

Namrata KAPUR

Reserach Scholar, Dept of Management studies, MSRIT , Bangalore

B JANAKIRAM

Professor, Dept of Management studies, NITTE Meenakshi institute of technology , Bangalore

COMPARATIVE ANALYSIS OF CORPORATE CROSS CULTURAL MANAGEMENT IN IT VS NON IT ORGANIZATIONS

Empirical
study

Keywords

*corporate culture
global trade
cultural intelligence
diversity
overseas negotiations
communication
workforce*

Abstract

The globalization of business which is considered a 'second industrial revolution' is a trend that makes Cross cultural Human Resource management crucial for all organizations. Multicultural workforce congregations and increasing global interactions in business, finance, culture etc. have become today's workplace realities. Cross-cultural differences are the cause of failed negotiations and interactions, resulting in losses to the firms. This study examines the best practices in managing across a culturally diverse and geographically dispersed workforce in IT and non IT organizations and makes comparative evaluation of these practices and strategies. The results of the comparative analysis study will lead to cross fertilization of ideas as the best practices for IT companies can be imbibed by and applied to the non IT companies and vice versa. This study ellucidates that cross-cultural management will give managers on international assignments the cultural understanding essential to accomplish their tasks leading to a committed workforce thereby resulting in better financial performance of the organization.

INTRODUCTION

The environment within the organization determines the benefits realized out of cultural diversity. All employees should feel welcome and valued for what they bring to the organization. While each diversity adds a layer of complexity it is the dynamic interaction among the various dimensions that influences the values and opportunities. The Cross cultural HRM becomes all the more relevant in Indian context owing to its multidimensionality and globalization thrust. It begins with the impact of four aspects affecting culture- cultural intelligence, Diversity recognition, cross cultural communication and diversity training. This therefore obliges the need for the specific research on the study. Also as the world gets flatter the culture will become a bigger issue. Travel, technology, political changes, media advances, global brands and off shoring all bring us closer together. Global managers have realized that HRM strategies differ significantly across different countries with varying cross-cultural settings and that the strategies used to manage human resources in one country cannot be applied to another country (Budhwar & Debrah, 2001). Globalization has increased the pressure on HR managers to identify and adjust to cultural differences when doing business (Kanungo, 2006). There are a number of studies which show the changes in the workforce composition and with the passing of days, diversity is going to be an important issue for the HR manager for the following reasons;

1. Employees of organizations are becoming increasingly heterogeneous
2. A large number of women are joining the work-force.
3. Workforce mobility is increasing.
4. Generation Y in the workforce is increasing.
5. Ethnic minorities' proportion in the total workforce is increasing.
6. International careers and expatriates are becoming important.
7. Necessity of international experience is felt for career progression to many top-level managerial positions.

Literature Review

Culture determines a person's beliefs, behaviors and values. Culture is an indirect reflection of our language, learning styles, religion, values, notions and ideas (Bodley, 1999). The term 'Human Resource Management' as a concept that significantly gets affected by values. Human Resource Management necessitates a direct link between human beings as a resource and their cultural backgrounds (Jackson, 2002). Organizational leaders and policy makers are required to know how human resources are

managed in different parts of the world and how they should perceive and react to different cultural beliefs and practices (Budhwar & Sparrow, 2002). These principles, policies and practices of managing people in organizations differ from people to people of diverse cultural backgrounds thereby necessitating the HRM to be carefully altered and aligned to match the organizational objectives (Society for Human Resource Management, 2007). The importance and relevance of these models become even more questionable in developing countries as these models have been presented by scholars from developed countries. There is an urgent need of the hour to focus on understanding the cultural issues faced by organizations in developing countries, like India which will aid in analyzing the validity of these models (Budhwar & Debrah, 2001). The scope of business turning global has transformed the role of human resources making it much more valued than factors such as technology, research and development. This cross-cultural scope of human resource management has gained a new definition and concept labeled International Human Resource Management (Teagarden & Glinow, 1997). Diversity is also defined as "A collective mixture characterized by differences and similarities that get applied in pursuit of organizational objectives" (Hubbard, 2004)

Diversity management refers to the voluntary organizational actions that are designed to create greater inclusion of employees from various backgrounds into the formal and informal organizational structures through deliberate policies and programs.

The conventional HR practices tend to promote and perpetuate homogeneity in the workforce as a result of the A-S-A (attraction-selection-attrition) cycle (Schneider, 1987; Smith, Paul, 2001). Typically, individuals are attracted to organizations that appear to have members with values similar to their own. In turn, organizations select new members that are similar to their existing members because their hiring continues to make everyone feel comfortable (García, Posthuma, & Colella, 2008). Employees who do not fit in well with the dominant organizational culture eventually leave or are fired, creating a selective attrition process that supports and maintains a workforce that is homogeneous. In the long run, this trend is unhealthy for organizations in that it limits their talent pool, their long-term growth and renewal, and the ability to trigger a change management. Based on Hofstede's model of work values (Hofstede, 1980), cultural comparison is explained based on many factors such as individuals, group and masculinity, femininity issues. This approach aims at identifying the obstacles that limit the progress of employees from diverse backgrounds and that block collaboration among groups in the

organization.

Another aspect of HR, the Performance appraisals are necessary practices which enable to develop and maintain an efficient and productive human resource pool (Dowling & Welch, 2004). With varying cultural and organizational patterns, performance appraisals become associated with inherent problems and disagreements leading to distraction and dissatisfaction of employees. Cross-cultural misunderstandings can be seen among people working across MNC's with diverse cultural backgrounds which tend to perpetuate cross-cultural conflicts, low morale stress, and poor employee performance (Milliman, 2002; Higgs, 1996; Monks, Scullion and Creaner, 2001). Authors Budhwar and Debrah conducted a questionnaire survey between January and April 1995 to examine the influence of national culture on personnel specialists. The companies included six industries (food processing, steel, textiles, pharmaceuticals, plastics and footwear) in the manufacturing sector in India. In addition, a large number of Indian engineers and managers have relocated abroad to handle important portfolios thereby increasing the cross-cultural interaction needed (Munuswamy, 2008).

The multicultural organization paradigm

Cox (1994, 2001) presents a diversity management paradigm that classifies organisations to three types: the monolithic type, the plural type, and the multicultural type. Diversity management, according to this paradigm, should strive to create multicultural organizations wherein employees of various socio-cultural backgrounds can contribute to and maximise their potential.

The monolithic organization. This is an organization that is homogeneous both in terms of demography and culture. Most Chinese companies are monolithic from a cultural and ethnic perspective, as the overwhelming majority of their employees are ethnically Chinese. These organizations have a culture that will perpetuate the homogeneity of its workforce through its hiring and promotion practices. There will be an expectation that members of diverse groups will assimilate into the culture of the majority with minimal degrees of structural and formal integration.

The plural organization. This is an organization that has a heterogeneous work-force, relative to the monolithic organization, and tries to conform to laws and policies that demand and expect equality at workplace. It will take active steps to prevent discrimination in the workplace such as audits that assure equality of compensation systems and manager training on equal opportunity and gender issues. Examples of plural organizations include companies in which members of minority groups constitute a sizable proportion of the workforce but

only a small percent of the managerial positions.

The multicultural organization. This is more an ideal than an actual type because very rarely do companies achieve this level of integration. However, Cox (1994, 2001) indicates that it is important to understand this type and use it to create a vision for effective diversity management. A culture that fosters and values cultural difference characterises the multicultural organization. This type of organisation is fully integrated both in structure and domain, it is unbiased and has reduced inter group conflict.

RESEARCH GAP

1. The literature review uncovers many aspects of Cross cultural human resource management but most of the studies ignore one facet or the other. Though much has been highlighted, the question of inter segmental (IT & non IT) differences is not addressed and the best practices to accommodate the differences in these have not been highlighted.
2. Also the diversity practices highlighted in the earlier studies are mostly pertaining to the hierarchical type organizational structures whereas nowadays most companies are operating in a matrix type structure where there is a considerable overlap in the the roles of the line and staff .
3. There has been little initiation to understand cultural diversity under the umbrella of IT/non IT sectors together, though many organizations have implemented various types of initiatives within the last few decades in an effort to deal with diversity. This is a big gap as going by the current trends, the work culture in these two segments is going to converge slowly to a common platform. The practices and culture in IT are gradually creeping into the non IT as well in terms of flexi work, telecommuting, job sharing, social recreation etc. and the relatively stable workloads and manpower optimization practices of non IT sector is appreciated by the IT sector as well.
4. This exchange of practices is needed in the current scenario as non IT companies structured largely around the old homogeneous model are diminishing their potential to grow and compete in a global marketplace and at the same time the IT companies are also envisaging a stable and mature organizational culture to sustain their business models. Hence for both sectors to survive and thrive there is an inherent value in incorporating each other's best Cross cultural management practices in HRD.

DISTINCTION OF THIS STUDY

This study brings a paradigm shift in focus, from the concept of a traditional HRM approach in both the segments to a sector specific (IT & non IT)

approach by highlighting the commonalities and differences in the employee opinion of both sectors. The areas where there is a dire need to focus upon the management will surface out for both sectors. This will lead to shedding of some myths or perceptions about the cultural aspects of HRM

The results of the comparative analysis study will lead to cross fertilization of ideas as the best practices for IT companies can be imbibed by and applied to the non IT companies and vice versa.

OBJECTIVES

1. To study and enumerate the factors influencing cross cultural HRM practices on organizational performance of IT and non IT Cos .
2. To study the relationship between diversity recognition and cross cultural HRM (Cross cultural human resources management) across IT and non IT cos in India
3. To study and Analyze the relationship between cultural intelligence and cross cultural HRM across IT and non IT cos in India
4. To Analyze the relationship between Diversity training and Cross cultural human resources management across IT and non IT cos
5. To study the relationship between constructive feedback from diverse groups and effective Cross cultural human resources management practices across IT and non IT cos
6. To study the relationship between overseas negotiation success rates and development of effective cross cultural practices

RESEARCH METHODOLOGY

Population, Sample unit, Sample size

A total of 5 industries (Manufacturing, IT , Pharma, ITES, R&D) were contacted with 20 senior level managers from each to find out their opinion on Cross cultural human resources management practices in India making a total sample size of 100 .

Sampling technique & Data Type

Non-probability convenient sampling method was used to collect primary data from the respondents.

Data Collection tools

Structured questionnaire was prepared on the basis of Literature review for the collection of primary data consisting of questions on a scale of 5. The respondents were the senior managers from these companies who had to choose one value at the expense of other in a forced choice method. The questionnaire analyzed the thinking of personnel specialists based on the following aspects: Diversity, communication, cultural intelligence and overseas assignments. The

companies chosen operated in four industries (Manufacturing, IT , Pharma, ITES, R&D) in India with an employee base of 200 or more.

Two approaches are used to estimate the factors namely:

1. A five (5) point scale method which ranges from Strongly Disagree (1) to Strongly Agree (5) for the preparation of questionnaire.
2. Econometric model by taking the Dependent and Independent Variables: Dependent variable is Cross cultural HRM while Diversity recognition, Cultural intelligence, cross-cultural communication, training and development, overseas negotiations are included as independent variables.

Data Analysis tools

1. The collected data is coded and tabulated
2. SPSS software used for further analysis of data.
3. Reliability of the data collected is assessed by applying the Cronbach Alpha method.
4. Factor analysis, t test ,Mann Whitney U test.
5. Correlation and regression analysis

ANALYSIS AND EMPERICAL RESULTS

Reliability analysis

Cronbach alpha for the questionnaire was 0.63 initially when all 14 questions were taken into consideration. Eventually two questions were excluded and subjected to analysis which resulted in a value above 70 % per cent showing reliability of scale measurement. The measure shows that remaining 12 variables are internally consistent (see Table 1)

Factor analysis

Factor analysis was used to represent the variables by a smaller number of variables. The KMO test (Refer table 2) showed a value of 0.279 indicating the utility of factor analysis just on the margins.

The factors with eight values greater than 1 are accepted (see Tables 3 and 4).

The scree plot (table 5) also indicates the point of inflexion after 5 factors.

Finally the rotated component matrix (Table 6) of the employee opinion /questionnaire on Cross cultural HRM is strongly related to four factors which are also incidentally the components or constructs of Cross cultural human resources management namely.

1. Cultural Intelligence
2. Diversity training
3. Employee Communication
4. Overseas negotiation
- 5.

HYPOTHESES TESTING

Hypothesis 1

H0: There is no significant relationship between the cross cultural HRM and Cultural Intelligence, overseas negotiation success, Employee communication and Training and development.

H1: There is a significant relationship between the cross cultural HRM and Cultural Intelligence, overseas negotiation, Employee communication and Training and development.

Tables and interpretations

The significance level below 0.01 implies that the CI, EC, TD, ON contribute to increase Cross cultural human resources management. Thus, the decision would be to reject the null hypothesis (H0) and accept the alternate hypotheses that the variables are related.

The table 7 shows a strong R Value for IT as compared to non IT companies. For IT organizations the dependency of Cross cultural human resources management on the above variables is more strong as compared to non IT.

In table 8, the dependent variable is Cross-Cultural Human resource management

Independent variables are Cultural Intelligence, overseas negotiation, Employee communication and Training and development.

Cross cultural human resources management = function (CI+EC +ON+TD)

Where CI = Cultural intelligence EC = Employee communication, ON = Overseas negotiation, TD = Training&Development.

A linear regression established that Cultural Intelligence, overseas negotiation, Employee communication and Training and development could statistically significantly predict Cross cultural Human resource management. A regression model is also built as follows:

Cross cultural human resources management = $4.6 + 0.5 (CI) + 1.(EC) + 0.2(ON) + 0.3(TD)$ -----
----- for IT

Cross cultural human resources management = $1.953 + 0.577 (CI) + 0.28(EC) + 0.31 (ON) + 0.157(TD)$ -----
----- for NON IT

- For IT this means that for every 100% change in Cross cultural human resources management, Cultural intelligence contributes 50% and employee communication another 100%.
- For non IT this means that every 100% change in Cross cultural human resources management, Cultural intelligence also contributes 50% and overseas negotiation another 31% with communication taking a backseat.

The ANOVA (Table 9) indicates that the model is a significant fit of the data overall. The F-ratio in the ANOVA table tests whether the overall regression

model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable $p < .005$ (i.e., the regression model is a good fit of the data for both IT and non IT population).

Hypothesis 2

H0: Diversity training to managers handling diverse teams is not essential nowadays in an organization in IT and non IT sectors

H1: Diversity training to managers handling diverse teams is essential nowadays in an organization in IT and non IT sectors in India

Tables and interpretations

This study found that Diversity training to managers handling diverse teams has statistically significantly lower mean rank for non IT (42.61), $t(43) = 45.8$, $p = 0.000$ compared to IT (55.11), $t(53) = 66.743$, $p=0.00$. As the t test indicates the significant value is <0.01 hence the null hypothesis that Diversity training is not essential these days is rejected and the alternate is accepted (see Table 10).

The Mann Whitney U test in the study found that there is a significant difference in the opinion of IT and non IT group with the IT group ($t(53) = 66.7$, $p = 0.000$) more in favor of Diversity training to managers handling diverse teams as against non IT organizations ($t(43) = 45.8$, $p = 0.000$) (see Table 11).

Hypothesis3

H0: An individual's talent is not more important than his demographic group in IT and non IT sectors

H1: An individual's talent is more important than his demographic group in IT and non IT sectors

Tables and interpretations

The significance level below 0.01 for both IT and non IT in implies a statistical confidence of above 99%. and that an individual's talent taking precedence over demographic group has statistically significantly lower mean difference for non IT (4.00), $t(45) = 29.53$, $p = 0.000$ compared to IT (4.33), $t(53) = 33.46$, $p=0.00$. As the t test indicates that the significant value is <0.01 hence the null hypothesis that an individual's talent is not more important than his demographic group is rejected and the alternate is accepted (see Table 12).

From Mann Whitney U test data it can be concluded that the opinion of the IT group is statistically significantly higher than the non IT group ($U = 948$, $p = .028$) with the IT population more in favor of an individual's talent rather than his demographic group (see Table 13).

Hypothesis 4

H0: Involvement of all diversity groups in crucial decision making and problem solving does not help to improve the productivity in IT and non IT sectors in India

H1: Involvement of all diversity groups in crucial decision making and problem solving helps to improve the productivity in IT and non IT sectors

Tables and interpretations

The significance level below 0.01 for both IT and non IT implies a statistical confidence of above 99%. and there is statistically significantly lower mean difference for IT (3.44), $t(53) = 30.158$, $p = 0.000$ compared to non IT (3.97), $t(46) = 45$, $p=0.00$. This implies that null hypothesis that Involvement of all diversity groups in crucial decision making and problem solving does not help to improve the productivity is rejected and the alternate is accepted (see Table 14).

From this data, Table 15 it can be concluded that the opinion of the non IT group is statistically significantly higher than the IT group ($U = 768$, $p = .000$) with the non IT population more in favor of involvement of all diversity groups in crucial decision making and problem solving.

Hypothesis 5

H0: When dealing with people from different cultures 'communication gaffes are not major issues in IT and non IT sectors

H1: When dealing with people from different cultures 'communication gaffes are major issues in IT and non IT sectors in India

Tables and interpretations

The significant level below 0.01 implies that null hypothesis that Cross cultural communication cannot be enhanced by effectively adding gestures and body language along with words in IT and non IT sectors is rejected. Also there is no statistically significantly lower mean difference for in IT compared to non IT (see Table 16).

From data shown in table 17 it can be concluded that the response/opinion of the IT and non IT group is similar and both Equally good.

Hypothesis 6

H0: Culture does not determine a persons beliefs, behaviors and values in IT and non IT sectors

H1: Culture does determine a persons beliefs, behaviors and values in IT and non IT sectors in India

Tables and interpretations

There is statistically significantly lower mean difference for IT (3.33), $t(53) = 36.40$, $p = 0.000$ compared to non IT (4.2), $t(45) = 45$, $p=0.00$. The significance level below 0.01 implies that null

hypothesis that Culture does not determine a persons beliefs , behaviors and values in IT and non IT sectors is rejected (table 18).

From data presented in table 19 it can be concluded that the response/opinion of the IT and non IT group is dissimilar with the non IT opinion more in favor of culture determining the behavior and attitudes.

Hypothesis 7

H0: In an overseas negotiation knowledge of Culture does not ensure success for IT and non IT sectors

H1: In an overseas negotiation knowledge of Culture does ensure success for IT and non IT sectors

Tables and interpretations

There is statistically significantly lower mean difference for IT (3.33), $t(53) = 29.7$, $p = 0.000$ compared to non IT (3.9), $t(47) = 31$, $p=0.00$. The significance level below 0.01 implies that null hypothesis that in an overseas negotiation knowledge of Culture does not ensure success for IT and non IT sectors is rejected (table 20).

From table 21 it can be concluded that the test is significant and hence the response/opinion of the IT and non IT group is dissimilar with the non IT opinion more in favor of cultural pre research before indulging into negotiation abroad.

FINDINGS AND RECOMMENDATIONS OF THE STUDY

1. This study concludes that various associated factors like Training, communication, cultural intelligence etc. together have a strong positive relationship with Cross cultural human resources management but at the same time these vary for both the IT and non IT sectors.

Recommendations

- Cultural intelligence and sensitivity has a significant proportional relationship with corporate performance in IT and non IT cos
- An effective and structured training and development programme on culture and diversity if followed will significantly moderate the inverse relationship between cultural issues and corporate performance.
- A formal reporting and enhanced employee communication and feedback will significantly moderate the inverse relationship between communication gaffes and employee corporate performance.
- The need for both IT and non IT organisations to embark on cross cultural human

resource management for increasing the overseas negotiation success rate has become obvious with a strong correlation between the two.

2. This study indicates a very striking finding, that of a differential approach of IT and non IT sectors towards cross-cultural HRM and diversity management aspects.

The IT sector employees lay more importance to the following factors affecting the cross cultural HRM as compared to their non IT sector counterparts;

- a. Adaptability to a new cultural setting (Cultural Intelligence)
- b. Training to managers handling diverse teams (Training and development)
- c. An Individual's talent more important than demographic group (Equal treatment for all)

Whereas the Non IT sector employees lay more significance to the following factors affecting the cross cultural HRM as compared to their IT sector counterparts;

- Diversity recognition
- Cultural influence on behaviour
- Pre research on culture before overseas negotiation

The factor wherein both the sectors opine similarly and consider equally important are;

- Cross cultural Communication
- Giving constructive feedback to employees of diverse groups

Recommendations

Cross cultural HRM if followed differentially for both these sectors will become a progressively more critical factor in the broad HRM and diversity management. The differentialities and the commonalities in both sectors should be considered before implementing a policy decision.

3. The empirical results show that Cross cultural human resource management plays an important role in increasing the performance of both IT and non IT cos

Recommendations

Based on the findings and conclusions of this study, it is recommended that cross cultural human resource management should be accommodated in the company's policies to ensure that employees are not secluded by cultural and diversity issues. Diversity management intervention strategies and compulsory training should be done for all employees. The policies of both the IT and non IT sector should be hinged upon this. Senior Management level employees should take the lead and demonstrate high commitment to the above.

LIMITATIONS OF THE STUDY

- To corroborate the above findings of the study we have tried the factor analysis though test value for carrying out factor analysis was less than the cut off value of 0.5. But the factors that emerged after this analysis reiterated the fact these factors per se strongly influence the development of cross cultural human resource management, thereby validating the assumptions.
- The area of study is an academic one and hence restricted by time, cost and geographical coverage and sample size.
- The suggestions may require policy decisions on the part of the top management while implementing the same.
- The findings and suggestions are applicable only to organizations of the same size and like.

CONCLUSION

Based on the findings, cross cultural human resource management is a vital tool for employees (Both IT and non IT) for performance enhancement and increase in organizational productivity. Cross cultural human resources management is a strategy and practice that shall bring more benefits to the IT and non IT organizations. Researchers must increase their scope of work to comprehend the advantages in implementing Cross cultural human resources management. The importance of incorporating the above factors into organizational roles is imperative and the entire process of direction will take place at senior management levels accompanied by competence and willingness. Cross cultural HRM development will definitely bring in some desirable changes in the behaviour and productivity of the employees

REFERENCES

- [1] Bodley, J. H. (1999). *Cultural anthropology: Tribes, states, and the global system* (3rd ed.). United Kingdom: Mayfield Publishing Company.
- [2] Budhwar, P.S. & Debrah, Y.A. (2001). *Human Resource Management in Developing Countries*. London: Routledge.
- [3] Budhwar, P.S. & Sparrow, P.R. (2002). An Integrative Framework for Understanding Cross-National Human Resource Management Practices. *Human Resource Management Review*, 12, 377-403.
- [4] Cox, T. (2001) *Creating the multicultural organization: A strategy for capturing the power of diversity*. San Francisco: Jossey-Koehler.
- [5] Cox, T. (1994). *Cultural diversity in*

- organizations: Theory, research and practice.*
San Francisco: Jossey-Koehler.
- [6] Dowling, P.J. & Welch, D.E. (2004). *International Human Resource Management – Managing People in a Multicultural context.* Singapore: Thomas Learning.
- [7] Edward E Hubbard(2004). *Manager's pocket guide to diversity.* HRD press. Inc
- [8] Garcia, M. E., Posthuma; R. A & Colella,(2008) Fit Perceptions in the Employment Interview, The role of Similarity, Liking and Expectations. *Journal of Occupational and Organizational Psychology* (2) 73-89.
- [9] Hofstede, G. (1980). *Culture's consequences: International differences in work related values.* Beverly Hills, CA: Sage.
- [10] Higgs, M. (1996). Overcoming the Problems of Cultural Differences to Establish Success for International Management Teams. *Team Performance Management, An International Journal*, 2(1), 36-43.
- [11] Jackson, T. (2002). *International HRM: A Cross-Cultural Approach.* London: SAGE Publications Limited.
- [12] Monks, K., Scullion, H., & Creaner, J. (2001). HRM in international firms: evidence from Ireland. *Personnel Review*, 30(5), 536-553.
- [13] Milliman, J. (2002). Cross-Cultural Performance Feedback in Multinational Enterprises: Opportunity for Organizational Learning. *Human Resource Planning*, 25(3), 29-43.
- [14] Munuswamy, V. (2008). *Local HR Management Key Issues in India.* People First Paris.
- [15] Schneider, B. (1987). The people make the place. *Personnel Psychology*, 40, 437-453.
- [16] Society for Human Resource Management. (2007). *The 2007-2008 workplace trends list.* Alexandria, VA. Retrieved June 10, 2009, from www.shrm.org
- [17] Teagarden, M.B. & Glinow, M.A.V. (1997). *Human Resource Management in Cross Cultural contexts: emic practices versus etic philosophies.* *Management International Review.* Retrieved June 10, 2009

ANNEXES

Table 1 Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.730	.713	12

Table 2 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.279
Bartlett's Test of Sphericity	Approx. Chi-Square
	451.578
	df
	66
	Sig.
	.000

Table 3 Communalities

	Initial	Extraction
DIV_TRNG	1.000	.814
TALENT	1.000	.731
DIV_RECOGNITION	1.000	.725
CULTURAL_TRNG	1.000	.751
CULTURAL_ADAPTION	1.000	.661
CULTURAL_NORMS	1.000	.642
COMMUNICATION_GAF FES	1.000	.793
COMMUNICATION_GES TURS	1.000	.653
COMMUNICATION_FEE DBACK	1.000	.905
OVERSEASASSIGN_LAN GUAGE	1.000	.692
OVERSEASASSIGN_NEG OTIATION	1.000	.851
CULbelief	1.000	.620

Extraction Method: Principal Component Analysis.

Table 4 Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loading			Rotation Sums of Squared Loading		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.384	28.200	28.200	3.384	28.200	28.200	2.180	18.163	18.163
2	1.712	14.263	42.464	1.712	14.263	42.464	1.988	16.570	34.732
3	1.480	12.335	54.799	1.480	12.335	54.799	1.730	14.413	49.145
4	1.207	10.060	64.859	1.207	10.060	64.859	1.521	12.671	61.817
5	1.056	8.796	73.655	1.056	8.796	73.655	1.421	11.838	73.655
6	.892	7.430	81.085						
7	.701	5.843	86.928						
8	.509	4.245	91.173						
9	.457	3.805	94.978						
10	.322	2.680	97.658						
11	.237	1.978	99.636						
12	.044	.364	100.000						

Extraction Method: Principal Component Analysis.

Table 5 The scree plot also indicates the point of inflexion after 5 factors.

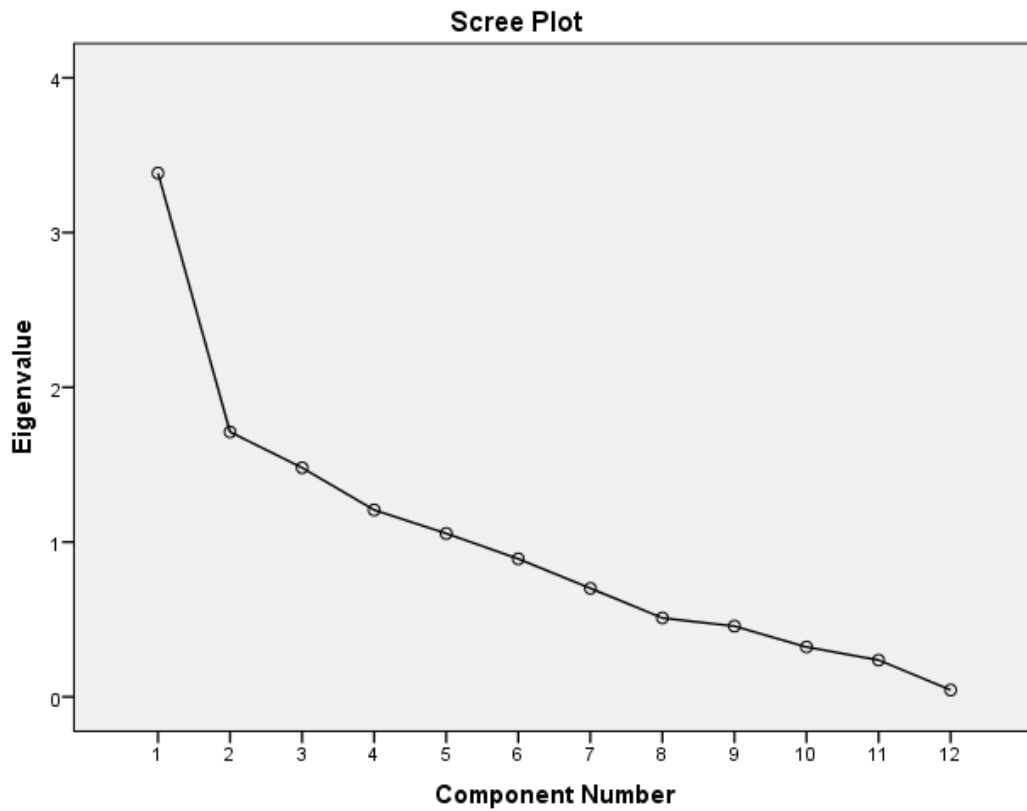


Table 6 Rotated Component Matrix

	Component				
	1	2	3	4	5
DIV_TRNG	-.052	.060	.033	.099	.893
TALENT	.468	.582	.328	.078	.245
DIV_RECOGNITION	-.055	.203	.492	.145	-.647
CULTURAL_TRNG	.113	-.044	.811	.278	.031
CULTURAL_ADAPTION	.118	.150	.710	-.304	-.165
CULTURAL_NORMS	.271	.668	.302	-.116	-.133
COMMUNICATION_GAFFES	-.013	-.143	.088	.873	.046
COMMUNICATION_GESTURS	-.012	.804	-.082	.001	-.014
COMMUNICATION_FEEDBACK	.123	.597	-.084	.724	-.040
OVERSEASASSIGN_LANGUAGE	.684	.320	.280	.017	.208
OVERSEASASSIGN_NEGOTIATION	.873	.094	.145	-.082	-.229
CULbelief	.780	.006	-.068	.082	.014

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

Table 7 Model Summary

DEPT	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
IT	1	1.000 ^a	1.000	1.000	.00000
NONIT	1	.812 ^b	.660	.570	.45799

a. Predictors: (Constant), CULTURAL_TRNG, COMMUNICATION_FEEDBACK, DIV_TRNG, COMMUNICATION_GAFFES, CULTURAL_ADAPTION, DIV_RECOGNITION, OVERSEASASSIGN_LANGUAGE

b. Predictors: (Constant), CULTURAL_TRNG, COMMUNICATION_GESTURS, OVERSEASASSIGN_LANGUAGE, DIV_TRNG, COMMUNICATION_FEEDBACK, CULTURAL_ADAPTION, COMMUNICATION_GAFFES, DIV_RECOGNITION, OVERSEASASSIGN_NEGOTIATION

Table 8 Coefficients

DEPT	Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
			B	Std. Error	Beta			Lower Bound	Upper Bound
IT	1	(Constant)	4.600	.000		163490526.080	.000	4.600	4.600
		COMMUNICAT ION_GAFFES	-.200	.000	-.200	-49687417.469	.000	-.200	-.200
		COMMUNICAT ION_FEEDBAC K	1.100	.000	1.347	311263983.219	.000	1.100	1.100
		OVERSEASASS IGN_LANGUA GE	.200	.000	.187	30231024.832	.000	.200	.200
		CULTURAL_A DAPTION	.500	.000	.606	172122263.105	.000	.500	.500
		DIV_TRNG	-1.200	.000	-.822	143214379.679	.000	-1.200	-1.200
		DIV_RECOGNI TION	-.700	.000	-.857	165499677.898	.000	-.700	-.700
		CULTURAL_TR NG	.300	.000	.254	51722955.815	.000	.300	.300
		NONI T	1	(Constant)	1.953	.969		2.014	.052
COMMUNICAT ION_GAFFES	-.506			.137	-.494	-3.694	.001	-.785	-.228
COMMUNICAT ION_FEEDBAC K	.288			.123	.314	2.342	.025	.038	.537
OVERSEASASS IGN_LANGUA GE	.316			.124	.397	2.537	.016	.063	.569
CULTURAL_A DAPTION	.577			.186	.485	3.110	.004	.200	.954
DIV_TRNG	-.130			.123	-.114	-1.052	.300	-.380	.121
DIV_RECOGNI TION	-.069			.132	-.072	-.519	.607	-.338	.200
CULTURAL_TR NG	.157			.114	.197	1.379	.177	-.074	.388
COMMUNICAT ION_GESTURS	-.204			.116	-.200	-1.756	.088	-.440	.032
OVERSEASASS IGN_NEGOTIA TION	.089			.151	.112	.593	.557	-.217	.395

a. Dependent Variable: CROSSCULTURAL_MGT

Table 9 ANOVA

DEPT	Model		Sum of Squares	df	Mean Square	F	Sig.
IT	1	Regression	24.000	7	3.429	7.334	.000 ^b
		Residual	.000	40	.000		
		Total	24.000	47			
NONIT	1	Regression	13.846	9	1.538	7.334	.000 ^c
		Residual	7.132	34	.210		
		Total	20.977	43			

a. Dependent Variable: CROSSCULTURAL_MGT

b. Predictors: (Constant), CULTURAL_TRNG, COMMUNICATION_FEEDBACK, DIV_TRNG, COMMUNICATION_GAFFES, CULTURAL_ADAPTION, DIV_RECOGNITION, OVERSEASASSIGN_LANGUAGE

c. Predictors: (Constant), CULTURAL_TRNG, COMMUNICATION_GESTURS, OVERSEASASSIGN_LANGUAGE, DIV_TRNG, COMMUNICATION_FEEDBACK, CULTURAL_ADAPTION, COMMUNICATION_GAFFES, DIV_RECOGNITION, OVERSEASASSIGN_NEGOTIATION

Table 10 Ranks

	DEPT	N	Mean Rank	Sum of Ranks
DIV_TRNG	IT	54	55.11	2976.00
	NONIT	44	42.61	1875.00
	Total	98		

One-Sample Test

DEPT		Test Value = 0					
		t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
IT	DIV_TRNG	66.743	53	.000	4.55556	4.4187	4.6925
NONIT	DIV_TRNG	45.859	43	.000	4.25000	4.0631	4.4369

Table 11 Grouping Variable: DEPT

	DIV_TRNG
Mann-Whitney U	885.000
Wilcoxon W	1875.000
Z	-2.453
Asymp. Sig. (2-tailed)	.014

Table 12 One-Sample Test

DEPT		Test Value = 0					
		t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
IT	TALENT	33.461	53	.000	4.33333	4.0736	4.5931
NONIT	TALENT	29.523	45	.000	4.00000	3.7271	4.2729

Table 13 Test Statistics

	TALENT
Mann-Whitney U	948.000
Wilcoxon W	2029.000
Z	-2.195
Asymp. Sig. (2-tailed)	.028

a. Grouping Variable: DEPT

Table 14 One-Sample Test

DEPT		Test Value = 0					
		t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
IT	DIV_RECOGNITION	30.158	53	.000	3.44444	3.2154	3.6735
NONIT	DIV_RECOGNITION	36.216	45	.000	3.97826	3.7570	4.1995

One-Sample Statistics

DEPT		N	Mean	Std. Deviation	Std. Error Mean
IT	DIV_RECOGNITION	54	3.4444	.83929	.11421
NONIT	DIV_RECOGNITION	46	3.9783	.74503	.10985

Table 15 Test Statistics

	DIV_RECOGNITION
Mann-Whitney U	768.000
Wilcoxon W	2253.000
Z	-3.529
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: DEPT

Table 16 One-Sample Test

DEPT		Test Value = 0					
		t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
IT	COMMUNICATION_GAFFES	38.781	47	.000	4.00000	3.7925	4.2075
NONIT	COMMUNICATION_GAFFES	41.006	47	.000	4.04167	3.8434	4.2400

One-Sample Statistics

DEPT		N	Mean	Std. Deviation	Std. Error Mean
IT	COMMUNICATION_GAFFES	48	4.0000	.71459	.10314

NONIT	COMMUNICATION_GAF FES	48	4.0417	.68287	.09856
-------	--------------------------	----	--------	--------	--------

Ranks

	DEPT	N	Mean Rank	Sum of Ranks
COMMUNICATION_GAF FES	IT	48	47.25	2268.00
	NONIT	48	49.75	2388.00
	Total	96		

Table 17 Test Statistics

	COMMUNICATIO N_GAFFES
Mann-Whitney U	1092.000
Wilcoxon W	2268.000
Z	-.496
Asymp. Sig. (2-tailed)	.620

a. Grouping Variable: DEPT

Table 18 One-Sample Test

DEPT		Test Value = 0					
		t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
IT	CULbelief	36.401	53	.000	3.33333	3.1497	3.5170
NONIT	CULbelief	45.000	45	.000	4.23913	4.0494	4.4289

Table 19 Test Statistics

	CULbelief
Mann-Whitney U	480.000
Wilcoxon W	1965.000
Z	-5.704
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: DEPT

Table 20 One-Sample Test

DEPT		Test Value = 0					
		t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
IT	OVERSEASASSIGN _NEGOTIATION	29.721	53	.000	3.33333	3.1084	3.5583
NONIT	OVERSEASASSIGN _NEGOTIATION	31.150	47	.000	3.91667	3.6637	4.1696

Table 21 Test Statistics

	OVERSEASASS IGN_NEGOTIAT ION
Mann-Whitney U	792.000
Wilcoxon W	2277.000
Z	-3.566
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: DEPT