Cross-cultural management

An introduction

1.1 Some basic concepts

- Management is more than just running an entity

- What is culture? Specific case of business-related cultures.

- Cross-culture is not necessarily international culture

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- Cross-culture

1.2 Some basic criteria

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- Stereotypes
- Unexpected (poor) versatility of some reflections
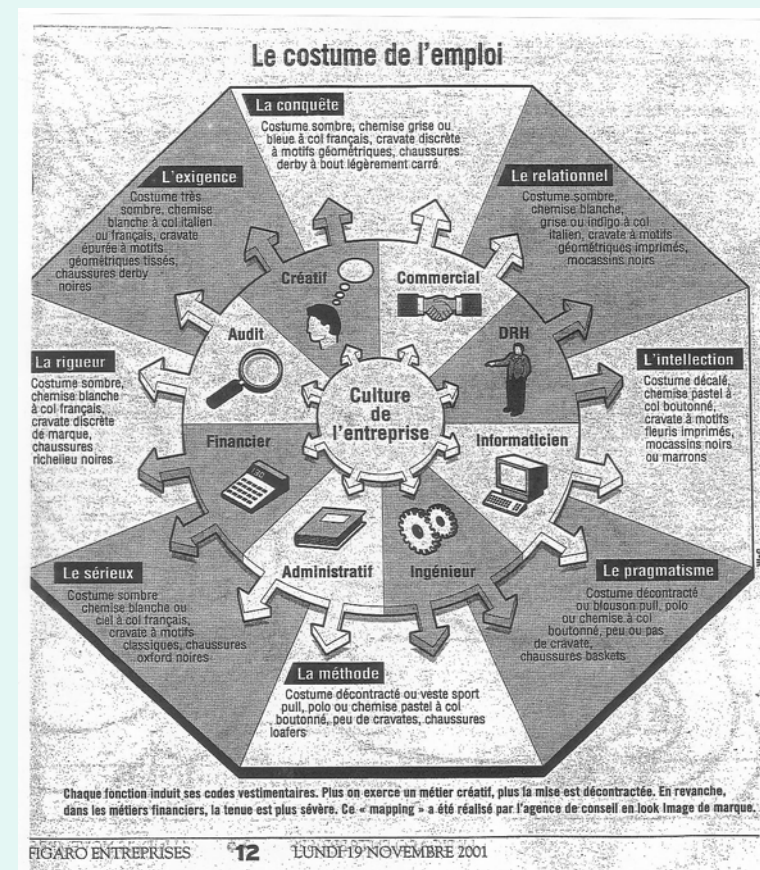- Swot analysis, NLP, TA, PCM

1.2 Some basic criteria

You just are classified on
1. Your look

   – The way you are dressed
   – Your ethnic look
   – Your gender,
   – Your age,

2. Your linguistic expression,
3. Your religious expression,
4. Your hierarchic situation(s)
5. Your educational behaviour,
6. Your attractiveness,

But differences exist and
depend on time and place

How are decisions taken ?

6 Decisions

5 Choosing the way to use them

4 Choosing available means & tools

3 Choosing objectives and their ways

2 Determining orientations

1 Psychological basis

What is Weltanschauung?
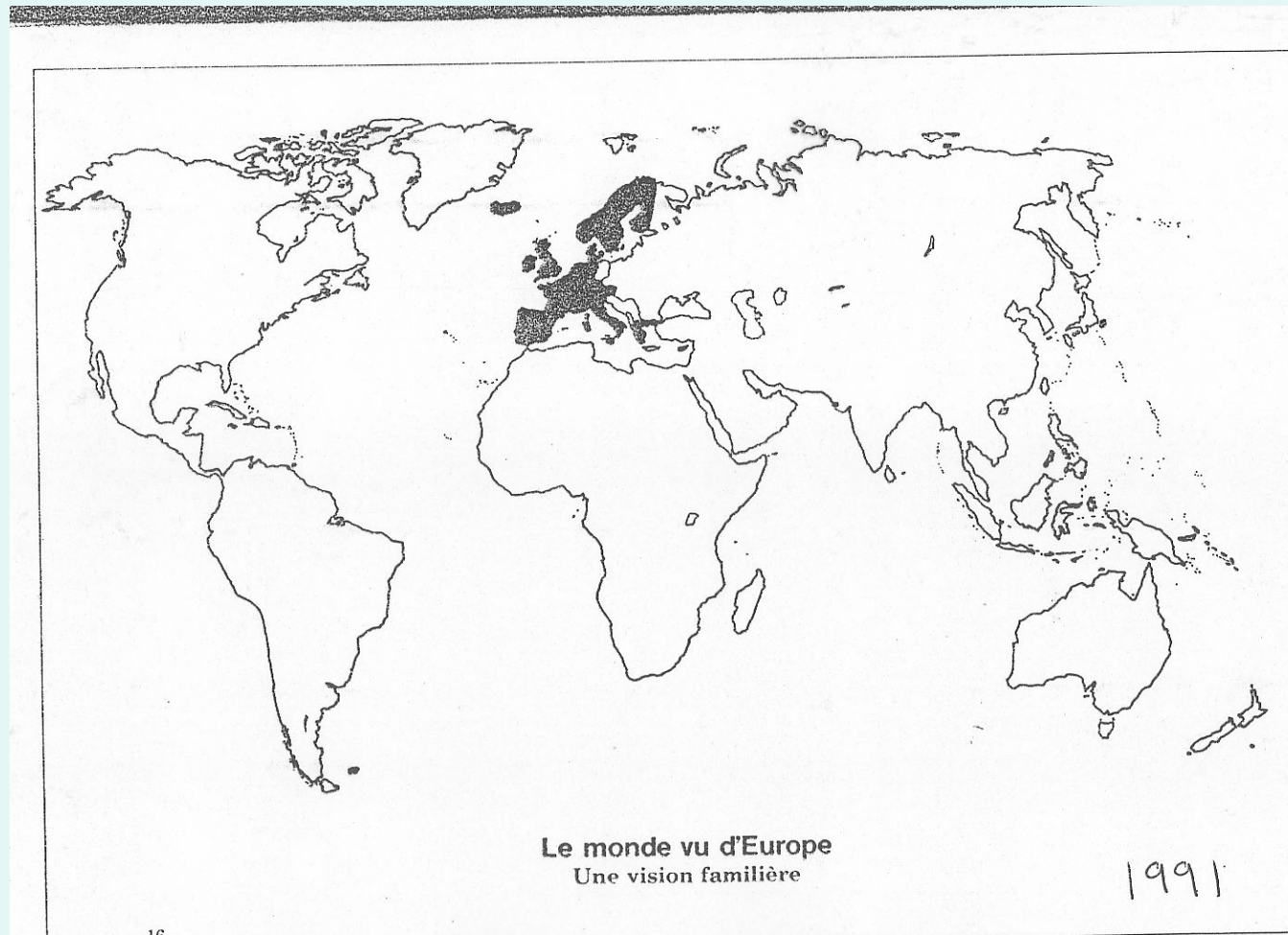
Die Welt = the world

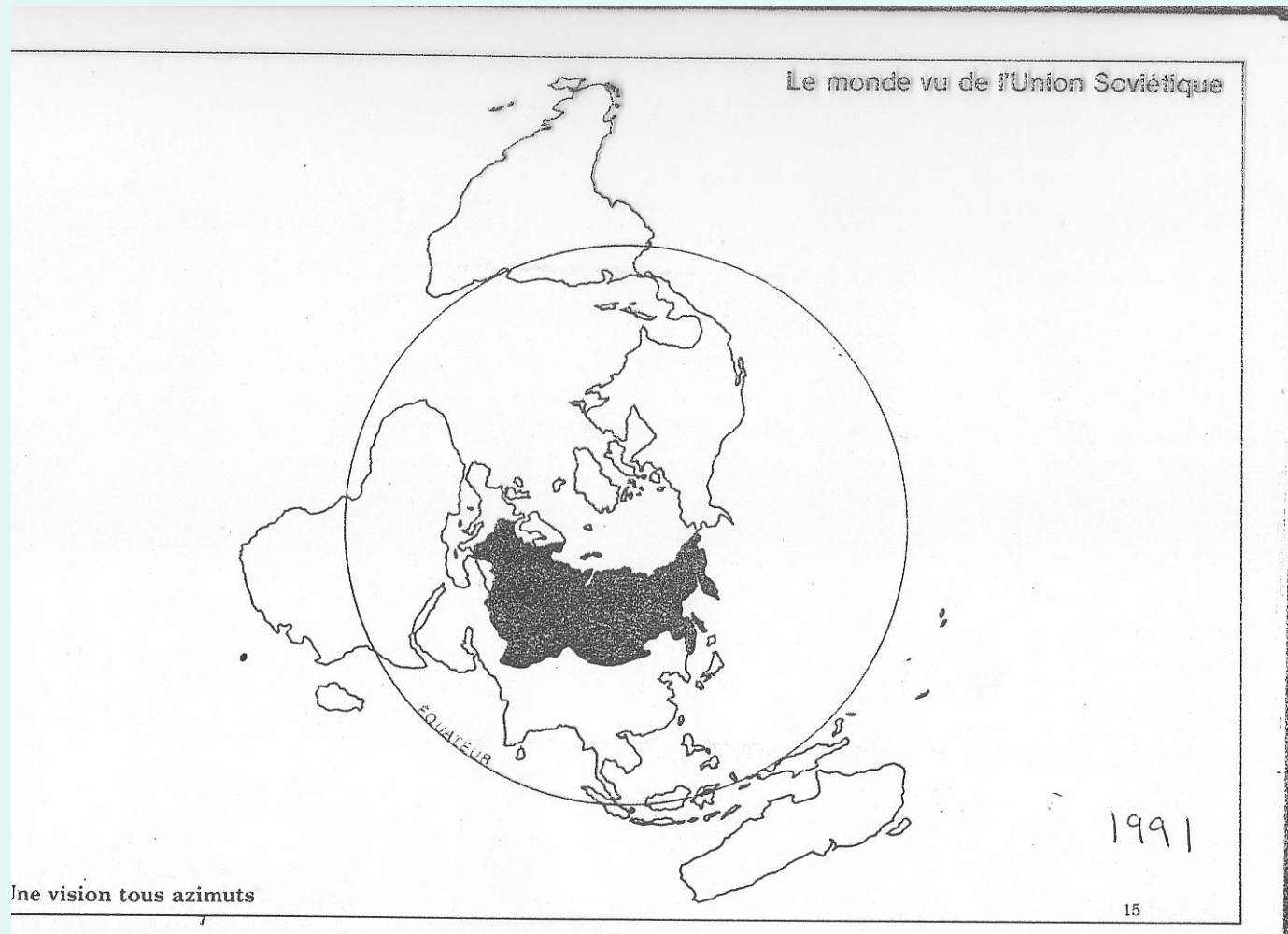Die Anschauung = the way you look at

this includes

- personal and family history, ethnic, national, religious, linguistic, social, educational, leisure-related, etc. belonging ands its ideological consequence.
- The way you face eschatologic items

1.3 Different Weltanschauungen

Le monde vu d'Europe
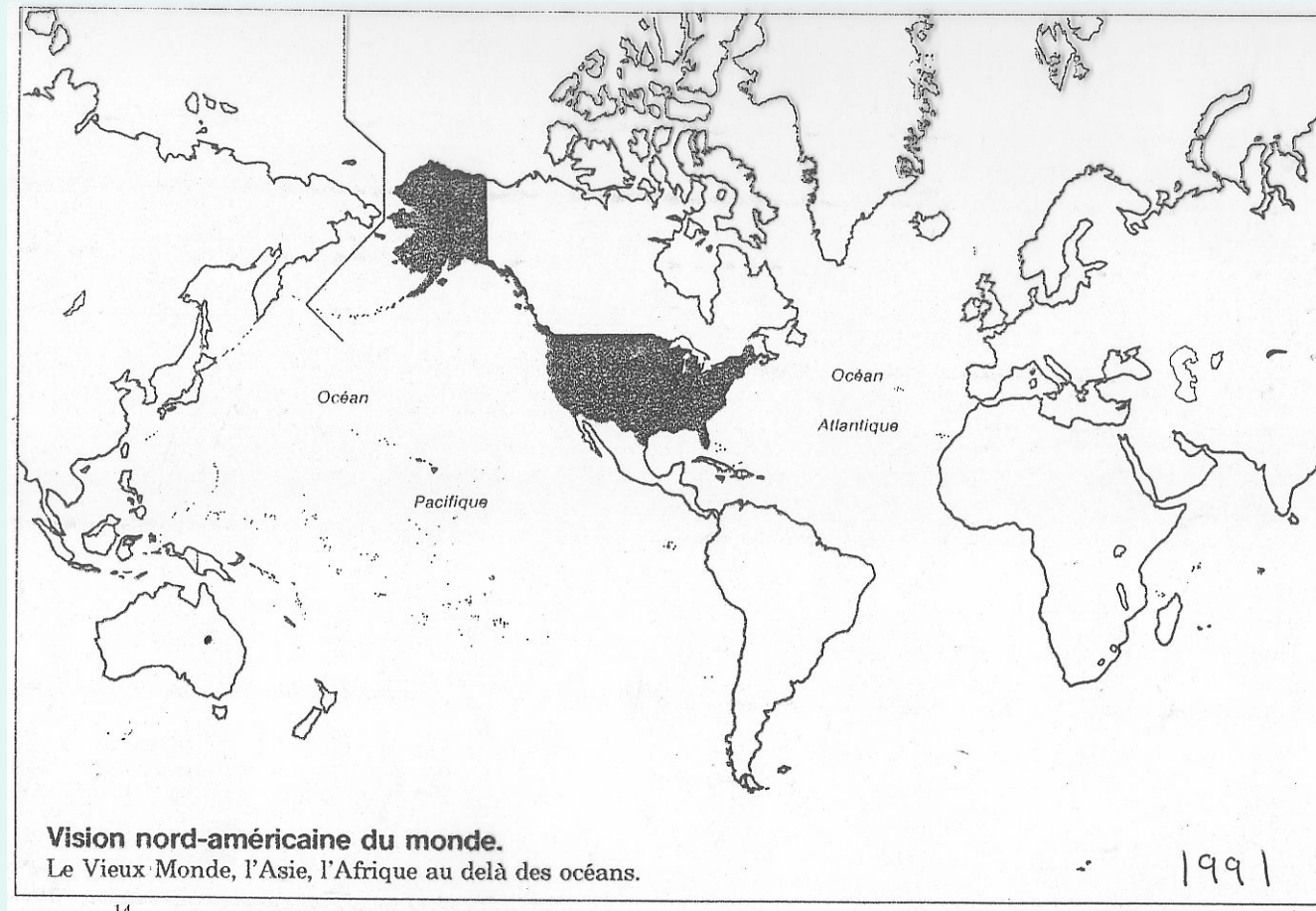Une vision familière

1991

16

1.3 Different Weltanschauungen

Le monde vu de l'Union Soviétique

Une vision tous azimuts

1991

15

1.3 Different Weltanschauungen

Le monde vu de la Chine
D'après Atlas contemporain de Rèp. Populaire de Chine

1.3 Different Weltanschauungen

Vision nord-américaine du monde.
Le Vieux Monde, l'Asie, l'Afrique au delà des océans.

An ironic vision of the US Weltanschauung
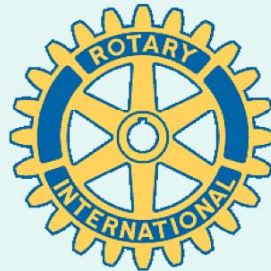
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1.4 Some specific risks and opportunities in companies

- Image and postures
  - Trusts and multinationals vs. human-sized companies
  - The importance of status and postures and the subsequent difficult versatility.
  - How to keep a balanced image when disrupted environment
- The relations with the powerful people
  - company owners, top managers,
  - Their secretaries,
  - Trade-unionists
- The specific network members (associations, clubs)

Some clubs

Rotary,

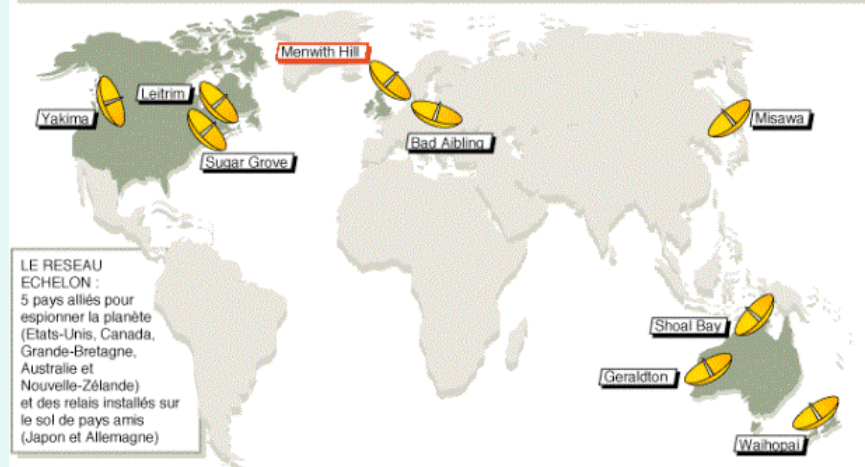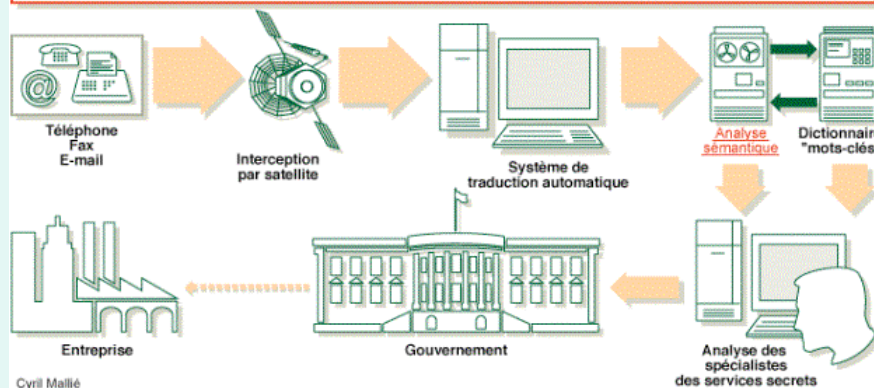*Lions,*

Kiwanis,

Round Table,

Zonta, etc.

Echelon

1.4 The SWOT analysis as a tool

	Internal	External
+	Strengths	Opportunities
–	Weaknesses	Threats

1.4 NLP, TA and PCM as a tool

PARENT
Monde de l'appris

ADULTE
Monde du sensé

ENFANT
Monde du ressenti

PARENT

ADULTE

ENFANT

P — nourricier +
nourricier -

critique +
critique -

A — adulte

E — parent adulte

soumis +
soumis -

naturel

P — P
A — A
E — E

Posture d'excellence

influence

CE
comportement externe

PI
processus internes

EI
état interne

influence
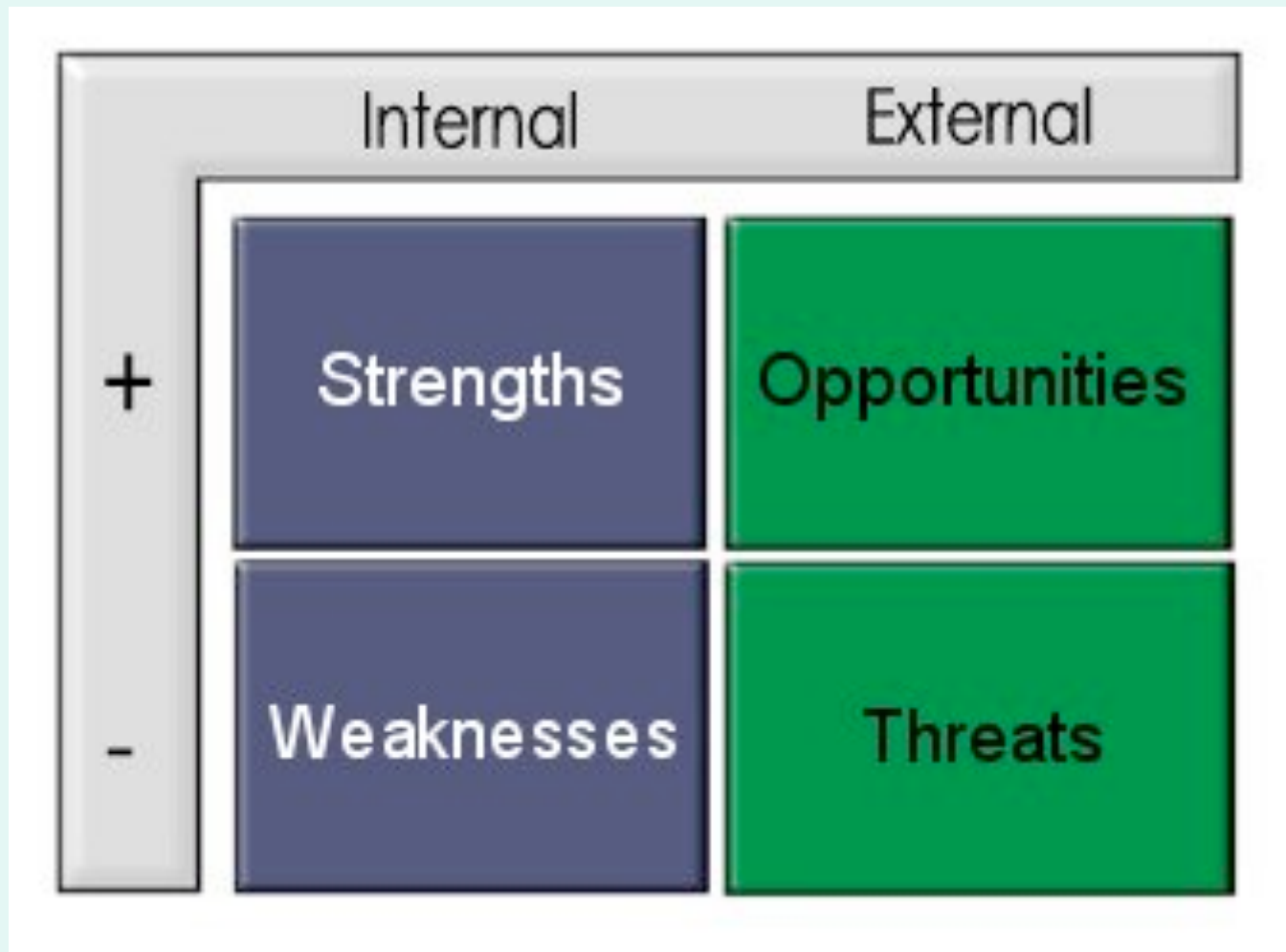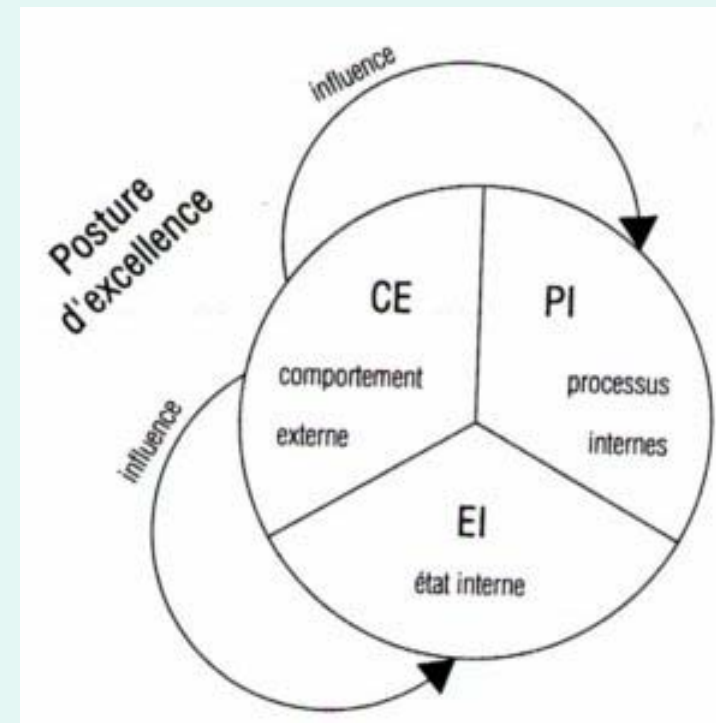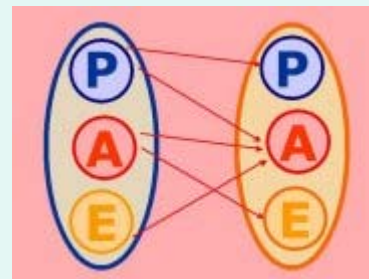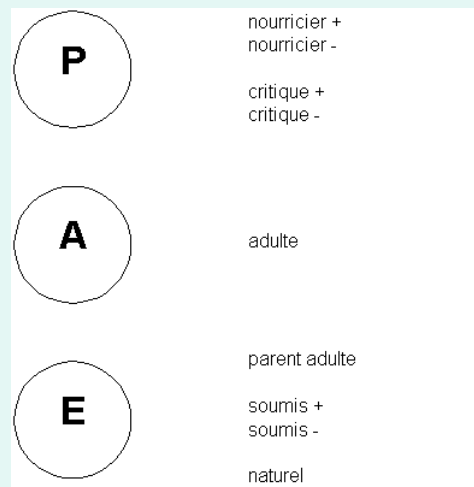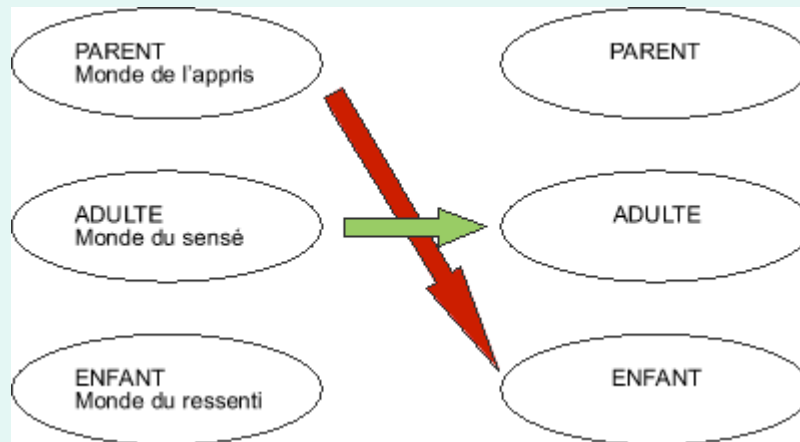
Process Communication Management

1.4 NLP, TA and PCM as a tool (cont.)
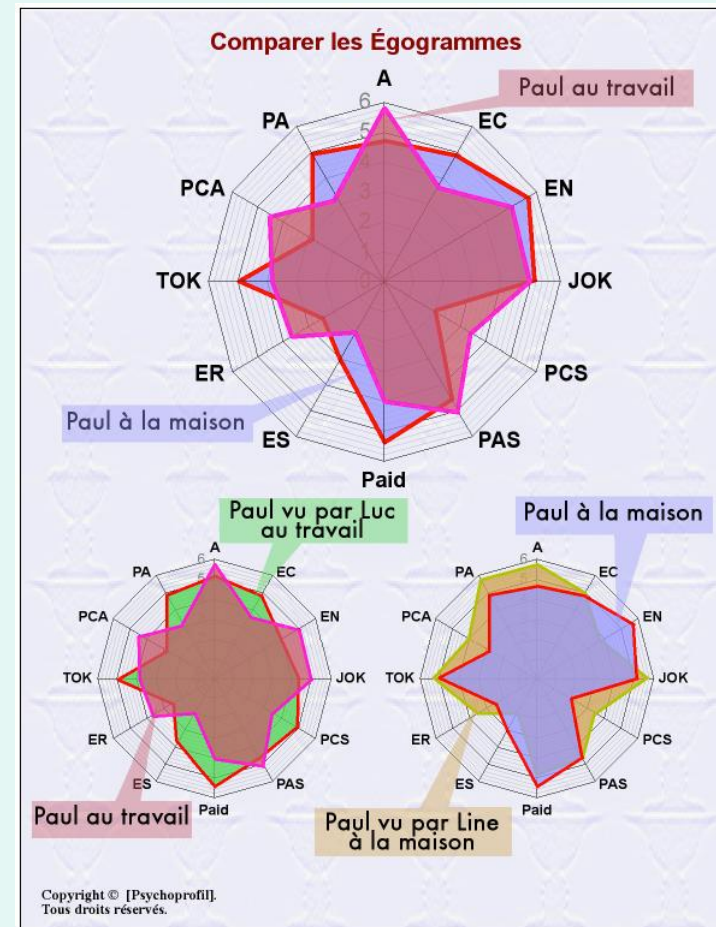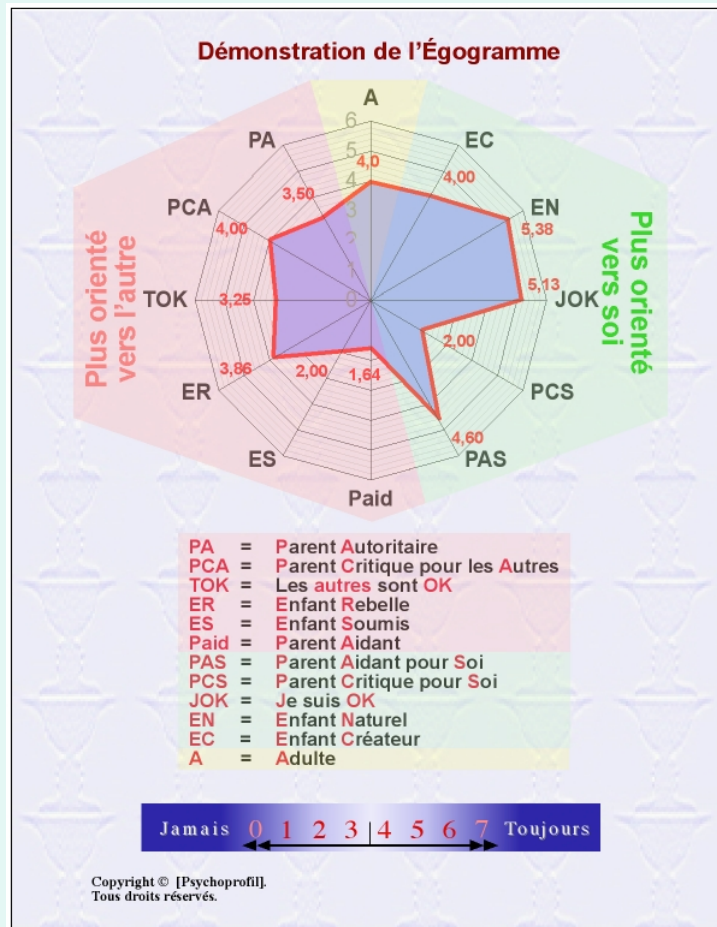
2. Some prominent theories

2.1 Abraham Maslow's pyramid (1954)

2.2 Edward Halls' main concepts

2.3 Geert Hofstede's pyramid of mental programming

2.4 Philippe d'Iribarne's different logics (1989)

2.5 Fons Trompenaar's seven dimensions of culture

2.6 Henry Mintzberg's six organizational configurations

2.1 Abraham Maslow

(Brooklyn 1908 - California 1970) -family of Jewish Russian immigrants.

1937-1951 College in Brooklyn. Influenced by Ruth Benedict 'an anthropologist) and Max Wertheimer (a Freudian psychoanalyst)

Professor at Brandeis University 1951 -1969

Motivation and personality, Harper and Row, New York, 1954

2.1 Abraham Maslow's pyramid (1954)

5 Self-actualisation

4 Self-esteem

3 Sense of belonging

2 Safety needs

1 Physical needs
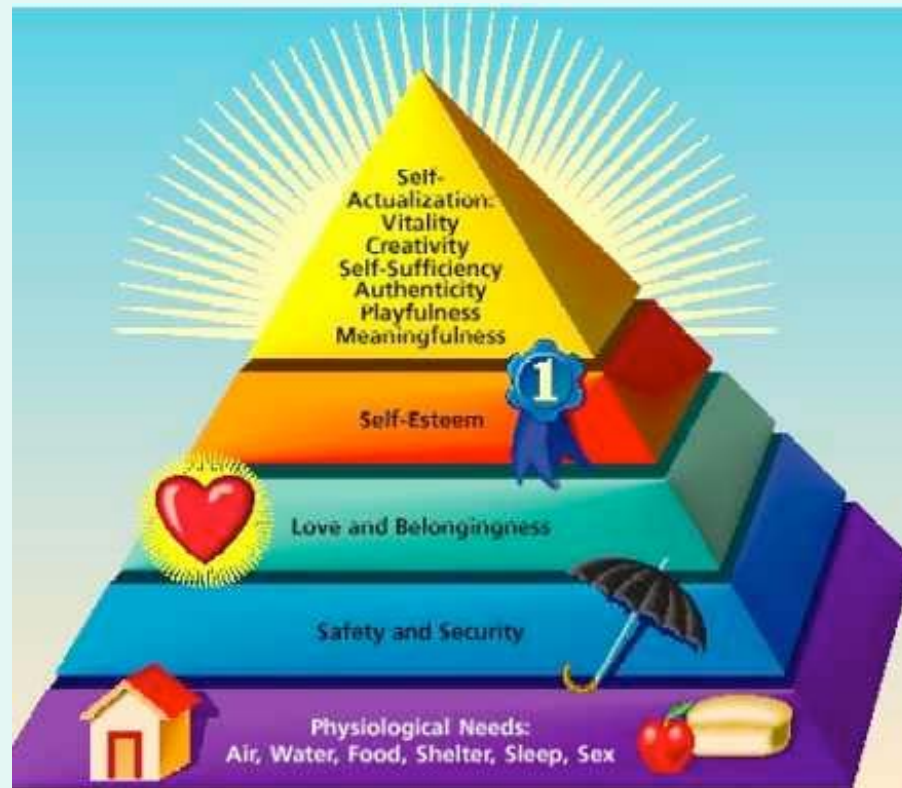
2.2 Edward T. Hall

(Missouri 1914 -)

Professor in Anthropology University of Colorado (AZ) Bennington College (VT) Harvard (NY) Institute of Technolgy (IL) School of Psychiatry (WS) etc.

The silent language, 1959
The hidden dimension, 1966

2.2 Edward Halls' main concepts (1/2)

- Messages
  - Can be rapid (commercials) or slow (books)

- Time management (1959)
  - Monochronic (m) / polychronic (f)

- Contexts (1966)
  - High / low context cultures. (A high context makes explicit messages superfluous).

- Tempo, rhythm, synchrony
  In appointments posting, duration, progression, etc.

2.2 Hall's communication context (1966)

Elevé

Context

Faible

Japon
Moyen-Orient
Amérique-latine
Italie / Espagne
France
Grande-Bretagne
Etats-Unis
Scandinavie
Allemagne
SUISSE

Explicites (DIGITAL) — **Messages** — Implicites (ANALOGIQUE)
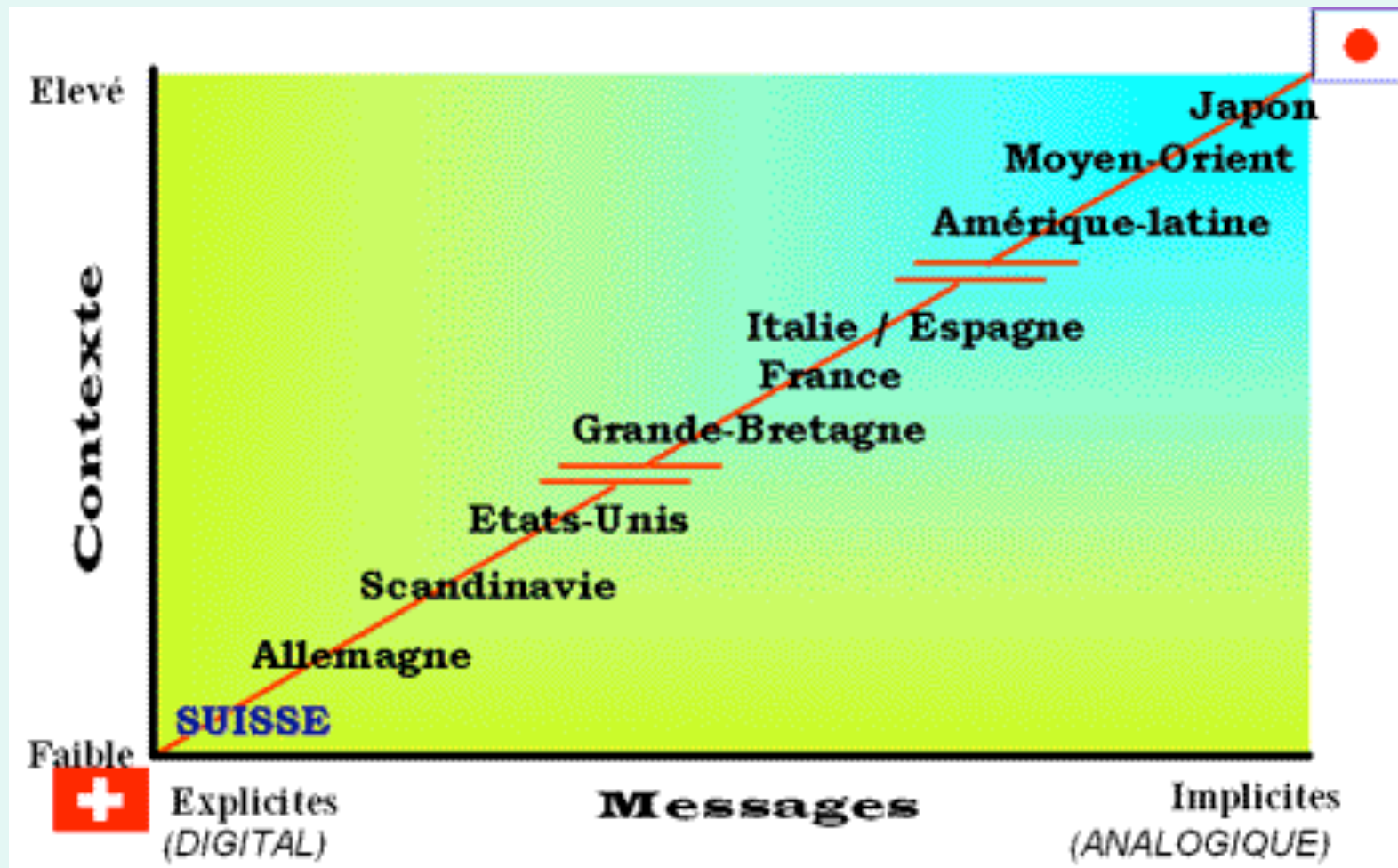
2.2 Edward Halls' main concepts (cont.)

- Space (leading to « proxemics »)
  - **intimate space:** the closest "bubble" of space surrounding a person. Entry into this space is acceptable only for the closest friends and intimates.

  - **Social and consultative spaces:** the spaces in which people feel comfortable conducting routine social interactions with acquaintances as well as strangers.

  - **Public space:** the area of space beyond which people will perceive interactions as impersonal and relatively anonymous.

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An illustration of the concept of « proxemics »

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2.3 Geert Hofstede

(1928 -)

A Dutch psychologist who studied IBM staff worldwide between 1967 and 1973 (more than 70 countries)

Culture's Consequences, Sage (CA) 2001

Cultures and Organizations: McGraw-Hill (NY) 2004
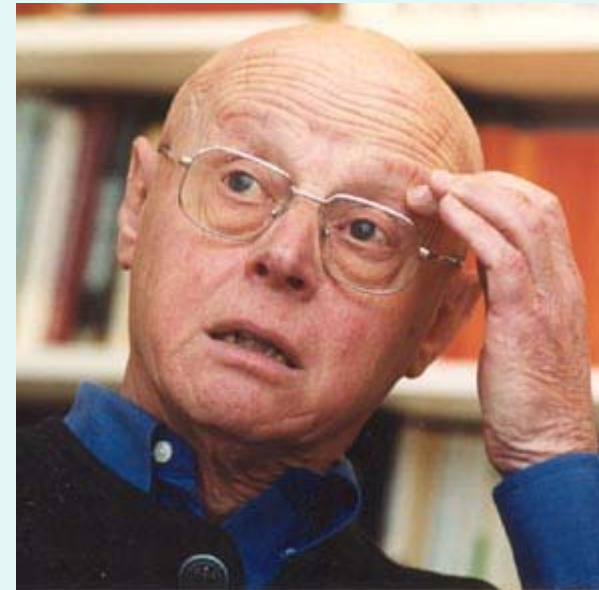
2.3 Geert Hofstede's pyramid of mental programming

- Only this step has totally been learnt

Individual

collective

universal
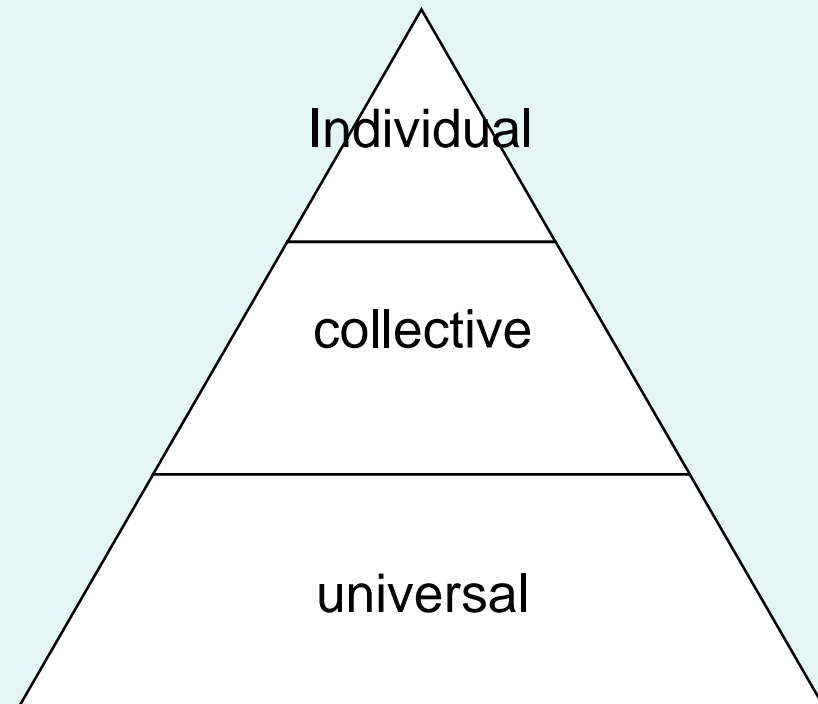
2.3 Hofstede's cultural dimensions (1983)

- PDI = power distance index
- IDV = individualism
- MAS = masculinity
- UAI = uncertainty avoidance index
- LTO = long term orientation

Sample Graph

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PDI IDV MAS UAI LTO
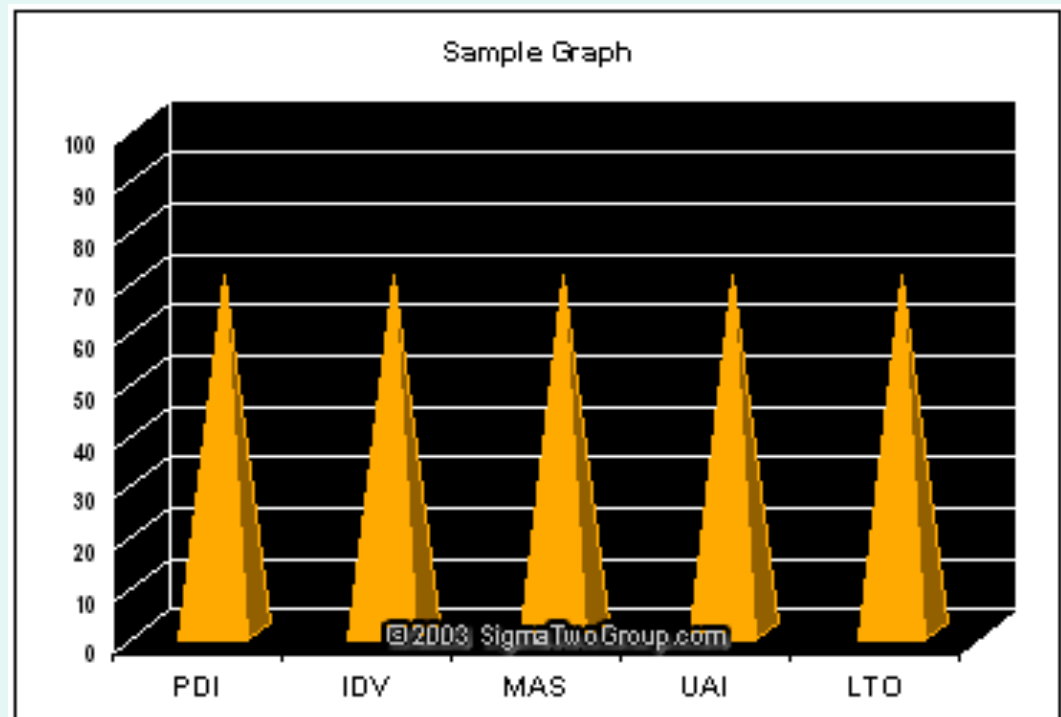
2.3 Hofstede's cultural dimensions: PDI and its consequences

A short Power Distance index entails
- trend to decentralisation,
- short pyramidal organisation,
- few executives,
- possibility to oppose hierarchy,
- rather consultative Management.

If wide PDI, vice-versa

2.3 Hofstede's cultural dimensions: IDV and its consequences

In individualist societies

• People care about their personal fulfilment

• Leisure is important

In communitarian societies

• relationships rely on moral,

• making business relies on prior friendship,

• arguments have to be avoided as a lack of harmony (He Mù ; Chu Hwa)

2.3 Hofstede's cultural dimensions: MAS and its consequences

In « masculine » cultures

- a high quality job aims at self-realisation through a successful career,

- disputes and conflicts are official and harsh.

In « feminine » cultures

- a real co-operation for better work conditions is an objective,

- conflicts are less harsh,

- Job and housing security are essential.

2.3 Hofstede's cultural dimensions: UAI and its consequences

The Uncertainty Avoidance Index

- Sets how important rituals & back-up procedures are,
- displays the vulnerability in managing heterogeneous groups

2.3 Hofstede's cultural dimensions: LTO and its consequences (1987)

Long Term Orientation

is a less developed item in Hofstede.

Let's consider it is a main difference between Eastern and Western cultures.

2.3 Hofstede (cont.)

	Distance hiérarchique	Individualisme	Masculinité	Contrôle des incertitudes
Distance hiérarchique	Degré de dépendance au pouvoir			
Individualisme	Degré de patriarcat dans une société	Degré de dépendance au groupe		
Masculinité	Degré de patriarcat dans la famille	Aide au développement	Tendance au matérialisme	
Contrôle des incertitudes	Modèles implicites d'organisation	Gestion des conflits intergroupes	Eléments de motivation	Degré de stabilité des carrières

2.3 Hofstede (cont.) MAS & PDI

2.3 Hofstede (cont.) MAS & UAI

2.3 Hofstede (cont.) PDI & IDV

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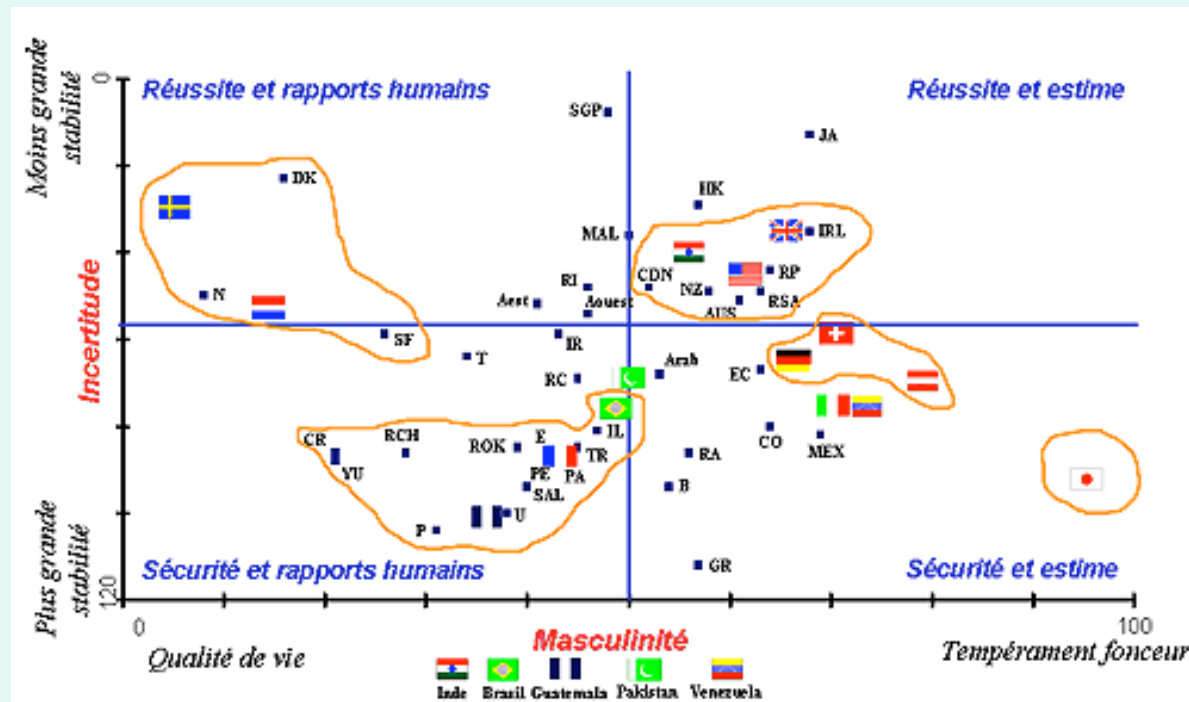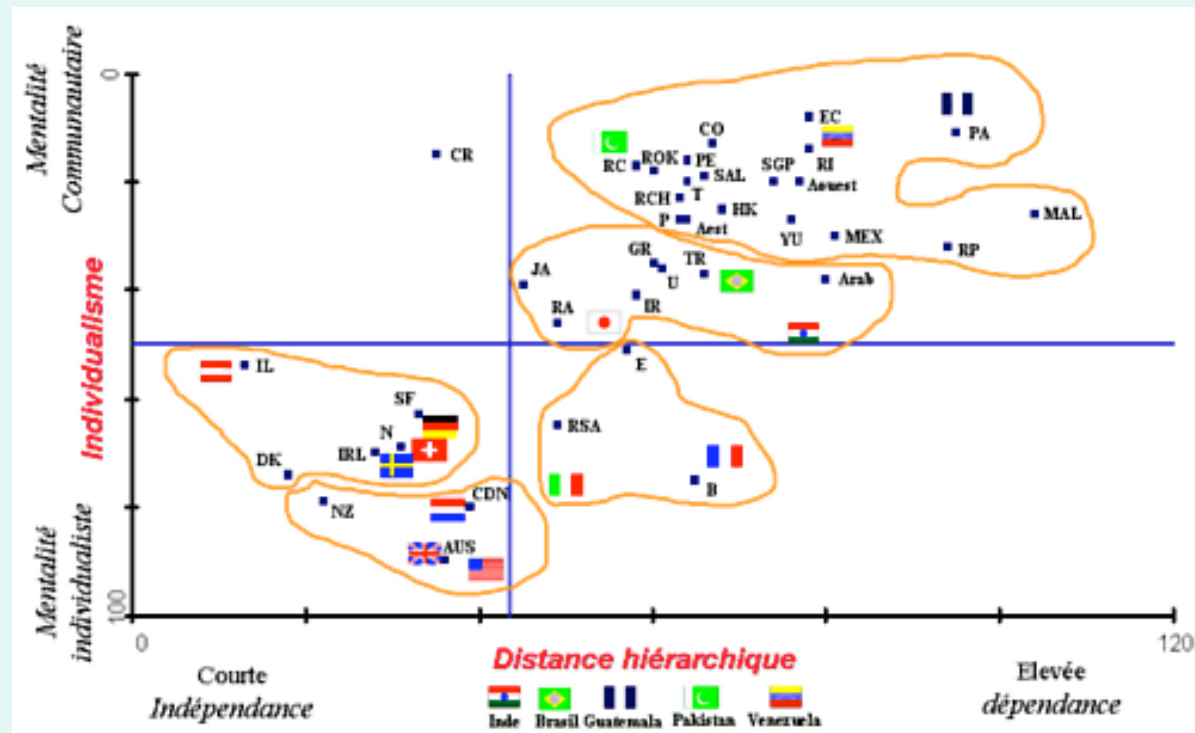
2.3 Hofstede (cont.) UAI & IDV
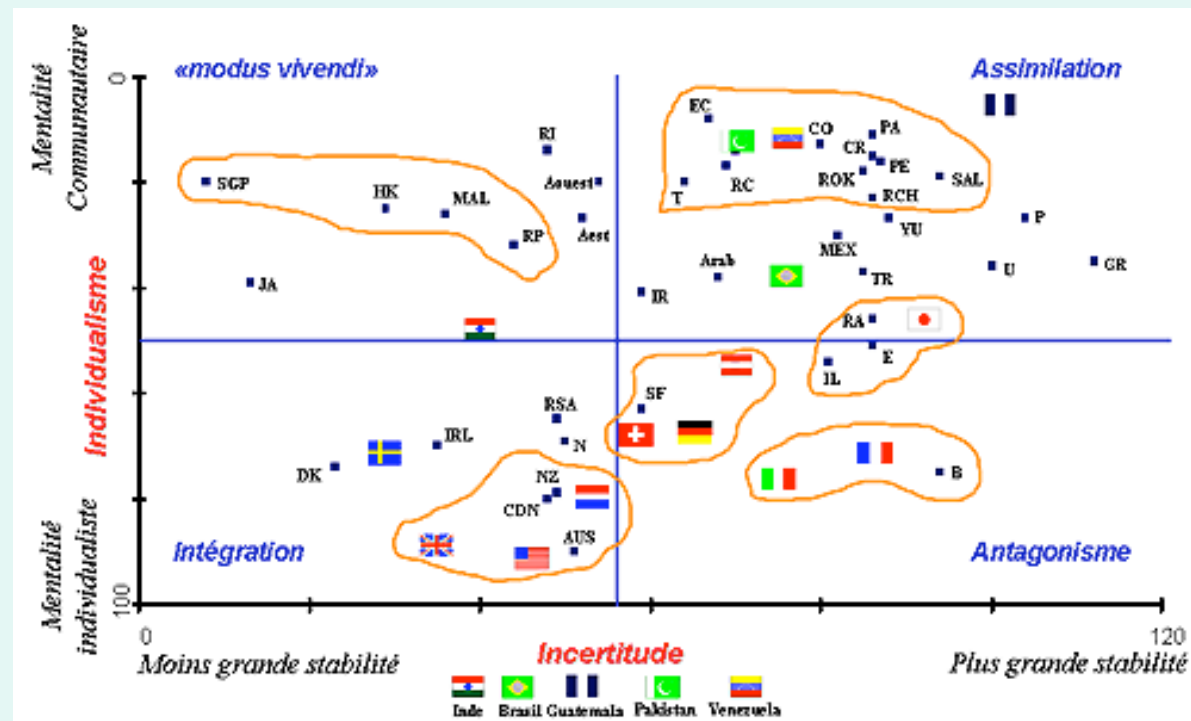
2.3 Hofstede (cont.) PDI & MAS
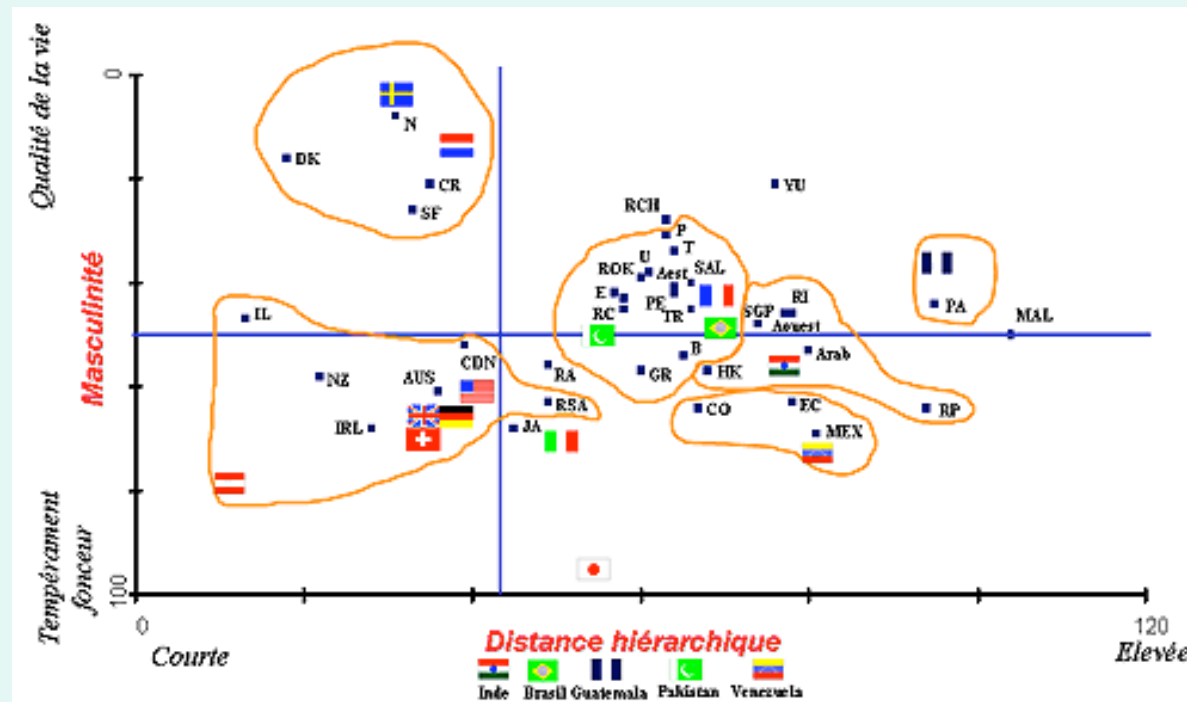
2.3 Hofstede (cont.) PDI & UAI
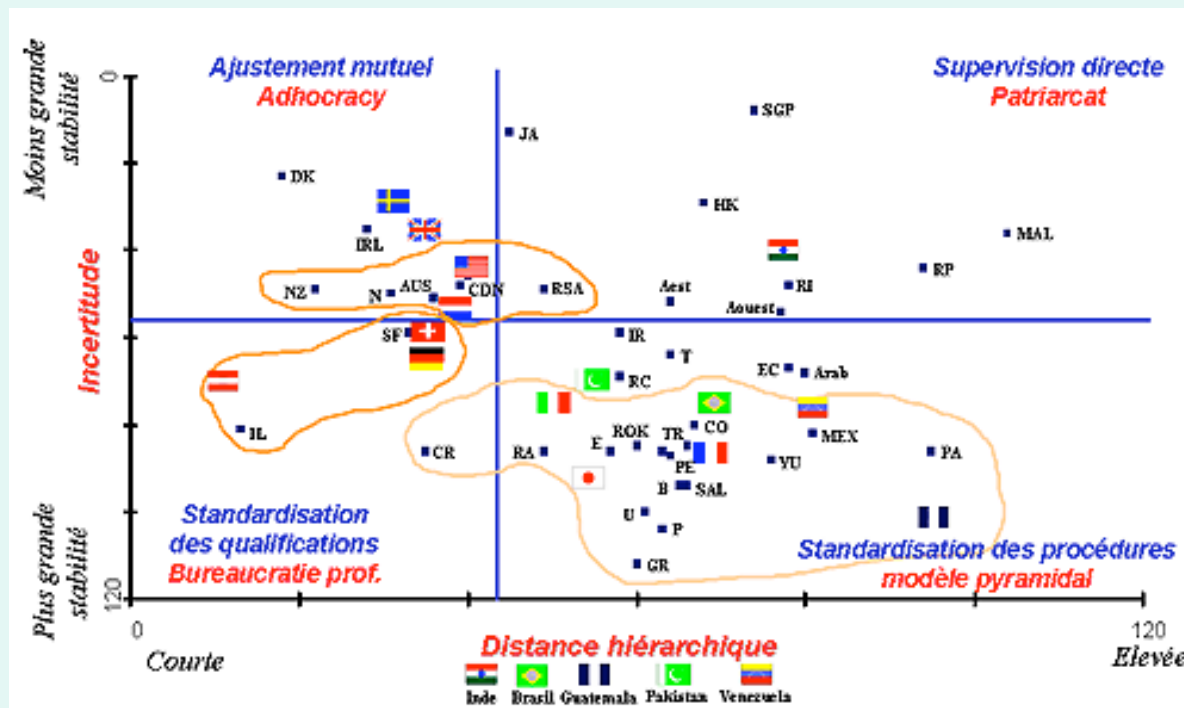
2.4 Philippe d'Iribarne

(1937 -) studied in the French Ecole Polytechnique then IEP then Ecole des Mines

La science et le prince (Denoël,1970)

La politique du bonheur (Seuil,1973)

La logique de l'honneur (Seuil,1989)

Le chômage paradoxal (PUF,1990)

Vous serez tous des maîtres (1996)
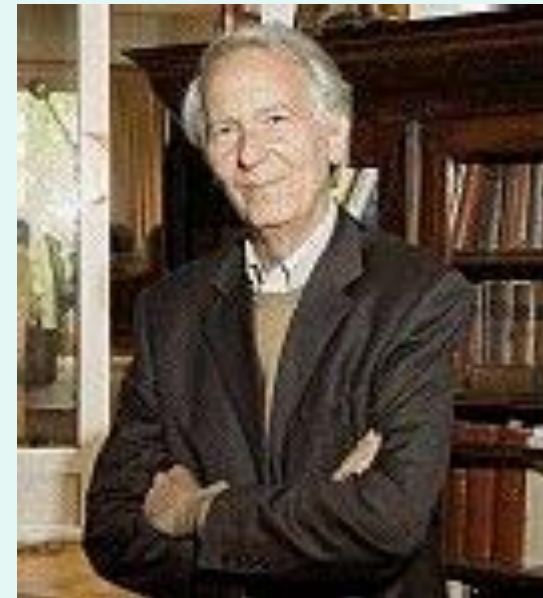
2.4 Philippe d'Iribarne's different logics (1989)

- French logics: honour
  - Individual workers are faced with themselves

- US logics: contract
  - Workers are supposed to perform fair exchanges

- Dutch logics: consensus
  - Blocks made out of workers have to co-operate

Importance of drifts

2.5 Fons Trompenaars

(1952 -) A Dutch father and a French mother

PhD in Economics Wharton (PA)

7 years in the HR management of Shell International

Riding the Waves of Culture, 1977

The Seven Cultures of Capitalism, NY, 1993

Building cross-cultural competences, 2000

Business across cultures, 2003

2.5 Fons Trompenaar's seven dimensions of culture

- Universalism vs. particularism
    - What is more important: rules or relationships?
- Individualism vs. communitarianism
    - Do we function in a group or as an individual?
- Specific vs. diffuse cultures
    - How far do we get involved?
- Affective vs. neutral cultures
    - Do we display our emotions?
- Achievement vs. ascription
    - Do we have to prove ourselves to receive status or is it given to us ?
- Sequential (m) vs. synchronic (f) cultures
    - Do we do things at a time or several things at once?
- Internal vs. external control
    - Do we control our environment or do we work with it?

2.5 Fons Trompenaars' multicultural company, 1993

	Egalitarian/decentralised		
Person/ Informal Style	**Incubator** (fulfilment- oriented)	**Guided Missile** (project- oriented)	**Task/Formal Style**
	Family (power- oriented)	**Eiffel Tower** (role- oriented)	
	Hierarchical/centralised		

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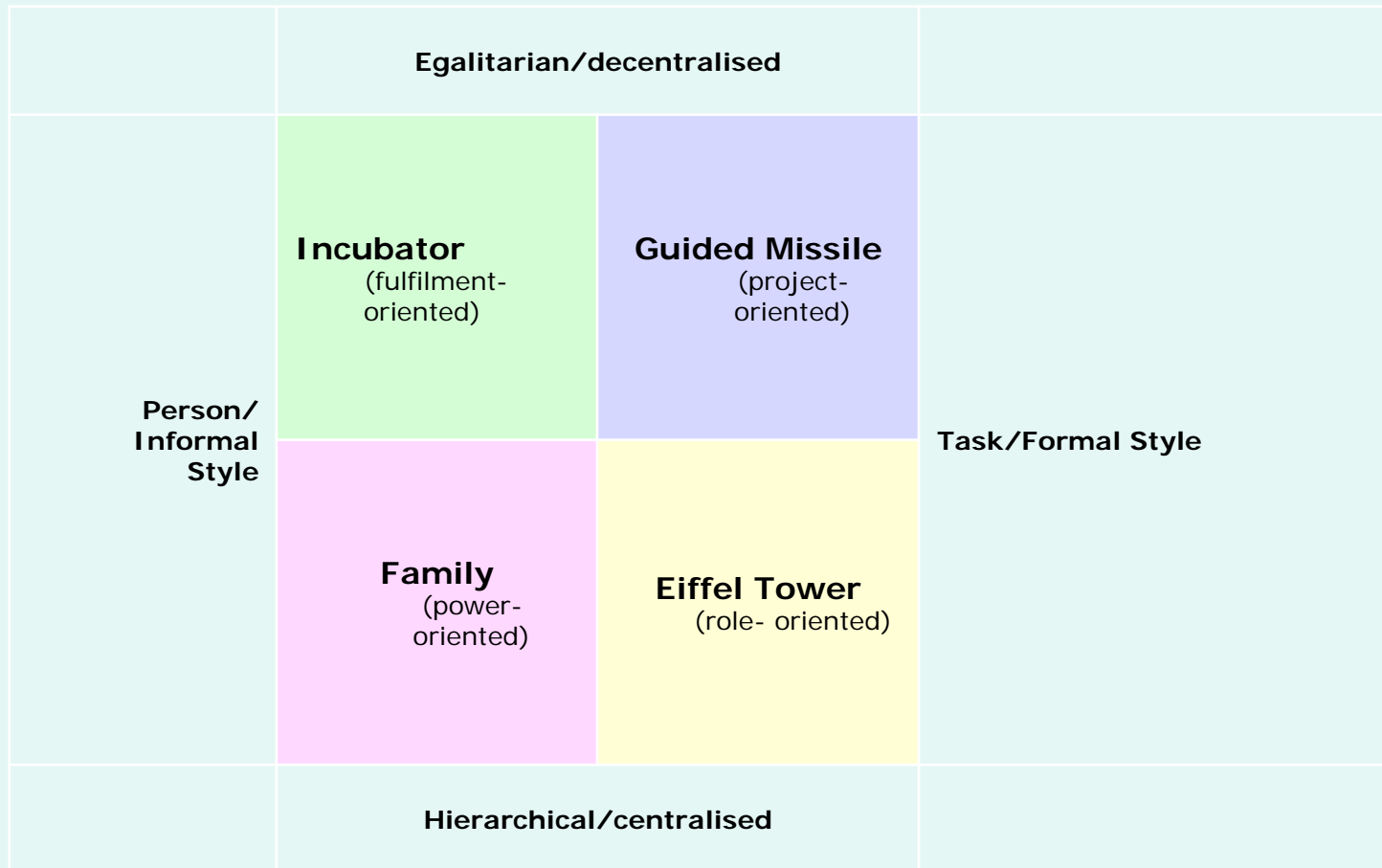
2.5 Fons Trompenaar's five subsequent factors (1/5)

Relationship between employees

- « Family »: diffuse relationship to organic whole to which one is bonded

- « Eiffel Tower »: specific role in mechanical system of required interactions

- « Guided Missile »: specific tasks in cybernetic system targeted upon shared objectives

- « Incubator »: diffuse spontaneous relationships growing out of shared creative processes

2.5 Fons Trompenaar's five subsequent factors (2/5)

Attitude to authority

- « Family »: status is ascribed to parent figures who are close and all powerful
- « Eiffel Tower »: status is ascribed to superior roles who are distant yet powerful
- « Guided Missile »: status is achieved by project group members who contribute to the targeted goal
- « Incubator »: status is achieved by individuals exemplifying creativity & growth

2.5 Fons Trompenaar's five subsequent factors (3/5)

Ways of thinking and learning

- « Family »: intuitive, holistic, lateral and error correcting

- « Eiffel Tower »: logical, analytical, vertical and rationally efficient

- « Guided Missile »: problem centred, professional, practical, cross disciplinary

- « Incubator »: process oriented, creative, ad-hoc, inspirational

2.5 Fons Trompenaar's five subsequent factors (4/5)

Attitudes to people

- « Family »: as family members
- « Eiffel Tower »: human resources
- « Guided Missile »: specialists and experts
- « Incubators »: co-creators

2.5 Fons Trompenaar's five subsequent factors (5/5)

Managing change

- « Family »: "Father" changes course

- « Eiffel Tower »: change rules and procedures

- « Guided Missile »: shift aim as target moves

- « Incubator »: improvise and attune

2.6 Henry Mintzberg

(1939 -) Montreal

Ph D in Engineering and Management, Sloane (MIT) Cambridge, MS.
Since 1968 a professor in Mc Gill

The Nature of Managerial Work 1973
The Structuring of Organizations 1983
Designing Effective Organizations 1989
The Strategy Process 1994
The Rise and Fall of Strategic Planning 1998
Strategy Safari 2000
Managing Publicly 2000

2.6 Henry Mintzberg's six organizational configurations (1/3)

1. **Entrepreneurial start-up**

   A simple structure i.e. a no sophisticated and no self-controlling system.

2. **Machine Bureaucracy**

   Managers mainly are concerned with fine-tuning. "Performance organizations" and not "problem solving" ones.

3. **Professional Bureaucracy**

   Trend to becoming a machine bureaucracy because of hardly controllable specialists' work

2.6 Henry Mintzberg's six organizational configurations (2/3)

4. Diversified organization

5. Innovative organization

1. Operating adhocracy

Clients' problems are directly solved

2. Administrative adhocracy

Its own problems are directly solved.

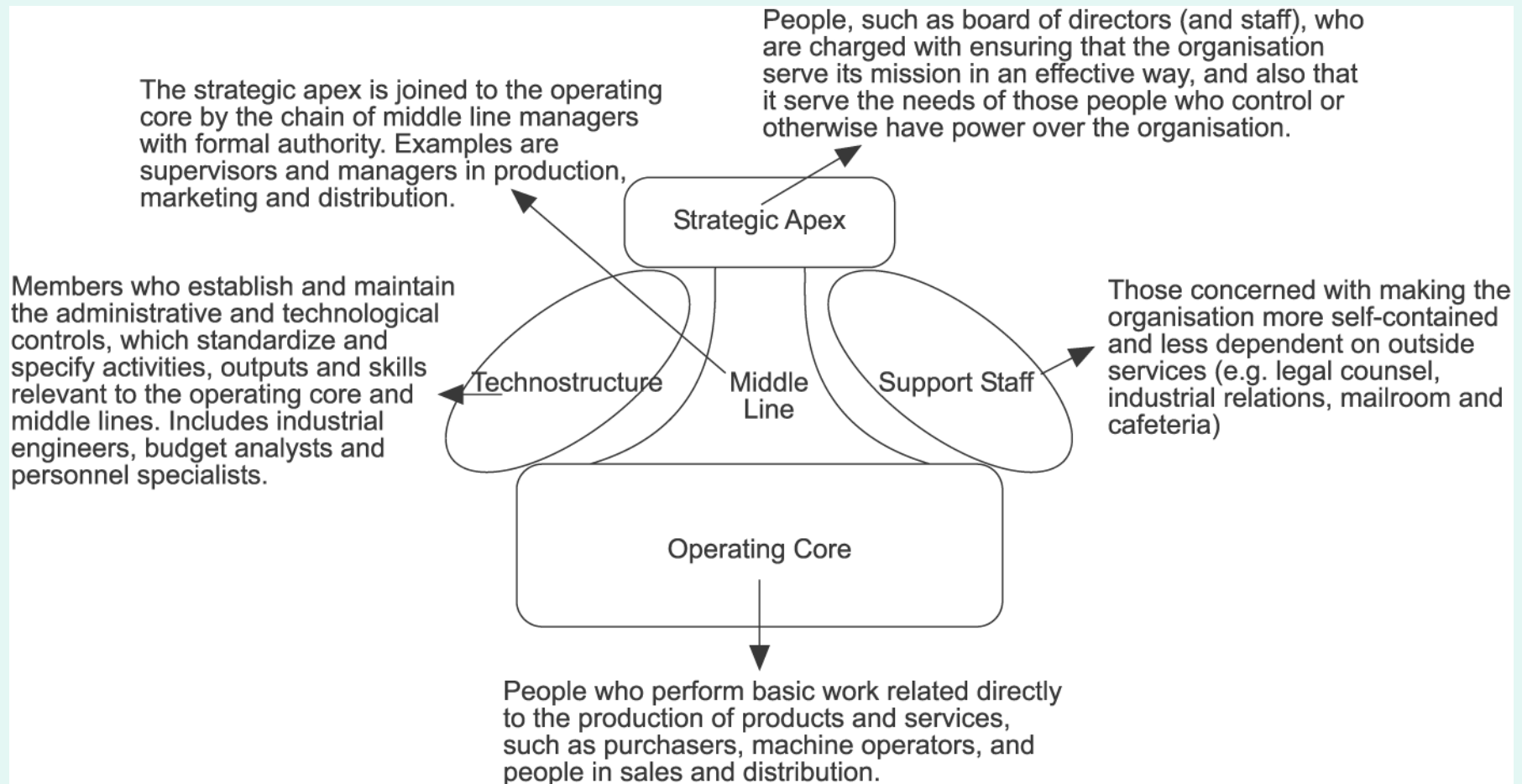# 2.6 Henry Mintzberg's six organizational configurations (3/3)

6. Missionary organization

8. Political organization

   Lacking a real co-ordinating mechanism

2.6 Henry Mintzberg's "6" basic parts of the organization, 1998

The strategic apex is joined to the operating core by the chain of middle line managers with formal authority. Examples are supervisors and managers in production, marketing and distribution.

People, such as board of directors (and staff), who are charged with ensuring that the organisation serve its mission in an effective way, and also that it serve the needs of those people who control or otherwise have power over the organisation.

Members who establish and maintain the administrative and technological controls, which standardize and specify activities, outputs and skills relevant to the operating core and middle lines. Includes industrial engineers, budget analysts and personnel specialists.

Those concerned with making the organisation more self-contained and less dependent on outside services (e.g. legal counsel, industrial relations, mailroom and cafeteria)

Strategic Apex

Technostructure   Middle Line   Support Staff

Operating Core

People who perform basic work related directly to the production of products and services, such as purchasers, machine operators, and people in sales and distribution.

2.6 Mintzberg's subsequent reflections

- Ideology (the 6th basic part) as a base for an organization

- A manager has to comply with some ideological requirements

- Management is making and maintaining an efficient organization to comply with this ideology

3. Conclusion

- What are our challenges once we are faced with globalisation?

- Will these patterns adapt or will new ones substitute them?

- Some clues to (try and be) be successful.