



# MANAGING TEAMS ACROSS CULTURES

The increasing trend towards globalisation in recent years means that many managers now have to lead teams whose members are spread around the world and come from different cultures. Below **Liz Finney** looks at the challenges of managing such cross-cultural teams.

The past two decades have seen a dramatic surge in business globalisation and cross border migration. Roffey Park's *The Management Agenda 2009* shows that half of the organisations surveyed operate in more than one country, with 43% describing their markets as global or international and 7% as Europe-wide. This cultural diversity brings both challenges and opportunities.

## Benefits and challenges

Managed well, a culturally diverse workforce can be a powerful asset of competitive value, enabling businesses to reach much wider markets. Multi-cultural teams can deliver huge benefits to businesses through the sharing of their perspective, knowledge and experience, including: more effective resolutions to business problems; greater creativity; improved bottom line; greater competitiveness; stronger relationships; and greater credibility with multi-cultural customers.

However, the path to success is not always smooth. Since every society operates with a different set of expectations, the challenges include: misunderstandings due to differences in language and communication style; different cultural perspectives, norms, priorities and expectations; increased conflict; and difficulties in creating a level playing field where all can contribute.

## Good cross-cultural working practices – 10 practical tips

Research at Roffey Park shows successful cross-sector global organisations rely on a number of good working practices. As we analysed our research findings we imagined a lens (see opposite) through which managers can focus in order to achieve maximum benefits from working with cross-cultural teams.

Based on our interviews with managers we came up with some practical tips for developing each of the 10 areas of focus that our cultural lens suggested.

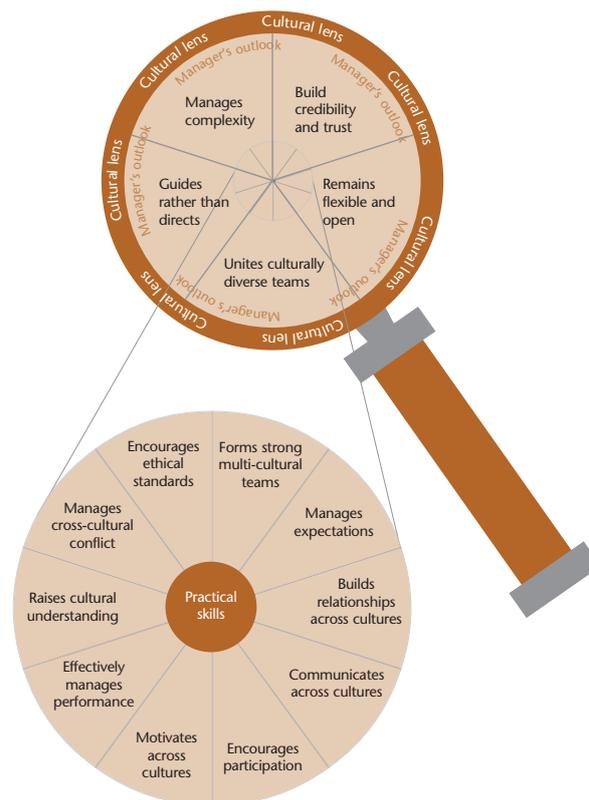
### 1. Build a strong cross-cultural team

In recruiting and allocating roles make sure team members are chosen not only for their technical competencies but also for their language skills and understanding of local cultures.

Consider the value of inductions for new team members – covering not only organisational and process issues but also the practical aspects of living and working in a different country.

Team formation is an important time to develop awareness that diversity is an opportunity to explore fresh and innovative working practices.

\* Roffey Park's research reports *Managing teams across cultures – how to manage across borders, time zones and cultures* (2008), and *The Management Agenda 2009* (2009) are available for a cost on its website: [www.roffeypark.com/research](http://www.roffeypark.com/research).



**2. Manage expectations**

Cultures may differ in their attitude to team working. Those from a collectivist society – China, for example – tend to identify themselves readily as part of a larger group but other societies, for instance the US, place a greater focus on the individual. Develop shared expectations from the outset on how to work as a team.

Understanding different attitudes to the workplace, such as time management, is another useful skill for the cross-cultural manager. Punctuality is expected and seen as a sign of seriousness and respect in some cultures but in others time is a much more fluid commodity. Managers need to help the team agree a mutually acceptable approach to time management. For example, in Mexico you can say “7.00pm”, but nobody will turn up before 8.30pm.

The perceived purpose of meetings can also differ according to cultural orientation. In some cultures team members come prepared to compare and analyse alternatives in a constructive way, but in other cultures a meeting is held to confirm publicly decisions that were previously agreed in smaller groups. Managers should help the team agree how meetings should be conducted.

**3. Build relationships**

Face-to-face contact is important for building rapport, facilitating open communications and reducing language problems in cross-cultural teams. It is particularly important for geographically dispersed teams and for cultures where people prefer to deal with another person face-to-face.

Managers may need to communicate the value of building relationships to all team members, so that people from more deal-focused cultures understand the purpose of any team building exercise and do not view it as wasting time.

**4. Communicate across cultures**

Managers say that it is important to understand that words may have different meanings in different cultures. One of our research respondents said: “In some cultures, ‘maybe’ means ‘Yes I will do it, I just don’t want to promise because I’m not sure’..., and in other countries it means ‘Forget about it, I just don’t want to

say no to your face’. In more Latin American cultures they say ‘maybe’ and this means ‘no’. In Scandinavia, or Germany, if they say ‘maybe’, this already means a high level of commitment.”

Be sensitive to differing levels of language ability, particularly if you are speaking in your mother tongue to someone who is not. In this situation you need to be explicit, express yourself clearly, avoid too many colloquialisms and check understanding.

Many of the people we spoke to felt that learning the local language, at least at a basic level, is an important way to foster communication between different national cultures.



Liz Finney is a senior researcher at Roffey Park Institute. [liz.finney@roffeypark.com](mailto:liz.finney@roffeypark.com)

## Be aware of the meaning of silence – this can have different connotations in different cultures

Discomfort with a second language may result in people not speaking up in a team environment. Managers should encourage their team to speak in languages accessible to all team members, not only in formal meetings but also during social interaction, so that people do not miss important information or feel socially excluded.

Be aware that problems may occur in a team when people from relatively egalitarian cultures work with people from hierarchical societies. Managers need to understand that in status-driven cultures, employees may be less likely to speak completely openly. Further enquiry may be needed to get to the root of a problem.

### 5. Encourage participation

Whilst some cultures prefer to participate in team discussions and decision-making processes, others are happy, and expect, to be directed by their manager. Be aware of the meaning of silence. This can have different connotations in different cultures. It may indicate agreement, lack of interest or disagreement. Asking people to contribute requires an understanding of culture and personal preferences, so asking individually for comments or being clear from the start of every meeting that all should contribute may increase participation.

Create the freedom to challenge without reproach. This can be particularly challenging for subordinates from hierarchical cultures. Demonstrate you value the opinions of others by actively seeking them out and encouraging team members to ask questions.

Participation and idea sharing can be enhanced if meetings avoid an over-reliance on verbal communication, which may favour the articulate and native speakers of the working language as well as people from particular cultures. Try alternative methods, such as the use of writing ideas on post-it notes or using pictures or drawings.

### 6. Motivate teams

It's important to recognise that motivations will vary according to cultural influences and to make time to find out what motivates each individual team member. One manager we interviewed described some of these

differences: "In Germany being tied to newer technology is really important... In the US people are more short-term career orientated... In the Indian culture it's important to be able to talk with your family about having a significant accomplishment. In the UK we have a guy with five kids who likes to work from home on Fridays... I deal with the individual first – try to understand them first."

Think carefully about reward and incentives for individual team members. Preferences for financial or non-financial, team or individual gestures are also tightly bound up in cultural difference. Build in time for social catch-ups with team members who work remotely from you, calling people regularly for a 'social chat' and socialising when you do meet face-to-face.

### 7. Manage performance

The establishment of a performance management system assumes that goals can accurately be set, that performance can affect achievement and that this can be measured. But there are cultural differences in the degree to which people believe they can control their environment and achieve their goals. It is worth taking care when determining assessment criteria to maintain an awareness of cultural biases.

Research has found that organisations from cultures that tend to believe in one rule for all are more likely to apply standardised systems of evaluation and measurement, whereas those from societies more concerned with individual needs are more likely to allow individual supervisors to determine promotion and rewards. A consistent approach to performance management and appraisals is important to avoid allegations of discrimination and to ensure that the best talent globally is identified for development and progression. The organisations we spoke to attempted to be consistent through:

- having one person overseeing appraisals across different countries;
- standardising procedures, breaking down business goals to departmental, team and individual objectives;
- applying the same criteria to assess people in different places; and
- using the same questions in reviews.

## With today's focus on corporate social responsibility, a company's reputation and ethical standards are increasingly under the spotlight

In practice, however, flexibility is still required to accommodate cultural differences in approach and what constitutes effectiveness in different contexts.

### 8. Raise awareness and understanding

For individuals working with people from different national cultures and those moving to live and work in a foreign country, adapting to new cultures and ways of working and living can be a challenging transition. Advance preparation can pay dividends in raised awareness of different cultures. This may include a focus on different styles of verbal and non-verbal communication, social and business etiquette, customs, taboos, laws and rules, different approaches to motivation, decision-making, legislation and regulations.

Formal training that includes awareness-raising sessions, building cross-cultural competence, team management capability and language skills will also help to build understanding. Benefits will be increased when you tailor any training to individual needs and alternate training venues across team members' countries.

### 9. Manage conflict

Research has shown that a team's effectiveness hinges on how it manages conflict. Understanding how cultural differences may result in conflict and how such conflicts can be resolved or at best, prevented is crucial for managers as they build and maintain an effective and committed multi-cultural team. So:

- ensure that everyone is clear about their own role and those of their colleagues;
- encourage a culture of open communication and understanding; encourage active listening;
- be respectful of other people's opinions and share your own ideas courteously;
- try to gauge team members' preferred levels of participation and involvement and work flexibly to accommodate this;
- make it clear from the outset that either you or an impartial third party can help if team members need help in situations of conflict; and
- refocus on higher level objectives and ask questions to encourage people to clarify their assumptions, views and position.

### 10. Encourage ethical standards

With today's mounting focus on corporate social responsibility, a company's reputation and ethical standards are increasingly under the spotlight. The challenge for managers of cross-cultural teams is that appropriate and acceptable standards and ways of conducting business can vary across geographies. In some cultures facilitation payments are 'just part of doing business' while in others they are considered to be bribes and morally repugnant, and can result in heavy penalties. Appointing relatives to jobs is condemned in some cultures but acceptable and even considered part of the responsibilities or benefits that come with seniority in others. Some cultures may advocate open, direct and honest communications, whilst others find these impolite or rude and adhere to more subtle 'face-saving' methods. Different attitudes to gender, race, ethnicity and harassment can cause further complications and divide cross-cultural teams. Hence, we would recommend that you:

- provide employees with clear guidelines about company procedures and ethics;
- design training on both the legal aspects of business and the ethical standards expected of employees; and
- ensure that timely processes are in place to deal with company and ethical issues – these might include setting up confidential hotlines, providing guidance on whistle blowing rules and ensuring that it is clear who is responsible for such matters within your organisation.\*

### The super-manager of the future

Successful management of cross-cultural teams makes considerable demands on managers. Self awareness, a willingness to devote time to establishing relationships and an enthusiasm for experimenting with new ways of working are the hallmarks of those that do this well. Demand for these skills, currently possessed only by the 'super-manager', will increase as the balance of companies' activities becomes more global. ■

#### FACULTY WEB LINKS

- 'Cultural awareness – part 1' – *webcast*  
[www.icaew.com/index.cfm/route/126445](http://www.icaew.com/index.cfm/route/126445)

\* There are no easy answers to some of the ethical questions concerning different cultures. The ICAEW has a number of resources in this area, available at [www.icaew.com/ethics](http://www.icaew.com/ethics) and [www.icaew.com/ethicsadvice](http://www.icaew.com/ethicsadvice).