MBA IN BUSINESS ADMINISTRATION (MBA)

CASE STUDY 1

COURSE: MBA6223 TOTAL QUALITY MANAGEMENT

By: A. HARIS AWANG
(MBA2016-04-1001)

Submitted to:

Mr. Kumaran Raman
Deputy Dean
Faculty of Business
Asia Metropolitan University
Tel: 03-9080 5888 Ext: 680

SECTION A

<h1 style="text-align:center">IT INTERNATIONAL SDN BHD</h1>

COMPANY BACKGROUND

IT INTERNATIONAL SDN BHD was established in Malaysia in June 1961 and, since then, IT INTERNATIONAL has played a major role in delivering IT solutions to all types of businesses. The company's key strengths are its' skilled and experienced IT personnel and its' worldwide infrastructure of international offices and laboratories.The IT INTERNATIONAL Corporation is today one of the world largest and leading IT company. Worldwide, IT INTERNATIONAL operates in some 170 countries and has a global employee headcount of 400,000.IT INTERNATIONAL in Malaysia has contributed and will continue to contribute toward assisting Malaysia achieves its vision and goals. The company continues to introduce state-of-the-art technologies to the marketplace, thus enabling local companies to compete effectively both locally and globally. IT INTERNATIONAL collaborates every day with their 400,000 colleagues with growing networks of clients, advocates, experts and peers and with our neighbors, local organizations and millions of people they have met. This is simply how business is done in a globally integrating economy.IT INTERNATIONAL believes that the company culture based on core values not only helps the business, but also defines the role that they play in the society.

Diversity Programs in IT INTERNATIONAL SDN BHD
Employees of IT INTERNATIONAL represent a talented and diverse workforce. Achieving the full potential of this diversity is a business priority that is fundamental to the competitive success to the organization. A key element in their organization workforce diversity programs is long-standing commitment to equal opportunity. IT INTERNATIONAL's enduring commitment to diversity and it is one of the reason the company can credibly say that IT INTERNATIONAL is one of the leading globally integrated enterprises around the world:-

Equal Opportunity
Business activities such as hiring, training, compensation, promotions, transfers, terminations and IT INTERNATIONAL -sponsored social and recreational activities are conducted without discrimination based on race, color, genetics, religion, gender, gender identity or expression, sexual orientation, national origin, disability, age or status as a protected veteran. IT INTERNATIONAL is also committed to compliance with all fair employment practices regarding citizenship and immigration status.

Advancing Women
IT INTERNATIONAL is the best company for women. In a high performance culture, women need to take advantage of every opportunity to make them visible and standout. The company providing women advance program such as Women Leadership Programs, Female Entrepreneur and Tops Career for Women across the world.

Fairness in Recruiting

IT INTERNATIONAL attracts and recruits diverse talent in the organization. Recruiting and cultivating diverse talent is critical to maintaining their business success. Whether fresh out of college, or an experienced professional, IT INTERNATIONAL is a company where the candidate can cultivate their expertise, use their knowledge to the fullest extent, or re-invent themselves.

Dimension of Cultural Diversity

Geert Hofstede (1960) is a sociologist who studied employees working in a multinational corporation (Reynolds & Valentine, 2011). He described four ways that can help in analyzing and understanding other cultures as follows:-

Power Distance

This dimension relates to the degree of equality/inequality between people in a particular society. A country with a high Power Distance score both accepts and perpetuates inequalities between people. An example of such a society would be one that follows a caste system and in which upward mobility is very limited. A low Power Distance indicates that a society does not emphasize differences in people's status, power or wealth. Equality is seen as the collective aim of society and upward mobility is common.

Individualism

This dimension focuses on the degree to which a society reinforces individual or collective achievement and interpersonal relationships. If a country has a high Individualism score, this indicates that individuality and individual rights are dominant. Individuals in these societies tend to form relationships with larger numbers of people, but with the relationships being weak.

Uncertainty Avoidance

This dimension concerns the level of acceptance for uncertainty and ambiguity within a society. A country with a high Uncertainty Avoidance score will have a low tolerance towards uncertainty and ambiguity. As a result it is usually a very rule orientated society and follows well defined and established laws, regulations and controls. A low Uncertainty Avoidance score points to a society that is less concerned about ambiguity and uncertainty and has more tolerance towards variety and experimentation. Such a society is fewer rules orientated, readily accepts change and is willing to take risks.

Masculinity

This dimension pertains to the degree societies reinforce, or do not reinforce, the traditional masculine work role model of male achievement, control, and power. A high Masculinity score indicates that a country experiences a higher degree of gender differentiation. In such cultures, males tend to dominate a significant portion of the society and power structure. A low Masculinity score means a society has a lower level of differentiation and inequity between genders. In these cultures, females are treated equally to males in all aspects of the society

ISSUES IDENTIFIED IN IT INTERNATIONAL SDN BHD

Cultural diversity increases the complexity and problems in developing overall organizational procedures. Cross-cultural misunderstandings or conflict arises among the team members in the organization whenever there are cultural differences. IT International Sdn Bhd in particular, has been experiencing problem of misunderstanding when there is the interaction of people from different backgrounds of people in the organization. The success of the international organization depends on the smooth interaction and smooth team work form different cultures and religion. One of the main reasons of this assignment is to understand the underlying root causes for cross-cultural and diversity issues is due to misunderstanding and conflict arises among the team members and also help the organization to guide the employees on how to overcome the problems. There are many reasons why problems of misunderstanding can occur among the workers in the organization. It will also show that problem is due to lack of cross cultural communication and lack of diversity training among the employees in the organization. The causes of cross-cultural misunderstandings and conflict among the team members are shown in the Pareto Chart below:
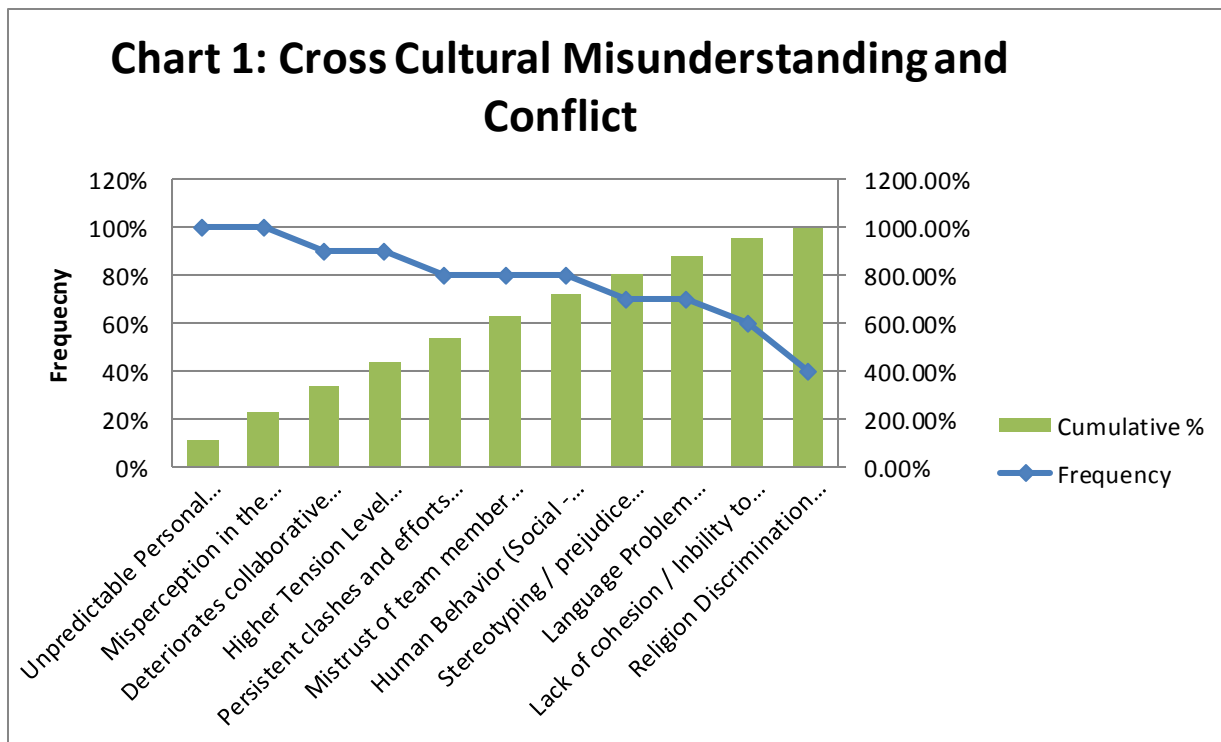

Figure 1: Pareto Analysis

Answer Questions Number TWO (2) and THREE (3)

~~**Question 1** (Skip)~~

~~*Analyze the root cause of the problem(s) in the above case. You are required to use appropriate quality tools to identify the root causes.*~~ **(10 Marks)**

Question 2

Evaluate the options that could be used as strategies to overcome the issues that have been identified.   **(10 Marks)**

Answer:

The issues that have been identified are cross-cultural misunderstandings and conflicts experienced by an organization with cultural differences. Cultural diversity is a common feature of an organization that operates worldwide. It can be advantageous as it harnesses talents and expertise from employees of different culture or background. If not addressed properly, it also can become a problem as cultural diversity can create misunderstandings and conflicts among employees within the organization.

For example, in Japan, women are regarded to be less superior compared to men in most of the industries. Whereby, in the US for example, women are equally regarded as capable as men. Women can hold top posts in the US whereby in Japan, top executive posts are dominated by men - Sheryl Sandberg, Facebook COO, Susan Wojcicki, YouTube CEO, Meg Whitman, HPE CEO, Ginni Rometty, IBM CEO, Angela Ahrendts, SVP for retail at Apple, Safra Catz, Oracle co-CEO, Ruth Porat, Alphabet CFO, Ursula Burns, Xerox CEO, just to name a few (Finnegan, 2017). Nonetheless, this doesn't mean that the US way is better than Japan or vice versa. Both ways work under different cultures and situations. It is the failure to understand the way different cultures work that leads to a breakdown in an organization of multi-cultural.

(Duggan, 2017). For a worldwide company to run smoothly, cross-cultural communications must really be effective. By taking proactive steps and acknowledging potential problems, conflicts can be minimized. Opportunities and time should be given for employees to learn about each other's culture. Conflicts can cause an unhealthy working environment and can be detrimental to company's performance.

To overcome the issues, the following strategies are evaluated.

Bridging the language barrier

While we cannot expect everyone to speak the same language, misunderstandings can be minimized or avoided by bridging the gap between languages. Employees should be encouraged to use apps like Google translator in case they encounter documents or emails that are written in foreign languages. However, this may not be the best way to understand but at least it gives some guidance as to what the communication is all about. Some translations can lead to a different meaning of the original message and has to be treated carefully.

Another way is to adopt a common language in all meetings, communications and documentations. Depending on locality or the majority, it can be either English, Mandarin, French, Spanish or any

other language. As for companies operating in Malaysia, the most commonly used is English. Language classes can also be conducted to enhance employee communication skills.

Exposing employees to other cultures

Exposing employees who will be working together to another culture enables a good working relationship in the long term. Employees can learn different languages, rules and norms for acceptable behavior. This helps to prepare employees to deal with situations as they arise. Employees working in a multi-cultural environment can change their preconceptions toward other cultures thus leading to a more conducive working relationships.

Training for effective communication

Effective communication is the bond that helps deepen connections among employees and improve teamwork, decision making, and problem solving. It enables employees to communicate even negative or difficult messages without creating conflict or destroying trust.

Effective communication is not only limited to mastering a language. Employees can be trained to use other forms of communications e.g. audio, visual or graphical in order to get their messages across effectively. The company can set a standard on how an effective communications should be by providing examples of good or bad communications using a video.

Question 3

As a consultant, propose your recommendations to the top management of IT International Sdn Bhd to overcome the cross-cultural issues faced by the company.   **(5 Marks)**

Answer:

As a consultant, I will apply Pareto principle which is also known as the 80/20 rule. The Pareto principle states that, for many events, roughly 80% of the effects come from 20% of the causes. From the table and Pareto diagram below, it can be seen that J (unpredictable personal background) & K (misperception in the community) combined constitute 23% of the causes. These two causes are very much likely to cause 80% of the effects which are misunderstanding and conflict in the multi-cultural organization.

It would be time consuming to overcome all of the causes (A to J) at once. A recommendation to tackle the top two causes therefore will save a lot of time and resources as most organization would want fast results.

For J (unpredictable personal background), it is recommended that the company conduct a personality test on all employees. This can be a survey or questionnaire utilizing Likert scale to assess each employee personality. Personality traits also known as The Big 5 traits -Neuroticism,

Extraversion, Openness, Agreeableness, and Conscientiousness are commonly used in an organization to assess employee personality which can linked to their behavior (Zillig, Hemenover & Dienstbier, 2002). By knowing employee personality, the company can predict the behavior thus eliminating the "unpredictable" factor.

As for K (misperception in the community), it is recommended that the company carry out the implementation of all of the strategies of overcoming multi-cultural issues as described under Question 2 which are bridging the language barrier, exposing employees to other cultures and training for effective communication.

No	Causes	Frequency	Cumulative %
J	Unpredictable Personal Background (Personality Background)	10	12%
K	Misperception in the community (Social- Cultural Factor)	10	23%
H	Deteriorates collaborative group function (Social-Cultural Factor)	9	34%
I	Higher Tension Level (Education, Age & Gender Factor)	9	44%
E	Persistent clashes and efforts (Education, Age & Gender Factor)	8	53%
F	Mistrust of team member (Communication Factor)	8	63%
G	Human Behavior (Social - Cultural Factor)	8	72%
C	Stereotyping / prejudice (Education, Age & Gender Factor)	7	80%
D	Language Problem (Communication Factor)	7	88%
B	Lack of cohesion / Inbility to agree (Communication Factors)	6	95%
A	Religion Discrimination (Social-Cultural Factor)	4	100%
		86	

Cross Cultural Misunderstanding and Conflict
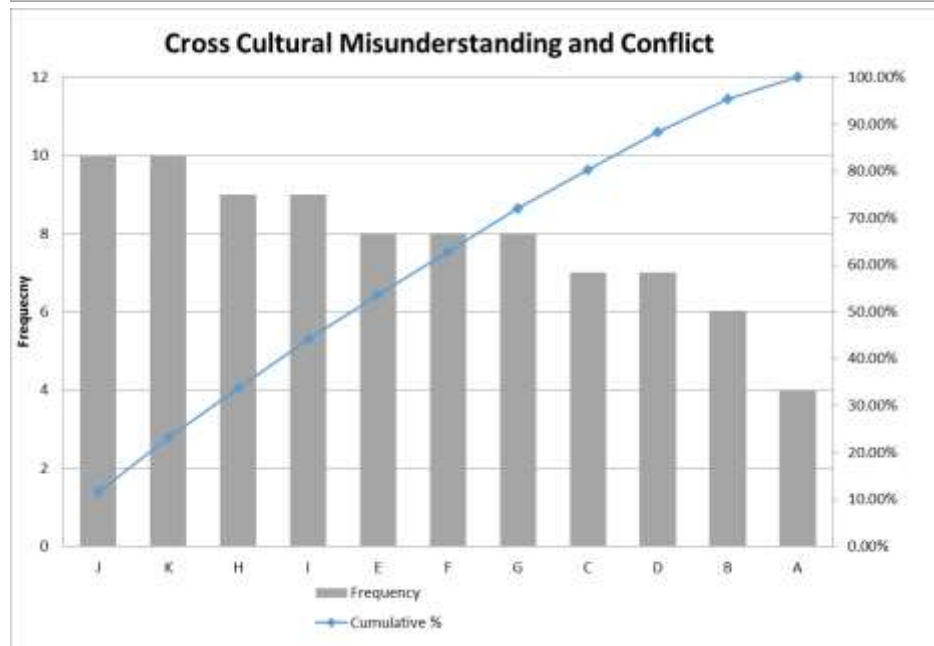
END OF QUESTION PAPER

References

Duggan, T. (2017). How to Overcome Cross Cultural Communication in Business. Retrieved 10 January, 2017, from http://smallbusiness.chron.com/overcome-cross-cultural-communication-business-134.html

Finnegan, M. (2017). Computerworld UK. Retrieved 10 January, 2017, from http://www.computerworlduk.com/galleries/careers/10-most-powerful-women-in-tech-3613276/

UK Essays. (2017). How To Overcome Cross Cultural Communication Barriers. Retrieved 10 January, 2017, from https://www.ukessays.com/essays/english-language/how-to-overcome-cross-cultural-communication-barriers-english-language-essay.php

Zillig, L.M.P, Hemenover, S.H & Dienstbier, R.A. (2002). What Do We Assess When We Assess a Big 5 Trait? A Content Analysis of the Affective, Behavioral, and Cognitive Processes Represented in Big 5 Personality Inventories. Personality and Social Psychology Bulletin, 28(6), 847-858.