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Shaping Cultures and Behaviours

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*Trawsnewid Addysg; Trawsnewid Bywydau
Transforming Education; Transforming Lives*



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Lecture Themes

- Why study cross-cultural management (CCM)?
- Defining and conceptualising 'culture' – a difficult and contested area

Business Benefits of Diversity

- Synergy
- Talent clusters
- Wisdom of crowds
- Cross-cultural groups and teams offer great potential for success

Or ... the Routinely Multi-cultural Make-up of Many Cities' Workforces

The stress on London's diversity a factor in the successful 2012 Olympics bid – *viz* Tony Blair's pitch.

However, this is a controversial area – see the debate on immigration in the run-up to the UK general election in 2015.

Look up media coverage of the Greencore sandwich company in November 2014 for a flavour of the controversies around migrant workforces.

So Cross-Cultural Awareness is of Practical Value

- Interest in 'lessons from abroad' – these change over time!
- How to acquire 'local' know-how, e.g. the [HSBC](#) advertising campaign based on cultural misunderstandings.
- Increasing awareness that there is no one best (Western) way.

A Better World?

Therefore by becoming more cross-culturally aware can we:

- increase self-awareness
- be sensitised to difference
- question our knowledge foundations
- help to reduce ignorance, prejudice and hatred?

Awareness – and Avoidance of Parochialism

- ‘What does he know of England who only England knows?’ (Rudyard Kipling)
- ‘Faliraki syndrome’* a no-no for managers.

There are only places with their own culture.

*Aberrant behaviour because: ‘we’re on holiday’.

Awareness does not Equal Harmony!

Nancy Adler found that multi-cultural business teams faced the following potential difficulties:

- mistrust (including stereotyping)
- miscommunication
- process difficulties.

A Challenging Area

1. Research has consistently shown that multi-cultural teams tend to perform either much better or much worse than mono-cultural teams.
2. There are also ethical issues to consider; for example, desirable levels of integration – when in Rome?

Definitions

- 'Culture is the collective programming of the mind.'
(Geert Hofstede)
- 'Culture is the way a group of people solve problems.'
Fons Trompenaars
- 'Culture is like water to fish. It is there all the time but the fish are oblivious to it.' (S. Robbins)

Not Just Countries

National culture normally the unit of comparison in most research and management writing.

Consider also:

- organisational
- professional
- regional
- sub-cultures.

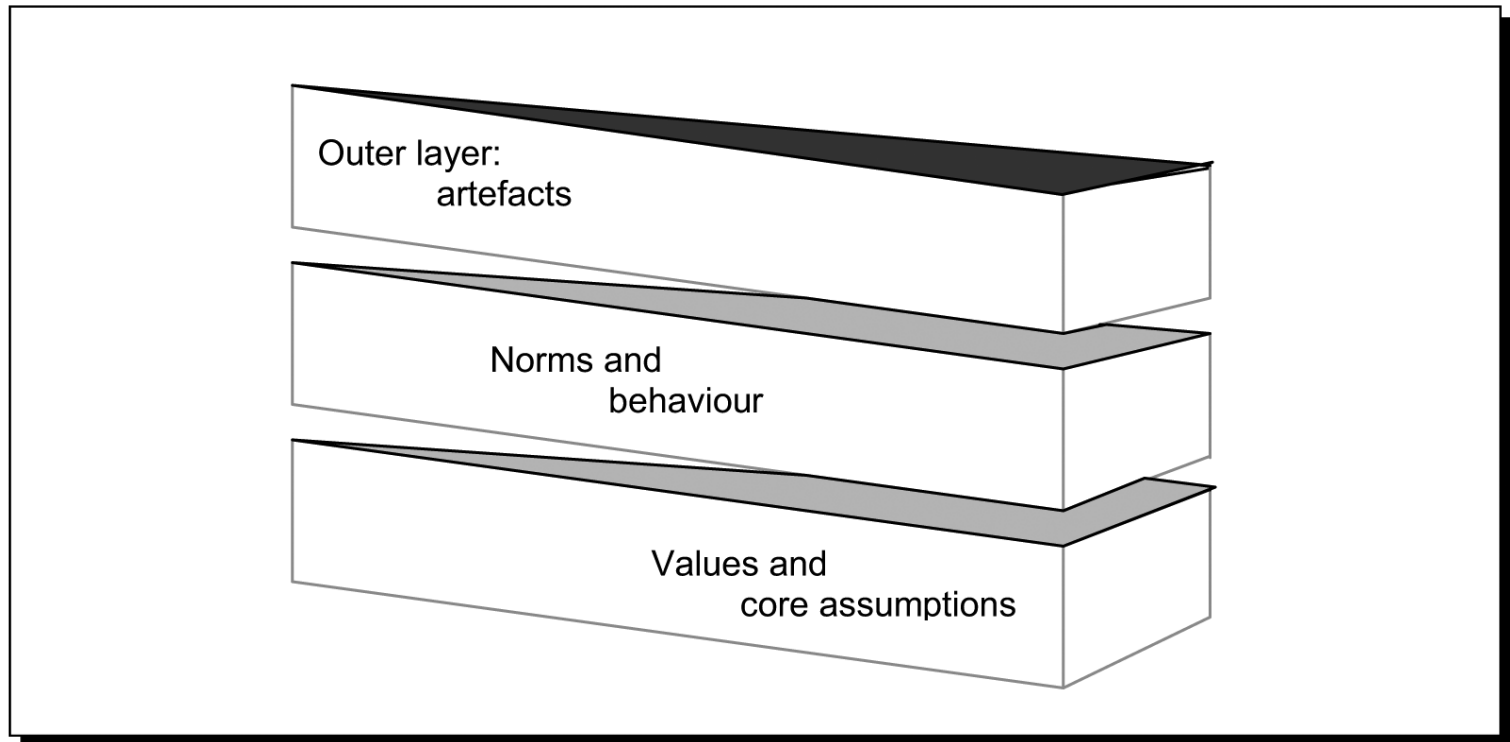
Recognise also Culture Change

In 1958 nobody cried at John Lennon's mother's funeral – even though he and others were deeply upset. In 2014 people cry at football matches in the UK; this is culture change.

See also the public displays of grief following death of Diana, Princess of Wales in what had been viewed as an emotionally neutral, 'stiff upper lip' society.

Also, China as a rapidly developing society contains huge contrasts from the traditional rural to hyper-modern urban settings.

Three Levels of Culture (1)



Three Levels of Culture (2)

Outer layer

The obvious little differences, e.g. mayonnaise on burgers.

Post boxes are red in the UK, blue in the USA and green in Ireland.

Important to survive and deal with 'culture shock'.

Three Levels of Culture (3)

Middle layer – how do we interact with others?

The ritual of the business card exchange in Asian cultures showing the underlying importance of respect, hierarchy and establishing relationships there.

Three Levels of Culture (4)

Core assumptions – will a building bring bad luck?

The debate concerning the Bank of China building in Hong Kong highlights a deep-rooted cultural belief on controlling nature.

But Watch out for the Ecological Fallacy!

- 'A statement that every English person is violent, because on occasions some English football fans are violent would be regarded by any rational person as absurd.' McSweeney (2002)
- Therefore we see central tendencies, 'scoring' and bipolar dimensions .
- Gender must not be not forgotten – how are men and women regarded and treated?

Culture Impacts at the Level of Institutions and Systems too

Varieties of capitalism:

- Anglo-American
 - Rhineland (French 35-hour week)
 - Asian (firm as a family)
-
- How do these feed into culture in your own country?
Interrelationships with values held by individual actors.

Institutional Theory (1)

Institutional theory focuses on the ***“taken for granted”*** character of social institutions such as religion, work, family, politics (Berger and Luckman, 1967) and explains how these realities are created and institutionalised.

Organisational legitimacy:

- relates to organizations’ survival in a society
- defined as ‘a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions’ (Suchman 1995: 574).

Institutional Theory (2)

New institutional theory & institutional isomorphism
(DiMaggio and Powell, 1983):

- organizations become more similar with respect to practices and systems within an organizational field, as a result of pursuing organisational legitimacy for survival

Flash Exercise

- Think of two or three other HRM practices which are likely to be strongly impacted by local practices
- Why so?

Flash Exercise

- What would be the key differences in training and development practices between LME and CME?

The Education Practices and Varieties of Capitalism

Co-ordinated market economies (CMEs) have more stakeholder oriented environments.

Such environments tend to have higher coverage of vocational educational training programme (VET) and a longer term view (Hall and Soskice, 2001).

In liberal market economies (LMEs) stakeholder interests are less protected, therefore more power accorded to shareholders and shorter term focus is likely (Amable, 2003; Dore, 2000)

Comparative Characteristics of Business (Whitely, 1991) (1)

The nature of the firm

- the degree to which private managerial hierarchies co-ordinate economic activities
- the degree of managerial discretion from owners
- specialisation of managerial capabilities and activities within authority hierarchies
- the degree to which growth is discontinuous and involves radical changes in skills and activities
- the extent to which risks are managed through mutual dependence with business patterns and employees

Comparative Characteristics of Business (Whitely, 1991) (2)

Market organisation

- the extent of long-term co-operative relations between firms within and between sectors
- the significance of intermediaries in the co-ordination of market transactions
- stability, integration and scope of business groups
- Dependence of co-operative relations on personal ties and trust

Comparative Characteristics of Business (Whitely, 1991) (3)

Authoritative co-ordination and control systems

- integration and interdependence of economic activities
- impersonality of authority and subordination relations
- task, skill and role specialisation and individualisation
- differentiation of authority roles and expertise
- decentralisation of operational control and level of work group autonomy

Key Points (1)

- Any analysis of HRM needs to be clear about its level of analysis.
- There will be some aspects of HRM which may be applicable in any country and any circumstances: every organisation in every country has to conduct basic HRM practices such as recruitment, payment, etc.
- There will also be many aspects of HRM which cannot be understood at that level and which must be explored at different levels: workplace, sector, national or regional. A focus on any one of these areas will, like focusing a camera, clarify some areas but blur others. It does not make either true or false – they are merely different perspectives.

Key Points (2)

- The national level of analysis is particularly informative, and that it is often given less priority than it should be. We provide evidence on these issues in the following chapters.
- At the national level, as we show in the following chapters, HRM can be very different. This is because of cultural and institutional differences between countries.
- This means that universal “best practice” approaches to HRM, often originating in the USA (or for multinational organisations at headquarters) should always be considered critically – are they appropriate for other environments?

Key Points (3)

- There are signs of these national differences reducing, but the best evidence we have says that they remain critical. Whilst globalisation seems to be creating some common trends in HRM it is not reducing the difference between countries in the way HRM is managed and conducted.

Ultimately:

We can all consider whether culture is an important factor in explaining our own values and behaviour and can also impact on the day-to-day reality of life in work organisations.

References

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