business, while also contributing to each of these areas.

Contributions to research on power dynamics in teams: Our study advances the emerging research on inner-team power dynamics in two major ways. First, since power contests in teamwork are often treated as a “taboo issue” (Hinds et al., 2014, p. 538), there is only a limited number of studies on this issue. These have been largely restricted to top management teams (e.g. Finkelstein, 1992; Krishnan & Park, 2003; Smith, Houghton, Hood, & Ryman, 2006), whereas research on power in teams further down the hierarchy is scarce. Targeting project teams at the middle management level, we have highlighted formal hierarchies and professional expertise as general sources of power. Whereas the salience of these factors confirms mainstream research on power in organizations, we expanded on it by revealing team members’ perceptions of these power sources. Position and expert power were widely accepted, suggesting beneficial effects on team outcomes according to Greer (2014). As we will show in the following, our study also advances research on power in teamwork by expanding it to *multinational* teams.

Contributions to MNT research: By targeting MNTs, our study introduces to MNT research the language-power relationship, which was previously studied mostly on the firm level of analysis. Considering that language is “extremely relevant” for power dynamics in MNTs (Janssens & Brett, 2006, p. 132), exploring the complex linguistic influences on within-team power relations helps us advance MNT research in several ways. First, whereas the pioneering works connecting language and power in team settings investigated language as a source of power in itself and treated it in isolation, we have applied a new angle by studying it as a moderator to power emanating from other sources. Showing how various facets of language differences can reinforce or weaken the power held by formally assigned team leaders or professional experts, our findings demonstrate that enacting power in multilingual team settings is a complex process, which warrants further investigation.

Second, our interviewees’ mostly negative perceptions of linguistic distortions to general power sources expand on previous work, which has already established a variety of ways how language barriers harm MNT collaboration: by raising communication difficulties (Chen et al., 2006), hindering knowledge transfer (Lagerström & Andersson, 2003), impeding trust formation (Tenzer et al., 2014), harming emotional climate (Tenzer & Pudelko, 2015) and reducing perceived team potency or creativity (Dotan-Eliaz, Sommer, & Rubin, 2009). However, informants’ positive view of English as the team language, at least when similar proficiency levels are given, and their appreciation for its comparatively egalitarian structures also shed some

favorable light on (well-managed) language diversity in teams. We agree with Stahl, Mäkelä, Zander and Maznevski's (2010) view that the bias of current MNT research towards focusing on the negative effects of team diversity limits our understanding of the benefits of diversity. Therefore, we believe that potential positive effects of language diversity in MNTs merit further scholarly attention.

Contributions to language research in international business: Our study also makes various contributions to the fast growing research stream on language in international business. First, it reveals previously neglected differences in the structures of team languages, which influence collaboration in MNCs. Whereas economists have already studied how linguistic structures of future tense influence the extent of native speakers' future-oriented behavior (Chen, 2013) and how the intensity of linguistic gender markers correlates with gender discrimination (Hicks, Santacreu-Vasut, & Shoham, 2015; Santacreu-Vasut, Shenkar, & Shoham, 2014), we demonstrate how formality and hierarchy markers in a team's language affect team members' perception of power differentials. These findings invoke the long-standing sociolinguistic research tradition about T-V distinction and other structural differences between languages (see e.g. Lambert & Tucker, 1976; Philipsen & Huspek, 1985; Dewaele, 2004; Wardhaugh, 2006). They also tie in with linguistic relativity, the idea that each language influences speakers' thought and shapes their mental representations of reality in a particular way, a premise attributed to linguists and anthropologists Sapir and Whorf (Whorf, 1956; Pavlenko, 2014). In line with Cheng et al.'s (2009, p. 1070) belief that the strength of international business research lies in "generating interdisciplinary knowledge by drawing from different disciplines", we leverage these achievements from other social sciences to explain a specifically business-related phenomenon. We hope that our study encourages business scholars to draw more on (socio)linguistic theories and concepts in order to understand the "multifaceted role of language in international business" (Brannen, Piekkari, & Tietze, 2014, p. 495) more profoundly.

Second, our findings suggest that disparity in language proficiency, i.e. differences in team members' *relative* language proficiency, influences power dynamics more profoundly than their *absolute* skill levels. If all team members are equally skilled or unskilled in the team language, nobody can bolster their position by talking over others and nobody can increase their perceived task competence through superior rhetoric. Individuals only experience a linguistic boost in exercising positional or expert-based power sources if they dispose of superior language

proficiency compared to their colleagues. These findings are in line with Tenzer et al. (2014), who found that MNTs with highly disparate language proficiency levels are particularly affected by linguistic influences on trust formation. They also support Neeley, Hinds, and Cramton (2012), who described the negative emotions arising from proficiency disparity between native and non-native speakers of an MNC's working language.

Third, our study reveals an interesting difference between synchronous/spoken and asynchronous/written team communication. Interviewee's narratives about the power implications of language differences almost exclusively concerned speaking skills and listening comprehension, whereas the challenges of reading and writing in the official team language were hardly mentioned. This may be due to an effect Tenzer and Pudelko (2016) recently described for communication in global virtual teams: spoken communication in a foreign language is particularly challenging, as the simultaneous processing of linguistic and task-related information constitutes high cognitive load (also see Volk, Köhler, & Pudelko, 2014). The need for immediate answers overwhelms team members and thus reveals shortcomings, which in turn lead to power losses. Written communication is comparatively less stressful for linguistically disadvantaged individuals, as they can take their time using translation tools to decode messages in their inboxes and carefully compose their replies. Proficiency differentials become less obvious in asynchronous communication and consequently influence team power relations to a smaller extent.

### **Managerial Implications**

Our study is of high practical relevance, given that MNTs have rapidly gained in importance over the last years (Horwitz & Horwitz, 2007; Butler, 2011; Zander, Mockaitis, & Butler, 2012) and constitute a management form of paramount importance in today's global corporations (Zander et al., 2012). Reinforcing Janssens & Brett's (2006, p. 124) call for "formal interventions to counterbalance the unequal power relations among global team members", we formulate managerial implications for MNT leaders and members, corporate policy makers and human resource managers in MNCs.

MNT leaders should be aware that many subordinates resent the "unearned" (Neeley & Dumas, 2016) advantage or "undeserved" disadvantage language can give to individual team members. They need to monitor and carefully deal with these effects to mitigate the inflated

influence of the linguistically advantaged and avert the withdrawal of the linguistically disadvantaged. If they combine superior language skills with their formally assigned position power, they should be particularly sensitive towards possible discontent among subordinates and actively facilitate open communication between language groups, giving sufficient consideration to members with lower proficiency in the team language. Should they be relatively less proficient than lower-ranking team members and struggle to enact their designated leadership role, they need to counteract their linguistic disadvantage by enlisting the support of translators. If inferior language skills detract from expertise-based power, MNT leaders need to give less proficient experts a forum for demonstrating their task-related skills. To achieve this, they need to allocate speaking time in team meetings to these individuals, publicly convey appreciation for their contributions and initiate meta-communication about the disruptive effects of language barriers as suggested by Tenzer & Pudelko (2015). By providing a psychologically safe and low-fear work environment, team leaders should assure that working under a mandated foreign language does not increase stress levels and thus reduce individual performance (Volk et al., 2014). If leaders can choose their team members, they should consider language proficiency as a selection criterion to minimize unfavorable power constellations.

Team members should take language courses, offered by the company or otherwise, to upgrade their team language proficiency in case they feel disadvantaged compared to colleagues. If they are privileged with high proficiency in relevant languages, they should refrain from abusing this advantage, as it easily triggers envy and negative emotional reactions among their less proficient team colleagues.

On the corporate level, we agree with Peltokorpi & Vaara (2012), who highlight that power-related challenges are inherent in corporate language policies. Power implications should be considered when defining a corporate language and when deciding how rigidly this language mandate should be enforced. Depending on formal power structures, decision makers should carefully consider how strictly to insist on the language mandate or how much leeway to give in order to minimize the abuse of language-based (dis)advantages. Reflecting Tenzer et al.'s (2014) findings about linguistic code switching, they should allow for temporary escapes into the mother tongue, which not only alleviate the cognitive load experienced by team members with low proficiency in the team language (Volk et al., 2014), but also help them to catch up to their team's current level of information.

Moreover, whereas previous research has mostly focused on employees' absolute proficiency levels, our study has shown that relative language skills matter far more when it comes to disruptive power dynamics. To reap both the efficiency-enhancing potential of high language proficiency and the positive effects of homogeneous skill levels, MNCs should strive to create homogenous language proficiency at a high level through selective recruiting and by providing employees with language training. Supporting Yamao & Sekiguchi's (2015, p. 177) recent finding that "HR practices that promote the learning of a foreign language are more effective and appreciated by employees who think that their English-language proficiency is low," we argue that the limited resources for language training should be allocated primarily to employees with sub-par proficiency in the official corporate language. This is a notable implication of our study, since it contrasts with MNCs' frequent focus on the development of high potentials, most of whom have already gained proficiency in key languages through rotational assignments. Human resource managers can motivate the staff to invest in their language skills by regularly highlighting the benefits of proficiency in the MNC's working language. Finally, they should promote a policy of tolerance for non-native language use. When the former CEO of ABB, Percy Barnevik, stated that the official language of his company was "bad English", he gave a powerful signal that language proficiency should *not* be a key evaluation criterion.

### **Limitations, Future Research and Conclusion**

In terms of limitations and future research, we should mention the following: first, our theoretical model focuses on language differences moderating the influence of general power sources, but excludes the fact that they simultaneously constitute an antecedent to power differentials in multinational workplaces. Following prior studies, we could have added language proficiency as a further power source. We chose to omit this in favor of a parsimonious model and focused on our novel view of language as a moderator. Nonetheless, we encourage more holistic future conceptualizations of the language-power relationship.

Second and closely related, we focused on hierarchical position and professional expertise as general sources of power, since power-related research in management targets these factors most frequently (Finkelstein, 1992; French & Raven, 1959). Our model could be extended by considering the influence of language on power sources such as personality (see e.g. Anderson,

Spataro, & Flynn, 2008; Anderson & Kilduff, 2009) or nationality (see e.g. Umans, 2008; Ybema & Byun, 2011), the latter being a salient topic in the diversity literature. Whereas space constraints prevented us from including these topics, future research could make valuable contributions by bringing them into the picture.

Third, all 15 MNTs under study had a medium average level of power. We purposefully chose similar power levels in order to be able to apply the constant comparison method in our data analysis. Meaningful comparisons of linguistic influences on team power dynamics would have been impossible if we had juxtaposed, for example, top management teams on the one hand and shop floor teams on the other. However, since Ronay et al. (2012) demonstrated that high-power individuals working together have more conflicts than individuals in low-power teams do, it is very well imaginable that language effects are even more salient in top management teams. This possibility is worth exploring further, so future studies could fruitfully extend our theory-building efforts by exploring linguistic influences on MNTs of different power levels.

Fourth, while we consciously kept nationality and industry constant by limiting our study to automotive organizations headquartered in Germany, a wider sample might have established industry and nationality as relevant moderators (Gibson, 2001). With the roots of some automakers tracing back to the early 20<sup>th</sup> century, the car industry is very mature. Having shown that language differences profoundly influence even such engrained power structures, our study provided a conservative picture of the impact of language differences on power relations. Future research could build on these insights by exploring whether power dynamics unfold differently in more recent sectors and smaller entrepreneurial companies with flatter hierarchies.

Resulting from our choice of research setting, we also had a disproportionately large number of German respondents. One may argue that this could influence the relationship between language differences and power relations in MNTs, because each nation has a specific orientation towards power distance (Hofstede & Hofstede, 2001). However, our between-team comparisons demonstrated that the moderating linguistic influences on power dynamics described in this paper arose in MNTs irrespective of the nationality of the majority of team members. Nevertheless, we suggest including additional mother tongues and industrial, corporate and team contexts in future quantitative research to probe the generalizability of our model. Additional studies could explore the situation in MNCs, where the headquarters' language is English to differentiate effects between more complex native speech and simplified business English (Kankaanranta & Planken,

2010). These studies may contribute to the debate whether native speakers of English will always be in a favorable position (as proposed by Breidbach, 2003 and Crystal, 1997) or whether the use of English as a lingua franca stripped of any linguistic and cultural specificity will reduce their advantage (Gnutzmann, 2000).

To conclude, based on qualitative research in 15 MNTs of three German automotive MNCs, we have developed a comprehensive model of the multifaceted and complex influences of language differences on power dynamics in MNTs. More specifically, we have demonstrated that various aspects of language moderate the relationship between general sources of power and resulting power differentials in MNTs. In doing so, our study has contributed to the research streams on power dynamics in team contexts, MNTs and language research in international business.

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**Table 1: Overview of investigated teams**

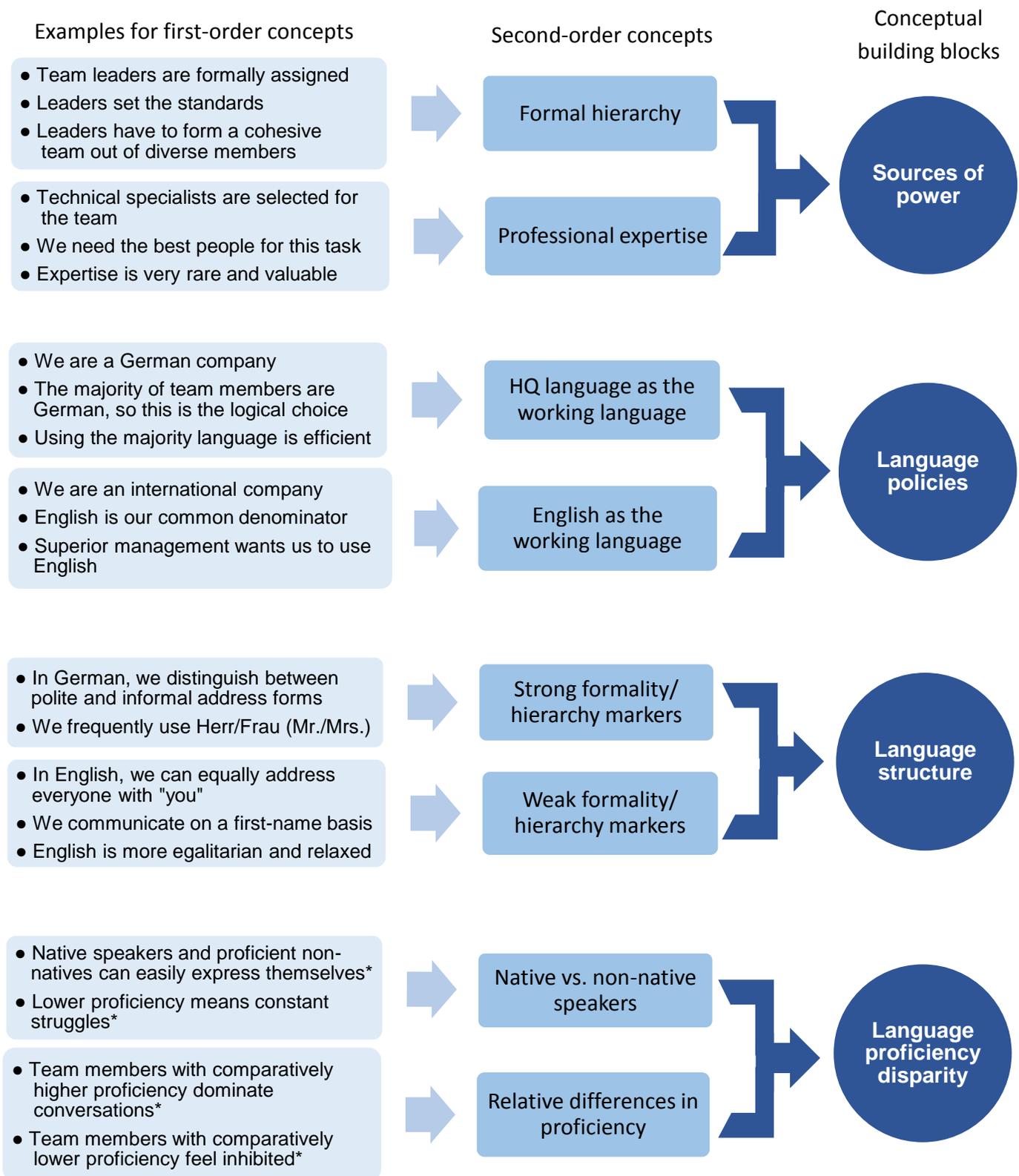
Firm	Team	Functional area	Mother tongues of all MNT members	Official team language	Mother tongues of interviewees	Duration recorded interviews	No. of transcript pages
GERMANDRIVE	--- Senior management ---				3 GE, 1 E	2hrs 39min	54
	DRIVE1	cross-functional	11 GE, 6 E, 3 J	English	2 E (1 TL), 6 GE, 3 J	10hrs 14min	166
	DRIVE2	cross-functional	10 GE, 4 E, 3 J	English	1 E (TL), 7 GE, 3 J	9hrs 50min	140
	DRIVE3	IT	15 J, 6 GE, 1 E	English	3 GE (1 TL), 1 J, 1 E	4hrs 17min	61
	DRIVE4	IT	31 TA, 10 GE, 1 TU	English	1 TU (TL), 3 GE, 1 TA	3hrs 17min	52
	DRIVE5	cost planning	12 GE, 5 SP, 1 M, 1 I	NR, mostly German	1 M (TL), 1 GE, 1 SP	2hrs 42min	54
GERMANAUTO	--- Senior management ---				2 GE	1h 37min	17
	AUTO1	HR	6 GE, 1 M, 1 H, 1 GR, 1 SP	German	4 GE (1 TL), 1 M, 1 H, 1 GR	4hrs 48min	74
	AUTO2	R&D	10 GE, 2 M, 1 SP	German	2 GE (1 TL), 2 M, 1 SP	3hrs 46min	61
	AUTO3	cross-functional	15 M, 5 GE, 1 RO, 1 I	NR, English or use of translators	3 GE (1 TL), 1 RO, 1 I	4hrs 19min	79
	AUTO4	marketing	2 GE, 2 RU	NR, English or German	2 GE (1 TL), 1 RU	2hr 06min	35
	AUTO5	sales	6 GE, 3 F, 2 E	NR, English or German	3 GE (1 TL), 2 F, 1 E	2hrs 36min	43
GERMANCAR	--- Senior management ---				2 GE	1h 52min	30
	CAR1	sales	8 GE, 1 E, 1 P, 1 SW, 1 SP, 1 F, 1 D	NR, mostly German	1 E (TL), 1 GE, 1 P	2hrs 48min	46
	CAR2	R&D	15 GE, 4 E, 3 I, 3 SP	NR, German or English	2 GE (1 TL), 1 I	1hr 26min	26
	CAR3	R&D	9 GE, 8 E, 1 F	English	3 GE (1 TL), 1 F	3hrs 37min	45
	CAR4	purchasing	12 M, 5 GE, 1 F	English	3 GE (1 TL), 1 F, 1 M	4hrs 24min	79
	CAR5	R&D	6 GE, 6 E, 3 SP	English	4 GE (1 TL), 2 E	4hrs 31min	66

NR = not regulated; TL = team leader; Codes for mother tongues: Dutch: D, English: E, French: F, German: GE, Greek: GR, Hungarian: H, Italian: I, Japanese: J, Mandarin: M, Portuguese: P, Romanian: RO, Russian: RU, Spanish: SP, Swedish: SW, Tamil: TA, Turkish: TU. Note that in some cases the language represented multiple nationalities (e.g. Spanish being spoken in Argentina, Mexico and Spain).

**Table 2: Exemplary first-order concepts emerging through the coding process**

Example quotations	Content label	First-order concept
<p>My colleagues noted that I speak louder and faster, I am more cheerful and I laugh more and louder if I speak Chinese on the phone. I find this interesting ... I suppose I feel just more secure that way. (AUTO1 member 4, Chinese)</p>	ease of speaking	Native speakers and proficient non-native speakers can easily express themselves.
<p>English native speakers, especially Americans, they cut across [a conversation] like lawn mowers. They just cannot imagine that someone doesn't understand them if they speak really, really fast. If we ask, they just say the same thing again and explain it with the same words. (CAR5 member 3, German)</p>		
<p>When I stop the Germans speaking among themselves and say 'No, we gonna speak English', then immediately they can't debate with the same level of intelligence as they could in their mother tongue. (GERMANDRIVE senior manager 1, American)</p>	struggle to speak up	Lower proficiency means constant struggles.
<p>If there is a discussion in German, the speed is so high! I try to say my opinion, but someone else has already said the same. Then it's too late. In the end, I have to say: 'It wasn't because I was incompetent – I was just too slow.' I am just disadvantaged because of the language. (AUTO1 member 4, Chinese)</p>		
<p>If you are meeting with a larger group and one employee can convey his agenda with better rhetoric skills and has better language proficiency, then he obviously has an advantage. Because this way he can a) attract attention and b) make the conversation center on him. (GERMANAUTO senior manager 2, German)</p>	dominance	Team members with comparatively higher proficiency dominate conversations.
<p>Each one of us has a certain role, an official and an unofficial position in the team. ... It's not just about information – it's also about how you come across. Language brings dominance along with it. (CAR5 member 3, German)</p>		
<p>For example, take my colleague, who is not used to English. He has very good knowledge from a technical point of view. However, he just does not speak or understand English, so he refuses to enter discussions or join meetings. (DRIVE3 member 4, Japanese)</p>	inhibition	Team members with comparatively lower proficiency feel inhibited.
<p>I have trouble with English. I can tell someone what I would like to say, but it is difficult to tell very sensitive issues, to express in detail what I mean. (DRIVE2 member 10, Japanese)</p>		

**Figure 1: Data structure**



\* see also Table 2

**Figure 2: The moderating influence of language differences on power dynamics in multinational teams**

