**Cross Cultural Management**

**Unit-4**

**(Cultural Diversity and Multicultural Teams)**

**National Cultures vs. Organizational Cultures**

**National Cultures**

Our national culture relates to our deeply held values regarding, for example, good vs. evil, normal vs. abnormal, safe vs. dangerous, and rational vs. irrational.  National cultural values are learned early, held deeply and change slowly over the course of generations.

A distinctive set of beliefs, values, and assumptions generally held by members of a national group. National culture difference can be expressed as values on a number of dimensions: power-distance, masculinity-femininity, individualism-collectivism, and uncertainty-avoidance. These dimensions can be quantified and provide country-specific profiles. It is important to recognize that:

**(i)** Scores on these dimensions are statistical averages, with considerable individual variance and overlap with other national cultures.

**(ii)** National profiles are useful in predicting behavior, but should not be used to pre-judge or stereotype others.

**Organizational Cultures**

Organizational culture, on the other hand, is comprised of broad guidelines which are rooted in organizational practices learned on the job.  Experts, including Dr. Hofstede, agree that changing organizational culture is difficult and takes time.  What is often overlooked or at least underestimated when two or more companies merge/integrate is how the underlying personal values of employees impact how they perceive the corporate culture change efforts.  A person can learn to adapt to processes and priorities, and a person can be persuaded to follow the exemplar behaviors of leaders in an organization.  But if these priorities and leadership traits go against the deeply held national cultural values of employees, corporate values (processes and practices) will be undermined.  What is appropriate in one national setting is wholly offensive in another.  What is rational in one national setting is wholly irrational in another.  And, corporate culture never trumps national culture.

**Difference between organisational and national culture**

The national culture relates to deeper held values such as good vs. evil, normal vs. abnormal, safe vs. dangerous, and rational vs. irrational. National cultural values are learned early, held deeply and change slowly over the course of generations as witnessed in all ages. The organizational culture is comprised of broad guidelines, rooted in organizational practices learned on the job. Experts agree that changing organizational culture is difficult and takes time.  When two or more companies merge is how the underlying personal values of employees impact how they perceive the corporate culture change efforts. People can learn to adapt to processes and priorities, and a person can be persuaded to follow the exemplar behaviours of leaders in an organization. But if these priorities and leadership traits go against the deeply held national cultural values of employees, corporate values processes and practices will be undermined. What is appropriate in one national setting is wholly offensive in another.  What is rational in one national setting is wholly irrational in another.

**Cross-Cultural Intelligence and Managerial Competence**

Cross-cultural competence refers to your ability to understand people from different cultures and engage with them effectively. And not just people from the one culture that you’ve studied for years. Having cross-cultural competence means you can be effective in your interactions with people from most any culture.

Being able to communicate and work with people across cultures is becoming more important all the time. People are traveling, reaching out, and mixing with different others like never before. They do it for fun, but they also do it for work. In all cases, success requires developing a relationship. And doing this means bridging a cultural divide.

Cross-cultural competence helps you develop the mutual understanding and human relationships that are necessary for achieving your professional goals.

These twelve principles give you some pointers about how to think about the experiences you have in new cultures. They are essential to cross-cultural competence.

1. **Stay focused on your goals:** If you’re overseas for work, then building intercultural relationships is not just for fun. Building relationships will help you get your work done.
2. **Understand the culture within yourself:** Keep aware of the fact that you see the world in a particular way because of your own background, personal history, and culture.
3. **Manage your attitudes towards the culture:** You don’t always have to love the culture. But you do have to keep check on your reactions to values and customs that are different from your own. The first two principles can also help you manage your attitudes.
4. **Direct your learning of the culture:** Don’t expect a book or training course to hand you the answers. Try to make sense of the culture for yourself, using the information you come across as clues.
5. **Develop reliable information sources:** Find two or three locals to get answers from about the culture. Build the relationships so you feel comfortable asking about most anything. Check with more than one and compare their answers in your head.
6. **Learn about the new culture efficiently:** You can’t learn everything about the culture before your trip. It’s unrealistic. Focus on learning a few things that fit your interests, and use those to make connections and learn more while you are abroad.
7. **Cope with cultural surprises:** No matter how much you prepare in advance, you will find yourself faced with people acting in ways that you find puzzling. When you do, try to find out why. Doing so will often lead to new insights.
8. **Formulate cultural explanations of behavior:** Routinely try to explain to yourself why people act as they do in this culture, differently from your own. Using things you know about the culture to explain behavior will help you build a deeper understanding of the culture overall.
9. **Take a cultural perspective:** Try to see things from the point of view of the people from the other culture. By taking a cultural perspective, you may create a whole new understanding of what’s going on around you.
10. **Plan cross-cultural communication:** Think ahead of time about what you have to say and how you want the other person to perceive you. Use what you know about the culture to figure out the best way to get that across.
11. **Control how you present yourself:** Be deliberate about how you present and express yourself. Sometimes you’ll be most effective if you’re just yourself. Other times you have to adapt how you present yourself to the culture you are in to be most effective.
12. **Reflect and seek feedback:** Continue to reflect on and learn from your interactions and experiences after they occur. After an interaction you can think about whether you got the messages across you intended. You can even ask a local how they think you did.

**Managerial Competencies**

Managerial competencies are the skills, motives and attitudes necessary to a job, and include such characteristics as communication skills, problem solving, customer focus and the ability to work within a team. While businesses have long been capable of analyzing and utilizing financial and other “hard” assets, the human assets involved in managerial competencies are harder to fit into an equation. While skills and knowledge are a part of a manager’s competency that can be measured fairly easily, intangible assets like effective communication and teamwork, while essential, are harder to pin down and evaluate.

**Managerial Competency: Third Element**

According to the “Gwinnet Daily Post,” “Traditional wisdom says that success or failure is largely determined by your skills and knowledge. But there’s a third element of success that’s more intangible.” The third element is ethos, or the mindset, attitudes and beliefs that a manager brings to the job. A highly skilled computer programmer, for example, who refuses to interact with the development team on a major project can turn out to be more of a liability than an asset in spite of his technical skills.

**Managerial Competency Research**

According to research published in the “Journal of Management Development,” surveyors sought to determine whether companies have been able to identify management competencies, and if so, whether they have been able to devise performance appraisals that reflect the identified competencies. Twenty-three possible management competencies were identified and human resources professionals returned 277 surveys.

**Management Competency Conclusions**

The conclusion of the surveys was that although companies can identify managerial competencies, few have set up their performance appraisals to reflect these priorities. The researchers suggest that companies update their performance appraisals to reflect the importance of managerial competencies.

**Motivating Across Cultures**

Motivation is the activation or energization of goal-oriented behavior. Motivation may be intrinsic or extrinsic. The term is generally used for humans but, theoretically, it can also be used to describe the causes for animal behavior as well. This article refers to human motivation. According to various theories, motivation may be rooted in the basic need to minimize physical pain and maximize pleasure, or it may include specific needs such as eating and resting, or a desired object, hobby, goal, state of being, ideal, or it may be attributed to less-apparent reasons such as altruism, morality, or avoiding mortality.

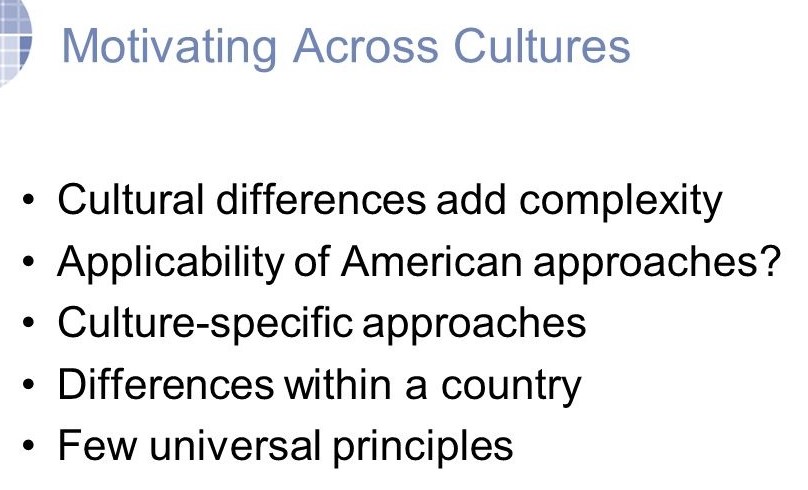
**The Nature of Motivation**

**The Assumption of Content and Process**

* **Content Theories of Motivation:** Theories that explain work motivation in terms of what arouses, energizes, or initiates employee behavior.
* **Process Theories of Motivation:** Theories that explain work motivation by how employee behavior is initiated, redirected, and halted.

**Motivation across Cultures: The Universalist Assumption**

The motivation process is universal; all people are motivated to pursue goals they value. But, culture influences specific content and goals pursued so, the specific nature of motivation differs across cultures.



**The Hierarchy-of-Needs Theory**

**The Maslow Theory**

Maslow’s theory rests on a number of basic assumptions:

1. Lower-level needs must be satisfied before higher-level needs become motivators
2. A need that is satisfied no longer serves as a motivator
3. There are more ways to satisfy higher-level than there are ways to satisfy lower-level needs.

**The Hierarchy-of-Needs Theory**

**International Findings on Maslow’s Theory**

**Hofstede’s research indicates:**

1. Self-actualization and esteem needs rank highest for professionals and managers
2. Security, earnings, benefits, and physical working conditions are most important to low-level, unskilled workers
3. Job categories and levels may have a dramatic effect on motivation and may well offset cultural considerations
4. MNCs should focus most heavily on giving physical rewards to lower-level personnel and on creating a climate where there is challenge, autonomy, the ability to use one’s skills, and cooperation for middle- and upper-level personnel.

**Two-Factor Theory of Motivation**

A theory that identifies two sets of factors that influence job satisfaction:

1. Motivators
2. Job-content factors such as achievement, recognition, responsibility, advancement, and the work itself.
3. Hygiene Factors

**The Two-Factor Theory of Motivation**

**The Herzberg Theory**

The two-factor theory holds that motivators and hygiene factors relate to employee satisfaction – a more complex relationship than the traditional view that employees are either satisfied or dissatisfied

1. If hygiene factors are not taken care of or are deficient there will be dissatisfaction.
2. There may be no dissatisfaction if hygiene factors are taken care of – there may be no satisfaction also
3. Only when motivators are present will there be satisfaction.

**Management of Cross-Culture Teams**

Trust is a crucial characteristic for any high-functioning, effective team. If you have ever worked on a team, you know you have to trust others to ensure the job is done. You also have to have team members who are dedicated and committed to the welfare of the entire group. Trust in any situation is difficult to create and even harder to sustain. However, if you have a multicultural team, it is particularly challenging for several reasons.

A key reason for this is because communication styles vary from one culture to another. While a universal employee messaging system may help, this is not the end-all solution in most cases. There are other factors that the cross cultural management team has to keep in mind. Because of these different beliefs and styles of communication, many multicultural teams are prone to friction. The good news is, there are ways to minimize this friction and ensure any team is successful.

**Number 1: Get to Know Each Team Member**

It is essential that the management of a company, or even the team leader, takes the time to get to know team members. Learn about their story and journey. Encourage them to use the skills and knowledge they have to help the group. Many multicultural teams have individuals with unique skills that are beneficial to everyone when uncovered. Don’t ignore these specialized skills. Doing so may lead to team members feeling unappreciated.

**Number 2: Take Steps to Retain a Culturally Diverse Staff**

Some global cosmopolitans feel poorly managed and misunderstood. As a result, they may not remain loyal to a certain organization. However, if the management provides opportunities for the individual to receive recognition for their multicultural skills, or even recognize them, they can avoid this outcome. Take some time to give the individual that lets them feel appreciated and intellectually stimulated.

**Number 3: The Cross-Cultural Management Team Needs to Create a Structure for Success**

The absolute best way to ensure a successful team is to create conditions that set the members up for this. For multicultural teams, this means ensuring they have a compelling and clear direction. Members of the team need access to resources and information to complete the tasks given efficiently. If a structure isn’t established right away, chaos may ensue. Don’t let this happen. When everyone understands the structure, productivity and success are going to follow.

**Number 4: Get to Know the Team’s Cultural Differences**

As mentioned before, getting to know the team members is important. However, it is also essential to take some time to get to know any other differences present. This includes different languages, as well as “fault lines.” Also, get to know how possible miscommunication and misconception is. A great way to counteract miscommunication is by implementing employee self-service software. With this, your team members can easily know what is going on with each person. The software can manage several aspects of the team, including scheduled time off, questions with the work being done, and more.

**Number 5: Create Clear Norms and Maintain Them**

When you have a multicultural team, you also have several different work styles in play. As a result, it is up to the team leader to establish norms. Once created, everyone needs to stick with these established standards, regardless of what their personal default is. It is not a good idea to impose a style, but take into consideration what works best for the entire team. Implementing practices from other cultures are often useful.

**Number 6: Work to Build Personal Bonds**

A great way to ease potential disagreements or conflict is to establish personal connections. While deep personal friendships may be impossible, there are methods to use that can foster individual connections and rapport. Take some time to encourage these personal relationships, which is going to help the entire team in the long run.

**Number 7: Address Conflict Immediately**

Regardless of the team or members, conflict is inevitable. This is even truer with a multicultural team. If tension does come up, make sure to address it right away. This can help ensure a small, manageable conflict doesn’t turn into something that’s impossible to manage. Any leader needs to understand various cultural perspectives. When they do this, they can serve as a cultural bridge to minimize the effects of conflict.

**Creating Successful Cross-Cultural Teams**

There are countless benefits offered by cross-cultural teams in the workplace. While making these teams “work” may seem like an insurmountable challenge, this isn’t necessarily the case. There are countless ways to predict and prevent serious issues. One of the biggest, miscommunication, is simple to manage by using employee self-service software. This technology can help prevent issues between team members and ensure the team works together for the betterment of the company. In the long run, everyone is happier and more work is done.

**Leadership Traits Required for Managing Cross Culture Teams Participatory Strategic Planning**

In one scenario, your cross-functional team provides many benefits and is a powerful and effective solution for an array of workplace obstacles.

Organized, transparent, and flexible management is of the utmost importance when it comes to the success of a cross-functional team. As a team leader, you’ll very quickly find that managing this type of team comes with complexities rarely found in a traditional team-management setting. However, if handled correctly, your team will reach new heights, breakthrough long-standing barriers, and accomplish goals that would otherwise be out of reach.

**1. Excellent Communication**

Without an organized strategy for excellent communication, your cross-functional team doesn’t stand a chance. This is the first and most crucial component of your team’s success and should not be taken lightly.

Whenever possible, it’s best to meet face-to-face. If regular in-person meetings are unrealistic, there are plenty of online tools you can use to provide a steady, dependable line of communication between you and all of your team members.

**2. Thorough Organization**

To manage a team of this diversity and complexity, you’ll need a system for organizing deadlines, files, notes, data, research, and whatever else you bring to the project.

**3. Clarity**

When working with a cross-functional team, conflict and misunderstandings that result in a lack of accountability are common. We’ve all heard it before: “I thought he was going to do that,” “I couldn’t start until she did this,” and so on. You can prevent these frustrating situations by defining crystal-clear goals and expectations, not only for the team but on an individual level as well.

**4. Mutual Understanding**

It’s crucial that every one of your team members understands the importance of the task at hand. Keep in mind that the responsibilities of the cross-functional team are often in addition to your team members’ existing to-do lists. If they don’t value the cross-functional team’s objective, they won’t put in the time or effort you require. Help them understand why the team’s objectives should matter to them.

**5. Individual Attention**

When you focus on the team as a whole, maintaining the morale of individual team players can easily fall by the wayside—and this may result in the failure of the team. By giving each member of your cross-functional team individual attention, praise, and time, you’ll be able to

* Become better acquainted with the different strengths and skills at your disposal.
* Set clear expectations for each person.
* Weed out any disinterested or counterproductive parties.
* Obtain a better view of each aspect of the project.
* Encourage and reward hard work, innovation, and team-oriented thinking.

**6. Conflict Resolution**

There’s really no way around it. When a team is comprised of people from different departments (with different motives and loyalties to different areas of the company), you’re going to experience some conflict. It’s important for you to be prepared to handle conflict effectively. Many industry experts suggest you provide your cross-functional team with conflict-resolution training before bringing them together.

**7. Strong Ties**

Provide ample opportunities for your team members to get to know each other better, increase their trust in one another, and form strong ties that will contribute to the effectiveness of the team. Arrange social events outside the workplace, create a co-work space, and conduct a few outdoor team-building exercises.

**8. An A-Team**

When assembling your team, it’s important to put personal opinions or preferences aside so you can approach the task objectively. You may think you have the best employees for the team, but have you considered their individual strengths or whether they’ll work well together? If your dream team is comprised of valuable, high-performing employees who also have a history of taking charge and unofficially managing other employees “for the good of the company,” you may need more time for conflict resolution than you can spare.

Before you gather the perfect “A-Team,” spend some time defining the team’s goals and make a list of the strengths and skills required to accomplish those goals. You will then be able to assemble the perfect team according to your predefined list of required skills and qualifications.

**9. Flexibility**

One of the greatest benefits of a cross-functional team is that it fosters innovation. By bringing several different areas of expertise together into a productive and encouraging work environment, you’re creating fertile ground for fresh ideas and new, game-changing insights to flourish. To take advantage of these ideas and help the company improve, you must be flexible, open-minded, and allow these opportunities to manifest. The worst thing you can do to your cross-functional team is stifling it with narrow thinking.

A cross-functional team can be your company’s greatest asset if it’s managed properly. By using the nine key ingredients listed above, you’ll be able to assemble and manage a powerful team comprised of effective individuals geared toward success.

# Technology of Participation Change in Corporate Culture: The Example of Quality Improvement

Impact of technology is improving organizational design, culture and employee engagement. It seems to impact all industries in a variety of ways. Technological advancements and digital transformation are providing leaders and managers opportunities to tackle some of the workplace’s most challenging and important initiatives: culture and engagement being at the top of the list.

“By the nature of changing the business, changing the strategy and getting the culture to facilitate and drive that change, they are embracing newer technologies in and of themselves to be the mechanism of the culture shift,” Manning says.

In the recent past, manufacturers were stunned at the rate of innovation. It rattled them, with companies trying to keep up with the pace, spending huge amounts of money to retool, modernize and stay on top. Over time, manufacturers tried to modernize by thinking of technology as a replacement for their workforce. And this was where manufacturing got into trouble.

#### ****Establishing a Culture; Reinforcing it with Technology****

An organization’s culture is being set and reset every day, says Jordan Birnbaum, VP and chief behavioral economist at ADP.

“To the extent that you want certain principles to be a bedrock of your organizational culture, that means you have to make them available to people every time,” he said. “Technology offers an opportunity to make sure that the organization’s intentions for the kind of culture it wants are communicated with regularity.

When Capital One wanted to increase collaboration both within teams and between teams, it began using Slack, a communication and collaboration software platform, in its tech department, enabling employees to have real-time interactions to exchange code and share ideas, recommendations and presentations.

Companies large and small are adopting tech tools to support their culture. Buffer, a social media management platform, already used Slack for communication, but also uses a transparency dashboard as a hub to provide details on employee salaries, pricing, revenue, fundraising and diversity.

#### ****Time for a Change?****

Technology is most often used to change a culture or sustain and reinforce a culture when an organization is at a turning point, says Manning. Mergers or divestitures, a new CEO coming on board, difficulty attracting or retaining employees or a need to incorporate nontraditional employees into the organization may trigger the need to consciously develop the culture, she says.

But companies can’t always update entire HR platforms, says Manning. Instead, they may use specific pieces to address the biggest cultural pain points.

Tech tools for improving culture fall into three main areas: performance management, employee recognition, or listening through feedback. Although technology isn’t always necessary to attain these improvements in culture, it ultimately will be helpful.

#### ****Using the Right Tools…Effectively****

Company initiatives can fail when the tools used don’t recognize true human behavior, cautions Birnbaum. Drawing on his background as a behavioral economist, Birnbaum says that HR initiatives are frequently designed for the way we wish people were, not the way they truly are.

He helps build software tools that incorporate behavioral economics to steer people toward positive behavior. Whether it’s using new knowledge on how the brain learns (i.e. short, frequent training) or how long it takes to create buy-in from users before they will accept recommendations or how framing a choice can influence the employee to truly act in self-interest, Birnbaum says that understanding our inherent “predictable irrationality” will help create tech tools that are more effective in driving cultural change.