Importance of cross-cultural management in an international essay

Business, Management

Introduction In a globalizes environment, cultural difference Is a significant consideration for managers within organizations. Therefore, we will try to understand the connections between management and culture. Many Macs have focused on Aslant markets due to their rapid economic growth, large market size and Investment potentials. However, to develop and Implement effective human resource management strategies in their expansion into Asian markets, it is imperative for Macs to understand Asian cultural values.

For the purpose of this work, we will focus on the case of Japan. Fundamental concepts of cross-cultural management and different aspects Concept 1 – national cultural dimension In the business context Concept 2 – the influence of national culture on the business culture Concept 3 value orientations and dimensions They are complex and they result of Interaction between 3 elements: cognitive, affective, and directive. Three assumptions: – universal nature of values orientations Many ways of solving problems – Preferences in choosing solutions Concept 4 – reconciling cultural Dilemmas Chuckhole and Stocked identified six dimensions of culture: The nature of people What do people assume about the basic nature and beliefs about other people? The relationship with nature What do people think about nature and their responsibilities and rights around It? Duty towards others What duty do we have towards others? Mode of acuity What Is the primary mode of activity In an organization or society? Being" or " acting"? Privacy of space 1 OFF Temporal orientation Which is more important: past, present or future? Research on national culture : Egger Hefted – one of the first researchers to analyze the influence of national culture on management practices based on empirical study t large multinational company like IBM for instance. There

are four aspects of national culture that affect our thinking about organizations; first the power distance, the avoidance of uncertainty, individualism Vs..

Collectivism, and masculinity Vs.. Femininity. Trampers' Dimensions – Universalism vs.. Particularistic Universalism is the belief in rules or laws that can be applied to everyone; agreements and contracts are used as the basis for doing business; rules are used to determine what is right; contracts should not be altered. Particularistic is the belief in placing emphasis on friendships and looking at the tuition to determine what is right or ethically acceptable; deals are made based upon friendships. – Individualism vs.

. Collectivism Individualism is characterized by the fact that people ideally achieve alone and assume personal responsibility. Collectivism is characterized by: frequent use of " we" decisions referred back by the delegates to the organization people ideally achieve objectives in groups and assume joint responsibility. – Neutral vs.. Affective Relationships Neutral is characterized by not revealing what one is thinking or feeling; hidden motions; lack of physical contact. Affective is characterized by nonverbal and verbal display of thoughts and feelings; transparency and expressiveness in release of tensions easy flow of emotions sometimes effusively.

Specific vs.. Diffuse Relationships Specific is characterized by a small private life that is kept private; clear distinction between work and personal life; direct communication. Of people; indirect communication – does not always

say what is really meant; no clear distinction between work and private life. – Achievement vs..

Ascription Achievement – awarding status based upon accomplishments; respect for superior in the hierarchy is based on how effectively his or her Job is performed. Ascription – ascribing status based upon social position, age, etc; respect for superior in the hierarchy is seen as a measure of commitment to the organization and its mission. Time Orientation Past orientation: history, origin of family and business; respect shown for ancestors, predecessors and older people. Present orientation: enjoyments of the moment is the most important good at making plans but poor on execution. Future orientation: looking for potentials, aspirations, future achievements; planning and strategy done with great interest. Management dilemma and dimension universalism vs. particularistic: Legal contracts an loose interpretations Low cost strategies or premium strategy Extending rules or discovering exceptions individualism vs.

collectivism: Profit or market share strategy Originating ideas or referring useful products neutral s affective relationship: A long pause or frequent interruptions Being professional or engaged specific vs. diffuse relationship: Data and codification o concepts and modesBeing results oriented or process oriented Pay for performance or vindication for worth Head hunting or developing in house sequential / synchronicity Highly rational standardized production or Just-in-time production Keeping to schedule or being easily distracted inner vs. outer directed: Strategically oriented or fusion oriented Dauntless entrepreneur or public benefactor The compilation of useful and

practical tips [protocols or advice list for future managers who will work with Japan As a manager working with Japanese companies or for multinationals companies inJapan, it is important to understand Japanese people and then respond in alignment with their view of the world. Business culture in the East is divided into two clusters : Confucian and Southern Asia. Japan is part of the Confucian cluster. Here some characteristics of Japan: Confucian Asia (China, Japan, South Korea) – results driven, encourage group working together over individual goals Culture clusters and desired leadership behavior: a leader who works and cares about others but uses status and position to make independent decisions without input of others: -self-proactive leadership -team oriented leadership -human-oriented leadership -charismatic value based leadership -autonomous leadership -participative leadership An overview of 6 dimensions for a manager in Japan in order to get a good overview of the deep drivers of Japanese culture. Power distance At an intermediate score of 46/100, Japan is a borderline hierarchical society. All the decisions must be confirmed by each hierarchical layer and finally by the top management.

However Japan has always been a meritocracy society. There is a throng notion in the Japanese education system that everybody is born equal and anyone can get ahead and become anything if he works hard enough. Paternalistic management style many hierarchical levels large number of supervisory staff Japan scores 47 on the Individualism dimension. Japanese are famous for their loyalty to their companies. – share resources and are prepared to sacrifice personal interest for collective interests – consider

implications of their actions for wider collective Masculinity At 100, Japan is one of the most masculine societies in the world. In Japanese business, you see that employees are most motivated when they are fighting in a winning team against their competitors. What you also see as an expression of masculinity in Japan is the drive for excellence and perfection. Uncertainty avoidance At 81 Japan is one of the most uncertainty avoiding countries on earth.

In Japanese business, a lot of time and effort is put into feasibility studies and all the risk factors must be worked out before any project can start. Managers ask for all the detailed facts and figures before taking any decision. This high need for uncertainty avoidance is one of the reasons why changes are so difficult to realize in Japan. Organizations that have clearly delineated structures, many written rules, standardized procedures lack of tolerance for deviants strong need for consensus need for predictability hence, planning is important Pragmatism At 80 Japan scores as one of the most Pragmatism oriented societies. In the business world in Japan, you see long term orientation in the constantly high rate of investment in R even in economically difficult times, higher own capital rate, rarity to steady growth of market share rather than to a quarterly profit, and so on.

They all serve the durability of the companies. The idea behind it is that the companies are not here to make money every quarter for the share holders, but to serve the stake holders and society at large for many generations to come (ex: Matthias). Indulgence Japan, with a low score of 42, is shown to have a culture of restraint. In green, the most significant impacts on

managerial level in Japan. Time orientation Activity orientation Nature of relationship Space orientationConclusion In order for the manager to be effective and efficient when managing in the conditions above (Japanese environment – it could be with a supplier or within a Japanese company or in a multinational having a subsidiary in Japan), every decision should be taking regarding the cultural aspects seen before.

Indeed, either the reward policy, the contractual relationship with suppliers, the way of working (project based organization is suitable for instance) or the incentives to motivate employees have to take into account all of those aspects of Japanese culture.