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Identity Research for Impact: Cross Cultural Management

INTRODUCTION

Cross cultural management is the ability to handle issues between people from different backgrounds effectively. The core features of the ideal MBA lists six characteristics: a multidisciplinary approach, experiential learning, soft skill development (e.g., interpersonal skills), a global perspective, and the incorporation of ethics¹. As a practical example, the Financial Times features cross cultural management as a core aspect of leadership and management development in their FT.com Business School section. It is thus evident that cross cultural issues are viewed as important by American management researchers and educators. However, it is also often ignored because the benefits of training can be difficult to translate into a hard cost-benefit analysis and it goes against the general idea that we live in a global village, where modern people think similarly and where there is no need for understanding cultural differences.

In this report, I summarise the knowledge that I have taught to (MBA) students and researched over the years as an expert in Cross Cultural Management and Psychology. The report was developed with the aim to inform decision makers in businesses and organisations, who work in an international context.

You may have asked yourself where is the small print and why would this be offered to me for free? This report available to you at no cost because it is important to build a bridge between the 'real world' and academic work as we face a challenging globalised future. Due to this, the UK government has decided that researchers need to document the impact of their research. Since it is impossible to track who reads my blog, articles, chapters and lecture notes, I wrote this report

¹ Navarro, P. (2008) The MBA Core Curricula of Top-Ranked U.S. Business Schools: A Study in Failure? *Academy of Management Learning & Education*, Vol. 7, No. 1, 108-123.

for you, which I hope you will read but also actually use. I genuinely believe in 'Evidence Based Management', which is essentially the idea that people should manage by gaining some evidence to back up their decisions. So, if this report is useful to you and you implemented some of it in your working life, all I ask is for you to put that in writing and send this to me (details of contact above and at the end).

To set the context, we're all aware that the world's regions and countries are mapped according to wealth (e.g., GNP), systems (i.e., political, economical and legal), and development (e.g., infrastructure, level of education). Indices and statistics of these concepts provide us with information about the differences that exist globally between countries. Governments, global organisations (e.g., Worldbank), and multi-national corporations (MNCs) may use it before deciding on investment, aid, and collaborations.

At the individual level, we learn about cultural differences between people through travel, the media and day-to-day living, working, and interaction in a multicultural environment. People vary in terms of what they value and how they do things. We may inform ourselves about the how, what and where of people foreign to us out of necessity or out of interest of the anthropological aspects of (modern) human life.

For some time, knowing the do's and don'ts often sufficed for any substantial intercultural interaction. In the professional realm, cross cultural training before or during intercultural assignments, projects or mergers usually provided a 'toolbox' of these do's and don'ts, such as how to greet, what (not) to discuss over dinner, and when to expect a definitive offer on a deal. However, due to globalisation, organisations function within diverse contexts across continents and the modern person has mixed identities (ethnic, national, religious), with x-number of years of experience abroad. This means that a simple do's and don'ts list is not enough.

Successful interaction requires intercultural insight. This constitutes the know-how as mentioned above but, moreover, it requires the ability to interpret the situation presented to us by being aware of our cultural lenses and keeping

the other's perspective in mind. It is an updated kind of toolbox, which is adapted to 21st Century working life.

This briefing will address the three core aspects of effective intercultural engagement: Know-How, Cultural Self-Awareness, and

Perspective. Each section will describe some important research in an accessible way, illustrated by practical examples. The report concludes with advice that can be implemented immediately.

[IF IT LOOKS LIKE A FOX AND SOUNDS LIKE A FOX IT MAY BE A MIX BETWEEN A CLEVER FOX AND A SMART DOG, FROM A HERITAGE OF WOLVES, WHO LIVED AMONG CAMELS – NEVER USE THE COVER TO JUDGE]

THE HUMAN]

But first, a quick test

Travelling, living, working... What do you do in a cross cultural situation? Select the answer that you think is correct by noting down a 1 (completely disagree), 2 (disagree), 3 (neutral), 4 (agree), 5 (completely agree).

If someone foreign does not understand me then they are a bit ignorant or I didn't explain it very well	1	2	3	4	5
If someone foreign is agreeing with me then this is because both of us are on the same wavelength on this occasion	1	2	3	4	5
If someone foreign is polite and kind to me this is because I earned their respect or they are a nice person	1	2	3	4	5
If someone foreign is in conflict with me then this is because one of us differs in opinion from the other in this situation	1	2	3	4	5
If someone foreign is offended because of what I said or did it's because they misunderstood or I was a little tactless	1	2	3	4	5

Add up the score of each question and divide by 5 to calculate the average.

Did you score between 1 and 2.5 or 3.5 and 5?

If your score was between 3.5 and 5 you may have thought you were being logical and fair, but you missed an essential component of interpreting the situation: culture. If you scored between 1 and 2.5 you may have spotted that culture or the situation was not taken into consideration.

A person may be nice to you because being polite is part of their culture; Thai culture, for example, is known for it's kind politeness. Similarly, a person may be agreeing with you because they don't want you or him/herself to lose face.

On the other hand, a person may seem offended and irate but, actually, being direct is just their way of communicating clearly.

As an example, have you ever been abroad and asked for directions? Did the person sometimes give directions that you KNEW were wrong or did they try to give directions even though it was evident they knew less than you did? This is because in their culture, it is more important to be helpful than to be accurate. Vice versa, in many Western countries, if you ask for directions, a person would think nothing of it to shake their heads and walk on or wave 'no', which can come across as unwilling to assist. This is because they are from an individualistic culture, where being factual and accurate is valued more than harmony. Although frustrating, in a scenario like this we're a little more attuned to others' different way of doing things. In a professional environment, where we are required to work together for longer periods of time, interactions can be more challenging.

[KNOW-HOW: IF YOU'RE DEALING WITH PEOPLE FROM A BACKGROUND DIFFERENT FROM YOU – DO YOUR HOMEWORK STRATEGICALLY: A) FIND OUT THE 'WHY', B) CONNECT THE DOTS, C) KNOW HOW THE 'WHY' IS USED BY OTHERS TOO]

KNOW-HOW

Some people believe in the idea of a global village, in that people and their cultures are becoming more and more similar. Others feel that superficially cultural differences may be disappearing, but deep-level differences such as core values remain and affect day-to-day behaviour. Objectively, rarely do countries merge, but organisations and people will be influenced by mergers and cross cultural experiences. The simplicity of 'we have a situation where nationality A deals with nationality B and here are the rules' does not apply anymore.

For example, although a Chinese organisation can find out about generic rules for export to the UK at the country-level, a Chinese person travelling to the UK would make a huge assumption to think that a) the British have only one way of conducting meetings as per the guidebook/workshop/DVD and b) the people he/she is meeting have no international experience and/or are not from a mixed background that may have affected their 'typical' Britishness.

In an article for the Commission for Racial Equality (now Commission for Equality and Human Rights), I highlighted the likelihood of mixed race becoming

[THE BERMUDA TRIANGLE OF CONFLICT
CULTURE AND COMMUNICATION: HOW
YOU MANAGE CONFLICT IS LIKELY TO BE
DETERMINED BY WHAT YOU FIND
IMPORTANT, WHICH ALSO AFFECTS HOW
YOU CONVEY YOUR MESSAGE]

more and more common but also that race is a social construct we created to categorise the world. In the biological sense, it's become a redundant thing – people are shades of pinky-brown, blue-black, olivy-pink, etc. As a social construct it is still very powerful – see, for example, the impact of Obama's election. Nonetheless, governments and Human Resources are finding it increasingly difficult to use that information sensibly – as more and more people will tick the box 'other'... (van Meurs, 2007). Similarly, people nowadays may have dual nationality, or have lived somewhere outside their country of birth for a substantial time.

Because we now interact with people from different cultures with mixed backgrounds and experiences it would require a lot from the modern professional to learn about all of the do's and don'ts as mentioned in the introduction. Also, we use this toolbox with a mindset of what we think is 'effective' – which isn't always universal. We may learn about another individual's do's but we think they're a bit weird for it. Consider, however, that they probably think the same thing about you.

This also pertains to core ideas and approaches; whereas initiative and creativity is valued in one context, it may be, literally, unheard of in another. During discussions with a British expatriate in China and a Chinese lecturer in Britain, I learned that there is no exact word for 'initiative' in Chinese – the closest is 'pro-active', which is more reflective of being hands on and practical. If it doesn't exist, how can your team take it?

There are shortcuts, however, that can help. First, we can familiarise ourselves with work that has been done on cultural climates. For example, researchers Hofstede, Trompenaars and Schwartz have mapped countries and regions according to the cultural values that are deemed important. We may learn, for example, that China, Japan, and Korea have typically 'collectivistic' cultures, which means that the group is important. In practice, this may mean that decision making is done collectively and rewards systems are based on equality instead of equity. In other words, we learn the why behind the do's and don'ts. More can be found on the websites as listed in the 'Additional references' section.

The second shortcut is to be aware of the connections between core aspects of management. Cultural values are strongly linked to how people manage conflict, which, in turn, is linked to how they communicate. This is also connected to decision making and leadership. For example, in a chapter for a handbook, I wrote that communication, conflict management and culture can be likened to the Bermuda Triangle: it's easy for problems to escalate hazardous conditions will emerge unless the three are simultaneously handled appropriately (van Meurs & Spencer-Oatey, 2008).

Consider the example of reward allocation mentioned before. In the case of two organisations from different countries merging, there may be a dispute whether this should be based on equality (same salary for everyone) or equity (bonuses for performance). The conflicting parties will need to deal with the issue, ideally using a 'problem solving' conflict management style. In doing so, they assume a communication style that they deem to be most suitable and effective. One party may elect to be 'direct' as they define this as openness and honesty. The other party, however, may perceive it as rude because their cultural values are more oriented towards discretion and tact. So, in other words, both parties aimed to be problem solving but used different styles to communicate this due to a difference in cultural values.

The final shortcut is to be aware that the other will use their values as guiding principles in terms of how they see management as effective but also how they directly interpret your behaviour. My research with a large multinational showed the importance of cultural values in relation to working together within this MNC. After a meeting between managers from different countries, some of them were annoyed that others spoke in a language they did not understand as it excluded them from the conversation. It didn't matter that simply an agreement on where to eat for lunch was discussed – the act itself appeared rude. Interestingly, managers had the 'know-how': They would comment on the differences between national backgrounds but did not apply this knowledge in practice. Had they acknowledged and also applied the 'why' they would have perhaps realised that some cultures are more pragmatic whereas others are more focused on decorum.

In sum, if we know the 'why' we can (carefully) assume it affects multiple aspects that together make up someone's management approach. One caveat is

that this is ‘sophisticated stereotyping’. Like geographical climates, the value preference profiles of countries we learn out of textbooks or websites pertain to the situation of the country or region over a long period of time. They are to be used like the indices mentioned in the introduction: at the country/regional level, not to describe individuals. Just because British culture is relatively more individualistic than Chinese culture, does not mean that every British individual is more individualistic than the next Chinese person you meet. We can use them to educate ourselves and find out more by getting to know the person to learn how they like to work. This, however, is of little value if we are unaware of our own cultural values.

[CULTURAL SELF AWARENESS: HOW OFTEN DOES SOMEONE LOOK UP THE ‘WHY’ OF THEIR OWN WAY OF DOING THINGS BEFORE TRAVELLING? BEING AWARE OF YOUR CULTURE IS KEY TO UNDERSTANDING THE OTHER]

CULTURAL SELF-AWARENESS

Cultural self awareness sounds psychological, which may put some people off. This is unfortunate, because even basic business, sales, good management and governance is all about psychology. Social psychology deals with the behaviour of people in social situations. By default, management (be it in business, governmental, non-governmental sector) concerns dealing with people; i.e., social situations. It pays to know your psychology.

As much as we’d like to view ourselves as superior intelligent beings, we are only human and with that come certain behavioural and cognitive traits. For example, we learn how to do certain things (like eating with knife and fork) and take that with us on journeys. We may learn to eat different things in different ways, but, on average, we have a preference to which we stick. I once asked my Chinese students how they eat (with chopsticks) and what they eat (Chinese food). To the question ‘Do you eat European food?’, the answer was ‘yes, but with chopsticks’. It had not occurred to me that the tool is separate from the substance.

We also have cognitive traits. With this I mean a certain way of thinking and, in cultural terms, this refers back to the ‘why’ behind doing things. But before we focus on cultural self awareness, it is important to address some of the biases we have and how this affects group behaviour. After WWI and WWII, many social

psychologists wanted to understand many things: why do people follow orders without question, why do people judge others on the basis of a random common denominator, why do people see themselves as superior?

[NEXT TIME SOMEONE REACTS DISPROPORTIONATELY – THINK ABOUT THE CONTEXT. TOO OFTEN WE MAKE A PERSONAL ATTRIBUTION FOR SOMETHING THAT IS SITUATIONAL. THEN, ASK IF THEY'RE OK]

Although not specifically part of my research, the next section reviews the basic social psychological studies that have set the groundrules for any social psychologist's thinking, which has also had a substantial influence on management studies. In the 1950s, several scientific projects were set up to find the answer to these questions. The most famous were, among many, Ash's conformity test, Milgram's obedience test, Sherif's Summer Camp studies, and Zimbardo's Stanford prison experiment. I'd recommend reading up on these – they are thought provoking. The experiments showed how humans base their 'rational' decisions based on other people's opinion, how they can be manipulated relatively easily by people in authority and how competition and even animosity between groups but solidarity within groups is guaranteed (even if there is no apparent reason for people to feel a bond). In short, we are influenced by others and the context around us (incl. culture) – sometimes without noticing.

Apart from how we act in social situations, other social psychological research has focused on people's errors in judgement. In brief, we have cognitive biases that cloud our judgement and often we do this without realising. There are two core attributional biases related to people interacting: Fundamental Attribution Error and Actor-Observer Error.

Fundamental Attribution Error: The tendency to overestimate the role of personal factors and overlook the impact of situations when explaining other people's behaviours. For example, we may judge a manager as ambitious and draconian, whereas she's actually running a tight ship because she's managing 3 departments, organising a conference, writing reports, consulting businesses, and meanwhile the stakeholders demand delivery. Similarly, someone may jump the queue, which causes you to think this person to be rude. But perhaps they're panicking because they've had some bad news and need to rush to their destination.

Attributing one's success to the situation or the person is cultural – some groups or communities (incl. vocational) find it desirable to display humility, others find it desirable to show pro-activity and hard work ethic. Particularly people in the West, who are more individualistic, have a tendency to make personal attributions to people, rather than considering a situational reason. This is why a Western manager can be frustrated if a non-Western colleague 'explains away' a subordinate's tardiness or absence with situational excuses.

Actor-Observer Error: Our tendency to make personal attributions for the behaviour of others and situational attributions for ourselves. To go back to the example of the draconian manager, of course, if it's us in that manager's situation, we'd explain ourselves through our busy-ness, certainly not by admitting to being draconian! When it comes to attributing one's failure, we would be very moral beings if we do not take the situation into consideration at all. Yet, if others fail us, are we willing to take that on board when processing the consequences?

In sum, we'd like to think of ourselves as rational beings, who make decisions in a fair and balanced way. We also like to think that we have a good understanding of who we are; we have a fair assessment of ourselves. Yet, plenty of research shows that we often rate ourselves as better than others would rate us. We also allocate others' success to 'luck' or circumstance, and our success to skill and hard work. This is why 360° feedback can be dissonant with the observee's views and why talent shows can be so hilarious due to people's delusions of their 'gift'.

An issue related to these biases is the belief that our way is the right way, which, in turn, is related to the Psychology of Belief. The psychology of belief represents people's conviction that something they believe is a truth, a reality, something to be taken for granted. For example, it can be the belief that there is a God, that there are aliens, that democracy is the only effective form of governance, that a good leader is egalitarian or that 360° feedback is a fair way of evaluating someone. All of these beliefs are subjective. In certain cultures, there are many or no Gods, belief in aliens is seen as blasphemy, democracies are deemed ineffective

[CELEBRITIES OFTEN TALK ABOUT 'BEING LUCKY' THAT THEY LIVE THE LIFESTYLE. HIGHFLYING MANAGERS MORE LIKELY ASSIGN THEIR SUCCESS TO HARD WORK. SITUATIONAL OR PERSONAL ATTRIBUTION IS A CULTURAL SUBJECTIVE THING]

and corrupt, authoritative leadership is viewed as desirable and 360° feedback does not exist because it is an embarrassing exercise that causes loss of face. We are all aware, however, that the people who believe something can not easily be convinced of the alternative. So, the psychology of belief is powerful and can cause conflict.

For example, one of the core messages during my key-note speech in Bulgaria (van Meurs, 2007) was that even if we collectively think that democracy is the ideal, we must be aware that others may not agree with that idea and we cannot impose the idea onto others. This caused some controversy and people argued during the talk and complained to the organisers after the session. Note that I was not arguing against democracy, I was merely pointing out that it was a system that some, not all, subscribe to, due to the values and the norms that are prevalent within the community. For one community to impose their views (even in their heart it feels like a universal truth) is problematic because people are usually not very sympathetic to someone else telling them a) they're wrong and b) they need to think in a different (read: that someone else's) way. The problem that occurred at the congress was that people mistook democracy for a universal truth.

I realise that this opens a huge can of worms. What about human rights? What about torture? Also, with such a 'It's all relative' approach, what chaos will ensue when people move somewhere where, to them, undesirable laws/norms/values are in place and they are not required to adapt?

There is not one solid answer for all these scenarios. What is crucial, however, is to be aware that believing strongly that something should be universal (peace, human rights, democracy), doesn't mean that it is. More problematically, if you think that it should be and therefore tell those who are not of that conviction (yet), this may not be welcomed. The debate of cultural rights vs. human rights also affects management as issues related to the respect of individual's cultures within the workplace are a challenge for any organisation.

One path towards change is education, which is very different from indoctrination. As a child, didn't things make more sense when it was explained 'why' rather than a simple 'do as your told'? The same applies for adults and, as adults, people are less inclined even to 'be educated'. So, explaining the why for a certain policy will put everybody on the same page but even after a discussion

where one learns from one another, a group or individual may still elect want to do things differently. You may agree or disagree with them, but it is an outcome for which you should prepare. If the value mismatch (more about this in the next section) is of such magnitude that it cannot be resolved, the parties may have to split but hopefully a common ground can be found.

This leads to our own education. As part of our personal development, we may attend many workshops, read good books and watch fascinating documentaries on different lives of others. We may be erudite academic speakers, who do a lot of research and are well-read or we may be pro-active leaders, who are 'on the ground' to hear what's going on in all parts of the organisation. But how much time do spend reflecting on our own values and norms (i.e., learn about ourselves) to understand why we do the things we do and how this affects others?

If you are dealing with cultural differences, it can be just as useful to have some idea about your own background as it is to read up on the cultural do's and don'ts of the other party. You will become aware of subjective characteristics that you probably see as 'normal'. So check the websites of Hofstede, Globe, Trompenaars etc to get a first impression the relative popularity of the cultural dimensions in your country. Then, think about your individual values and norms and, secondly, consider if these are in congruence with the people you're dealing with. If there's not a match, be up for a challenge, if there is, be aware of creative stagnation. So, in other words, value congruences has its benefits but also drawbacks (see section below). Finally, be conscious of the cognitive biases that are only human.

PERCEPTION

Managers are usually well educated (university of life included). For this reason, they have strong ideas about what works and how they should manage effectively. What often clouds our judgement is having the time and space. Despite our years of experience, we sometimes have the inability to take a moment and think why the other is so 'difficult', 'stupid', or 'unable'.

[PERCEPTION: IMAGINE YOU MEET SOMEONE WHO THINKS THE EARTH IS FLAT. WOULD IT OCCUR TO YOU THAT YOU'RE WRONG FOR THINKING IT ISN'T? IMAGINE THEY TRY TO CONVINCING YOU FROM SEEING THINGS THEIR WAY. ANNOYING ISN'T IT?]

It takes two to tango. When we interact, we are dealing with someone else who may perceive the situation differently. Therefore, we're dealing with a (mis)match. You may find that in books, workshops and other media different terms are used for disagreements in perception: e.g, *(non) alignment of practices, value (in)congruence, person-organisation (mis)fit, harmony/ dissonance in cross-cultural interfaces*. I will address the notion of (mis)match and the link it to three core aspects to perception: Ethics, Leadership and Negotiation.

(Mis)Fit

When we asked people to talk to us about their perception of their 'fit' with the organisation, it generated several domains: Work-Life Balance, People (team, supervisor), Organisation (mission, values, reputation), Employment (conditions, personal development), Job (nature, own skills and achievements) (Billsberry et al., 2006). In several workshops, when I repeated the exercise, some people realised there and then that they were a misfit according to their own assessment of how they fitted in (or not) (van Meurs, 2007). The exercise identifies areas for development or a need for change.

An American approach to fitting in is known as 'Person-Environment Fit' or 'Person-Organizational Fit'. Researchers looked at the average ratings of work values by people within the organisation and compared that to the ratings by another set of people or, for recruitment purposes, one individual. Sometimes they fit, which is considered desirable, sometimes they don't, which is indicative of a bad recruit. This has caused some controversy, and I believe that such measurements and results may be helpful for research but should be discussed on a one-to-one basis in real life. In fact, any psychometric test, especially those assessing personality traits, should be used as a diagnostic tool only. Differences can be a wealth that should not be underestimated, as creative stagnation may occur if only clones are recruited.

That said, fitting in and our sense of belonging are important within organisations but also within society. 'Us vs. Them' talk is powerful because we are social animals and it makes us happy to belong to a group made up of people who think similarly to us. Yet, this is deemed as politically incorrect and we are told we should be someone who can live and work peacefully within a community

that is diverse. In a discussion about mixed neighbourhoods, an executive told me that he used to live in a diverse neighbourhood that was friendly and cooperative, ergo, arguing that people from different

[BEING AN AMERICAN, BRAZILIAN OR BELGIAN, A CHRISTIAN, MUSLIM OR ATHEIST, A MAN OR A WOMAN DOES NOT DETERMINE WHETHER SOMEONE FITS IN OR NOT – A COMMON GOAL IS KEY]

backgrounds can get on with others different from themselves. This is a nice example, because it is likely that, despite the differences in national and ethnic backgrounds, the people in this community were like-minded about how to create a good community, which became the core feature of their common identity.

It doesn't matter where you came from, but it does matter where you think you're going and that, together, you have this common goal in mind. Teams within Google and other modern companies are made up of people from different backgrounds, however their common cosmopolitan identity is highlighted, which gives them a sense of belonging and advances Google's success. It may be unreasonable to expect people to suppress a core human trait such as wanting to belong to a group similar to ourselves. It may be time to drop the political correctness manuals and be mindful that, with good communication, education and training, diverse communities and work teams can establish a common goal without denying anyone membership based on their cultural or biological background. This way, diversity enriches but the acceptance of it is not enforced.

Ethics

In the last 20 years, subjects like diversity and Corporate Social Responsibility (CSR) have become more prominent aspects of effective and ethical organisational functioning. Since then, some people have become masters at learning to say the correct thing, without necessarily believing it. In terms of discrimination and ethical behaviour, this has created a circus-like hoop-jumping state of affairs, to which many are, understandably, allergic.

Taking down 'Christmas' lights in the UK in fear of offence makes as much sense as banning the immersion of the Hindu God Shri Lord Ganesh in India. Similarly, at a university in the UK, there were issues with students not showing up for classes because they had to pray. When this was discussed with colleagues in Lebanon at a moderate university, the Lebanese academics were bemused –

students there must show up for class, regardless of prayer. Of course, one may be more devout but there are too many faiths to create timetables around prayer times. In collaboration with the university's religious centre, students' personal tutors could

advise them to take a break for prayer as long as they return to class and catch up in their own time, which through modern technology is now possible. This way, the importance of both education and religion is not undermined.

Innovative thinking involves the ability, as a leader, to see a way forward that is both ethical and intelligent. In one study, we proposed that companies should ensure that the (ethical) mindset of the organisation's management fits with its employees (Coldwell et al, 2008). In other words, if you both care or if you both don't care, it's a 'fit'. This affects recruitment and retention and should be something to take into consideration by companies. Unfortunately, we're still at a stage where both representatives of organisations and new recruits treat the interview as a first date and are on their best behaviour, sometimes doing themselves and the organisation a disservice.

Similar to my argument related to the universal validity of 'democracy' – I am not stating that companies that do not have an ethical approach are ok to carry on as such, I am pointing out that there's variation in terms of individual's moral development and companies' CSR and ethical activities. If someone with a high ethical stance joins a company that has not developed a strong CSR approach, then those cards should be on the table. The company should NOT pretend it has a strong CSR policy but could use the new recruit to develop it. Similarly, a person who does not care about ethical issues much should not join a company that does unless they're there to learn.

A case in point was the dynamic recruitment department within a large oil company I worked for. Recruiters found that more and more young graduates with a 'green' approach would apply for jobs. Considering the variation in culture across the departments (e.g., solar energy vs. upstream/downstream marketing), it was important to consider where to place the young recruits. An open discussion about where the new recruit would fit best is paramount. Like dating,

[LEADERSHIP: ACROSS THE GLOBE,
DESIRABLE TRAITS ARE CHARISMA,
INTEGRITY AND TEAM BUILDING. PEOPLE
ARE DIVIDED ON THE IMPORTANCE OF
STATUS, RISK TAKING, AND SELF

DIRECTION]

eventually a department's true 'culture' and the individual's true personality come out and it could end up in a break up if not carefully managed.

In another study (Harb, Darwish & van Meurs, 2009), we tried to explore whether a match between the company's and individuals' values (e.g., focus on achievement, focus on being helpful) is linked to stress and whether individual's sense of justice (e.g., am I treated well, do I get paid enough) is linked to stress. The less people perceived that, for example, their boss treated them with respect (interpersonal justice) and that rewards (e.g., salary) are organised fairly (distributive justice), the more they reported that they were stressed. Mismatching values also had an impact: if the company's and the individual's disagreed on the endorsement of values related to benevolence, power and self-direction, then the employees also reported to be stressed.

In other words, direct day-to-day organisational issues such as salary and how you're treated is important, but so is a match in terms of the underlying values. This result is even more surprising because it was in the context of a volatile Lebanon, during a time of insecurities that would make one assume that the last thing people worry about is values as long as they have a job. Value congruence and fitting in is complex, because, as humans, different things can be important to us at different times. A good manager will find out and help develop the added value of each individual in terms of their beliefs, their values and their behaviour.

Leadership

Apart from national cultural differences, there are also organisational cultural differences that managers need to deal with. To find out the 'X factor' of leaders, a group of researchers called GLOBE emulated Hofstede's and Schwartz's research to find out what people consider to be desirable and undesirable leadership traits. Overall, people across countries find a leader with integrity, who has charisma and is able to build teams desirable. Universally undesirable traits are self-protectiveness, being non-cooperative and dictatorial. In terms of cultures, there are global differences of opinion on the desirability of traits such as being individualistic, status conscious, and a risk taker. In other words, in some countries or organisations this is desirable, in others it is not. For example, from

my Indian MBA students, I learned that leadership comes with privileges (like coming in later), not duties (like setting an example), which reflects the importance of status.

Leadership is sometimes seen as a trait (you're born with it) or as a behaviour (you can learn it). It has also been explained by the idea that a leader is only a leader if perceived as such by followers. Should anyone be climbing on a horse and drawing a sword like Don Quixote on his or her own? Ask yourself if you see yourself as a leader. Now ask yourself if others would agree?

An emerging field of leadership research is 'Distributive Leadership', which views leadership as a process that emerges from the interaction between different individuals. This is particularly relevant to people working in modern organisations that increasingly rely on cross-functional, self managing project teams that deal with the growing complexities of an ever changing environment. Our team of researchers (van Ameijde et al., 2009) looked at leadership in real organizational settings with the goal of surfacing the factors contributing to and inhibiting successful distributed leadership.

We studied five successful and five unsuccessful projects and analysed the factors that influenced the outcome of these projects. We identified different factors relating to distributed leadership at the organizational level and at the team level. At the organizational level, the teams talked about factors relating to boundary management (i.e., how a team relates to the wider organization). At the team level, factors related to how the team was designed and what affected team effectiveness.

Taken together, distributed leadership is made up of the expertise and input from individual members from within and outside the team combined. We concluded that "In order for distributed leadership to work effectively, it seems that organizations need to approach leadership development in a different way than traditional conceptions of leadership would direct. Instead of focusing on the development of the leadership capabilities of an organization's designated leaders, focus would shift to investing not only in developing leadership skills of the

[ARE YOU BORN WITH IT OR DID YOU DO
THE COURSE AND BUY THE T-SHIRT? EITHER
WAY, IT'S WHAT YOUR FOLLOWERS THINK
OF YOU THAT MATTERS; PERCEPTION
MAKETH THE MASTER]

workforce as a whole, but also to facilitating the conditions conducive for the emergence of successful distributed leadership and the formation of informal networks of expertise” (van Ameijde et al., 2009, p. 777). Managers thus need to simultaneously develop the

leadership skills of the teams themselves and provide the conditions for distributive leadership to succeed. Vice versa, if the conditions for distributive leadership are there without developing the leadership skills of the team, this may lead to confusion and misalignment of teams with the wider organisational context.

Distributive leadership is affected by culture in two ways. First, since distributive leadership reflects the pro-active involvement of team members, their cultural background will affect the management of any projects. If some members believe in ‘high status’ or ‘risk taking’, whereas others do not, then this needs to be discussed so an approach can be alligned. Secondly, in some organisations, the concept of distributive leadership may not be desirable. Again, this is due to cultural differences in terms of how projects are managed most effectively. Nonetheless, if an organisation is medium to large in size, with different teams working on different projects in different departments, then Distributive Leadership may be something to consider. This brings us to negotiating such a change and other negotiating scenarios.

Negotiation

If asked, would you perceive yourself as a problem solver? Would you describe yourself as someone who integrates people’s thinking during a negotiation and who communicates clearly? Someone who deems values such as social justice, equality, and helpfulness as important? Well, studies have shown that the majority of people describe themselves as such. Yet, the world is in conflict, people cannot always come to agreements and often find it challenging to work with others, particularly with those different to themselves.

Take another moment to think about solving problems. What does that entail for you? Would that definition be the same for everyone? Secondly, you want to solve the problem so you choose to communicate this in a certain way. Would

[NEGOTIATION: UNIVERSALLY PEOPLE SEE AN INTEGRATING APPROACH AS THE WIN-WIN SOLUTION. HOWEVER, IF THERE’S A CRISIS YOU MAY WANT TO BE DOMINATING TO RESOLVE IT IMMEDIATELY OR USE AVOIDING TO SOOTHE THE TENSION]

The first set reflect a problem solving strategy, with a consultative communication style, and a concern for clarity with a win-win approach.

The second set of questions reflect an avoiding strategy, with an indirect communication style, and a concern for

inconvenience with a collectivistic approach.

The third set of questions reflect a dominating strategy, with a direct communication style, and a concern for control with a win-lose approach. Alternatively, you can also analyse which statements obtained the highest score to establish your negotiation approach. Finally, consider whether the average score for your self-evaluation different from the average score for the opponent.

There's a plethora of negotiation research and models. Very famous are the Prisoner's dilemma games, which can train people in effective negotiation for a win-win solution. Overall, the two approaches to a negotiation that a manager could take are cooperative vs. competitive. The former is a win-win scenario, in that both parties have a goal but do not mind if the other party also benefits as long as they reach that goal, whereas the latter a win-lose scenario, where one would want the other party not to benefit specifically. This does not align with modern thinking very well, so, as you can imagine, most people opt for a cooperative approach.

Secondly, there are two main processes: distributive and problem solving. The distributive process involves 'bargaining' up or down to get to a deal. The problem solving process involves creative thinking and considering an alternative solution if at first you seem to want the same thing. A famous case study in business schools is the oranges for science problem where students are divided into two science companies in need of the same batch of oranges – in the end, cooperative and problem solving students figure out that one party wants the rind, whereas the other wants the juice. Competitive students often get stuck and fold because they were suspicious and not willing to share information.

Any American management textbook would tell you that problem solving is the ideal strategy and avoiding represents a lack of concern for oneself and the other (i.e., apathy). However, in Asian countries avoiding is seen as a face saving

[TEXTBOOK NEGOTIATION: "IF I WANT THE JUICE, DO YOU WANT THE RIND?"
REAL WORLD NEGOTIATION: "LOOK, THIS IS NOT ACCEPTABLE ... WELL, TO US IT ISN'T... THAT'S NOT WHAT WE SAID... OK, TELL ME HOW YOU UNDERSTOOD THE OFFER"]

strategy, reflective of a high concern for oneself and the other. Moreover, some Western researchers also found that avoiding can be particularly useful if the conflict is relational and needs saving. If not, and you're dealing with an immediate crisis, the dominating strategy can be more useful. If only reality were so simple and convenient as business school case studies; when dealing with people, logic is sometimes lacking.

In a comparison of managers' preferred conflict management styles, I found that, although both perceived themselves to be problem solving, the big difference was that the one party (Dutch managers) viewed a direct and consultative way of communicating the best way forward, whereas the other party (British managers) viewed an indirect and consultative way of communicating the best way forward (van Meurs, 2003). So, for example, Dutch managers would lay their cards out in the open and tell everybody how it is, whereas the British felt that a more indirect, harmonious way would be the best approach to a negotiation.

What's more, they perceived the other party as more dominating than how managers perceived themselves. This is very common: we think we're good managers who are trying to resolve the issue but we may see the other as combative by definition, not realising they probably see us as being out for our own gain equally so. This reflects the suspicious minds and biases of people in general, as discussed at the beginning of this report. Interestingly, managers shared common (organisational) values (i.e., there was value congruence or fit) but it seems that their interpretation of effective negotiation behaviour just differed. These results were particularly interesting because, from a global perspective, the Dutch and British do not differ that much.

The above example highlights that even if you established the 'why' and you've appreciated that you yourself have certain do's and don'ts particular to your culture or personality, then the next caveat is the dissonance in perception of each other's best practice, i.e., the way we are perceived may not be how it was intended. Some people may prefer a subtle tactic, whereas others value honesty more. For example, from Chinese students I learned that an European manager may ask an Asian employee what he/she thinks of the presentation this manager just gave. Perhaps the presentation was awful. The Asian employee's desirable way of handling this predicament could be to say something along the lines of "your

handouts were very well organised” or “I think you manage the team very well”. To the European manager, this feedback may seem irrelevant and frustrating. For the Asian employee, it saved face of both parties. But a need for harmony can have a detrimental side too; Indian MBA students explained that making a promise saves face and maintains harmony but the promise is not kept necessarily so people should be flexible. Unfortunately, this affected students’ group coursework collaboration. Like coming in late, such scenarios can only be resolved by appreciating the underlying value but resetting a lifetime habit for this context (i.e., the MBA classes).

CONCLUSION

Fact 1: Most people in the world would agree that values such as generosity, justice, tolerance and kindness are the most important guiding principles in one’s life.

Fact 2: Universally, people think that the most effective way of making decisions and solving a problem is by considering your own and others’ ideas and integrating them.

Fact 3: Most people would agree that effective intercultural communication involves a positive approach, understanding and clarity. Fact 4: Across the globe, people view good leaders as someone with charisma and integrity, who is a team builder.

Why are these facts? Because a plethora of studies have shown time and again that this is what people think. The crux of intercultural interaction is that, apart from core values such as kindness, tolerance, and generosity, people differ in terms of many other values that guide their behaviour. Secondly, although people agree that an integration of ideas and communicating these clearly is best practice, an agreement on *how* to do that is *not* universal. Managers should be aware of these pitfalls and double check at meetings how people perceive how they’ll ‘integrate ideas’ and ‘communicate clearly’. Finally, in terms of leadership, who decides what is ‘charismatic’ and what are good ‘team building’ exercises?

As a busy professional, you may not have time to delve into the particulars of the people you meet; read up on their culture, check their CV, etc. You don’t have to – the reason why people have enjoyed travel and social events for centuries

is that we're social animals and we have the ability to communicate. You can do this intelligently, which may expose differences but also similarities in terms of cultural values and ways of doing things, while being aware of your own (subjective) preferences. The only way to find out is by asking the right questions and double check intentions when you receive an unexpected reply. And remember, there is no shame in kindness.

In brief:

- **Suspend judgement and find out the 'why'**
- **Be aware of your own (subjective) values and norms**
- **Appreciate that others may perceive your actions not as you intended**
- **Put less emphasis on the respect of differences and more emphasis on the common goal and similarities**
- **Focus less on political correctness but remain professional and polite**

If you found this report informative and you used it please email Dr. Nathalie van Meurs at n.van-meurs@mdx.ac.uk – I am much appreciative that you read it and it is important for me to know if it has had a practical impact.

If you would like to learn more, then there are 3 things you can do depending on who else could benefit and how much time you have:

1. Informal meetings can be arranged by emailing me at n.van-meurs@mdx.ac.uk
2. I am available for workshops and presentations. For these I have to charge as a faculty member of the university, but this is at a nominal cost
3. Courses at undergraduate and MBA level that are taught by me are currently available at Middlesex University Business School. I also supervise Masters and PhD students. www.mdx.ac.uk

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