

# The effects of cultural influence in motivation



Human resource management is a very important function in any organisation irrespective of business that the organisation performs. In the present business world, we are experiencing a constant improvement which was inexperienced in olden organisational structure in terms of globalization, training, recruitment and rewards behaviour.

HRM practices differ from one country to another. In this essay, I will be discussing about the cultural influences which I have come across in the Socometal case study its relation with Thierry's hypothesis and in addition explaining the cultural influences which I experienced in a Multinational company in India. The essay further demonstrates how cultural influences affects the pay and reward system, human relations within an organization. National culture is referred to as "software of mind" by Hofstede

### **Key Issues in Socometal case study:**

The case study discusses about a particular plant of Socometal, a multinational metal container and can company, which is governed by African work policies under joint venture with major proportion controlled by French management of about 52% while the remaining 48% prevailing under African management. We can find quite a lot of cultural influences in the organisation, everybody accepts the fact that difference of opinion occurs between two individuals depending on their brought up environment, cultural background and society therefore it is obvious that cultural influence incurred in Socometal where employees from different countries in different hierarchy levels have been employed. African workers in Socometal did not work up to their fullest ability even when they were warned that they will be fired out of the organisation if they continue to underperform in production

levels, but did they performed and achieved unexpected production levels when they were given excess wage and to disprove their managers opinion. African employees have the ability to work hard but they never worked up to their fullest of ability and expectations of the management thus the Africans failed to represent professionalism and the loyalty to the job. According to “ Employment theory” Every employee should give his full potential to the employer regardless of his personal issues and other external factors.

The African employees compared the French production manager “ Bernard” with their likelihood Senegalese assistant production manager “ Diop” as being lenient to the employees and he is the one treating the employees with humanity; this shows the presence of cultural influence in employees’ having a mirage image which differentiates the managers of different ethnic group. The duty of an employee is to give away his best on work on each task assigned and not criticising manager on employee management even though the fault is on “ Mr. Bernard”, the French manager behaving harsh and arrogant, as discussed earlier character is unique and being arrogant could merely be a character of “ Mr. Bernard” and not a “ management ethic”

“ Mr. Diop” the Senegalese manager without conferring his line manager decided to grant the excess wage demanded by “ Diaye” on behalf of the employees. When Mr. Bernard returned and asked about the act, Diop felt as if he had taken the right decision, and he has his point to explain it to managing director when Bernard has nothing to hear from him on his over privileged decision. There is a clear illustration of misperception between two managers from two different cultural backgrounds on “ rewards behaviour”

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**Socometal Case study in relation to Thierry's hypothesis:**

In general pay plays a vital role in employees work life in an organisation, every employee approaches pay with different meaning, an employee look at his pay as a self identification of his possession which distinct him from other peer members of the organisation.

One of the reasons for comparing oneself with others is to affirm one's self identity (Austin, 1997)

The Thierry's hypothesis clearly states that different cultures favours different pay satisfaction and this has direct effect on work behaviour, pay intrinsically doesn't have any meaning to itself, but factors like society, social power, prestige, buying power and control adds silent but immense value to pay, Pay indirectly reflects a person's position in an organisation and his control over other sub-ordinates in the organisation the theory that represents the compensation power over control is " Reflection Theory"

**Individual Pay****Knowledge Insight****Motives Relative Position Control Spending****Motivation Satisfaction****Performance**

Reflection Theory: Impact of pay in behaviour at work (Thierry, 1988)

Thierry's hypothesis primarily insists on four basic categories in the meaning of Pay which reflects the social structure of pay and work behaviour with respect to their domains.

## Motivational Properties of Pay

### Relative Position of Pay

### Control Meaning of Pay

### Spending Properties of Pay

Firstly Thierry's hypothesis illustrates about "Motivational Properties of Pay" According to this, pay carries a meaning of motivation where people tend to get motivated in order to achieve their expectations and goals and therefore this theory clearly states that people consider pay as a utility towards attaining their target. Further people expects professional expertise through their rewards system based on quality level and performance

With regards to the above "Motivational property" African employees in Socometal case study did not consider pay as a motivation factor despite considered as a payment for physically engaging themselves to the work, they worked for the daily needs and once that is fulfilled they no longer pay attention for working harder or taking any initiatives. The Senegalese manager's decision to pay excess money on obtaining the required productivity indeed is a negative motivational property that created false impression that pay determines the level of productivity and not the actual ability of the workers

Secondly comes the "Relative Position of Pay" has two dimensions; dimension 1 illustrates how an employee positions himself in an organisations hierarchy status His/her improvements on their profile itself.

Secondly It denotes the position in comparison to the other peer members of the group

Mr. Diop the Senegalese manager never would have considered himself inferior to his line manager Mr. Bernard. But when Bernard slammed Diop for his absurd decision on awarding excess wage, Diop realized and very moment positioned himself next to Bernard. This is an clear example of relative position in an organisational structure

According to Sparrow, cultural influences on rewards behavior was identified such as “ different expectations of manager-subordinate relationship and their influence on performance management and motivational processes”

“ Control Meaning of Pay” is a nature of regulatory authority of a manager over employees, wherein a manager creates rules and boundaries to his subordinates and creates self-government over the reward behaviour of the employee.

Mr. Bernard showed good management governance by governing the employees with clear set of rules and operational principles, he presented clear layouts and charts of proceeding deadlines and project summaries to his sub-ordinates, Bernard showed good managerial skills though he failed to create friendly environment with the employees being his negative side.

Mr. Diop is a right person from whom we get the opportunity to learn what not to be done in employee governance; he broke the house rules of Socometal by rewarding the employees with excess pay without consulting

the line manager (Bernard). He exploited his position by taking decisions over his privileges

“ Spending the Fourth property” Spending and Motivational property are more or less the same, states Thierry’s hypothesis and denotes the spending capacity is directly proportional to the earning potential of the employee.

#### **4 Aspects of international comparison of pay system:**

A manager from a different cultural background facing difficulties in appraising a third culture organisation, incorporating the essential techniques to latter decisions is obvious, there are number of evidences in correlation between rewards behaviour and cultural influence

National Culture Influences the efficiency of various pay formulae and techniques (Gomez-Mejia and Welbourne, 1991)

To be more specific and self explanative, if we lay our acquired knowledge on national culture in the following cultural cause

Locus of decision taking: Showing centralisation and processional advancements towards attitude on worker participation

Management principles on determining the pay: difference of mindset and cognitive approach by variedly interpreting the common idea within the organisation

Reward strategy and employer perception: this represents role values, professional ethics, attitude and actual behaviour

Rewards system and practices in various countries: This is a mixture of the above three points

### **Pay and Rewards Behaviour:**

According to Sparrow there are three ways in which rewards behaviour of an employer is influenced by cultural factors.

The role of value orientation

Distributive justice

Socially healthy pay

There are three ways in which rewards behaviour is influenced by cultural factors (Sparrow, 2000)

The role of value orientation



**Differences in the attitudes and definitions of what makes an effective employee and the associated qualities that are recruited, trained and developed**

**Influence the effort put towards , and value of, specific competencies within the labour market**

**Different styles and attitude to the giving of face-to-face feedback and associated behaviours in interview, communication, negotiation and participation processes**

**Influence the extent to which power and influence over rewards issues will be ceded to one-to-one FOARA**

**Differences in internal career anchors**

**Influence the attractiveness of different advancement and mobility patterns within labour market**

**Different expectations of the manager-subordinate relationship and their impact on performance management and motivational processes**

**Influence the perceived validity and attractiveness of the performance-related pay system, incentive programs**

Cultural value Orientation on rewards Behaviour, Sparrow (1999)

Distributive justice: It is a cultural factor; the design of comparative reward system must comply with distributive justice. Distributive justice itself considered with standard rules about allocation of resources on both financial and non-financial aspects to be fair.

Socially healthy pay versus increased pay differentials: This is a third concept of Sparrow which critically describes pay metrics within an organisation and globally.

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The pay metrics is generally identified by highest paid salary and average salary or highest paid with that of the least. Various researches states that there is a steep increase of pay since 1979 in top management in USA than of the entry level positions.

### **Cultural influences in my organization:**

India is a culturally diversified nation and different cultured people have different opinions within an organization. I worked in a MNC where the management role was played by a western manager. In western culture people follow an independent style of management where as in India an authoritative style of management is followed.

In my team we were a group of different grade levels from Grade I to Grade III, where there will be influence of higher grade over the lower grade people due to difference in pay system and rewards. In order to increase the quality and production level, the Manager implemented a new system where, people with high skills were filtered and they were given some special training on increased production level. They were spitted within teams and were asked to cross-check the jobs done by the team members before sending to the consultant. There were some inconvenience atmosphere within each team where at many times the jobs of Grade III will be cross checked by a trained person who will be in Grade II. As per Indian culture people will have an external focus of control and will feel a prestige issue at this point, but as per our western manager he has an internal focus of control, thereby without understanding the cultural feel he made the different hierarchical levels of people involved in increasing the quality of the job.

In this case, he should have increased the Grade level of the trained person such that there will be no cultural issue when coming to a work environment. Also the employees felt a level of underestimation in the case of a lower grade employee assessing the higher grade employee.

On the other hand, the pay and reward system differs in our organization. Every year they provide us with performance pay which depends upon the performance level of an individual for the whole year. They have different mindsets in determining the reward system for an individual. In my team, I and my colleague performed so well, that we got our performance review within the same level as expected by the organization. But I got lesser performance pay whereas my team mate got higher performance pay than me. But in case of reward behaviour I got promoted to coordinator level whereas my team mate was left in same position. This shows a difference in pay and reward system for 2 individuals within an organization. This is due to the cultural cause as the western manager is unaware of the Indian perspective view of rewards behaviour. Also, the manager had a difference in level of trust among us. With some employee he had a very good intention and to some employee the intention is too low.

As per Herzberg's 2 factor theory explaining that people have 2 sets of needs, which determine the satisfied and dissatisfied level of an employee.

The 2 factors include

Motivational factor

Hygiene factor

Motivational factor is very important in every organisation to feel the employee an ease of work. Motivation is defined as “ the set of processes that arouse, direct, and maintain human behaviour towards attaining the goal” (Greenberg and Baron, 1993). Motivational factor include variety, physical challenge, autonomy, power, etc. In our organization we did not feel this motivating factor as there is no variety in our day to day work, facing the same challenges everyday which led to dissatisfaction in our work.

According to hygiene factor which includes pay and benefits, working environment, job security, and medical benefits, I would say that our organization provided a good medical benefits and working environment, but failed to focus on pay and reward systems which were found to be dissatisfactory in our organization.

## **Hofstede’s four dimensions of national culture**

### **Individualism-Collectivism**

### **Power Distance**

### **Masculinity- Femininity**

### **Uncertainty Avoidance**

### **Individualism-collectivism:**

This shows the dimension of culture towards individualism and collectivism, where individualist culture relates to personal initiative and realization. The relationship is more contractual, wherein employees will not be paid any overtime and need to work for only the given time period. In case of collectivism culture people tend to have more bond with social frameworks, and feel an ease of workplace.

**Power distance:**

This shows the relationship between the employee-employer and measures how each and every employee feel about their superior. Employees will report directly to their managers and report their grievances directly to them

**Masculinity- Femininity:**

This dimension clearly explains the discrimination in terms of gender.

Masculine cultures refer to competitiveness, assertiveness, ambition, and wealth management. On the other hand, feminine cultures value relationship and quality of life.

**Uncertainty avoidance:**

This dimension clearly explains about the action taken by each culture based on the sudden and innovative change in order to cope with them. Some cultures will easily accept the change and motive towards adopting towards the change, whereas in certain cultures they feel it is not good to accept the change and attracted towards long term career goals

**Cultural influences in Maslow's hierarchy of needs**

Cultural influence on consumer behaviour is considered based on the following points:

The different hierarchy of need which reinforce the demand across products

Culture-based values

Organizations which influence consumer behaviour

Source: <http://www.businessballs.com/maslow.htm>

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In Maslow's theory, there is a cultural influence in the hierarchy of needs. The needs were kept in a pyramid where each levels of need should be satisfied in order to fulfil the rest level of needs. Physiological needs are at the lower base level as they form the very basic important part of needs for humans. Safety needs arise when the basic level of physiological need is accomplished, then arises social needs and the level goes on once each level gets satisfied.

There is a cultural influence in meeting the expectation of these needs as different culture gives importance on different needs. For example, in Hindu culture they give more importance and emphasize to self-actualization, but this not the case for other cultures. Thus the basic need for physiological activity and safety will not be accomplished as per Maslow's theory, but as per the cross-cultural point of view this view is not true. There is cultural bound between the degree of specific need and the need levels satisfied at different links.

### **Conclusion:**

According to Thierry's hypothesis and other relevant literature studies that has been discussed above, there is clear state of cultural influence, in pay and motivation factors, with in depth study about various cultures in an organisation and from my own past experience in a Multinational organisation in my country (INDIA) I comprehended and felt cultural effects does influence rewards behaviour and would further like to define that cultural influence itself does not stick to any particular organization or country instead it has its own forms depends on its diversifiable existence.

Research on cultural value states that difference of opinion between two individual in any organisation is more common therefore cultural conflicts are unavoidable. The principle strategy for every employee to work in a culturally diverse environment is to be aware of cultural dissimilarity within the organisation. It is not always possible to acquire knowledge on diverse cultural norms in an organisation, but to be updated of its acquaintance existence is moral. Any MNC endeavour to spread its geographical existence must equip itself with harmonising rewards behaviours across cultures.

### **Recommendations:**

Conducting employee engagement systems at regular intervals can support improvements on performance.

Updating the employee every quarter on the target and goals expected by the firm.

Open feedback systems regarding performance evaluation

Celebrating organisation specific events and festivals can help employee to understand better organisation structure and helps to work towards organisations objectives.

Non-discriminatory hiring practices (being an equal opportunity employer)

Motivation and Spot reward functions can improve stability in employee towards Organisation

The employer must provide ease of access even to entry level employees to communicate imperturbably with his/her line manager or to the management.