

Working within a different culture

Business styles vary from culture to culture

A study by an INSEAD professor, Andre Laurent, provides interesting examples of how management styles and expectations can vary from culture to culture. The issue was whether a manager is expected to possess precise answers to questions posed by employees:

- the American manager is not expected to be an expert in all areas;
- the British manager is a proverbial generalist;
- the West German is expected to be an expert;
- the Latin manager is expected to answer because he is in charge; and
- the Japanese executive will know that his subordinates will not ask him a question unless they know he can answer it.

In his book on strategic alliances, Jordan D. Lewis describes some of the distinctive characteristics of the different national business styles. Familiarity with such differences can make the difference between free and open discussions and puzzling incomprehension. Lewis notes:

"Northern Americans and people from northern Europe tend to discuss the specifics of a deal in "frank, emotion-free communications," whereas Latin cultures "prefer wider-ranging discussions that include ideology, accept emotional expression, and evolve through subtle changes in positions. In these, meaning is conveyed both in words and between the lines."

"In France, meetings will not start on time if the most senior person is late. No time is allotted to the various topics, with all matters being discussed at once. In Germany, everyone is on time, and there is a schedule for each subject.

"Among the Europeans, the French prefer more rules and more structure and give more respect to hierarchy in their organizations than do people in Germany and the British place less emphasis on structure than do German companies."

It is not a question of which is the superior method. What is vital is that the international manager learn to recognize and work with the differences. For instance, instead of feeling constrained by the technical and functional orientation of Germans, an international manager from Britain could learn to appreciate and fully-utilize the depth of competence of his German subordinates.

Successful management of a strategic alliance goes beyond overcoming organizational challenges. It also involves dealing with the peculiarities of European social and corporate practices that can pose major stumbling blocks for Canadian firms seeking to build alliances with EC firms. A lot depends on the quality and the skills of the people involved, especially the general manager.

Finding the right person to run the strategic alliance - or to look after the liaison points between the partners - is of vital importance. Such people must have enough power to make things happen, and they must have a good understanding of the respective cultures and practices of the parent companies. They should be thoroughly competent in their normal managerial or technical roles and they will need strong interpersonal skills. They must be active listeners, able to sense the unspoken and hidden dynamics of the other side and find reasonable compromises.

The Good International Manager

Phillippe Gras, CEO of Renault Vehicules Industriels Group in Boulogne, lists several characteristics that Renault considers especially important in a European manager:

"The first: the knowledge of several foreign languages, spoken fluently, enabling cultures, mentalities, and the history of several countries to be integrated.

"The second: a capacity to feel at ease in Barcelona or Frankfurt — to assure identical efficiency in several European countries. That inevitably implies experience abroad.

"The third: high ideals — necessary for making comparative judgment so as not to reproduce identical models in countries where cultures are different."

Effective international managers may be a rare breed, but they do exist. According to Paul Evans, a professor at INSEAD, good international managers are comfortable with managing and channeling diversity.

"Good international managers are created by diversified experience," Evans says. "When people work across frontiers they begin to recognise that certain things are no longer accepted wisdom." Differences exist not only in terms of markets and areas of particular strength and weakness, but also in basic concepts concerning management and organization.

The good international manager is one who can reach beyond his or her own conditioning to share in a different way of seeing. That requires more than a practised ability to generalize acquired by jumping from one multinational operation to another. "All that type of experience does is reinforce the individual manager's stereotypes of the people he or she is meeting, or meant to be managing."

While diverse experience is important, so is taking the time to build relationships and coming to understand the particular culture.