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# COMMUNICATING SUCCESSFULLY WHEN MANAGING MULTICULTURAL TEAMS

Literature study

# **Keywords**

Multicultural team
Cultural managerial competencies
Cultural intelligence

**JEL Classification** M14, M16, Z10, O15, O19

### **Abstract**

Day by day globalization covers new areas of life and calls for continuous learning and adjusting to new cultural dimensions. Managers are expected to display adaptation to new ways of working, cultural sensitivity, cultural intelligence and to posses multicultural competencies communication skills. Understanding the impact of cultural diversity on the communication within the organization is essential for the success of a company. Especially in multinational companies, when departments working on the same projects are located in different countries, the managers rely more and more on cultural-specific country characteristics in order to chose the best negotiation and communication techniques. The aim of this paper is to show how the country specific cultural characteristics impact on the success or failure of a business and the organizations' challenge with preparing managers for success in international business environment. The paper is based on literature review and on authors' experience in managing multicultural project teams, in international environment.

#### Introduction

Team working is a complex issue that may be regarded from a more complex angle, as the cooperation between teams. Often times it may happen in the international projects, that even if there are not different teams responsible for the same project, the multicultural team practically splits in sub-teams based on nationality, interests, positions level of education. It is difficult enough to coordinate teams on a common project, but it might be even harder to synchronize informal subgroups of the same team. In the first case assignments are clearly defined for each team and member, while in the second case conflicting or just distinct interests prevent proper completion of common tasks. The important task for the leader of a multicultural team should be to identify the misleading signs of cultural transformation, since adoption of Western practices is a common thing while change of values and beliefs is not that common.

The individual set of cultural characteristics of a team member is a key predictor for intercultural communication effectiveness. Awareness of the level of context (low or high) in the communication process, , as a characteristic of the people's culture, can help overcome communication obstacles due to cultural differences. Managers of multicultural teams should find a balance between different behaviours and values of the team members, so that they find the best strategies in order to achieve the desired objectives. A blend of different nationalities should be seen as an advantage for creating strong connections between team members, using pleasant conversations while building trust. Ideally, a manager exposed to many different cultures, should gain the so called "cultural intelligence".

The structure of the paper is as follows. Section two describes the differences between the high-context cultures and low-context cultures communication styles and presents the challenges a manager could encounter in having in the team members from both cultural contexts and section three highlights the characteristics of the linear active, multi-active and reactive cultures, while section four presents the leadership cultural types. The last section draws conclusions and provides grounds for further discussions.

### Communication in a multicultural environment

For the manager of a multicultural team it is difficult sometimes to interpret messages and communication signs, especially if there are team members belong both to both - high-context and low-context cultures. For example, individuals from high-context cultures tend address indirectly, to use innuendos, are afraid to say "no" to the manager, while individuals from low-context

cultures most of the times talk in a direct way and are not afraid to state their opinion. These differences lead sometimes to miscommunication, as the message interpretation might be challenging for the manager and also language barriers might contribute to lower productivity. Some of the lowcontext cultures are encountered in United States. Switzerland, England or Germany, while a few of the high-context cultures are encountered in Japan, China, France, Spain, Greece or Italy (Hall, 1973). According to Richard Lewis (Lewis, 2006) there are national characteristics and norms, but judging people from such stereotypes can be misleading since surprising exceptions are often encountered. general approach of international The organizations, whether dealing with industrial projects or technical assistance, is to extend application of the Western culture and values on the multicultural team and the recipient group. However, in spite of the pressure, most of the times the changes are superficial or temporary, while deeply rooted beliefs and attitudes would oppose the forced transformation (Lewis, 2006).

In spite of the fact that often we say that fortunately people are so different, and it is obvious why, sometimes managers and leaders would like to simplify the way people interact in business, at least. Being far from an utopic world, managers should get over cultural diversity, avoid clashes using cross-cultural awareness, creativity, solid managerial knowledge and skills. Moreover, a crucial factor is the extensive exposure to foreign cultures and various business and working environments.

The manager of a multicultural team should consider himself / herself as part of a learning organization in which value added comes from the effective and efficient dissemination of lessons learned.

One important issue faced by multicultural teams is the choice between direct and indirect communication, concept firstly defined by Edward Hall (1960). Especially for virtual teams direct communication is recommended since the cultural diversity may distort the message. In indirect communication there is high context, thus meanings are not explicit and uttered at the other end by someone who does not share same cultures it may become a real problem.

There are instances when indirect communication is used in order to avoid passing on bad news or negative opinions, and that does not depend on culture, it is just the ability of the person to sugar coat the information.

For a multicultural team high context may be dangerous as different meaning may be attached to same message. Unfortunately, it is difficult to realize the length of the information that is transmitted without actually being said. And even

sadder is that unlearning is by far more difficult than learning. Values and norms are deeply rooted in individual personalities and it takes time and efforts to change those. The soft of the mind as Hofstede defined it may be changed in a process of replacement – cannot be simply erased (Hofstede et al., 1990).

The difficult role of the leader is to distinguish creativity from indiscipline. Management means, among other things, following some rules and procedures, maintaining stable processes. Since creativity is a must in problem solving the leader faces a dichotomy between too much and too little. The truth is that there is no universal solution for all the problems, otherwise the next generations would be left with nothing to do.

There are two types of group identity (World Bank, 2012): ascribed identity (a set of characteristics, mostly demographic, which others would associate to stereotypical cultural portrait) and avowed identity (a set of values and practices that a person draws from a reference group). In other words ascribed identity is how other people perceive a person and how they communicate with that person, while avowed identity is the actual culture of that person. Mixing these identities in communication may induce frustration for both parties. However, people may shift from one identity to another depending avowed circumstances for example people may change ways of addressing or speaking when they meet family or childhood friends.

Speaking another language does not necessarily mean that person is competent in communicating with the native speakers. There are also language pragmatics (politeness and politics specific to the native speakers) and nonverbal communication.

Competent communication means conveying effectively appropriate messages. That requires flexibility, sensitivity and tolerance towards uncertainty. The basis is refraining from being ethnocentric, and adopting an open-minded attitude regarding other cultures, becoming more ethnorelativistic. Of course there is an instinctive ethnocentric reaction of preservation of distinct cultural groups, but the more suppressed the better intercultural communication flows.

# Linear-Active, Multi-Active, and Reactive Cultures

One important cultural differentiation is the way people plan activities, hence in some are linear-active people, considering that doing one thing at a time allow concentration and structured way of doing things. At the opposite end there are the multi-active people that get involved in many activities simultaneously, thus considering that time is used more efficiently and there is no second wasted (Lewis, 2006). In between there are the reactive cultures in which people prefer to listen,

evaluate and only then react, never initiating actions or discussions. Reactive people are good listeners, never jumping to conclusions or categorizing others, attentive to nonverbal communication. In the reactive cultures the communication pattern is monologue-pausereflection-monologue, while for the linear-active cultures and multi-active cultures communication mode is primarily dialogue, first type because they are programmed to only one activity, the second being extrovert pay little attention to body language. Also reactive cultures communicate with high context, more impersonal, and even silence has meanings. In the high context not only what is said matters, but who and how said and what is behind the things that have been said. Reactive cultures apply the self-disagreement tactic to avoid an appearance of arrogance, an attitude that other cultures may translate as a sign of weakness.

People from each culture feel comfortable with each other, but interactions between different types commonly lead to conflicts, misunderstandings. Between linear-active people (task oriented, planners, highly organized) and multi-active people (interpellators, people-oriented) communication is difficult. The reactive people (introvert, good listeners, respect oriented) would have a satisfactory communication with the linear-active people, but time-consuming with the multi-active oriented people (Lewis, 2006).

Might be interesting to know that the most common culture is the multi-active one, followed in number of population by the reactive one (maybe because it is specific to Asians) and the least spread culture is the linear-active. One might think that the linearactive culture is the best fit for business and production, but surprisingly, half of the world's population is multi-active (Lewis, 2006). Lewis developed the LMR (linear / multi / reactive) method for cultural profile assessment. While Hofstede created profiles for different populations, generalizing sets of specific behaviors, Lewis identified three categories of personalities that could be applied to any individual, though being each more common in defined geographical areas. Lewis' method appears to be more practical as it deals with individual assessment and once a person has identified own profile it would be easier to choose modalities to interact with people from other categories.

Beyond any classification there are the influences of age, level of education and field of activity. Age, being a "layer of culture" may lead to cultural characterization of a generation, and it can easily be understood why majority of youngsters may not be included into the reactive group. Professions like engineers, accountants or technologists are mostly linear-active, while teachers, artists or sales people

incline towards multi-active culture. Doctors and lawyers need to be reactive and listen to what their clients communicate, verbally or non-verbally. Unfortunately misfits between professional, age, personal and cultural frameworks are often encountered. There are people who present a blend of characteristics, intermediary types that are efficient negotiators and have a potential to become international team leaders.

There is also the differentiation between dataoriented cultures (based on communication of facts and solid information) and dialog-oriented cultures (based on relationships). Multi-active people are prone to dialog-oriented styles, while linear-active people are closer to data-oriented cultures. The reactive cultures benefit from both ways to get informed, they are good listeners.

### Leadership cultural type

Globalization determines more and more crossnational transfers and their success depends on the composition of the teams and selection of the leaders (Lewis, 2006).

In the 21st Century it became common practice for big companies to expand the pool of candidates for international managers beyond home country nationals.

Culture is though evolving, changing, adapting to the events and environment, and at all times organizations organize and reorganize to respond external factors and internal objectives. And any organization follows the leaders, people with authority, who set up the rules of the system (Lewis, 2006).

Depending on the type of culture, leadership may be a networking mode (with focus on management style, motivation of employees, chain of command, status of the leader) or task oriented mode (focus on formulation of strategies, to reach efficiency and efficacy in an ethic climate). In the linear-active cultures leaders are generally task oriented, interested in technical competences, objective and emotionless. In multi-active cultures best fit leaders are extrovert, approach transactions emotionally and are networking prone. In reactive cultures leaders are more balanced, tackling both modes.

There is not a universal perfect leadership mode, each culture valuing different characters.

"Versatility will be the name of the game, moving and improving faster than competitors, and this very versatility also has to be managed" (Lewis, 2006).

From the point of view of individualism and collectivism cultural approaches (Hofstede et al, 1990), collectivist cultures value more the group than the individual and cooperate much better for delivering given tasks as a team. The secret is to make the team members belonging to individualist cultural type believe that only in groups they can

achieve their targets, forcing them to work as a team to success. There is another strategic difference between collectivist and individualist cultural types that must be taken into consideration by the team manager, their attitude towards conflict. While individualist culture people are not afraid to state their opinion, even if this might lead to a conflict, collectivist culture people have the tendency to avoid any conflict and to make any compromise needed just to ensure the good relationship within the team.

Team managers are recommended to create a competitive environment only if the group members' cultural values coincide with the individualistic cultural characteristics. Also, there are special conflict management strategies for each type of cultural identity.

Many consider themselves open to diversity, but cultures differences may be extremely subtle and living or working in an alien culture is even our days challenging, sometimes risky. Renault and Nissan managed to tune and blend cultural diversity by successive immersion of team members in the partners' environment. contact with another culture usually depicts the differences, it's like looking through kaleidoscope to a succession of models, rarely repeating and totally unpredictable But immersion in another culture would help an open minded person to understand the reasoning and philosophy behind the different behaviors. This is crucial for a leader to understand leverages for motivation. It is difficult enough to motivate a team of nationals, but to lead a multicultural team sometimes is close to impossible, as "in a global milieu culture remains the final barrier" (White, 2010)

Globalization determined another phenomena and cross-professional diversity became if not more important than cultural diversity, at least of equal significance, especially in the business field. Thus it is more common for business groups a linear-active culture and more often a multi-active culture in the non-business environment (White, 2010).

### Conclusions

In a multicultural environment it is of most importance for team managers to deal with every team member, considering his/ her cultural values. In order to succeed, cultural intelligence is a must-have skill for managers working in a multicultural environment, implying the fulfillment of the following criteria: to display a positive attitude towards the team members belonging to other cultures, to develop constructive positive relations with the members of the team and the most important, to be able to communicate with people belonging to different cultures. It is not easy to anticipate, prevent and eventually solve conflicts within a multicultural team, considering values of each person. Perhaps, the best result of a leader is

the creation of a new culture, the team culture, a place for harmony between the different own cultures of the members.

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