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BEING A GLOBAL BOSS – HOW TO LEAD ACROSS CULTURES

LEADING PEOPLE FROM DIFFERENT OR MULTIPLE CULTURES CAN BE FRAUGHT WITH DIFFICULTIES. ARE YOU TOO EGALITARIAN IN A HIERARCHICAL CULTURE? IS YOUR COMPANY CULTURE TOP-DOWN WHEN YOUR INTERNATIONAL COLLEAGUES MAKE DECISIONS THROUGH CONSENSUS-BUILDING? WE ASK THE EXPERTS FOR THEIR TIPS IN EFFECTIVE CROSS-CULTURAL MANAGEMENT.

As of 2016, Google,
headquartered in Mountain View,
California, had 72,053
full-time employees
AROUND THE WORLD.

“We had a meeting and I was at the whiteboard, waiting for people to shout out ideas – nothing. Even after a year of working with the team and showing them that there is no stupid or wrong answer, there was no ‘losing face’; they were still too scared of shouting ideas.” This story of working in Thailand from Christian Mischler, Swiss co-founder and COO of HotelQuickly, is all too familiar for many C-suite executives in today’s globalised business world.

In 1980, in a worldwide study of 116,000 employees of IBM, Geert Hofstede found that the most fiercely independent people were from the US, Australia, Great Britain, Canada and the Netherlands. In contrast, the most interdependent people were from Venezuela, Colombia, Pakistan, Peru and Taiwan. Hofstede’s individualism/collectivism and power distance models are often used to explain cross-cultural dynamics, as is Edward T Hall’s ‘high- and low-context communications’ theory.

However, today there are even more models and tools out there in cross-cultural learning; we are more connected than ever before and it is hard to keep up. But, despite living in an increasingly ‘smaller’ world, the role of cultural difference in your business has never been more important. Getting the most from your employees in every office, at every location, can be a difficult balancing act when there are so many cultural nuances regarding decision making, approaches to power and authority, language, and even understandings around punctuality and time.

WHERE DO YOU START WHEN CONSIDERING CROSS-CULTURAL MANAGEMENT AND LEADERSHIP?

1. ACCEPT THAT KNOWLEDGE DOES NOT EQUAL UNDERSTANDING

In our incredibly connected world where anything can be ‘researched’ online, we may believe we know a lot about other cultures, or that all we need to learn can be found in a few YouTube videos. Cross-cultural expert Pellegrino Riccardi strongly cautions against this.

“Don’t underestimate the power of cultural differences. Before the internet, it was easier to accept that we were different; but value systems run deep below the surface of all cultures, and those systems are still quite powerful in business,” notes Riccardi, who was born in the UK to an Italian family and now lives in Norway, where he is considered one of Scandinavia’s top cross-cultural experts.

“Our connected world is a double-edged sword,” explains Betina Szkudlarek, a senior lecturer in management at the University of Sydney Business School, who has worked with the United Nations, Shell, T-Mobile, Westpac and Daimler in cross-cultural management and leadership development. “We are more aware of our cultural differences, but we have also become overconfident about our cultural competence. Knowledge is not the same as ability.”

Brian Szepkouski, an intercultural communications expert with Worldwide Connect, a cross-cultural and global workforce development firm, focuses on business expansion in Asian cultures and says C-suite leaders need to have a strong willingness to learn.

“I really put stock in an innate curiosity for other cultures and other ways of doing things. As a leader, so much of your job is to listen and learn when entering new markets. Former CEO of Intel Andy Grove said you should surround yourself with ‘cultural informants’ – people who can advise you about a culture’s distinctive practices.”

2. BE OKAY WITH AMBIGUITY

“C-suite leaders who work across global markets must have a tolerance for ambiguity – you will often be outside your comfort zone,” insists Riccardi. “You need to be adaptable and agile, and develop not just your cultural intelligence but your emotional intelligence as well.”

Lack of understanding of cultural nuances can create frustrations among teams and lead to lower productivity. For instance, in countries considered quite hierarchical in terms of authority, such as Germany and Japan, decisions are actually made by consensus. The long period of time spent to reach a decision is often seen as inefficient by those in countries such as the US and Australia.

However, while work cultures in countries like the US are increasingly egalitarian, with open-plan offices and all levels of employees encouraged to contribute ideas, the final decision is often made by an individual, the boss. Those decisions are often made quickly and are flexible, open to adjustments and pivots, which can upset colleagues in countries like Germany where decisions take a long time but are ultimately fixed and implemented as agreed by the group.

Though, of course, such generalisations about certain cultures should be used with caution. “Various theories and models serve various functions, but it is important that we don’t allow cultural dimensions to become new boxes in which we put people,” warns Szkudlarek.

Szepkouski, who has published two books on doing business in Japan, agrees that CEOs must “embrace a lot of ambiguity”. He adds: “You have to learn pretty basic things all over again, which can feel very unnatural, but be okay with it as you continue to learn.”

3. EMBRACE DIVERSITY AS A COMPETITIVE ADVANTAGE

“There used to be a focus on expatriate adjustment, or a view that differences were a problem that needed to be solved,” explains Szkudlarek. “But more and more businesses see diversity as a positive element, as an opportunity to grow, and as a powerful tool in the race for global talent.”

In the past, diversity programs and cross-cultural management often focused on instilling the values of the dominant culture on the minority groups in the organisation. But this does not help harness the best of your global workforce.

“Leaders need to create a work culture where fear is not an issue,” notes Riccardi; and Szepkouski believes those in the C-suite must “find a ‘third way’ – a new and better way that combines the best of each culture in your business. This will be the key to your global success.”

Indian-born Sundar Pichai, CEO of Google, has already taken these lessons to heart. He holds that, “A diverse mix of voices leads to better discussions, decisions, and outcomes for everyone.” ■