- Tendency to evaluate
- High anxiety

## Effective Cross-Cultural Communication

- Develop cultural sensitivity and understanding of foreign culture
- Careful encoding to ensure the message is clear and lacks implied meanings
- Selective transmission and communicating effectively
- Careful decoding of feedback with understanding of cultural differences
- Follow-up actions
- Providing language training to lessen language barriers
- Increase flexibility and openness to cooperation

#### Week 5

National context: respective national cultures and social institutions or a given society (including norms, values and beliefs.)

Social institutions: structure or mechanism of social order which prescribes the behaviour of individuals within a society. Includes a complex system of rules, positions, patterns of behaviour and values which sustain societal structures. Social institutions provide people with a guide of how to deal with different social situations.

Regulative: constrains and regularises behaviour through establishing rules and reinforcing behaviours.

Normative: Socially accepted operating procedures and business models

Cognitive: Culturally embedded values and norms

## Organisational Isomorphism

Social institutions define what is considered acceptable management and political practices. Pressure from social institutions to follow these paths in management is isomorphism.

Should organisations morph to fit social institutions or remain divergent and true to original frameworks.

<u>Coercive isomorphism</u>: Social institutions coerce or force organisations to adopt certain practices - eg McDonald's can't sell beef patties in India. Social institutions are so strong that McDonald's most popular products won't sell there.

<u>Normative isomorphism:</u> Organisations indirectly copy deigns, cultures and strategies by conforming to professional and technical norms, largely without conscious effort. Context requires it – eg moving personnel where they are needed.

<u>Mimetic isomorphism:</u> Organisations purposefully copy the strategies of the most successful organisations. Capitalising on the same strategy

#### **Important factors**

- Economic systems (understanding existing system and other country's system)
- Legal systems

<u>Geocentric predisposition:</u> philosophy whereby companies integrate practices to develop a global approach to management

#### Week 6

Conflict in cross-cultural negotiations is a state of disagreement between two or more parties in which the goals of involved parties oppose each other. Therefore, the full achievement of a goal would come at the expense of the other party achieving their goal.

### Sources of conflict:

- Language barrier/communication issues and frustrations (noise in communication and interpretation issues)
- Differing cultural norms (eg High vs Low context)
- Decision making methods (eg Centralised vs Decentralised)
- Propensity for avoiding or addressing conflict.

# Typology of Conflict Styles

#### **Orientation in conflict**

<u>Assertiveness:</u> degree to which a person is concerned with their own interests <u>Cooperativeness:</u> degree to which a person is concerned with the interest of others

## **Conflict handling profiles**

## Competition

- Style where one prefers to deal with conflict directly and head on

#### Avoidance

- Style where one prefers to avoid conflict and disagreements for as long as possible

### Accommodation

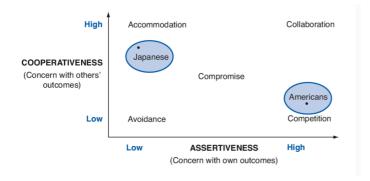
 Style involving high concern for the interests of others, sometimes at the expense of their own interests

## Compromise

 Style involving suggesting middle positions that involve both parties foregoing something to find a mutually beneficial agreement.

### Collaboration

- Involves working with parties to create a scenario where everyone wins through creative options.



# Maslow's Hierarchy of Needs

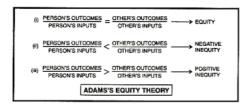


Needs are universal, but some cultures place a greater emphasis on particular needs over others. Western cultures highly regard achievement and financial rewards, whereas Asian cultures value group harmony, affiliation and collective achievement.

## Application of Needs based Motivation theory

- 1. Identify what context work is held in within the culture
- 2. Identify the needs considered most significant
- 3. Understand sources of need fulfilment are different depending on culture
- 4. Understand the limitations of jobs (job design) to fulfil these needs

<u>Equity Theory:</u> employees compare their **inputs/outputs ratio** to that of a referent and then corrects inequity by adjusting effort levels. Managers need to monitor equity norms.



# Application of Process based Motivation theory

Expectancy theory: individuals act certain ways on the expectation that their actions will be followed by an outcome which is attractive to them.

(Not as applicable in management practice)

# Motivating a global workforce

- Hierarchy
  - Cultures valuing hierarchy emphasis on extrinsic rewards, subordinate compliance and
  - Egalitarian cultures emphasis on intrinsic rewards, money less motivating
- Individual vs group orientation
  - Individualistic cultures value extrinsic rewards tied to working independently
  - Collectivist cultures value intrinsic rewards tied to common achievement
- Relationship with work environment
  - Mastery-oriented encourage competitive work environments