

Cross-cultural Communication and Management

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Course overview

- Behavior related issues of international management/ the focus of Organizational behavior and HRM, and marketing or consumer behavior
 - Culture and cultural differences: 2
 - Intercultural communication & negotiation: 1
 - Multicultural team building and HRM: 1
 - Cross-cultural marketing: 1
 - Global manager and leadership: 1
 - International career development: 1
 - Comprehensive case discussion: 1



Agenda

- Overview of course objectives
- Cultural constraints in management theories
- What is the meaning of culture?
- How culture affect managerial approaches?



Survey

How many of you have the following experiences?

- Working in foreign investment company or joint ventures
- Expatriates
- Study abroad
- Travel abroad
- Foreign friends
- International marriage



Major course objectives

Prepare you to become a global manager by

- Identifying key dimensions upon which cultures vary
- Increasing awareness of how culture affects work behavior and management practices
- Learning strategies for bridging cross-cultural gaps
- Increasing cultural confidence and developing international management in China

The story of the blue sunglasses



Understanding different perspectives & perceptions



USA: Pest



China: Pet



**Northern Thailand:
Appetizer**



trendy



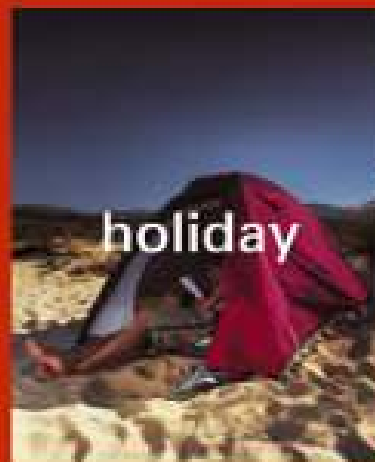
traditional



traditional



trendy



holiday



hell



hell



holiday



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Football



UK

Football



AUSTRALIA

Football

Never underestimate the importance of local knowledge.

To truly understand a country and its culture, you have to be part of it.

That's why, at HSBC, we have local banks in more countries than anyone else. And all of our offices around the world are staffed by local people.

It's their insight that allows us to recognise financial opportunities invisible to outsiders.

But those opportunities don't just benefit our local customers.

Innovations and ideas are shared throughout the HSBC network, so that everyone who banks with us can benefit.

Think of it as local knowledge that just happens to span the globe.

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Culture in Management:

Constraints in management theories (1)

- Management as the word is presently used is an American invention. In other parts of the world not only the practice but the entire concept of management may differ, and the theories needed it, many deviate considerably from what is considered normal and desirable in the USA.
- Management Theorist are human, they grew up in a particular society in a particular period, and their ideas can not help but reflect the constraints of their environment.



Cultural constraints in management theories (2)

- For example Japanese are to a large extent controlled by their peer group rather than by their manager
- There are no secrets of Japanese management, however, it is even doubtful whether there is such a thing as management, in the American sense, in Japan at all. The secret is in Japanese society; and if any group in society should be singled out as carriers of the secret, it is the workers, not the managers.



-> Issues when trying to transplant management theories from one country to another.

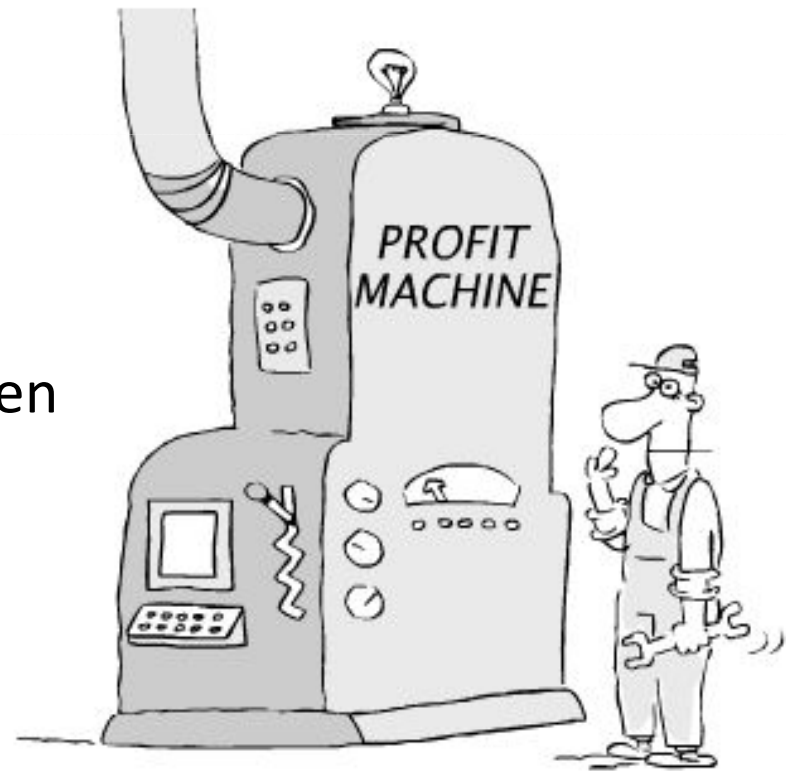


Cultural constraints in management theories (3)

- One best approach still dominant management literature and books, e.g., Peter Drucker, Tom Peter, Jim Collins, TQM, MBO, JIT, SBU, BPR and so.
-> People and organizations do not function in the same way everywhere!
- Assuming that with so-called modern management techniques and theories outsiders can develop a country has proven a deplorable arrogance

Cultural constraints in management theories (4)

- Characteristics of American Management Theories: the Stress on market process, the stress on the individual, and the focus on managers rather on workers
- The ideal principle of control in organizations in the market philosophy is competition between individuals.



Cultural constraints in management theories (5)

- Culture can be compared to a forest, while individuals are tree. We miss the essence of the forest if we only describe its most typical trees.
- In the same way, a culture cannot be satisfactorily described in terms of the characteristics of a typical individual.
- There is a tendency in the U.S. management literature to overlook the forest for the trees and to ascribe cultural differences to interactions among individuals.



Some examples of management concepts

- Management By Objectives: MBO
- Just-in-time manufacture: JIT
- Job description/Job requirement
- Performance-based compensation
- Individual performance appraisal
- Assertive behavior
- Incentives/punishment systems



"Just measuring your job performance..."

How do Western managers perceive Chinese employees in multinational companies?

“75% of Western managers report poor assertiveness skills and 80% report lack of proactive behavior among Chinese employees”

-- Conchius.com





Assertive behaviors

- To approach others, speak up, confirm understanding and take initiatives.
- To express and showing confident belief in ones opinions, claims and ideas.
- To bring up problems and presenting solutions in front of peers and managers.
- To constructively argue for a recommended course of action even if not yet certain if this is the correct way to move forward.



The global manager today

- Managing across cultures is part of daily business
- Long-term foreign assignments complemented by frequent and diverse travel
- International assignment is critical part of career progression
- Diverse workforce: Bosses, direct reports, peers from diverse cultures
- Must work with many cultures at once
- Cultural differences less obvious, and harder to identify

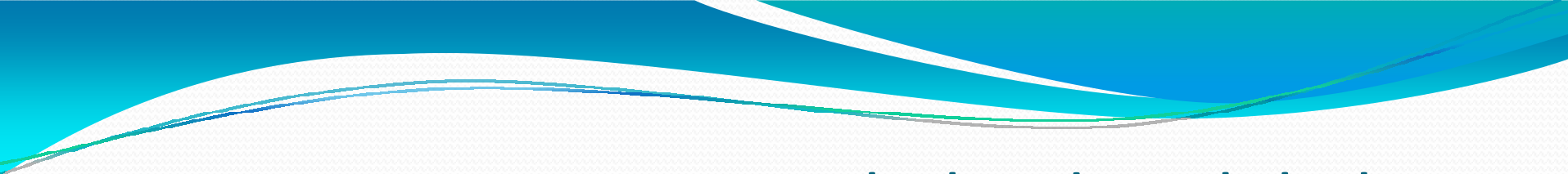


Most companies are behind in global management training

A survey of 750 U.S., European, and Japanese companies found:

- 10%~ 20% expatriates returned early
- 33% expatriates did not perform as expected
- 25% left within one year
- 33% filling temporary assignment after returning for 3 months

(Source: Harvard Business Review, 1997)



Most companies are behind in global management training (cont.)

- A survey of 50 North American companies found:
 - Only 25% have a global focus in their training programs
 - only 4% offer cross-cultural training to all managers

(Source: survey in 1990s)



The performance of expatriates

- 85% is related to general business operational skills
- 15% is related to cross-cultural skills
- But these 15% cross-cultural skills distinguish global managers from normal managers.

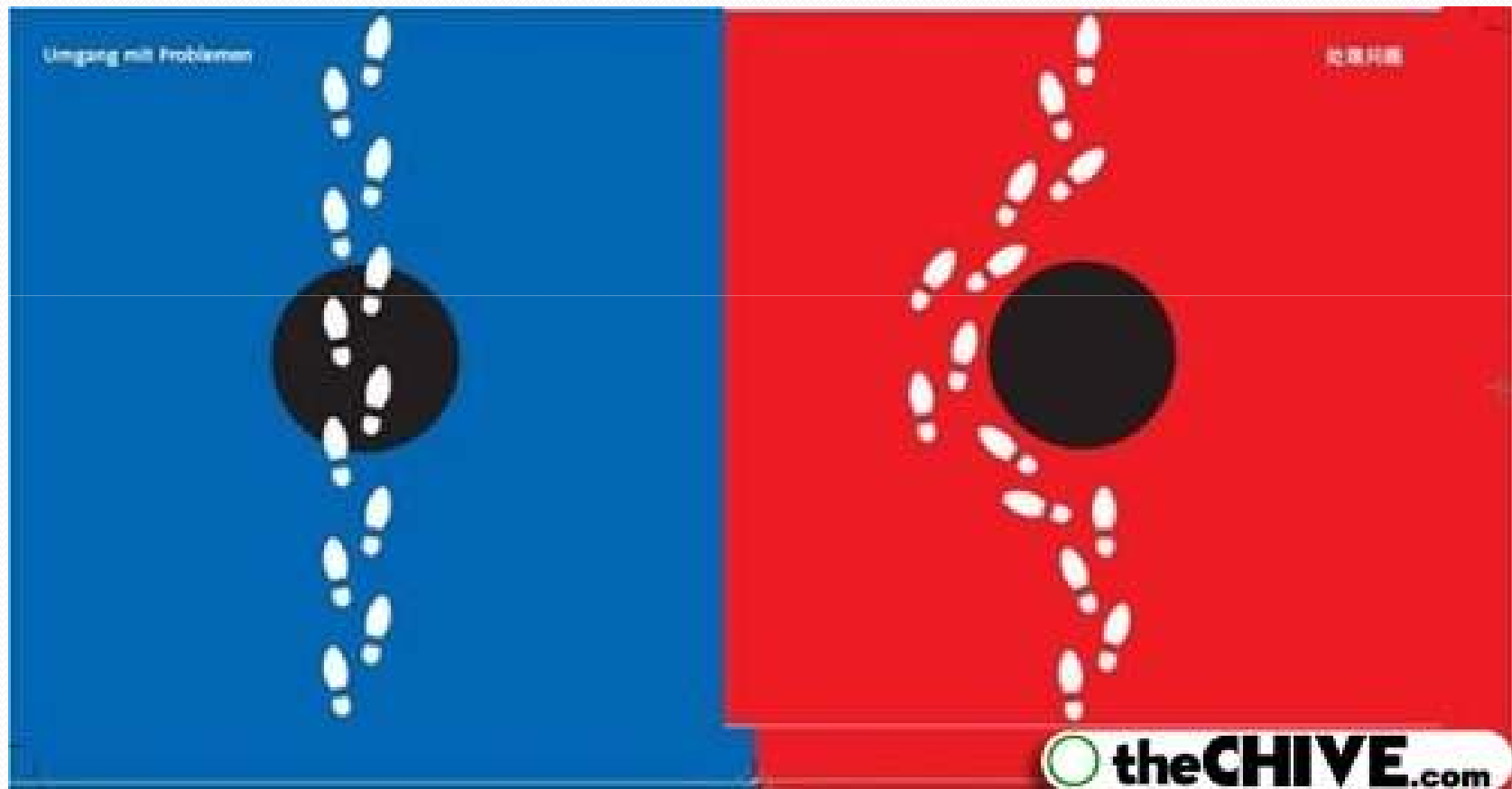
(source: MaCall & Hollenbeck, 2002)



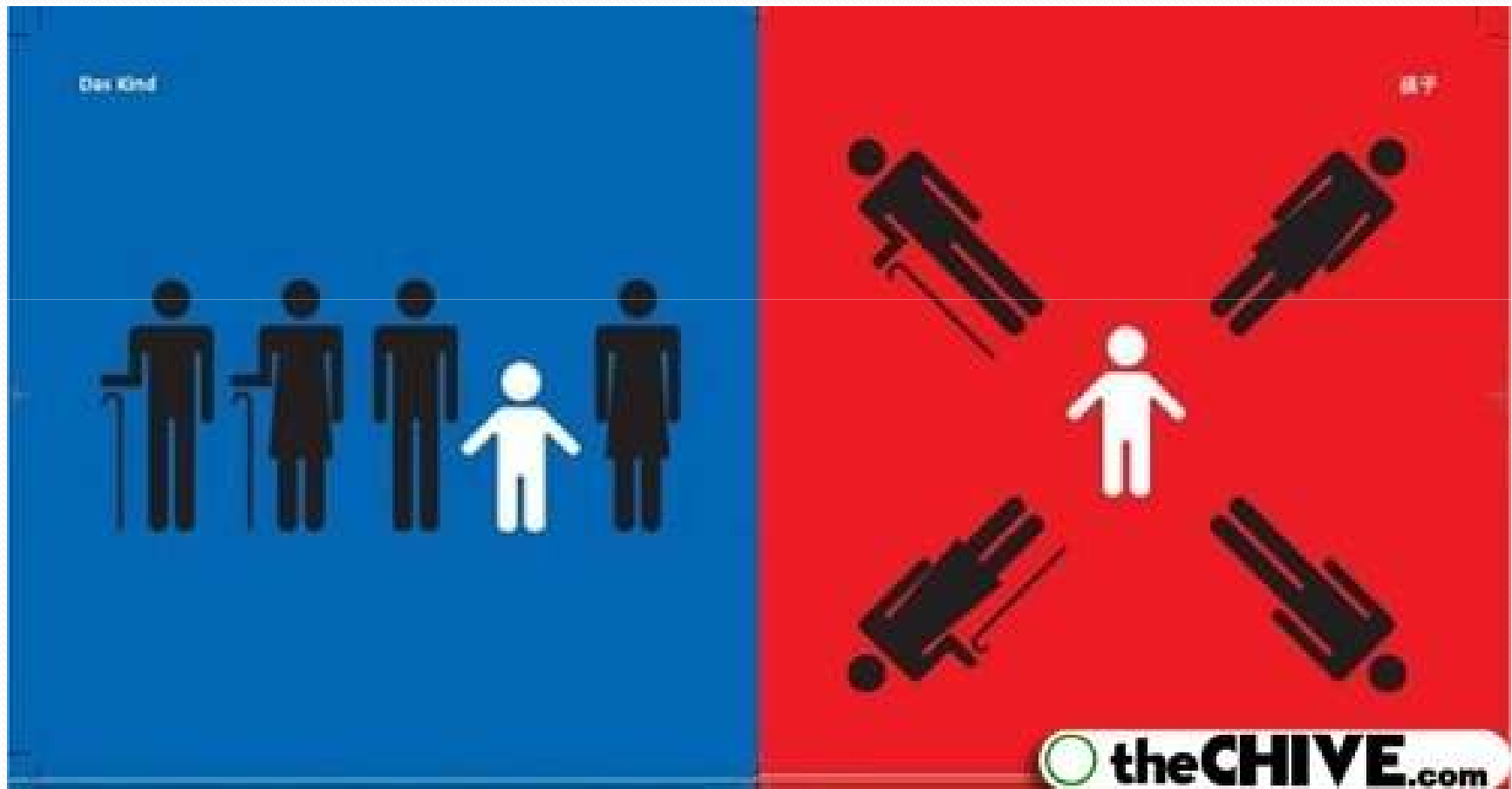
Nowadays

- *The World is Flat*, by Thomas Friedman
 - *Flat outside, rocky inside*
 - Cross-cultural management course in business school
 - Study tour longer than one semester
 - Exchange students
 - Outsourcing
 - Cross-culture training in international companies or MNCs
- > However: how much can be learned about differences in culture in a classroom?**

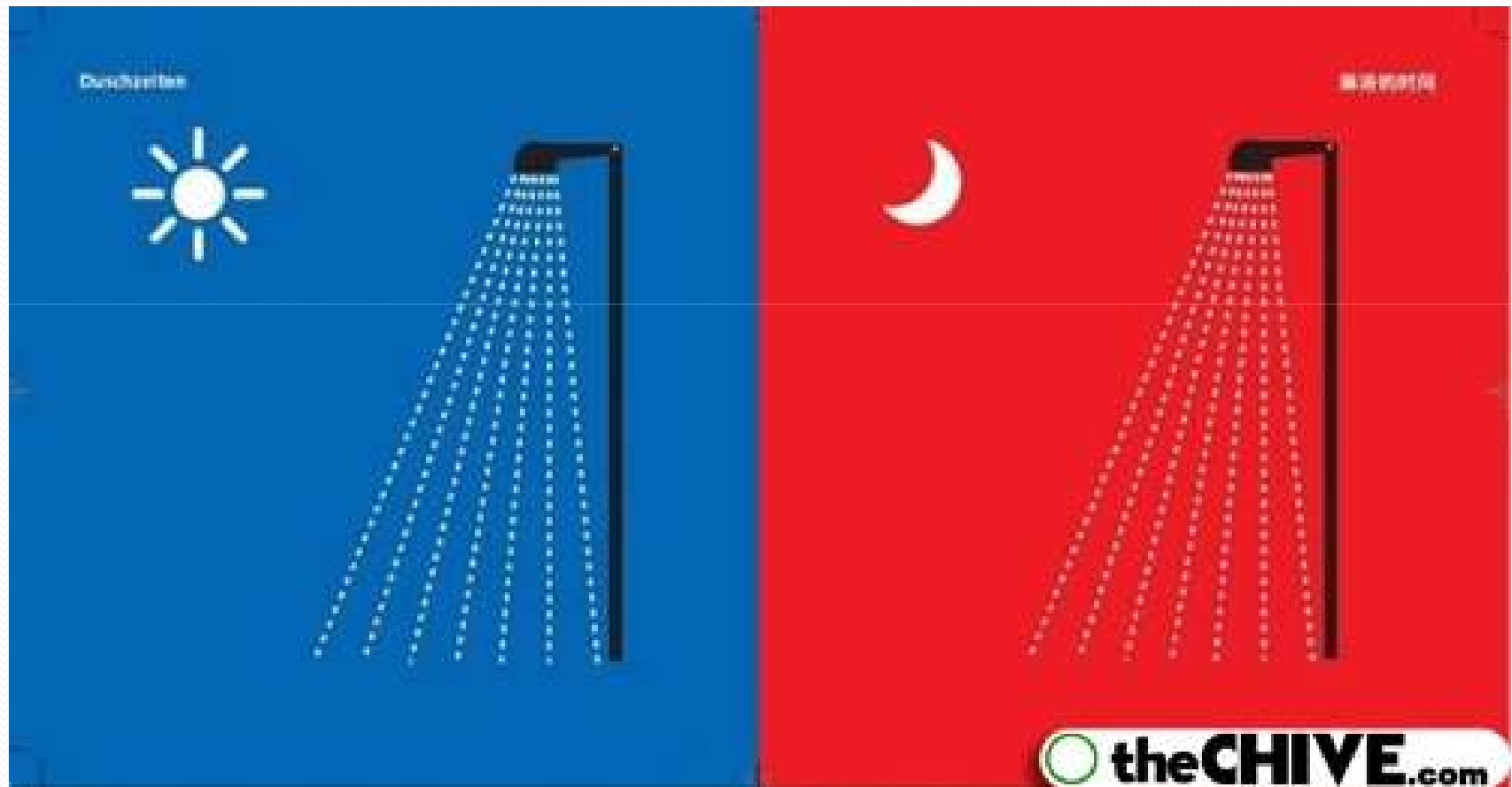
Approaching problems



The child



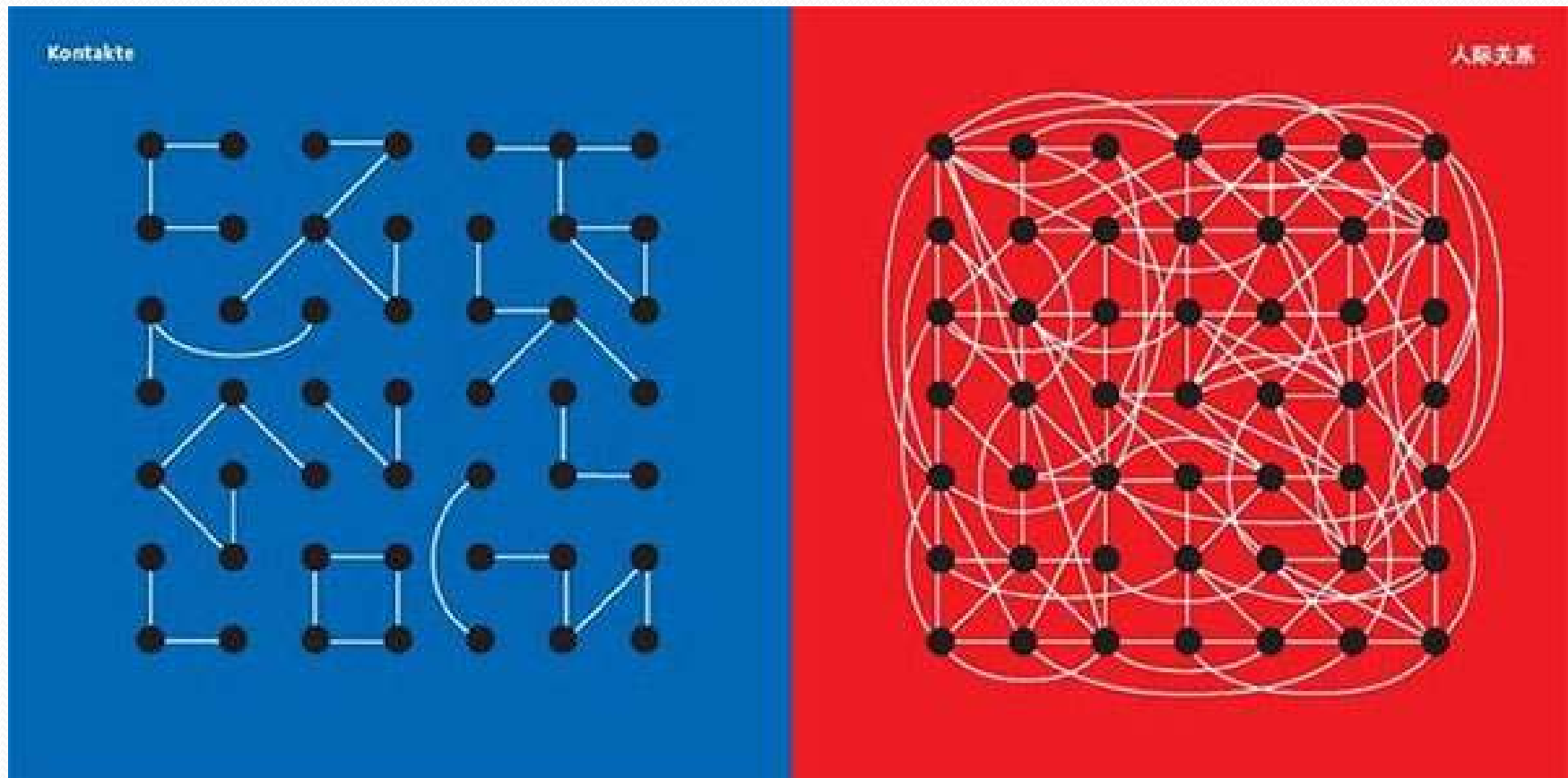
Shower time



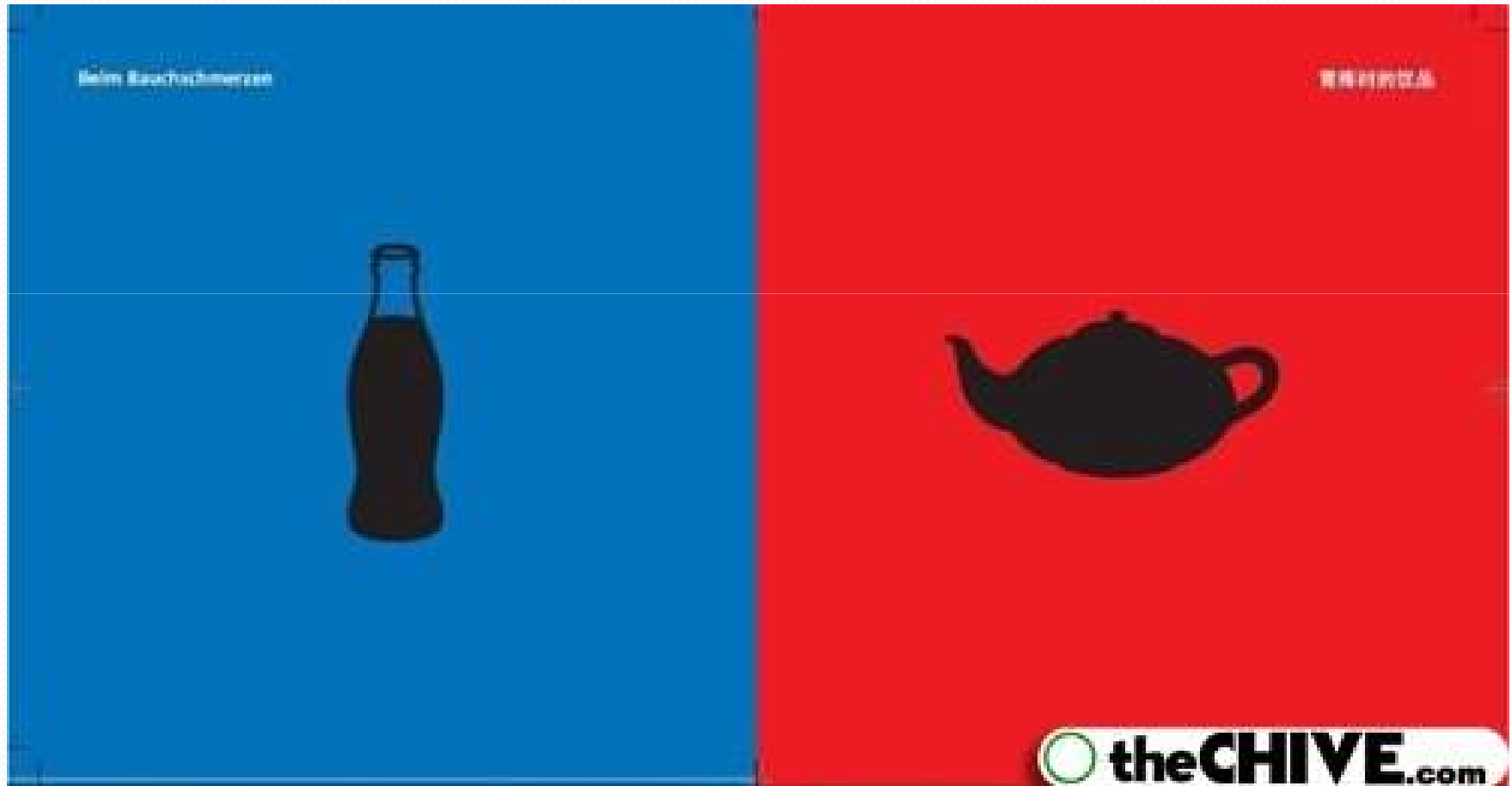
Daily meals: Breakfast-lunch-dinner



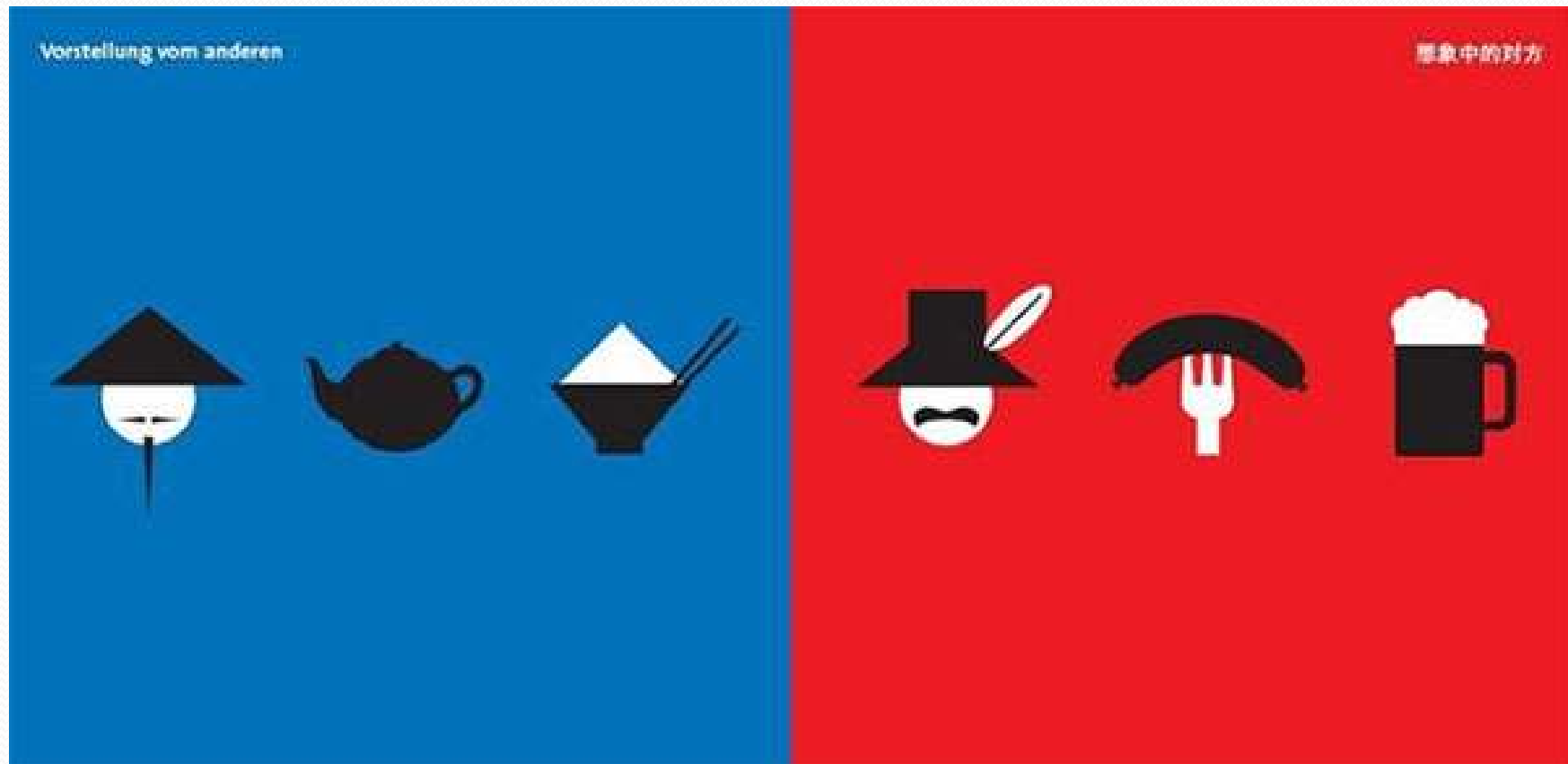
Human contact



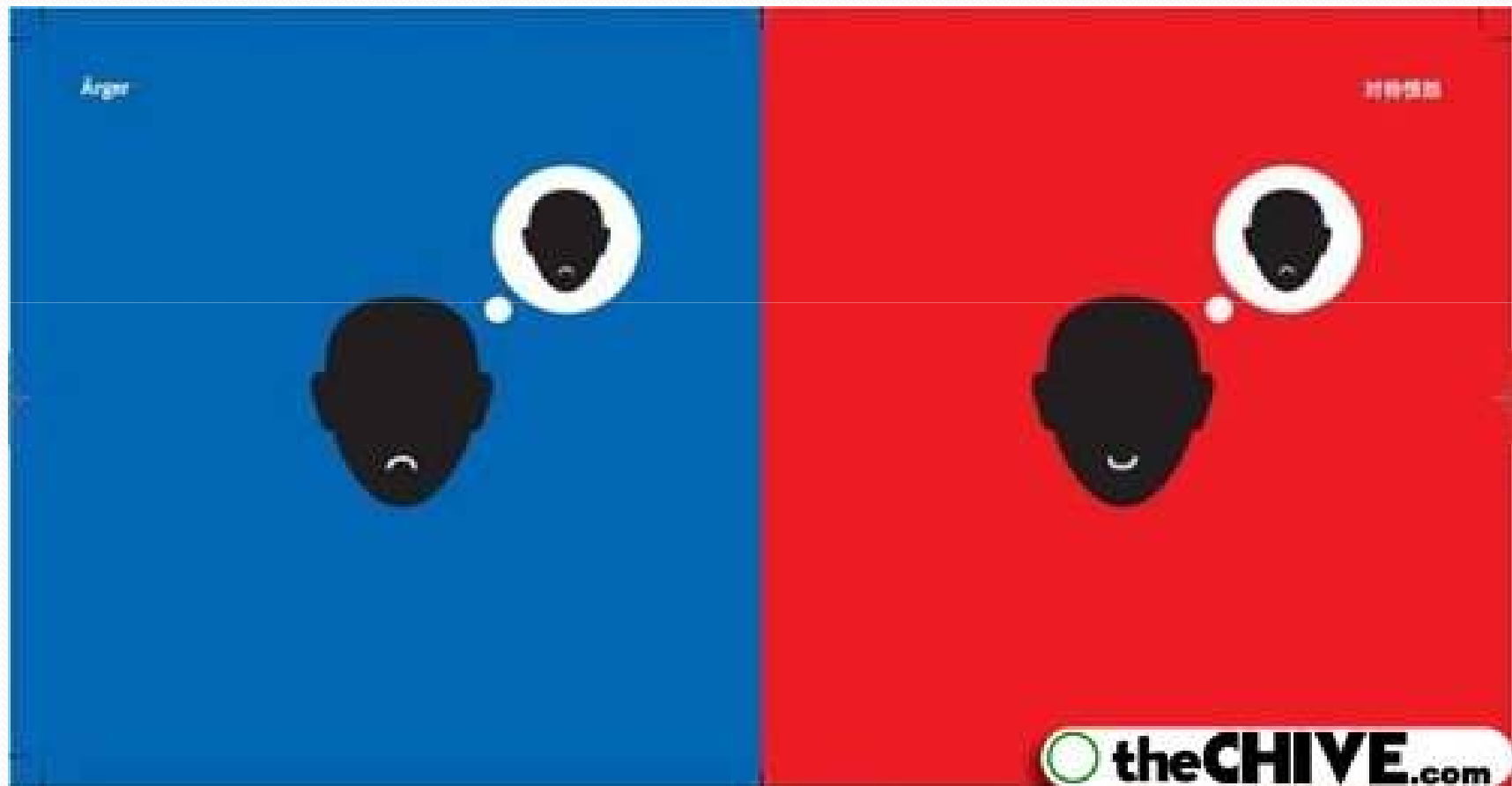
Stomach ache cure



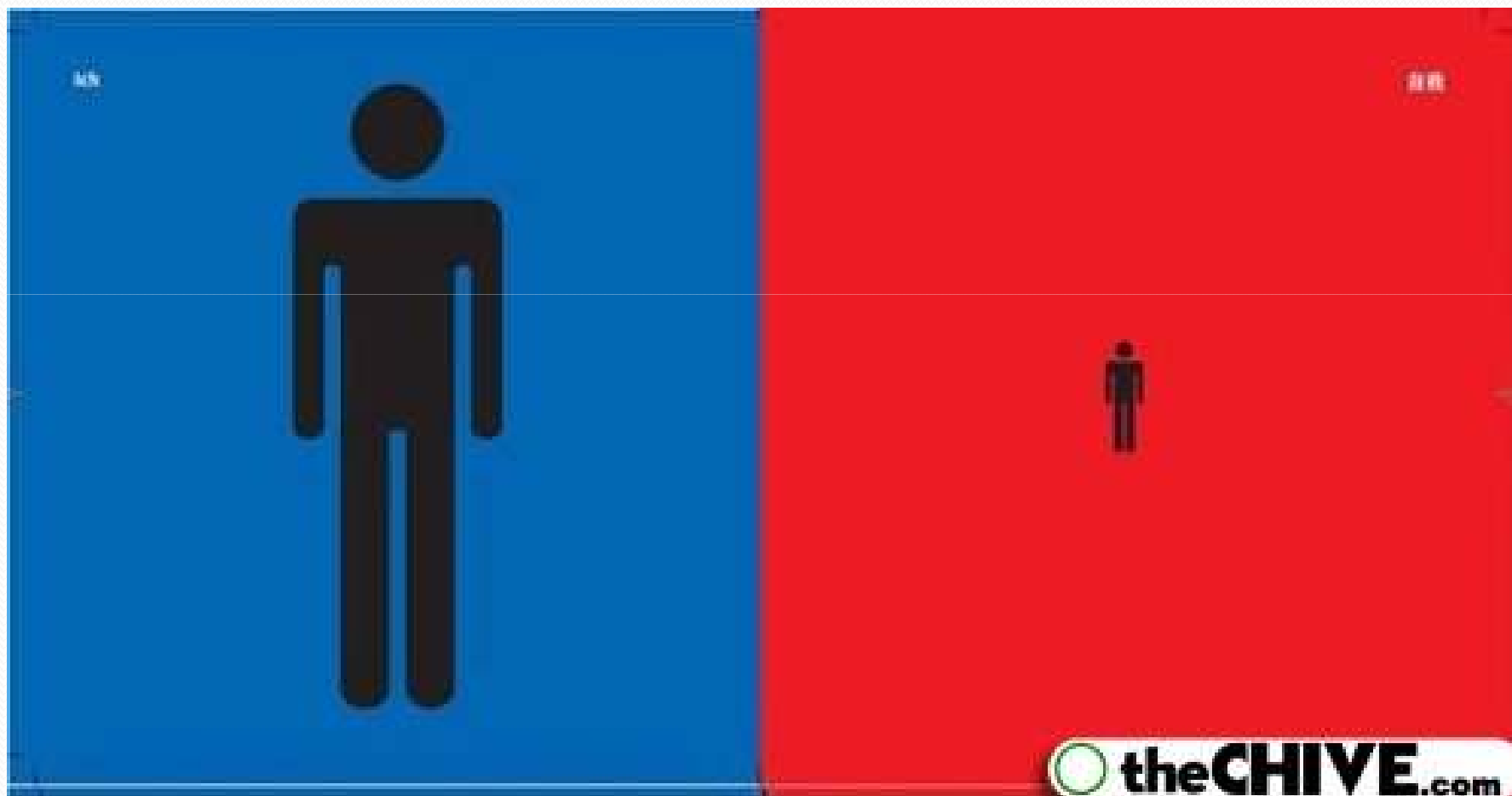
The perception of each other



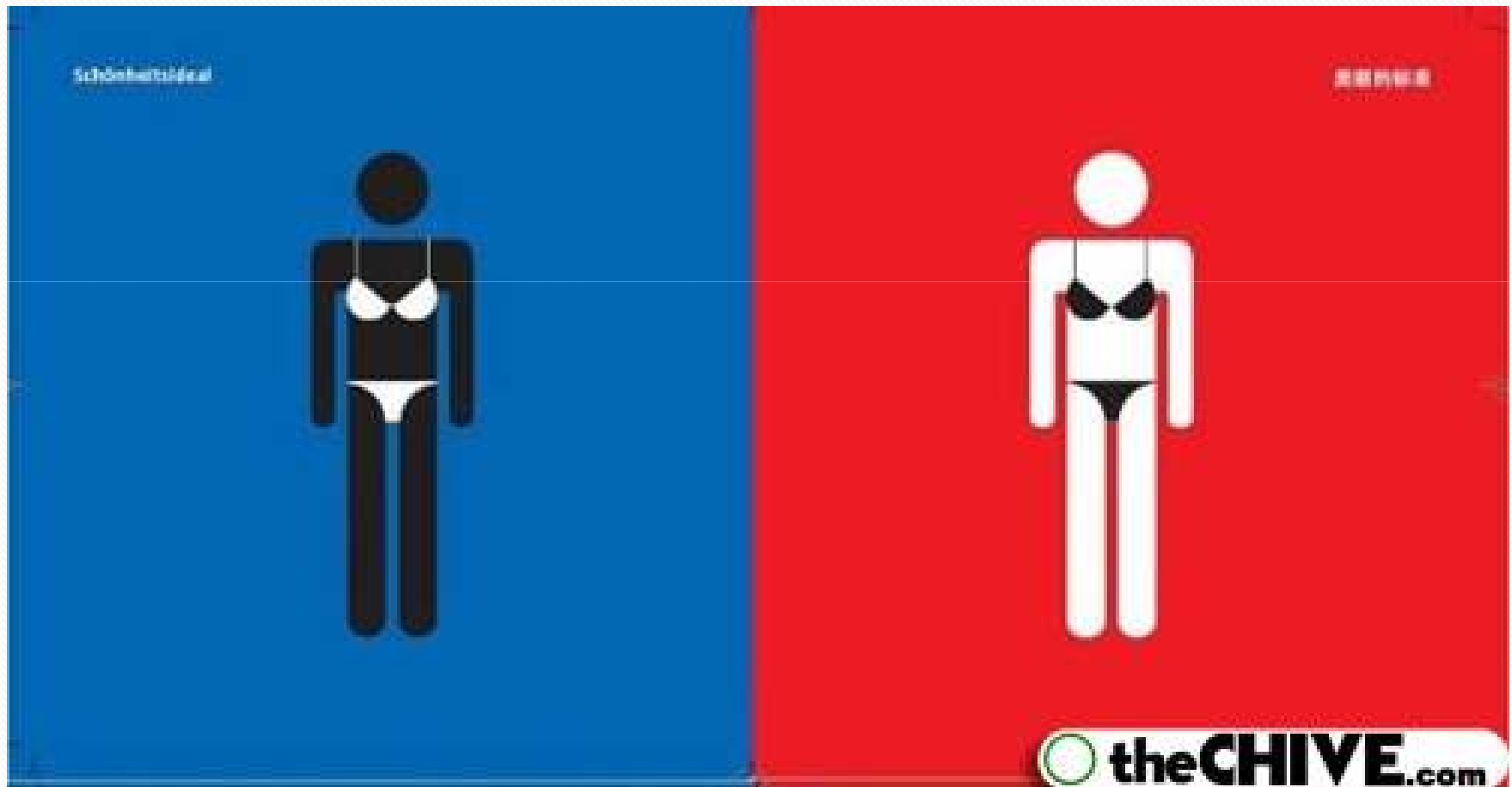
Self-expression: Anger



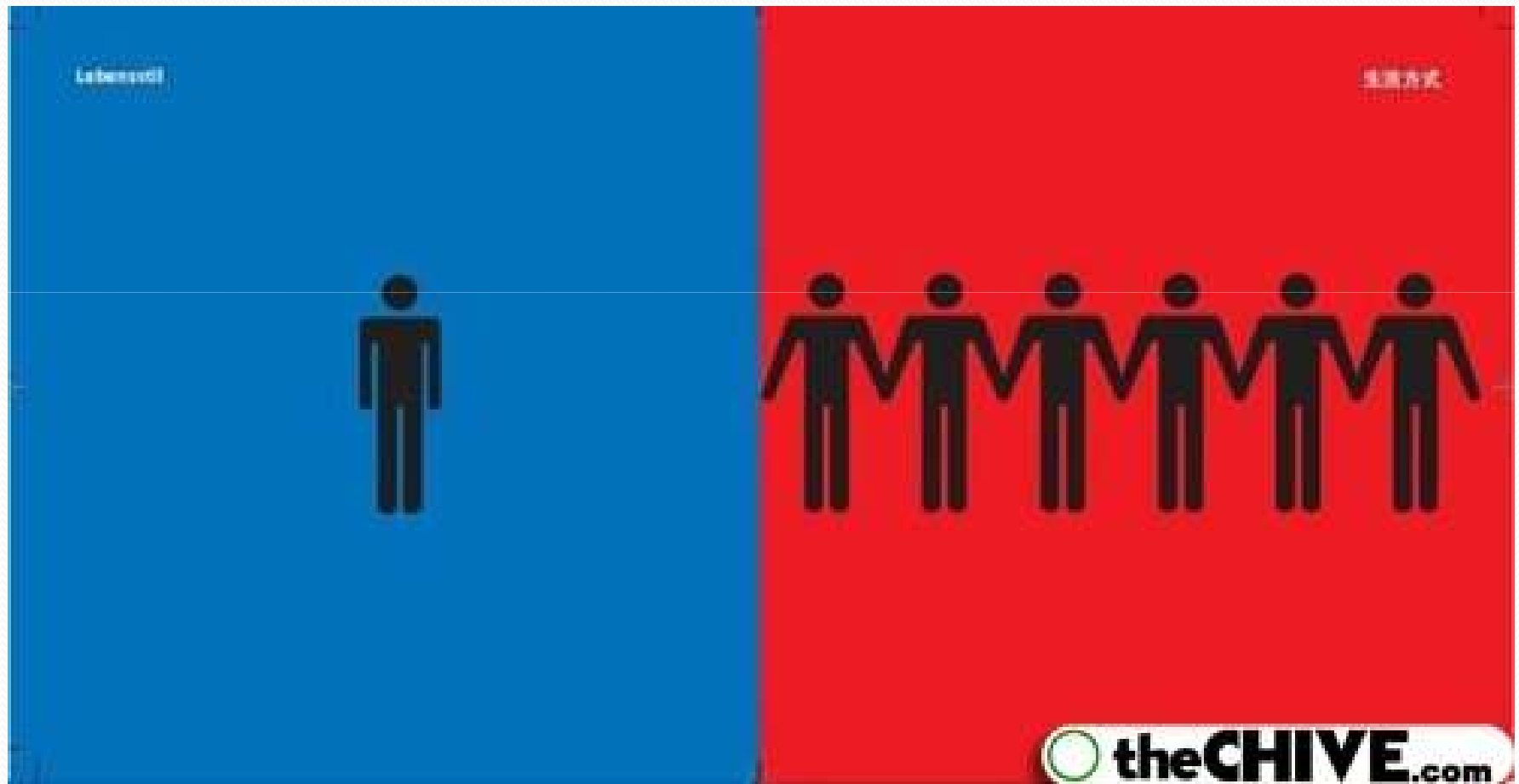
The individual



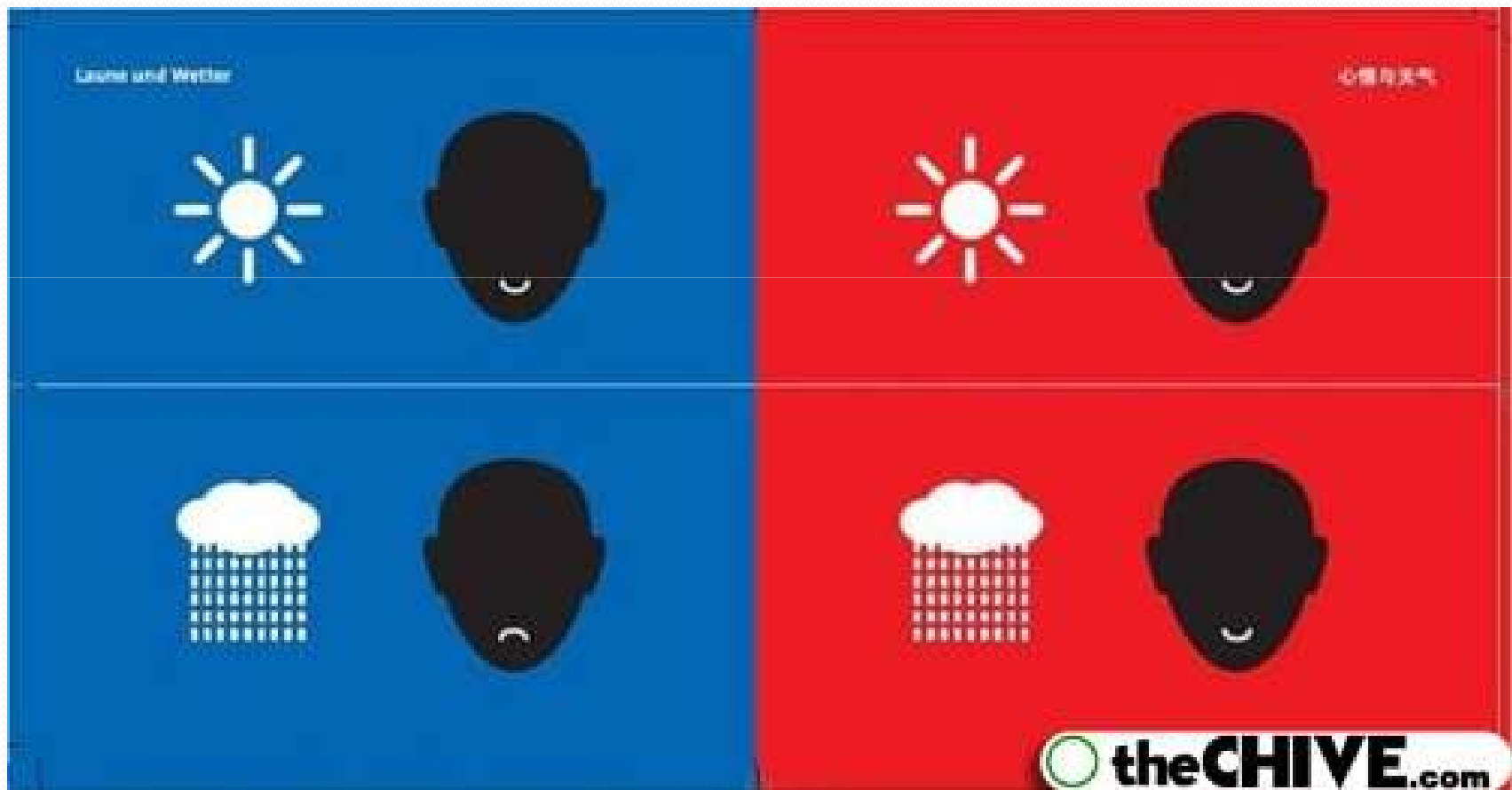
Beauty ideals



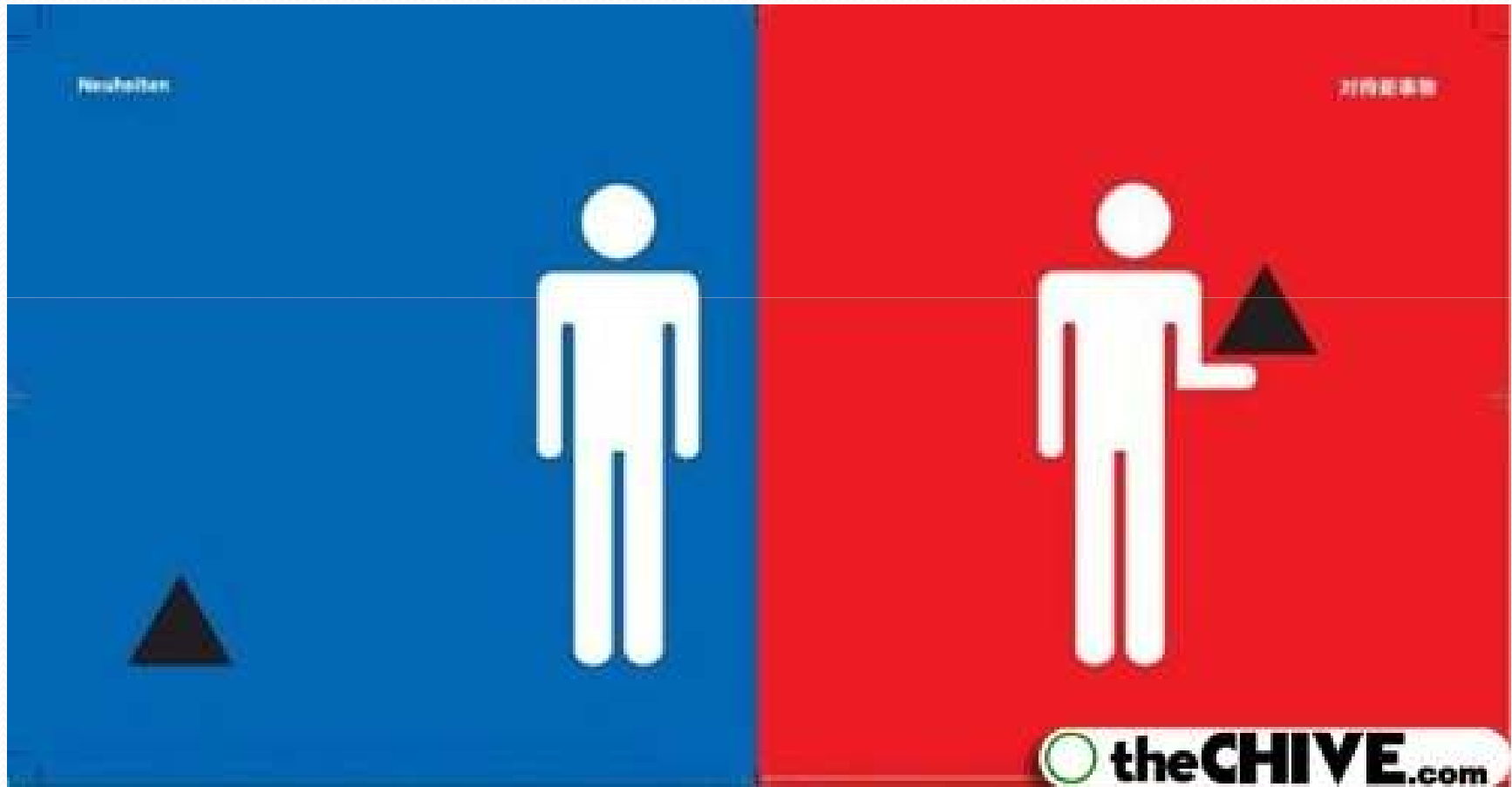
Lifestyle



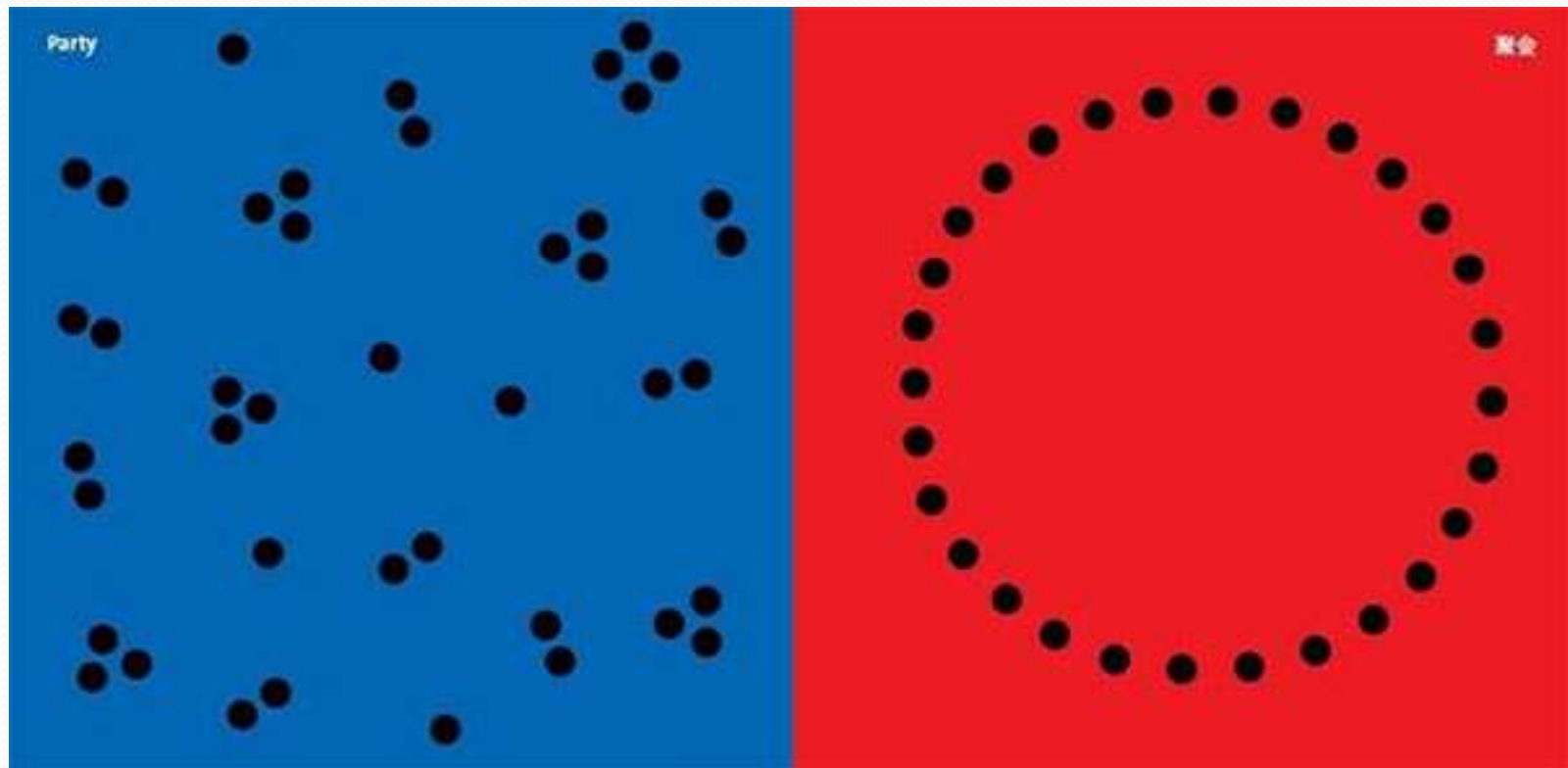
Mood and Weather



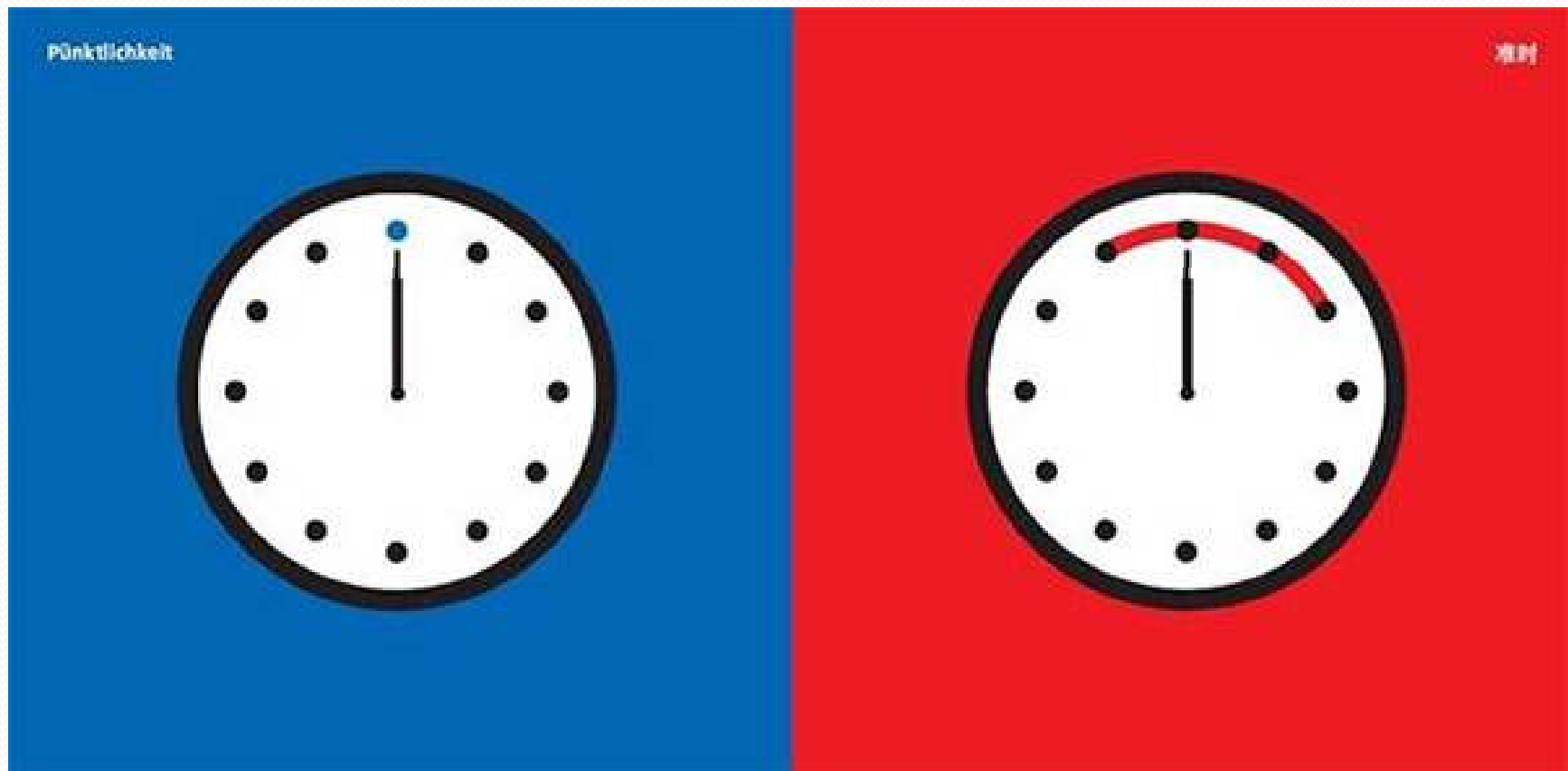
New things



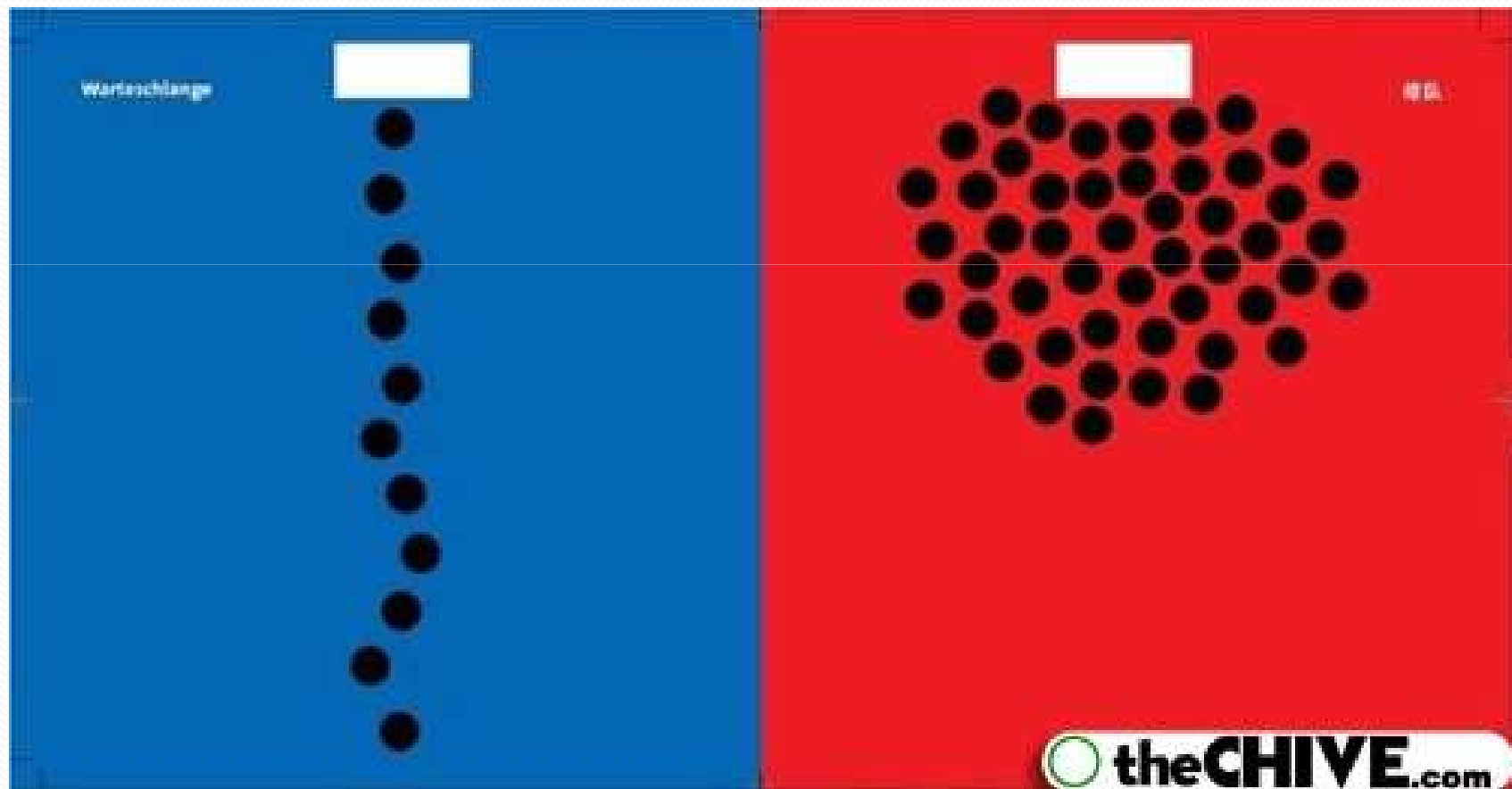
On socializing



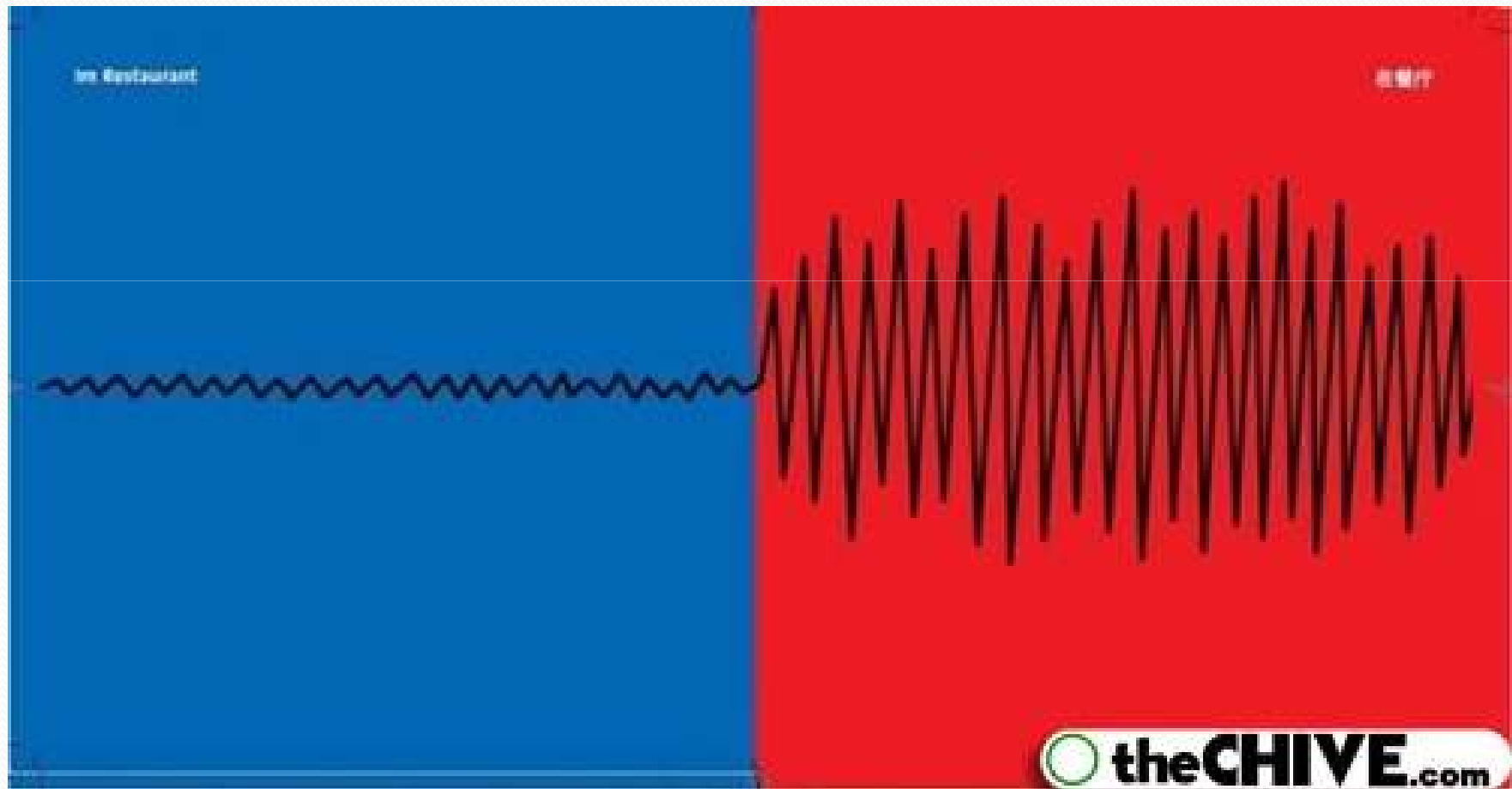
Punctuality



Waiting queue



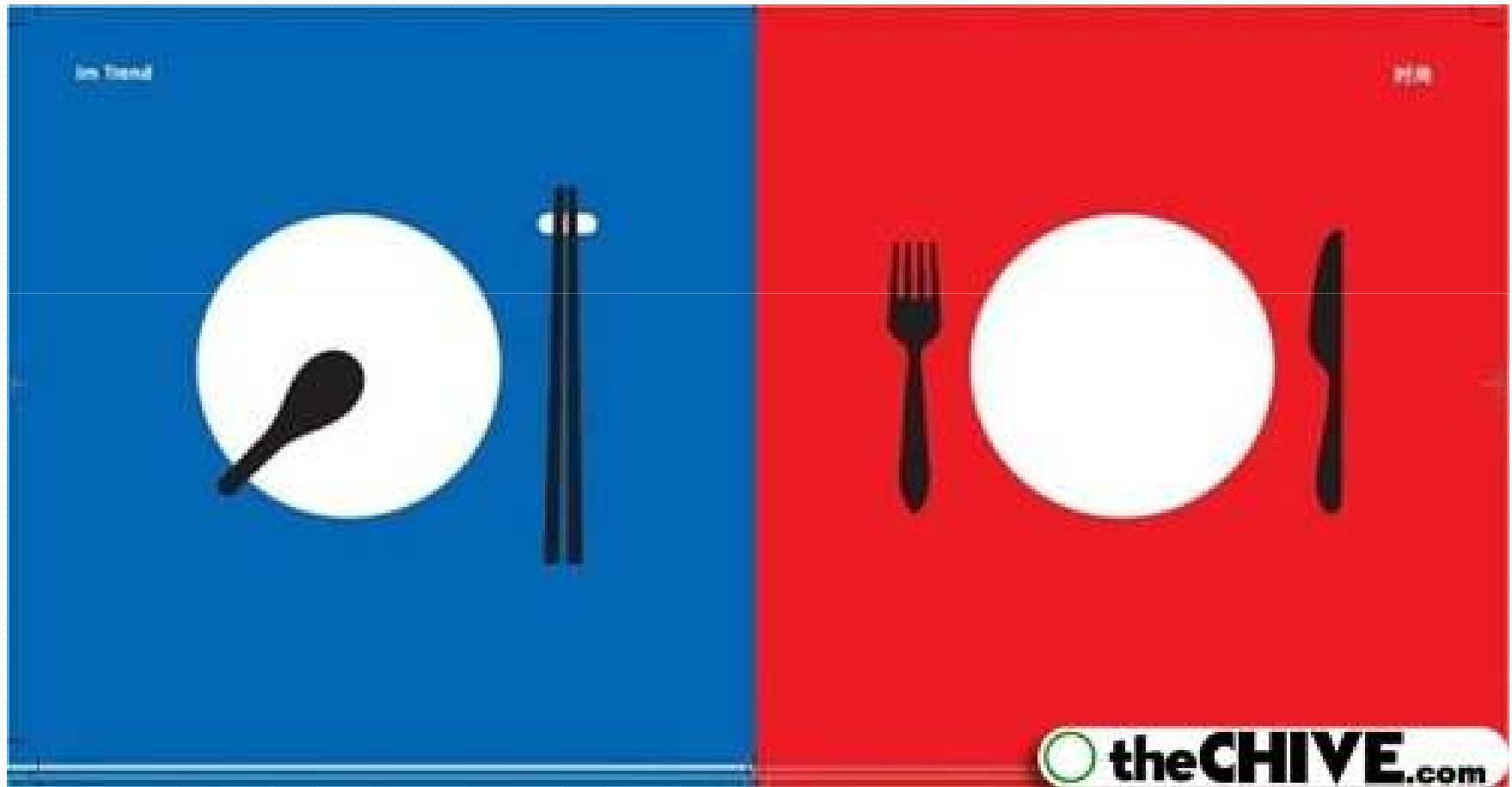
In the restaurant



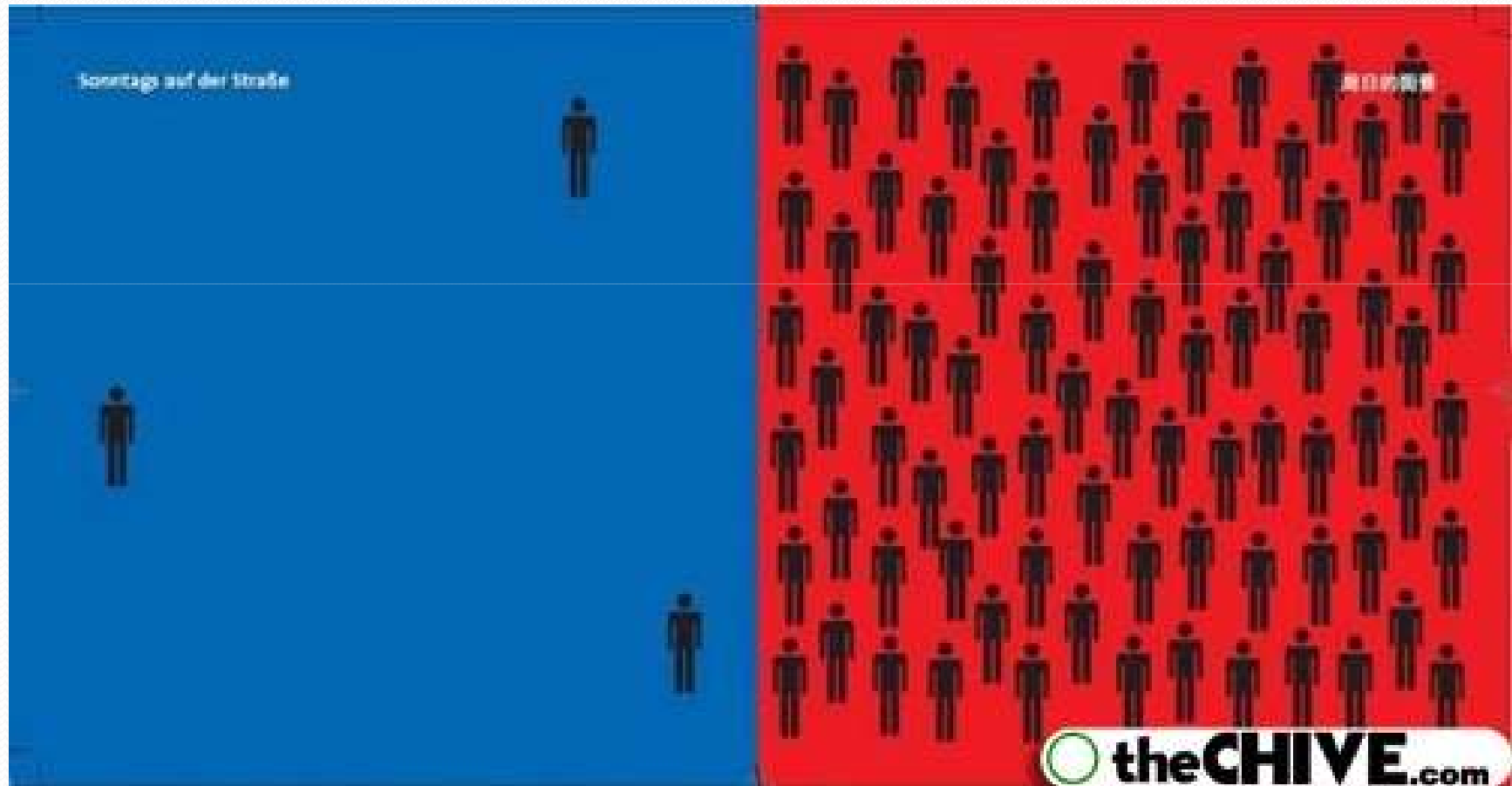
Retirement



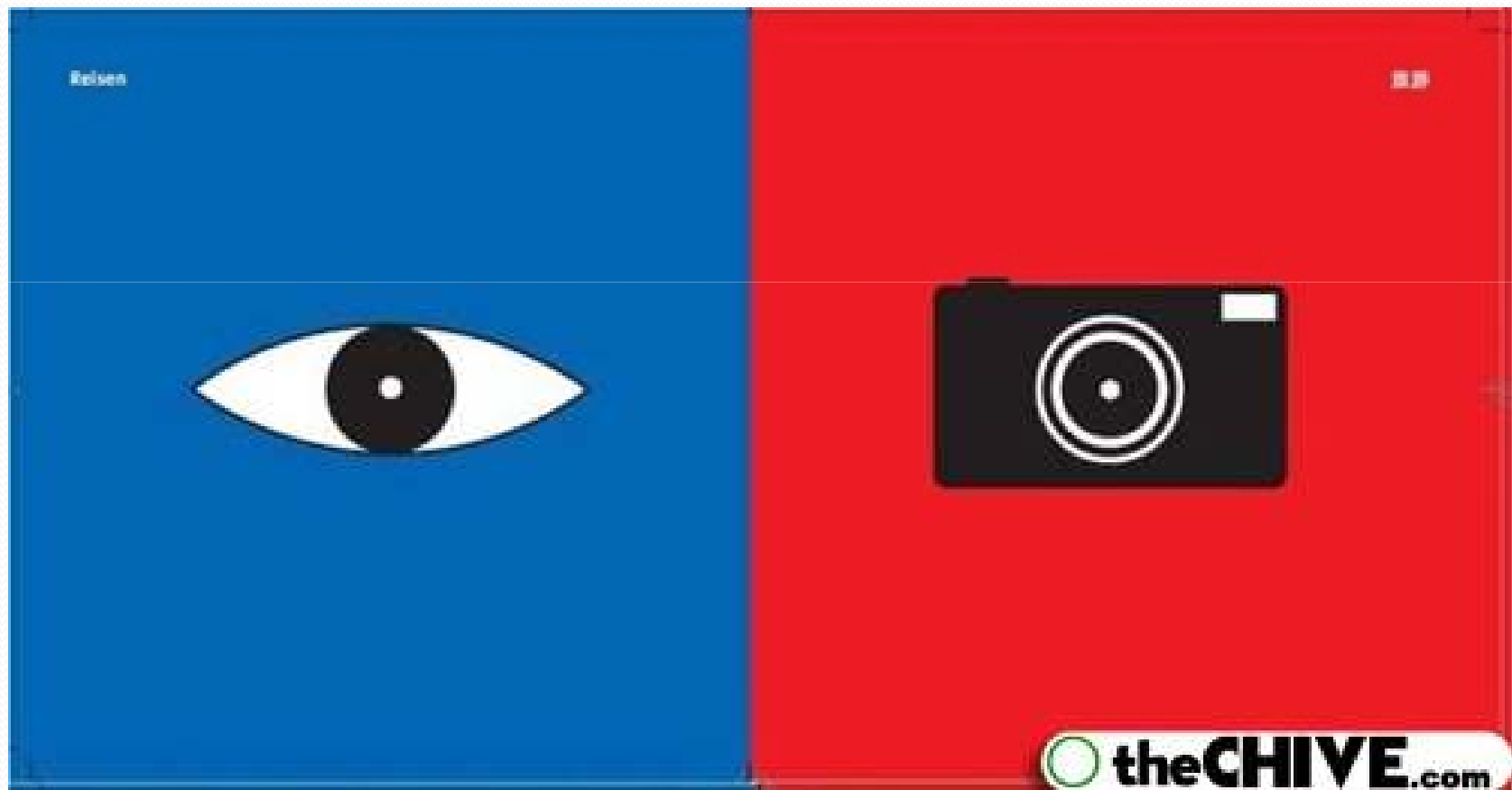
Trendy



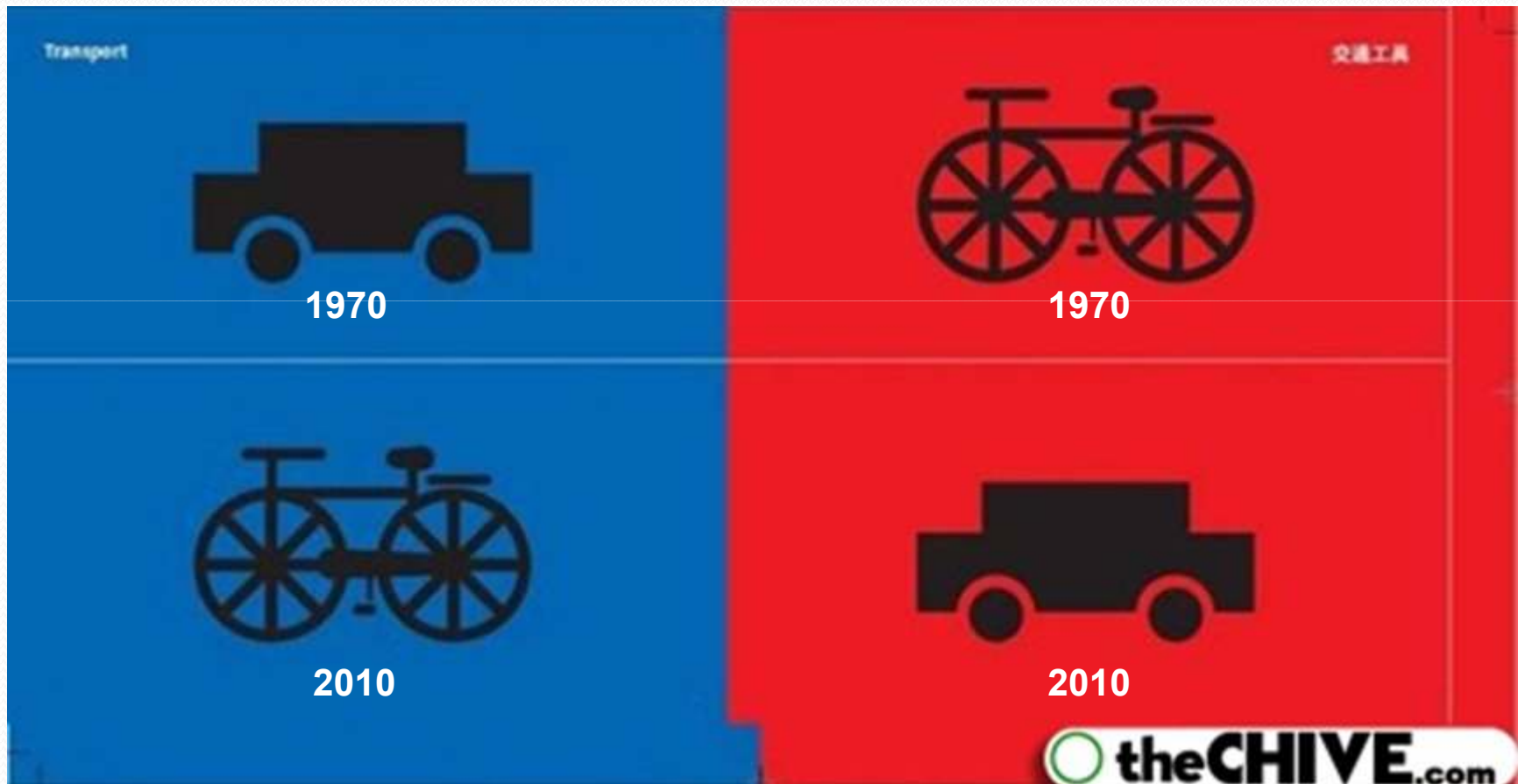
Sunday on the streets



Traveling



Transportation



Opinion

