Interkulturelles Management: Friktionen und Fallen in internationalen Projekten
Methodischer Rahmen und Erfahrungen mit der Ableitung konkreter, operationalisierter Handlungsempfehlungen

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Key Messages for today

- Cultural differences can be described by empirical means
- Insights lay the grounds for a structured approach
- Insights can be used for backward analysis
- Insights may have prescriptive character
- The challenge is to make it operational
- The challenge is to have it implemented
The Business Purpose behind (1)

- Assignment in Delhi for two years

- “Go there and do something. I can’t tell what, but do something.“

- “What is he actually doing there?”

- “I don’t know, but it makes a difference.”

- Half of the budget for Liaison Management is wasted money
The Business Purpose behind (2)

- Two questions arise:
  1. What kind of person is he?
  2. How long can he stand it?

- But people will change their behavior immediately
  - 50% could be achieved by a crash-test dummy
  - 25% of the remainder can’t be changed
  - 25% can be changed!

- The question is not about the cost – but how much it costs in case you don’t do it
Cultural Differences and Similarities

- Tokyo story

- What is considered being the most disgusting crime in...?
How to describe cultural Differences?

- Again, you feel there are differences, but how can you describe them in a structured way?

- Hofstede‘s research is one approach among others

- IBM: Why does one and the same process work perfectly fine in one country – but not in another?

- As a result, Hofstede identified five dimensions to measure cultural differences

- Quantifiable indexes
Hofstede’s cultural Dimensions

1. **Power Distance**
   To which extend do people freely obey formal positions and rules?

2. **Uncertainty Avoidance**
   How well can a culture deal with risk?

3. **Individualism**
   To which extend are individuals independent?

4. **Masculinity**
   How ‘macho’ is a culture?

5. **Long-term Orientation**
   How far ahead do you think? How far do the constraints of tradition go?

- Later: Perception of time and reality, ground truths… (Trompenaars et al)
- Pragmatic: Apply it to USA, Brazil, Germany, Sweden, Japan, India…?
Hofstede: you can measure and compare!

Scale from 1 (very low) to 100 (very high). Differences of 10 points between two countries show a significant difference in workplace, attitudes and behaviors.

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<thead>
<tr>
<th>Countries</th>
<th>Power distance</th>
<th>Uncertainty avoidance</th>
<th>Individuation</th>
<th>Masculinity</th>
<th>Long-term orientation</th>
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Challenge: Making it operational

- Again, a nice framework for analyses: now you know where the differences are
- But: you still have to make insights operational and apply them
- And: be aware of stereotypes and generalizations
  - There is no such thing as an average Indian or typical German!
One-Page Insight Summary for Indians (1)

- Don’t misunderstand German distance or ‘arrogance’
- Never take challenging personal
- Expect Germans to come straight to the point – little warming up
- If you want to impress Germans, show you are a ‘structured’ and well ‘organized’ thinker & contributor
- When faced with a problem, look for solutions (instead of returning two problems)
- Bring each item to an end before moving on to the next one
- Do only one thing at a time
- Dedicate your full concentration on your partner
- And “stick” to agreements – and dates – unless explicitly revised
- Be prepared and be timely – understand what is important to Germans
One-Page Insight Summary for Indians (2)

- Learn how to clearly say “no” and how to share concerns openly
- For Germans, no – or no clear – response is by far more impolite and bothering than a “no”
- Understand that Germans don’t shoot the messenger for the message
- Learn how to convey bad news; provide reasoning, circumstances and available options
- Give notice in case you are late (even for minor things)
- Understand that being late stresses Germans much more than Indians
- Letting others wait is a severe offence for Germans
- Make decisions; Germans will never punish as long as they are well-considered
- Keep in mind that you are as strange to them as they are to you!
One-Page Insight Summary for Germans (1)

- Understand collectivistic dynamics and protocol
- Understand that decision making and consensus building happen differently
- Your partner may not be in the position to make decisions immediately
- Always be polite, stay calm, somehow above, do not lose your face
- Know that any criticism might be understood as being personal
- Do not ‘punish’ for bad news
- Encourage decision making
- Do not misuse shared inside information
One-Page Insight Summary for Germans (2)

- Focus on personal integrity: Say what you do – and do what you say
- Do not follow hidden agendas, play it openly
- Be ‘human’ and show some self-irony
- Avoid anything that might hurt the trust level
- Do not return home and start complaining – do it immediately
- Be aware that you might be overrunning people
- Be aware that Indians expect opinion building to happen in groups during the meeting (and less before)
- Indians are somehow much more afraid of making mistakes than Germans
- Expect many iterations and repeated negotiations!
One-Page Insight Summary for Germans (3)

- Be aware that Indians are pragmatists and have little consciousness for broad, comprehensive methodologies
- Provide in digestible portions
- Be ready to repeat often
- Understand that Indians by nature actually do less see the need for extensive preparation
- And do not expect immediate confirmation or effectiveness of discussion results
- Respect hierarchy and protocol
- Talk to the right person in the hierarchy: not below, not above
- Never negotiate under time pressure

- Keep in mind that you are as strange to them as they are to you!
Experiences that make you go ballistic

- Be ready for the unexpected!
- It might go far beyond what you can imagine
- Stay cool and think before reacting
Key Messages for today: Résumé

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- Insights lay the grounds for a structured approach
- Insights can be used for backward analysis
- Insights may have prescriptive character
- The challenge is to make it operational
- The challenge is to have it implemented
- The goal is to have condensed, agreed and accepted one-pagers for operational daily use
Other Workshops

1. Intercultural Issues

2. Leadership/Management/Senior Management Expectations

3. Sabotage – Collaborative and Non-collaborative Behavior


5. Business Strategy and IT
Thank you!