

Cross cultural management case

[Business](#), [Management](#)



Within the past 2 years alone, the resort experienced a high turnover on F&B department. Three directors resigned from this position over the time. Even worse, the director position in waterfront director is still vacant up until now. Several expects that were hired before resigned for a variety of reasons. Inner Harridan, the water sport director, had to take over Waterfront director's responsibilities resulted from the vacant position in waterfront department. Second, there has been an increasing complaints from the customers in a significant bevel.

The complaints were mostly came from the room division department. Recent complaints from the guests were mainly pointing out at the staffs behavior. The guests believed that the staffs were unenthusiastic, unprofessional, and unapologetic. Last, there is an increasing level of tension between expects and local staff members. We noticed a gap between these groups, and it appears to be growing. When we had our observations on the resorts operations, there was a fight between the head cook and F director, mainly because the head cook failed to tell something was wrong.

This situation is one of the many similar problems that occurred on the resort. In conclusion, tension between expects and local staff happened due to the contrasting management and communicating style between these two groups. We do believe that the main cause of all symptoms was due to the growth of the resort. After an extensive research on the problems, we have found that the resort was running the business normally and there were no serious issues before the expansion . However, after the expansion, the resort that was onefamily-business friendly turned out to be bureaucratic.

The bureaucratic style impacted heavily on how the resort ran their In our observation, there are several obvious symptoms of the problems from the start. First, the long ongoing problem of overstuffing and understaffing during low and peak season, combined with difficult labor regulation. To overcome the matter, the resort have initiated marketing initiatives to reduce the staffing problems during low and peak season. However, it has not been properly executed which definitely amounted to the overall negative behavior of the staff.

In addition, the problem with retaining expatriate managers seems to be more Job-specific. The previous expats who resigned from their Job positions mostly came from three departments in the resort that are problematic (F director, waterfront director, and water sports director). Therefore, this raised a question towards the resorts selecting & hiring process, and how they assign responsibilities for the director's position in these three department respectively. Third, the ineffectiveness of the resorts compensation system affects on the local staffs overall motivation.

With the compensation system that appears to be more western style, it seems to be unsuitable for the employees. Few of the resorts directors have introduced and motivated the local staff to get more incentive but they were resistant. Consequently, the unmotivated local staffs amounted more bigger problems to be solved. 2 Also, there have been obvious cultural differences between the US expats and the BI staffs. These two groups appear to have different ways on how they achieve goals, lifestyle, group belongings, management and communicating style.

For example, we found that BI people have a deeply rooted belief in belongs and nonbelievers in the Ball's classes and castes. Ball's belief were obviously appear to be unfamiliar for the US expects. With the contrasting cultural differences, the tension between these groups have been increasing significantly over time. Finally, the ongoing tension between headquarters and resort is also an obvious symptom. Lack of proper communication between WHQL-resort have caused anger from the local staffs and also confusion for the resort.

Dilemmas From the previous part of the report, we are now able to identify the key Dilemmas of Wick's situation. The location, the British Virgin Island was a paradise, but not the name could be said of its labor market laws and regulations. Aimed to protect the locals, it was designed to keep unemployment rate of the locals low. The root cause of the problem was the resorts massive expansion, turning what was once a family- business-like resort, into stacks of hierarchy. Combined with the relatively quick change of expatriate managers, has pushed the resort into a spiral of problems.

To analyze the problem in a more elaborate manner, we proposed to analyze WISER from two perspective, the local staffs and the expatriate managers. The locals knew hat the local employment laws almost guaranteed Jobs, and employees of the WISER knew this. This resulted in local staffs being more concerned about fitting in with their coworkers other than being competitive by impressing the managers and the guests. The locals appreciate clear direction and demonstration, and has a huge appreciation for personal relationship with their managers.

The locals felt not stay for long, the locals also steers clear of competition. The staff was indeed doing very well at the early stage of WISER, they felt appreciated that the owner, Joe Kimball knew all of the names of the staffs then. The expansion and Kimball rare visit made the staff felt less appreciated. According to one of the local staff, " The worst part is that [the expatriate managers] think we want to be managers like them. Managing people takes too much effort I'm just not interested in leaving my friends behind just to make a little more money. This leaves us to question whether the unresponsive and unenthusiastic staff behavior was a result of poor management by the expatriates, poor quality of work by the staff or was just a herd behavior. The WISER employs a variety of expatriate managers with very different approach in managing their staffs. There is Jim Johnson, the " behind the scenes" manager, who gives clear directions but is rarely present. Kent Mahoney, the property manager is popular among the local staffs, they knew who he was and they appreciate his hands- on attitude and managing style.

Kristin Singer is also popular, she was very respected by the local staff, due to her willingness to invest on personal relationship with her staff. It can be seen that the expatriate managers has to earn the respect of the local staff in order for them to work efficiently. The expatriate managers must be willing to be present at the resort and invest on personal relationship with the staff. Management methods might vary, local staff respond well to positive energy. Mahoney and former Water Sports Director, Bill Jones was said to be well respected by the staffs.

Mahoney was known for "management by walking around" and Jones was said to have an easy-going management style, while Singer is 3 very energetic. From this we can see that it is unwise to generalize the expatriate managers to have poor management skills. We would like to further elaborate this analysis by providing analysis from theories commonly used in cross-cultural studies, Hypotheses cultural distance. Since Hefted have not specifically done research in British Virgin Islands, we have decided to use the score of Caribbean countries in general, as most appear to have very similar scores.

Caribbean countries, including the British Virgin Island and with the exception of France, is known to have the highest score in Power Distance. It is reported that African cultures generally maintain hierarchical role relationship (Students, 1996). This may explain why the local staffs are reluctant to get promotion or even a little ahead of each other, because once they are promoted they will be separated from their friends. According to Hefted, "Hierarchy in an organization is seen as reflecting inherent inequalities, centralization is popular, subordinates expect to be told what to do and the ideal boss in a benevolent autocrat. The herd-like behavior of the staff can be explained by the low score of Individualism in Caribbean countries, the British Virgin Islanders are considered a collectivist society. According to Hefted, loyalty in a collectivist culture is paramount. From these 2 dimensions, it can be seen that having very short-term expatriate managers can ruin the group dynamic of the divisions. Like most Caribbean countries, British Virgin Islands is considered a relatively feminine society.

Hefted stated that, " managers strive for consensus, people value equality, solidarity and negotiation, in addition to that, Hefted stated that incentives such as free time and flexibility are favored. This gave us an idea of why the staff was not motivated by the tips from the customers. It might as well be impossible to raise staff work enthusiasm by telling them to compete for tips. This marks a need for change in the methods of increasing staff work efficiency. In general, Caribbean countries tend to avoid uncertainties, meaning they are intolerant of unorthodox behavior and ideas. Hefted stated, " Here... People have an inner urge to be busy and work hard, precision and punctuality are the norm, innovation may be resisted... " From this, we can see that the local staff is trainable to meet the resorts standard, their change in behavior may be caused by the expansion of the resort, local staffs might see it as change/innovation that may threaten their security. As most expatriate managers came from United States, it represents a whole different culture. The US is known to be highly individualistic and uncertainty accepting, that alone can cause a culture clash, not just in management but in personal relationship.

This marks, another need of change, expatriate managers must be more well endowed in the British Virgin Islanders culture. Solutions Short term Since we have discovered that the local staff actually has determination and illnesses to work hard, on the short term we propose to hold a meeting explaining to all our expatriate staff that local staff may be illiterate and to instruct our managers to always show the job they want to be done at least once, so that the local staff may do it correctly.

We also propose to give the housekeeping staff a very short checklist (and show them how it works) to locate problems in the rooms as quickly as possible and thereby mitigate the worst complaints about the rooms. Additionally, it will be made very clear to each guest that any complaint can be directed to the front desk, who will forward them to the facility manager so that he can fix them. Basically, we propose to fix the problems link immediately to the guests, to reduce the complaints and unwanted tension.

We suggest that the property manager, Kent Mahoney will be the main manager for the complete facility as of now, 4 since he has good rapport with the staff, can work with them, and also understands the guests. In the organizational chart, he will be the link between WHQL and the facility. The link between the WHQL and WISER should be improved, an advancement in technology will be appropriate. Any overbooking shall not be tolerated anymore, and new bookings for those periods will have to be directed to a period when there's still place.

Long term We suggest a change in the policy regarding expatriate managers' length of work in the WISER. If possible, also a change in the hiring process of the managers. The expatriate managers that have succeeded in winning the local staff has been the ones who stayed long enough and dedicated their whole life to the resort. In the future, expatriates who are hired to work in WISER must have the desire to live their life in the British Virgin Island. It would also be a nice addition if the owner, Joe also possible for him to spend his retirement here.

The incentives should also be changed, free time is more favorable than money apparently. We also propose that bookings and promotions will be run through the facility, mainly, with a secondary office on the US mainland to maintain relations with travel agencies (so the reverse of how it is right now), so that the facility may exist more as an independent company.

Furthermore, measures are proposed to ensure the literacy rates of our local staff will rise. We expect that this will boost morale (and hush efficiency), as we are empowering people by teaching them.

We also propose that for high achievers or hard workers, a more extended program is implemented, incorporating time at the continental US offices, preparing the participants for a managerial position within our company.

Lastly, staff planning is proposed to improve greatly, by cross-training staff for multiple functions and by offering the training during the down-season.

Also, during the down-season, routine maintenance is proposed to be performed, to improve the general impression of the facility and to make sure the guests do again enjoy homeless when they visit the resort.

During the low seasons, we suggest the entire WISER managers and staff to participate in an interdepartmental team building outing. Each division will be its own group, lead by the expatriate managers, through elaborate games and activities, people within the group must collaborate with each other (in accordance to the collectivist behavior), the managers must directly lead the group (stepping stone in possible personal relationship and may increase loyalty from the staff. We suggest this to be done annually, creating a group dynamic and also company culture.