



Working in multicultural teams and environments

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Managing in multicultural environments: global leadership?

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Cross Cultural Training & Consulting



Biography

- Associate Professor at EM Normandie Business School, Academic Director of the DBA program.
- Educated in cognitive and industrial psychology, with an international background in China, the United States, Italy, and Denmark.
- PhD in International Business, Aarhus University (DK), on “Middle managers’ perceptions in cross border mergers and acquisitions: a focus on cultural friction and work motivation outcomes”
- Affiliated with a research laboratory in Aarhus University, Denmark, where I used to teach International Business Management for Danish Master’s students.
- Interest in understanding group behavior and the opportunity for multicultural experiences led me to the cross-cultural field, focused on performance in different environments.
- Consultant and trainer for firms (training for expatriation or expertise on global HR projects, consulting for developing teams’ performance in multicultural, global and/or virtual environments), and for students in Intercultural Communication, Management & Negotiation, Global Leadership & Virtual team management, Global Talent Management, International Human Resources, Multicultural Team Management and Global Business Ethics.
- Member of European Group for Organizational Studies (EGOS) and the Academy of International Business (AIB), European Academy of International Business (EIBA) proficient in Chinese (graduated from INALCO), Italian, French and English.



Some examples of publications

- **Durand M. (2019).** Ces frictions culturelles qui mènent à l'échec des fusions acquisitions internationales. *The Conversation*
- **Durand, M. (2017)** "Cultural frictions in Post-Merger Integration processes: A view on Face" in *Organization and Culture in Cross Border Acquisitions*, Routledge publication
- **Durand, M. (2016).** Employing critical incident technique as one way to display the hidden aspects of post-merger integration. *International business review*, 25(1), 87-102.
- **Stahl, G. K., Angwin, D. N., Very, P., Gomes, E., Weber, Y., Tarba, S. Y., ... & Durand, M. (2013).** Sociocultural integration in mergers and acquisitions: Unresolved paradoxes and directions for future research. *Thunderbird International Business Review*, 55(4), 333-356. (Collective publication).
- **Durand M. (2012).** "The Global M&A Tango: How to Reconcile Cultural Differences in Mergers, Acquisitions, and Strategic Partnerships", *Cross Cultural Management: An International Journal*, Vol. 19 Iss: 2, pp.271 - 273. (Book review)

OUTLINES

1. Context & rationale
2. Objectives of the module & targeted skills
3. Assessment modalities
4. Workshop topics & content



1. Rationale for the course/Context

- Increasing complexity and interdependence of the business world require a radical transformation of leadership (approaches & skills needed)
- Leaders are required to work in international environments, within transversal, cross functional, multicultural teams, or even global and/or virtual teams.
- The **effects of culture on** opinions, attitudes, beliefs and behaviors of leaders & followers significantly **affect the success** or failure of international projects.

In today's international and ultra-globalized environments preparing students for future managerial responsibilities is essential.



1. Rationale for the course/Context

- **Only 7% of managers** consider themselves **effective in their approach to international leadership**. (Center for Creative Leadership studies)
 - For ex., a highly effective manager who has demonstrated his or her abilities in a French environment, may find himself in great difficulty when he finds himself managing teams in China or Saudi Arabia...
 - There is a real challenge to prepare students /future leaders to operate effectively across borders
 - We address those issues in this workshop



2. OBJECTIVES

This course is designed

- ❑ To **equip students with theoretical background and practical knowledge**
 - ❑ **To recognize the role of culture** in the functioning of individuals and teams
 - ❑ & the existence of cultural differences in leading and conducting business negotiation and management.
- ❑ To **equip students with effective intercultural skills & enhance global mindset** to
 - ❑ Become aware of
 - ❑ **Anticipate and solve problems** related to cultural issues,
 - ❑ To lead efficiently in global settings



2. Targetted skills

- ❑ Upon completing this course, students will be able to
 - ❑ Identify, decode and analyze sources of misunderstandings in multicultural settings.
 - ❑ Anticipate & manage multicultural issues, and to solve intercultural dilemma.
 - ❑ Comprehend the concepts of **global mindset**, cross-cultural intelligence and **switch leadership** as a must have to work across boundaries.



3. ASSESSMENT MODALITIES FOR FINAL EXAMINATION

- ❑ **CASE STUDY +Continuous assessment (bonus points oral participation)**

- ❑ **CRITERIAS OF ASSESSMENT**

- ❑ Being able to identify the cultural issues
- ❑ Relevance of the analysis, from a cross cultural perspective
 - ❑ Matching with cross cultural dimensions
 - ❑ Requires mastering of the cultural dimensions' tools from Hall & Hofstede
 - ❑ Making professional recommendations
 - ❑ Use of the relevant terminology associated to the field



4. Workshop topics & content

Part 1

- WHAT IS A GLOBAL LEADER?
 - Overview of G.L.O.B.E. studies
- WHAT IS GLOBAL LEADERSHIP?
 - Linking to cross cultural management

Part 2

- DEVELOPING CULTURAL AWARENESS
 - UNDERSTANDING WHAT IS CULTURE
 - FIRST BARRIERS TO INTERCULTURAL INTERACTIONS
 - PERCEPTIONS/MISPERCEPTIONS
 - STEREOTYPES
 - ETHNOCENTRISM



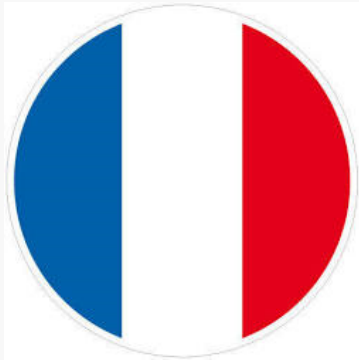
Part 3

- INTRODUCING CULTURAL TOOLS TO ANALYZE CULTURES
 - CROSS CULTURAL COMMUNICATION (HALL PARADIGM)
 - CROSS CULTURAL DIMENSIONS (HOFSTEDE'S MODEL, G.L.O.B.E.)
 - **ANTICIPATING, SOLVING PROBLEMS ACROSS CULTURES**
- MANAGING CONFLICT ACROSS CULTURES
- DEVELOPING TRUST ACROSS CULTURES
- GLOBAL MINDSET & SWITCH LEADERSHIP

WHAT IS A GOOD LEADER FOR YOU?



Different conceptions/different expectations



- **Charismatic**
- **Powerful**
- **Knowledgeable**



- Hierarchy & power are valued
- Le leader is expected to know...



- **A visionary**
- **A catalyst**
- **A delegator**
- He knows how to motivate, to communicate
- He knows who is able to do what
 - How to use everyone's competencies, to organize tasks distribution and to delegate to the right collaborators

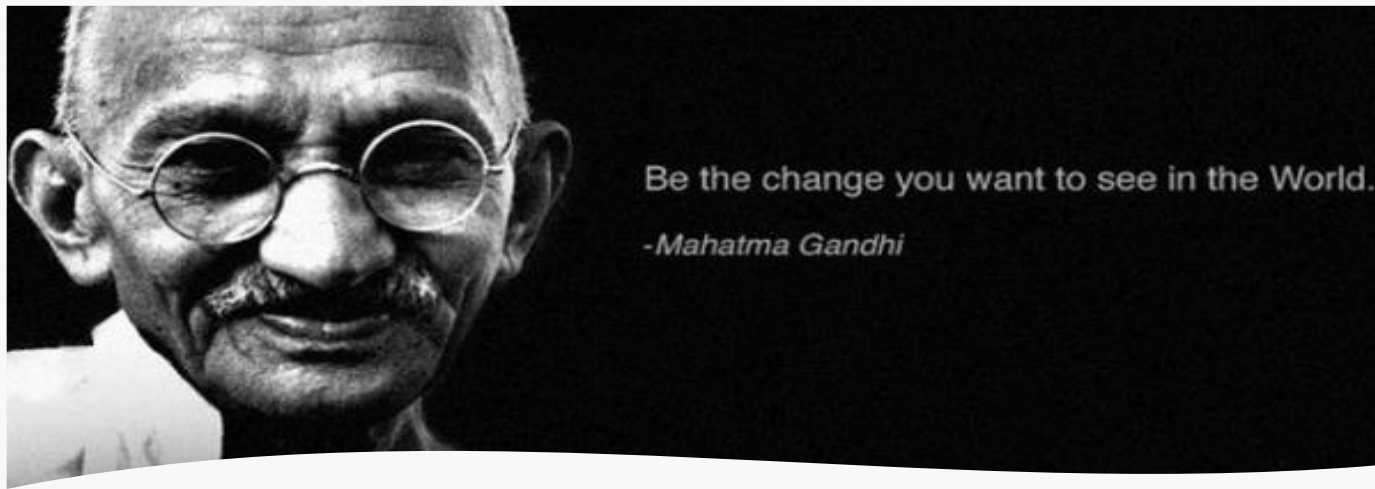


WHAT IS A GOOD LEADER FOR YOU?

VARIATIONS ACROSS CULTURES

- ❑ DIFFERENT EXPECTATIONS
 - ❑ Vision of leadership differs dramatically across borders
 - ❑ Leadership follows culturally established norms in terms of what leaders and followers expect from each others
 - ❑ However, what seems to be universal across cultures
 - ❑ Charismatic
 - ❑ Visionary
 - ❑ Intelligent
 - ❑ Perseverant





SATYA
NADELLA



SUNDAR PICHAI

WHAT IS A GOOD LEADER FOR YOU?

Model leader behavior patterns differ widely across countries in their emphasis on

- Individualist Vs. team orientation
- Particularism Vs. universalism
- Performance Vs. maintenance orientation
- Authoritarian Vs. democratic orientation

« It is not enough to command men, you must also know how to love them. This is what we call obeying with friendship ».

General Delattre de Tassigny



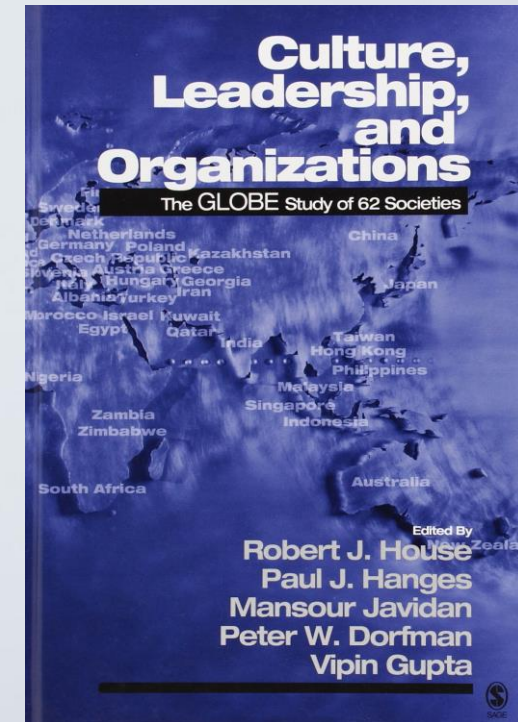
Additionaly

- Paternalism/family ties
- Reliance on personal abilities, subordinates, or rules
- Leader influence processes
- Consensual decision-making
- Service orientation

Global Implications

The GLOBE study *

- Looked at the impact of culture on leadership practices in order to understand and predict the **influence of specific cultural variables on leadership**.
- Describes how each of **62 societies in 10 regions** of the world scores on **9 major cultural dimensions** of culture and **6 major behaviors** of global leaders.
 - Cultural dimensions are derived from a combination of seminal works from Hofstede (1981, 2001), Triandis (1995), Kluckhohn & Stodtbeck (1965)
- Found that many **elements** of transformational leadership are **universal**
 - including vision, foresight, providing encouragement, trustworthiness, dynamism, positiveness, and proactiveness
 - **Vision** is important in any culture, but how it is formed and communicated may vary by culture



*Global Leadership and Organizational Behaviour Effectiveness
House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds.).
(2004). *Culture, leadership, and organizations: The GLOBE study of 62 societies*.
Sage publications.

9 GLOBE cultural dimensions (source: House et al., 2004)

Dimensions	Description
<i>Future orientation</i>	Degree to which individuals in organizations or societies engage in such behaviour as planning, investing in the future, and delaying individual or collective gratification.
<i>Gender egalitarianism</i>	Degree to which an organization or a society minimizes gender role-differences while promoting gender equality.
<i>Assertiveness</i>	Degree to which individual in organizations or societies are assertive, confrontational, and aggressive in social relationships.
<i>Humane orientation</i>	Degree to which individuals in organizations or societies encourage and reward individuals for being fair, altruistic, friendly, generous, caring, and kind to others.
<i>In-group collectivism</i>	Degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families.
<i>Institutional collectivism</i>	Degree to which organizational and societal institutional practices encourage and reward collective distribution of ressources and collective action.
<i>Performance orientation</i>	Degree to which an organization or society encourages and rewards group members for performance improvement and excellence.
<i>Power distance</i>	degree to which members of an organization or society expect and agree that power should be stratified and concentrated at higher levels of an organization or government.
<i>Uncertainty avoidance</i>	Extent to which members of an organization or society strive to avoid uncertainty

6 GLOBE's global leader behaviours (source: House et al., 2004)

Dimensions	Descriptions
Charismatic/value based-leadership	Reflects the ability to inspire to motivate and to expect high performance outcomes from others based on firmly held core values
Team-oriented leadership	Empahsizes effective team building and implementation of a common purpose or goal among team members
Participative leadership	Reflects the degree to which managers involve others in making and implementing decisions
Human oriented leadership	Reflects supportive and considerate leadership but also includes compassion and generosity
Autonomous leadership	Refers to independant and individualistic attributes
Self-protective leadership	Focuses on ensuring the safety and security of the individual and group through status enhancement and face saving

Global Implications

- Charisma and transformational leadership important in all
 - intelligent, encouraging, inspiring, honest, trustworthy are universally accepted as desirable attributes;
 - whereas, lonely, ruthless, dictatorial, egocentric, are classified in the undesirable adjectives universally.



- Results - illustrations
 - Brazil – Leaders are participative and humane oriented
 - France – Leaders are bureaucratic, task oriented, and autocratic
 - China - Initiating structure and consideration important: status differences but participation valued



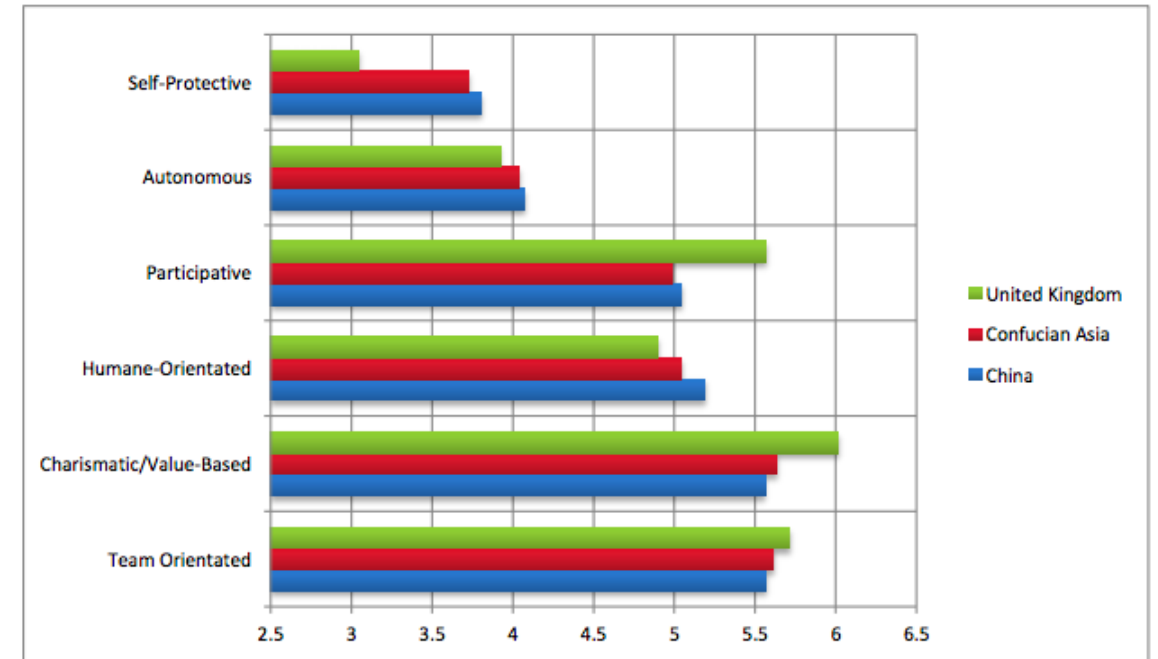
Subtle differences

In Europe, differences are shown for Latin & Germanic Europe

- **Latin Europe highly values charismatic leadership,**
 - followed by **team leadership, participative and self-protective**, which are also highly desired.
 - the **autonomous and humanistic leaderships** are **less valued**.
 - In other words, Latin Europe sees the **ideal leader as** a leader who **inspires**, is **collaborative, participative**, yet **self-protective**
- **Germanic Europe** values first of all **autonomous leadership**.
 - All the other categories of behavior are also desirable at a high desirable level, with the exception for **self-protection**, which is only **moderately valued**.
 - In other words, Germanic Europe sees the **ideal leader as an autonomous leader**, and **visionary**, but who also knows how to be **participative & team-oriented**.

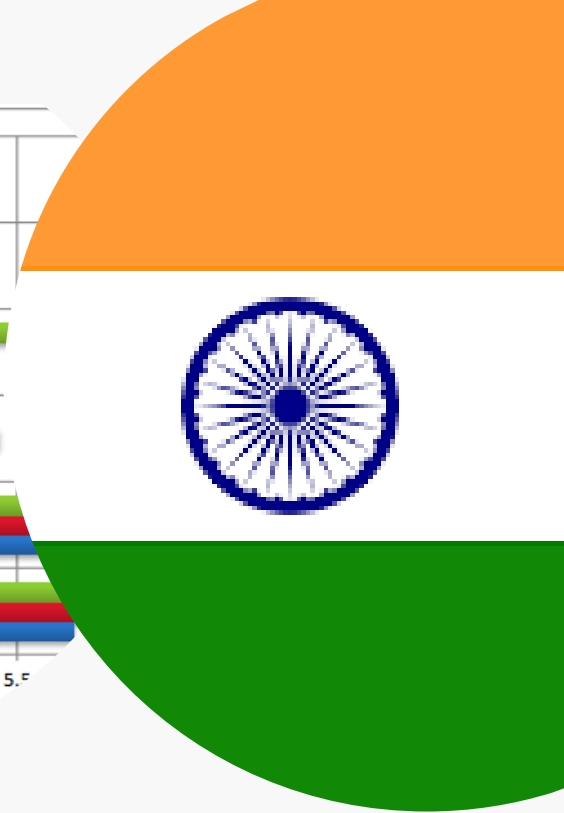
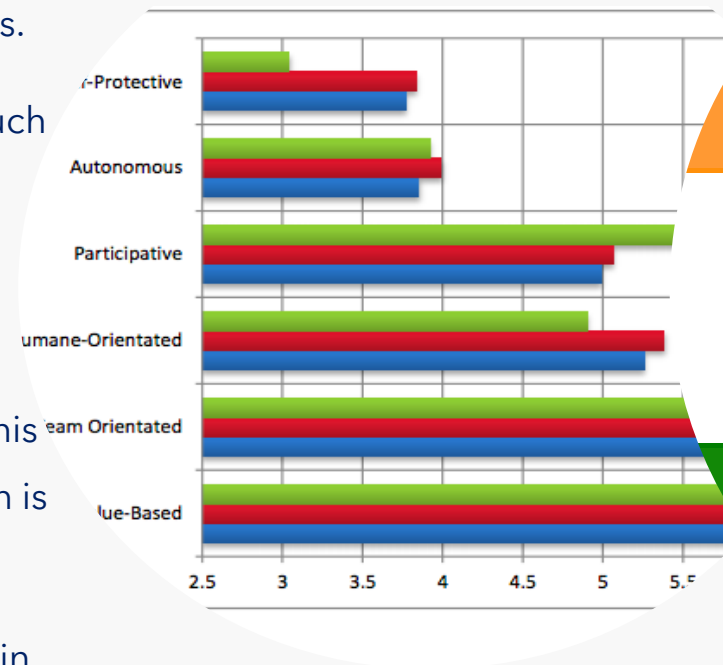
Few examples to illustrate what is considered effective across cultures?

- **Participative leadership** styles are common and effective in the individualistic West
 - but are questionable in the collectivistic
- East Asian managers, on the other hand, will place a strong emphasis on **paternalistic leadership** and activities geared toward maintaining group harmony.
 - A leader who "listens carefully to what you say" is valued in the U.S. but not in China
 - A leader who "praises your achievements to others, but not directly" is valued in China (as a way to maintain group harmony), but not in the U.S.



Source: House et al., 2004

- **In Arabic countries**, combination of family and tribal norms & bureaucratic organizational structures that favor **authoritarian leadership** practices.
- The form of leadership generally effective **in Middle Eastern** societies (such as Saudi Arabia)
 - **caliphate model**, which relies on authoritarian leadership & prohibits dissent from team members.
- **Korean chaebols** such as Samsung or Hyundai Motor Company, also fit this **model of family-centred conglomerates**, in which leadership succession is dominated by the family.
- **Practice of hiring relatives**, system used in many large-scale companies in these countries as well.
- **Large Indian companies:** good example of these practices as well.
 - Large groups like Tata - now international in scope - are still run by families, and guided by values such **as obedience to elders**, based on **deference to the wisdom of experience**.
 - **In Mexico, grupos**, or groups, are large **business structures** owned and managed by **families**.



IN BRIEF



The GLOBE study then represents a fundamental shift in the approach to leadership

- from an individual leadership approach
- to a cultural leadership theory.

Background information

Previous perspective tends to ignore cultural influences

- Underestimation of culture and its effect
- Denial of differences

Before the 80s,
« *Much of the management literature does not recognize the existence of cultural differences and therefore the question of cultural collaboration does not arise* » (S.Chevrier, 2000)

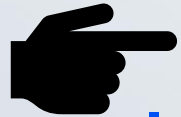


- Implicit rejection of cultural differences
- Convergence towards a single form
 - implying the hierarchization of cultures and
 - the rejection of any other model deviating from the universal Western model

Background information

In the 80's decline of the West

- emergence of economy like Japan challenges this established hierarchy of cultures,
 - a new one best way...Japanese style management
 - form of success
 - principles on lifetime employment,
 - existence of career plan,
 - decision making by consensus,
 - generalist employee rather than specialist,
 - informal, implicit control mechanism



Western countries tried to imitate... transfer of practices... didn't work

Intercultural collaboration then looks like assimilating the dominant culture...

- **Towards a functionalist conception of culture (Malinowski, 1968)**
- **And emergence of a new field: cross cultural management**

Former research works on cross cultural communication started in the fifties (cf Hall works)

Background information

What we know today

- **Leadership practices are culturally contingent (House et al., 2004)**



- WHAT WORKS IN A GIVEN COUNTRY /CULTURAL CONTEXT DOESN'T NECESSARILY WORK WHEN TRANSFERED IN ANOTHER ONE

(Hofstede, 1980; Laurent, 1983; Trompenaars, 1993)

Cultural conception influences

- Leadership style & leaders' practices,
- Subordinates' expectations
- Cultural universals/cultural specifics

✓ Global leadership?

**What do
we mean
by
"global"?**

- A presence in multiple countries?
- Cultural adaptability?
- A multilingual top team?
- Multiple experiences
 - It is attitudes rather than experiences that make a culture global
 - drive, initiative, **cultural sensitivity**, and readiness to see the world with new eyes



✓ Global leadership

❑ **Global leadership** is defined as
« *leading people based in multiple regions of the world* ».

- ❑ Need to engage very diverse and distributed groups of stakeholders and colleagues to get things done.
- ❑ Specific skills necessary to lead organizations efficiently through challenging times and spaces.
 - ❑ A MUST HAVE: GLOBAL MINDSET
 - ❑ A distinctive competency, and competitive advantage
 - ❑ Interpersonal skills
 - ❑ Don't forget : linguistic skills...!



« **Global-minded leaders** are often highly creative and have the ability to visualize problems from different perspectives and to identify non-linear solutions. »

✓ Cross Cultural Management?

- ❑ CCM is a fairly new field based on theories and research from Cross Cultural Psychology
 - ❑ Study of human behavior and mental processes under diverse **cultural** conditions
 - ❑ **Describes** organizational behavior within countries and cultures
 - ❑ **Compares** organizational behavior across countries and cultures

Cross-cultural leadership framework partly based on value belief-theory of culture (cf. Hofstede, 1980, Triandis, 1995)

✓ Why Cross cultural management?

- ❑ To **maintain global competitiveness**, developing cross-cultural skills is important
 - ❑ Seeking to understand and improve cross-cultural interactions with collaborators, employees, executives, customers, suppliers, from other cultures
- ❑ How can an efficient cross-cultural management be implemented?
 - ❑ Identifying the main barriers to manage, negotiate, communicate across with counterparts from different background

Why understanding how to manage across cultures is important?

Why cross cultural management? 2

- Culture is everywhere, we can't avoid it!!
 - We are surrounded by culture
 - However we have troubles dealing with it
 - In our personal and professional life
- **CLUES ARE MISSING**
- AND SOMETIMES WE DON'T RECOGNIZE DIFFERENT BEHAVIOURS AS BEING CULTURALLY EMBEDDED INTO STRONG CULTURAL VALUES (CODE OF POLITENESS, COMMUNICATION STYLE etc...)



STEP 1: DEVELOPPING CROSS CULTURAL AWARENESS



What do you think of the following statements?

- The world is essentially a global village
- The world would be a better place if everybody behaved like the people in my country
- One could live in any country in the world, if one were honest and well-intentioned
- Business is business in any country

How do we introduce ourselves?

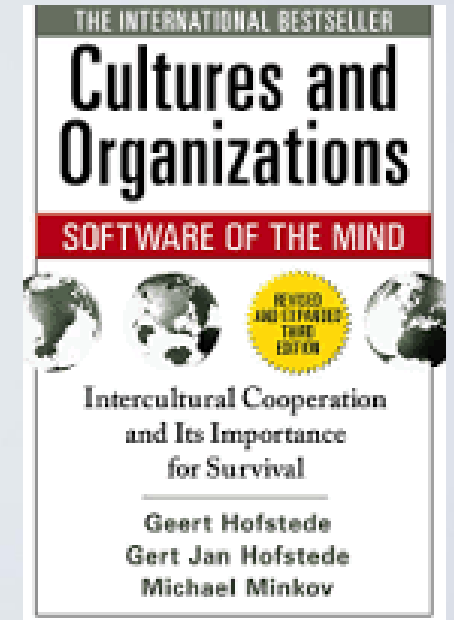


The way we introduce ourselves is culturally contingent!

- What is important to communicate?
 - Our achievements? Education ? Family situation? Age?
- What are the common points? And differences?
- What information is communicated first? How is it communicated?
 - Content ? Direct? Explicit ? Formal ? Jokes? Chronology?
 - Gestures ? Posture ? Eye contact?

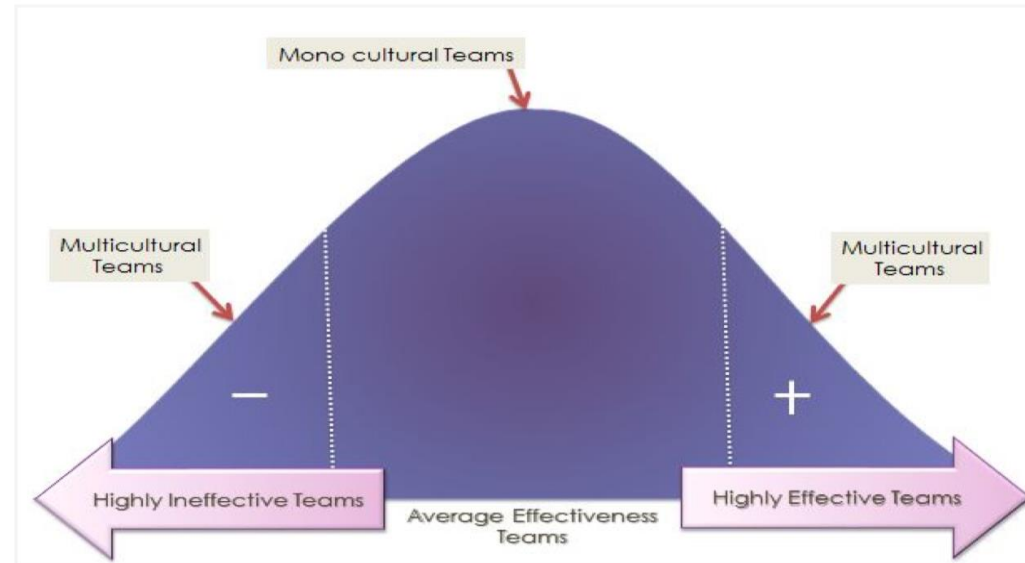
Understanding key points

- WHAT IS CULTURE?
- CULTURE & PERFORMANCE: FACTS
- WHAT ARE THE MAIN DANGERS WHEN INTERACTING ACROSS CULTURE?



Culture & Performance

Performance in monocultural et multicultural teams



Source: *International Dimensions of Organizational Behavior*, N.J.Adler, PWS-Kent, 1991

Culture & Performance

- **Individual level**

- Early returns from expatriation because of lack of adjustment

- **Team level**

- Most performing teams are multicultural

- **Organization level**

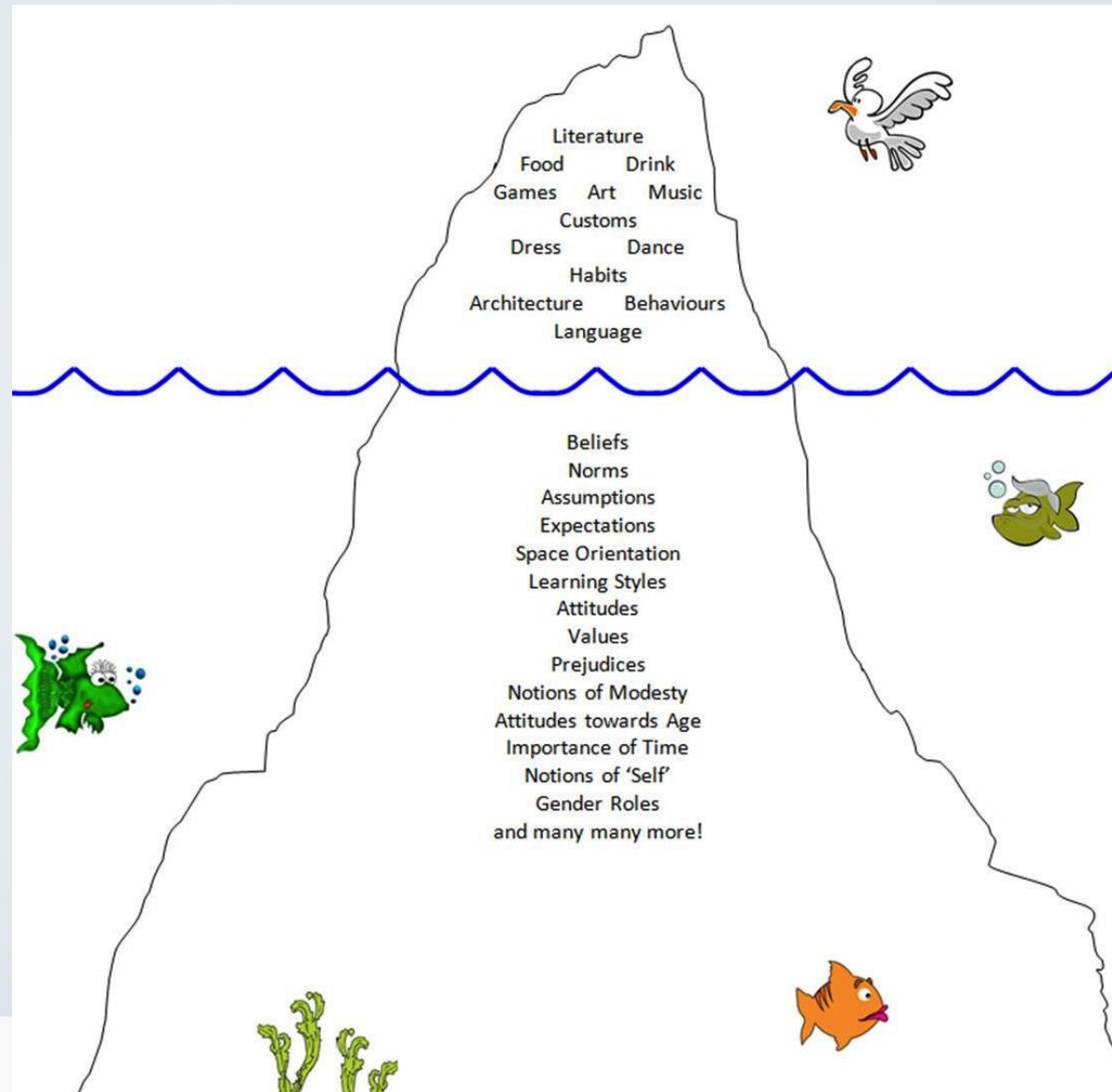
- 50 to 90% of CBM&As fail during the post merger integration stage (cultural misfit)

☞ Performance directly linked to the ability of understanding and mastering the cultural factor

Culture?

Context (influences the whole set of elements of the iceberg)

- History
- Geography
- Climate
- Politic
- Demography...



Culture?

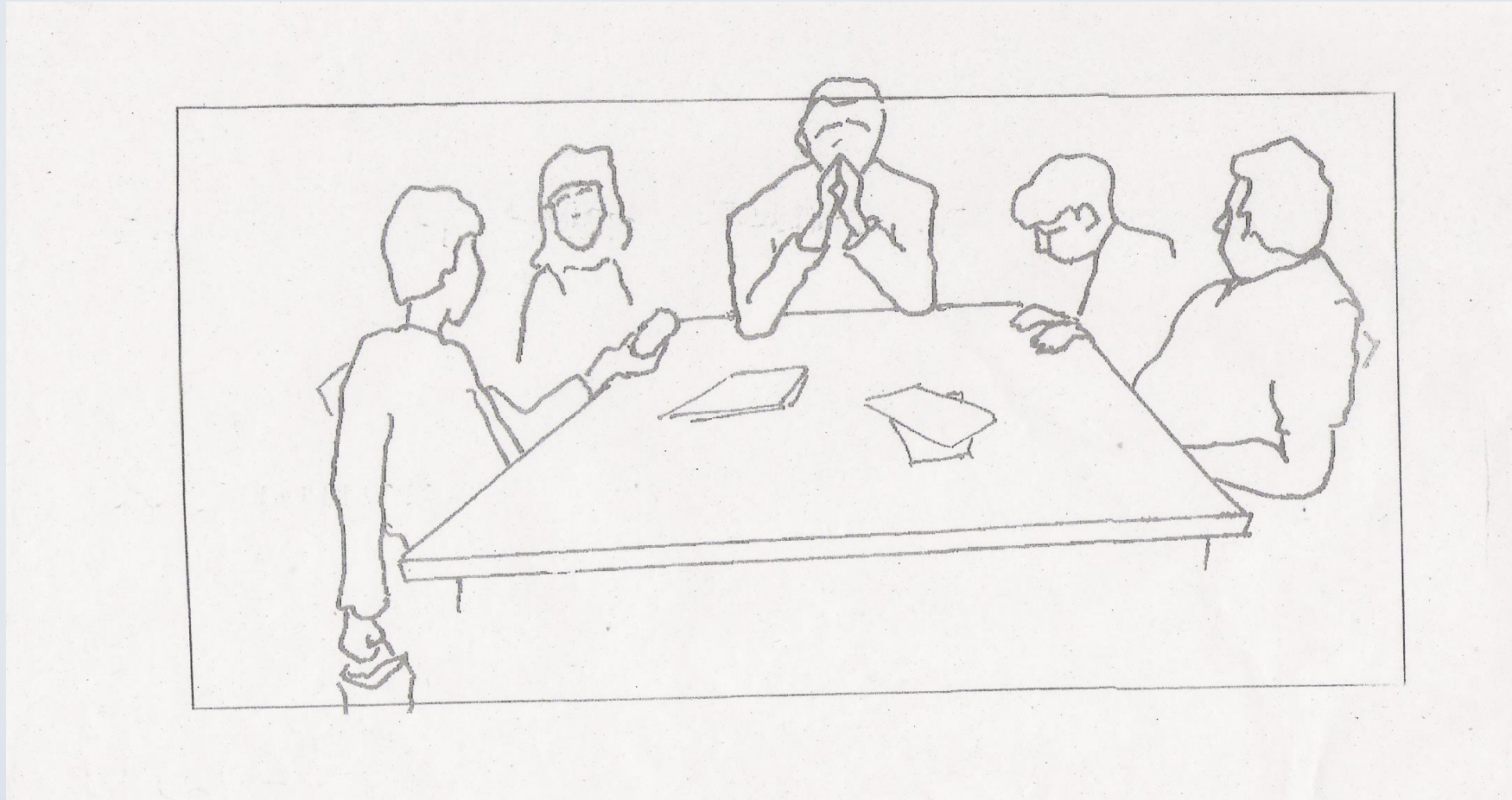
- A set of **reference points**
 - **Objects** (what we have), **behaviors** (what we do), **values** (what we think),
 - **Shared** by members of a group,
 - **Transmitted** from generation to generation,
 - Influenced by a **context**
- (NB: from brainstorming).

Reference Points

What does it mean?

- Little / big
 - Slow / fast
 - Polite / impolite
 - Good / bad
 - Warm/ cold
 - Expansive/ cheap
-
- **Reference points are shared by people belonging to the same group.**

Describe the scene



Understanding key points

Culture looks like...

The known
(1/9), awareness



The unknown,
unawareness