Browaeys & Price, *Understanding Cross-Cultural Management*, Second Edition, Instructor's Manual

Contents

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INTRODUCTION

This guide offers a range of resources which allows instructors to use the book more efficiently and effectively. It does not prescribe how the book should be used, but presents materials which instructors can incorporate into their particular teaching/learning environment.

The guide consists of:

Suggested answers to questions relating to the activities: Each chapter of the book contains activities of various kinds as well as final activities at the end of each part. Where necessary, this guide suggests either appropriate responses to the questions asked, or refers to extra information available on the internet that the instructor/student can use to develop a response.

Some of the 'answers' given in the guide, therefore, are less to do with giving a 'correct' response on the basis of applied theory, and more to do with suggesting how a particular problem, dilemma or event can be addressed. Such suggestions are in no way to be seen as comprehensive: instructors may well, on the basis of their own experiences and insights, consider other approaches to be preferable.

Each activity addressed is numbered as in the book and arranged in three parts, also as in the book.

Other tasks: our pedagogical approach

There are a number of other tasks that students are asked to complete:

a) **Questions within the text:** there are questions that relate to illustrative mini-cases within the concepts of each chapter. These questions are specific to the text that the student has just read. These questions aim to encourage analysis of, and reflection on, the reading material.

b) **Points for reflection** given at the end of each chapter encourage students to go beyond their knowledge of the subject-matter and apply their skills to aspects of cross-cultural management.

In pedagogical terms, these tasks, particularly the points for reflection, allow learners to reflect upon the insights that they have gained from the concepts and activities and to exchange thoughts, ideas and opinions with fellow-students.

These moments of reflection can be facilitated through organizing a discussion in small groups, with each group presenting their ideas and opinions to the other groups in a plenary session.

c) **Suggestions to assessments:** The instructor may consider using the points for reflection as a basis for essay-writing for assessment work or exams. Some parts of the activities and final activities could also be used for the same purpose, such as:

- Activity 9.2, Question 3 and Activity 15.2

- Final Activity A1.2 and Final Activity A2.2, Question 4.

There is also a PowerPoint slide presentation available on the Instructor Resource Centre at www.pearsoned.co.uk/browaeys that provides a ready-made presentation for each chapter of the book, which can be used in class and edited to suit your needs.

Defining an organizational culture

Task 1:

Schein's definition of organizational culture, as quoted in Concept 1.2, is as follows:

(a) a pattern of basic assumptions, (b) invented, discovered, or developed by a given group, (c) as it learns to cope with its problems of external adaptation and internal integration, (d) that has worked well enough to be considered valid and, therefore (e) is to be taught to new members as the (f) correct way to perceive, think, and feel in relation to chosen problems' (Schein, 1990, 111).

Using Schein's definition, do the following tasks:

Task 1

Select an organization you are familiar with (i.e. one where you have worked or where you would like to work). If you have access to the internet, you could examine the annual report of a company, its mission statement, its directors and possibly the way it is organized, to try and answer the following questions:

1. **What are the basic assumptions within the organization?**

2. **Where do you think these assumptions come from?**

3. **To what extent could the national culture have an influence on the organizational behaviour of this company?**

Examples:

If you look at the website of **Marks & Spencer**, for example (www.marksandspencer.com), you can click on 'The Company' section for the annual report and read through the section on 'Governance'.

Shell is another example. If you look at its corporate website (www.shell.com), you can click on 'About Shell', then 'who we are' to discover the company's vision, values and leadership.

NB: Shell also has websites for its national operations. By choosing a country on the home page you can find out if any aspect of the company receives particular emphasis. For example, Shell's Kenya site gives an account of the group's business principles, just as the other national sites do. However, it also has a page devoted to compliance with these principles.

Possible response

This is a challenging task, even for those familiar with an organization.

One way to approach this activity is to ask learners to gather as much relevant information as they can from two local subsidiaries of a global concern. By comparing the mission statements and organizational descriptions of the subsidiaries, the assumptions – shared and otherwise – can be determined, as well as the possible influence of the national culture on the way the organization is run.

This can be done by contrasting the websites belonging to the national operations of a global concern. Pursuing the reference to the Shell corporate website given in this activity, one can compare, for example Shell Oman

http://www.shell.com/home/content2/om-en/about_shell/how_we_work/ mission_statement_1112.html

With Shell (China) Ltd

http://www.shell.com/home/content2/china-en/about_shell/who_we_are/ mission_01302002_1429.html

Foreign influences: Expats force locals to ask who they are

Possible responses

Question 1

How would you describe the national identity of the UAE. How do they distinguish themselves from other Arab countries?

- Loss of national identity. But still Muslim. The emirates 'were initially Arab or Muslim, or from similar cultures'.

- Today, most foreigners come from the West, Russia or the Balkan countries. They are not aware of the culture of the UAE.

- Not opposed to foreign nationalities or to use of the English language – 'but this must not be instead of our nationality, and our language, and our identity'.

- Expatriates are a part of the country: 'There was a need for integration and dialogue between expatriates and locals'

Question 2

What do you think the inhabitants there need to do to 'preserve their own identity'?

- Someone in the article suggests 'promoting national cultures through such activities as desert camps, traditional dance, fishing and diving trips, and visit to elders'.

- There are some initiatives being taken to help preserve national identity: 'a UAE social development programme, works with schools and universities to strengthen Emirati identity among youth'

- Another person in the article proposes 'making Arabic the main language for communication'.

CHAPTER 2

Concept 2.2

Table 2.10, which shows the countries composing the GLOBE clusters, has not been presented in fu l in the book. The fu l version is given below.

Anglo	Latin Europe	Nordic Europe	Germanic Europe
Australia Canada England Ireland New Zealand South Africa (White sample) United States	France Israel Italy Portugal Spain Switzerland (French-speaking)	Denmark Finland Sweden	Austria Germany (Former East) Germany (Former West) Netherlands Switzerland (German speaking)
Eastern Europe	**Latin America**	**Sub-Saharan Africa**	**Middle East**
Albania Georgia Greece Hungary Kazakhstan Poland Russia Slovenia	Argentina Bolivia Brazil Colombia Costa Rica Ecuador El Salvador Guatemala Mexico Venezuela	Namibia Nigeria South Africa (Black sample) Zambia Zimbabwe	Egypt Kuwait Morocco Qatar Turkey
Southern Asia	**Confucian Asia**		
India Indonesia Iran Malaysia Philippines Thailand	China Hong Kong Japan Singapore South Korea Taiwan		

Source: Chhokar & al. (2008): 13

Masters of collaboration

Possible responses

Question 1

'Individualism' and 'Uncertainty Avoidance' are the two dimensions proposed by Hofstede which are mentioned in the text as influential factors in international collaboration. The text gives the 'scores' of the UK, USA, Germany and Japan on these dimensions to illustrate the differences.

a) Look up the scores of these same countries on the remaining cultural dimensions on www.geert-hofstede.com

These are the scores for the countries in question as given in the above website:

	UK	USA	GERMANY	JAPAN
Power Distance Index (PDI)	**35**	**40**	**35**	**54**
Individualism (IDV)	89	91	67	46
Masculinity (MASC)	**66**	**62**	**66**	**95**
Uncertainty Avoidance Index (UAI)	35	46	65	92
Long-Term Orientation (LTO)	**25**	**29**	**31**	**80**

It should be emphasized that these scores only reflect general tendencies and cannot be applied to individuals.

b) How could score differences on these other dimensions also influence collaboration between the four cultures mentioned? Give concrete examples, if possible.

PDI

Japan's score is higher than those of the other countries concerned. Relatively speaking, Japan has medium power distance. Collaboration could be influenced, for example, by

- the question of building trust. For the Western countries, trust is often built on personal credibility, personality and persuasive techniques. In Japan trust is built more on position within an organization and extended contact and consistency between words and actions in the longer term.

- the question of giving and maintaining face during interaction: the Japanese CEO, for example, would expect to be shown deference and to show deference towards his counterpart. Aspects of this are dealt with in Chapters 15, 16 and 17, which examine negotiations, team work and conflict management.

- The question of control within a joint operation: the extent to which power is delegated.

A further point, which applies across the board – the nature of communication and to all cultures engaged – is that any collaboration requires an ongoing dialogue in which partners can learn about each other and engage in a productive way. The question then arises whether the partners can succeed in this process – the Japanese with their high-context form of communication, the others with their lower-context form. This aspect of communication is referred to in the introduction to Part One and dealt with in detail in Chapter 13.

MASC

The contrast between the cultures involved (UK, USA, Germany) is not extreme. However, Japan scores very high.

The cultures working together may need to resolve the tension between:

- aggressive competition and collaboration

- centralisation and decentralisation

- working to live and living to work (office hours, social engagements)

Can the group resolve attitudes towards gender: is there to be a clear differentiation between genders?

LTO

Japanese score on this dimension is particularly high. Are the Western partners able to think in the longer term? Are they able/willing to forego short-term gain for the sake of longer term objectives?

Question 2

The text mentions that within the same organization wider cultural gaps can exist between, say, R&D and finance as between the R&D teams of two partners.

To what extent can Hofstede's cultural dimensions be used to explain such cultural gaps?

- Refer to Chapter 2: Hofstede refers to culture as 'the collective programming of the mind which distinguishes the members of one human group from another' (1980: 25). When elaborating on his definition, he says: 'Culture, in this sense, includes systems of values; and values are among the building blocks of culture.'

- Research relating to cultural definitions has mainly focussed on comparison between countries and Hofstede's dimensions widely used. Hofstede's definition could also embrace distinctions between 'one human group and another' within the same organization, particularly when the related core values are addressed.

- NB reference to Concept 1.2 – levels of culture: Schein's definition of organizational culture and professional culture.

- Hofstede's dimensions could be considered as a rather blunt instrument to use when the 'cultural gaps' between company departments are being considered. The dimensions are intended to characterize general tendencies within a culture and do not necessarily help to explain differences between professional cultures.

NB

- There is further discussion on corporate cultures in Chapter 7.

- The question of competing values within an organization (Chapter 10) is also relevant to the discussion and could be addressed here.

Pulling out all the stops

Possible responses

Questions 1 and 2

1. Why were the Canadian hosts surprised by the behaviour of the Chinese? How do you think the Canadians expected the Chinese to behave?

2. Why do you think the Chinese behaved the way they did?

These are open questions. The instructor should try to develop an exchange of views within the group.

Question 3

If you had to choose a key word to describe Chinese culture, what would that word be?

Harmony because of:

1. Reciprocity in relationship

2. Formal, but not much too formal

3. Balance between good and bad

4. Appropriate attitude towards different kinds of friends

Question 4

Read the information on the fifth dimension one more time. Try to explain the Chinese author's analysis by using the values described in Concept 2.1.

Below is an analysis of the event as given by the author (Wei Xinjiang, from the People's Republic of China). The answers given by the author to the question are marked in bold in the text:

The main reason for the Chinese guests leaving suddenly has to do with the culture differences between Canadians and Chinese. As we know, China is a very polite country and the Chinese are very hospitable. They like their own food and they enjoy eating Chinese food abroad.

However, if the Chinese are offered too much hospitality they are rather embarrassed. The Chinese businessmen are on what they consider to be a normal business visit to Canada, so they only expect a normal, ordinary welcome. If they are treated in what they consider to be an unusual way, they will be upset. This is particularly the case if the Chinese company in question intends to give its Canadian business partners a normal welcome when they visit China.

There exists a reciprocity principle in normal Chinese communication. *If this reciprocity is not respected in normal business relations, the Chinese will suspect the motives of the other side and be unhappy, or even angry.*

Modern China has a mixed culture, which comprises traditional culture, Marxism and Western culture. One of the consequences of this mix is that, ***although the Chinese prefer formality, they do not like it in an extreme form.*** *If a situation is too formal, then the Chinese become inactive and lazy in their behaviour. They prefer doing business during dinner, which should be a friendly, fairly informal and comfortable event. If, after the formal welcoming ceremony, the Canadians had tried to arrange such a dinner during which both sides could have got down to business, then the Chinese would not have felt irritated and the results could have been very different.*

How can you be successful when dealing with the Chinese? The most important thing to remember is that everything should have a proper degree. ***The Chinese dislike going to extremes: nothing should be too good or too bad.*** *It is a question of trying to find a balance between good and bad. The Chinese expect others to treat them as they treat others. Extreme forms of behaviour only exist under extreme conditions. Otherwise there should only be moderation.*

This can be seen in the way the Chinese deal with their friends. ***There are three kinds of friends in China: close friends, remote friends and common friends.*** *If you treat a remote friend in the same way you treat a common friend, that friend will be embarrassed. A common friend will expect to be treated in a common way, in a way that is neither too polite nor impolite. The middle way is the right way.*

Reciprocity in relationship

- Virtuous behaviour toward others consists of not treating others as one would not like to be treated oneself (the Chinese Golden Rule is negatively phrased!)

- A short-term orientation includes values that are characterized by reciprocation of greetings, favours and gifts

No extremes (either good or bad)

- The fifth dimension which emerges from Bond's studies is defined by Hofstede as the short-term versus long-term orientation. Although all the values to be found along the dimension are taken from the teachings of Confucius, those deemed short-term in nature, however, are oriented towards the past and present and are more static, whereas those deemed to be long-term are more oriented towards the future and are more dynamic. It should be noted that one end of the dimension is not to be considered better or worse than the other – they are simply orientations towards life.

Attitude and degree of friendship

- A <u>short-term</u> orientation includes fostering virtues, values which are related to past and present; especially respect for tradition, preservation of face and fulfilling social obligations. A <u>long-term</u> orientation includes fostering virtues that are oriented towards the future, especially perseverance and thrift, ordering relationships by status, thrift and having a sense of shame.

(Extra material)

There are many articles on internet discussing Turkey's possible membership of the European Union. The following articles are particularly relevant:

http://www.guardian.co.uk/commentisfree/2009/aug/06/turkey-eu-membership

Written after US President Obama's visit to Turkey, this article gives an account of the reasons for and against Turkey's membership of the EU. It concludes with a passionate appeal for Turkey to be allowed to join.

http://mondediplo.com/2004/11/01Ramonet

This article, originally in French, focuses on the historic developments and the progress it has made in enacting democratic reforms.

http://www.thierrydemontbrial.com/

This article http://xxlplan.ovh.net/~thierryd/pdf/Turkey%2005.04.pdf was written in 2005-04 by Thierry de Montbrial, founder and president of the Paris-based French Institute of International Relations (Ifri). The European integration process, he points out, is inevitably a long-term process. Although most Europeans are not yet culturally prepared to regard Turkey as 'one of them', we should not surrender to our emotions, but start negotiations.

NOTE: In the Concept 3.1 of the book, under Figure 3.1: The European Union. The first sentence should be read as following: 'Member states of the European Union are depicted in RED' (instead of 'blue').

Problems at Airbus

Possible responses

Question 1

How would you define the concept of 'economic patriotism'? What role do you think it may have played in the problems besetting Airbus?

- **Definition** given in the article (Financial Times, 2 March 2007:17) *'Airbus and the damage done by economic patriotism'*

('It is an instance of economic nationalism, whereby governments distort private transactions among economic actors by discriminating against foreigners in the name of the national interest.')

See also internet article 'Economic Patriotism':
http://en.wikipedia.org/wiki/Economic_nationalism#Economic_patriotism

- **Role in Airbus' problems?**

From *'Airbus and the damage done by economic patriotism':*

Need for 'equilibrium' between France and Germany in the governance of EADS, the European Aeronautic Defence and Space Company, the parent company of Airbus, Hence two chief executives, German and French.

Result: inefficiency; state aid instead of cost-cutting measures; takeover threats from more efficient companies removed.

Note:

- EADS itself was a merger of European defence companies.

- Since the Financial Times article was written, the management of EADS has been restructured. It now has one CEO and President (a German). Airbus has a French CEO. Both posts are to rotate every five years between France and Germany.

- EADS was reported to be considering

See articles:

- from BBC news: http://news.bbc.co.uk/1/hi/business/6900414.stm

- from The Financial Times: 'Redesigning EADS', 17 July 2007, Leader, p.12

Other articles referred to on the BBC page highlight the internal conflicts within EADS, especially between the parent company and Airbus.

Question 2

To what extent do you consider the wiring problems with the A380 were a reflection of the way the Airbus company was organized, despite the merger of the national components in 2001?

As recounted in the article (Davis, 2007) *Wiring Design Faulted for Airbus A380 Production Delays***:**

- different parts of Airbus built in different countries

- different countries used different versions of the same design software.

Question 3

Why do you think that intercultural team-building sessions and the reportedly improved perceptions which the different cultures within Airbus have of each other has not necessarily helped Airbus in its problems round the production of the A380?

Possible responses:

- national interests ultimately more important than intercultural team-building

- top management may not have been involved in these sessions.

Question 4

What is your reaction to Airbus' statement in its brochure 'The Airbus Way' that the cultural diversity of the company is 'the key to Airbus' success'?

- Quote from Airbus' promotional brochure *'The Airbus Way':*

'To Airbus, it (cultural diversity) represents an invaluable competitive advantage and the lifeblood of the company. Indeed, the Airbus organization is designed to realize the full potential of the enormous mix of experience, expertise and creativity available among its employees, customers, suppliers and industrial partners.'

- Possible reaction: Diversity needs to be coordinated and well-managed to ensure full benefit for the company.

Question 5

What elements in these texts about the Airbus consortium are reflected in the description of the culture clusters in this chapter?

- **Latin cultures:**

  (GLOBE project)