

Introduction

[Art & Culture](#), [Multiculturalism](#)



Introduction In the modern world business, people prefer to globalization. Globalization is about the worldwide economy activities- global companies enter the local markets and local companies enter the global ones. For this reason, managing the diversity in the multicultural work environment and building the multicultural marketing strategy are necessary for the development of the company. It is also enabling people to share their unique personality farther and wider. Thus, how to create a successful multicultural organization is an important issue for the managers today. Wal-Mart is founded in 1962. During 49 years, Wal-Mart becomes the largest retailer in the world with sales at a quarter of a trillion and over 1.3 million employees. Today, Wal-Mart has over 10,000 units in 27 countries and serves more than 200 million customers every week. Although rapidly expansion impels Wal-Mart becomes one of the top 500 companies in worldwide, it also has several multicultural organization behavior issues. Identification of organizational behavior issues According to the Wal-Mart China website, Wal-Mart entered into Chinese market and opened its first supercenter in Shenzhen in 1996. As of March 1, 2012, Wal-Mart had owned 370 units in 140 cities and had created 106500 job opportunities cross China. From these numbers, it is reasonable to conclude that the sixteen years period that Wal-Mart had operated in China is successful. However, Wal-Mart recorded \$419 billion in annual net sales in fiscal year 2011 and the net sale in China in 2011 was less than \$8 billion. The market, which has one fifth of the world's population, contributed less than 2 percent of the total net sales. This indicates Wal-Mart China faces some challenges in the development. At the same time, Wal-Mart China had some negative news in last year and caused

a serious honesty crisis. As the largest retail store in the world, Wal-Mart has the advanced operation theories and the successful organizational culture, but why the operation in China “ does not as same successful as in other countries”? It is unwise to ignore the influences of the personal values and ethic diversity under different cultures. There is another factor which is communication in cultural diversity has often been described as an organizational asset, it is effectiveness in encourage innovation and creative of employees. Diversity has to consider in organizational advantage. Thus, how to communication among different individuals and groups could be an important issue. A successful manager knows coordinate communication in language and cultural diverse contexts. In the meantime, the third class world’s countries have overtime work problems. Last month, a Mexico local newspaper reported there is an overtime workload in the Wal-Mart factory in Mexico. According to the report, in the United Stated, every worker only has 40 work hours per week legally. However, employees worked between 5 and 15 hours overtime per week without paid. There was a rumor was reported, “ there were instances where store managers who paid overtime were demoted and in cases, even dismissed” Now, the efficiency of work became the lowest in the same period of previous years. Literature review As the largest retail company in the world, Wal-Mart has many stores in the different areas of the world, so building a good multicultural work environment is very necessary. There are many facts could affect the multicultural work environment, such as personal values, motivation, conflict and communication. Values have more influences of the cultural background and are the fundamental of these facts. The current study, like past

research, reveals a great deal of variation in the importance of individual values both within groups and across societies (Bardi & Schwartz, 2001). Cultural variation affects our motivation in self-expression. Extensive research has shown that the dominant model of the self in more individualistic cultures, such as in the United States is an independent self in whom a person is view to be unique entity and separate from the society (Dunning, 2011.). By contrast, in more collectivistic cultures, such as in many Asian cultures, an interdependent view of the self-pervade. Textbook indicated that our attitudes, motives, interests and culture all shape the way we perceive an event. Motivation is the roof of people's needs. Motivation is an attempt to explain the ' why' of behavior (Gorman, 2003). Contrast effect is an important theory under the motivation. It indicated the concept that our reaction to one person is often by other people we have recently encountered. If people cannot meet their goal, they could loss the motivation for their job. Needs theories describe the types of needs that must be met to motivate individual. Needs theories can divided to four theories, Maslow's hierarchy of needs theory, ERG theory, motivation-hygiene theory and McClelland's theory of needs. If a company wants to success, the top managers should know how to motivate their employee in different situation. Conflict is another factor lead to organizational behavior issues; the example that Wal-Mart failed in Germany can illustrate that. The hubris and clash of cultures was one of the main reasons to cause Wal-Mart failed in Germany. Many companies cannot be successful in foreign markets because they failed to fully understand and adapt to the specific conditions of doing business in other counties or not pay attention to intercultural problems. The first CEO in

Wal-Mart Germany is a US citizen and a Wal-Mart, Inc. senior vice president. He did not speak any Germany because of his unwillingness to learn the language, so English was soon decreed as the official company language at the management level (Andreas, 2003). To think about it, it was unfair to other Germanic managers or employees. Conflict happened not only because misunderstanding by different language or some people's unwillingness to learn, but also because their different work style and work attitude. German is preciseness, solemn and serious. Also, they have their own principle to follow. American is open, like humor, like talking even during working. Those differences are easier to cause conflict. If managers cannot handle well this kind of multi-cultural conflict, the amalgamation would negatively affect the development of company in other countries. The major barriers that Wal-Mart is facing when communicating in Global market is the different language and derive from cross cultural inconsideration. The Wal-Mart has to have knowledge of data collection in different countries. And how adjust the taste of customers. Culture, is the foundation of communication, determines how people encode, transmit, and interpret messages (Jakob Luring, 2007). It could misunderstand the meanings intended in a word. If the communication is not function among the multicultural area, the organization is unrecognizable because it differs from customers' knowledge and background. In other words, the Wal-Mart had to know about local purchase habit in order to communicate those customers. Gross translation errors happened frequent, if the organization is not pay attention to those errors when they increasing to change the original meaning, it will imply a form of disrespect for local language (David A. Victor). The aim is to direct

attention to social processes, linked to communication and language-use, which may impede innovative interaction in multicultural organizations.

Application of theories to the organization of choice First of all, according to the textbook, a values help individual to find out what right, good is, or desirable and they generally influence attitudes and behavior. Therefore, understanding and managing the values diversity cross culture is the first step to create a successful multicultural organization. There are many differences between the cultural values in China and in America. For example, Chinese employees have a high degree of power distance and collectivism, so if Wal-Mart China considers the employees from different cultures have the same values, this may cause some problems of management. The first ten years that Wal-Mart entered the Chinese market had this problem. The management wanted to use the same ideas to open the Chinese market, but the differences of values made it useless. Chinese employees usually want a clear policy and a leader to guide their behaviors and the uncertainty avoidance principle causes them search for a stable work environment. This is the reason that most of Chinese employees prefer to enter into the state-owned enterprises. Wal-Mart China wants to keep the core of organization culture and management theory, however, the cultural values diversity causes it becomes the bottleneck. Next, Wal-Mart as a successful cross-border company, the top officers should know how to deal with multicultural problems. Different culture context can lead to different perception. Based on this issue, the worker lack the efficiency to their job because Wal-Mart did not pay what the employees should get from their job. Based on contrast theory, the employees compare the situations between

United States and themselves. They could think that is not fair. They could not get the fair pay, so they would lose motivation. Based on their culture context, they even though there is race discrimination. The employees do not have enough motivation because their needs did not meet. Motivation-Hygiene theory indicated Hygiene factor must be met if a person is not to be dissatisfied. They will not lead to satisfaction; however, motivators lead to satisfaction. It is clearly, there is no satisfaction and no motivation, thus, there is no efficiency. Moreover, conflict happened in multi-cultural workplace based on individuals who are from different cultures work together for one common goal and take different opinions. The conflict can affect organization behavior. If it was functional, it can improve group performance, increase creativity and innovation in organization, also can improve decision making by providing different perspectives on problems. However, conflict can be dysfunctional and hinder group performance. It will cause potential for higher turnover and decrease effectiveness. Wal-Mart is just a multi-cultural workplace. The conflict that did not solve well was one reason that low earnings in China. It means if managers were not solving multicultural problems well and adjust "American style" to "Chinese style" to satisfy employees, it would decrease employees' motivation and performance. An optimal level of conflict encourages communication and allows tensions to be released. An organization should give employees a chance to speak, especially for different cultural individuals, give them respect and understanding. Therefore, multi-cultural conflict is not a bad thing, if managed well; it will lead the organization more effective and successful. Lastly, the research says that Wal-Mart is behind the locals in the direction of

choose product (AcademicWritingTips. org, 2011). One example of different taste is Sam's clubs in Brazil. The Brazilian consumers never pay for a membership fee and they do not have much room to store a big volume of purchases (Lewis, 1998). Most of Brazilians are living in very small places and have tiny storages; definitely, they have no room for the bulky merchandises. Without a doubt, this supercenter concept does not fit in this country (Patiporn Kitlertphiroj). Another example, by 1996, Wal-Mart acquired two German retails for an amount of 1. 6 billion dollars. But this venture proved unprofitable making it to close the German stores in July 2006. The failure of Wal-Mart in Germany can be attributed to cross cultural inconsideration (AcademicWritingTips. org, 2011). The reasons that failed Wal-Mart internationally are when it attempts to transport the company's unique culture and retailing concept to each new country (Gilman, 2004). Another big issue is different language that is hard to ignore the important of understanding the linguistic differences in multicultural communication. One frequently cited example when a U. S. deodorant manufacturer translated its slogan " if you use our deodorant, you won't be embarrassed" in to Spanish, they used the term " embarazada" to mean " embarrassed", as " embarazada" means " pregnant" in Mexican Spanish (David A. Victor).

Recommendation To manage the value diversity, firstly, Wal-Mart should insist the localization. This means the company uses the leaders and the employees come from the same areas. For instance, 99% of the employees in China are Chinese; they have the same culture value. At the same time, the organization culture should fit the local cultural value; the management should understand what the differences of the values are and what the

employees want. Finally, being suitable for the local cultural value does not equal losing the core of the organizational culture, this means the management understands the local values and motivates employees, but also keeps the quality of the business and the competitive strength. After the values diversity would become the competition in the Chinese market. The Wal-Mart could build a variable pay program, which is a reward program in which a portion of an employee's pay is based on some individual and organizational measure of performance. Also, the company could build compensation. Based on culture-bound, Mexico prefers individualism. Compensation could base on individual performance, which is pay for performance, individual incentives. In the meantime, the company could develop a core-plus benefit plan, which consists of a core of essential benefits and menu-like selection of other benefit options from which employee can select and add to core. Core-plus plan become more flexible to different people. When an organization found multi-cultural conflict, do not ignore them because if ignored, it will bring potential disaster. For conflict-handling, due to employees are from different cultures, managers should clear their culture values first. Then give employees chance to share values, experiences and opinions. Let them understand background of each other. To encourage them to express their different opinions, but respect always go first. When conflict happened, try to work out an optimal solution that satisfy all members or find out the best decision for organization. Another important thing is managers should give employees a clear goal: the purpose is for organization, not for individuals. If no best way were found, then find a compromise solution. Do not avoid conflict, it will loss better perspectives.

Also, as an employee, grasping interpersonal skill is very important; it can avoid some unessential problems. In brief, employees should adapt and respect each other's culture and believe that people who are from different culture with different experiences will bring different value and expectation. The Wal-Mart needs to a supporting system within multicultural organizations focusing on cultural diversity analysis before they expand to foreign country, and support is needed for both local and foreign employees in order to build a long-term relationship between the local group and suppliers. Moreover, in order to get better communication those activities are suggested: set a training course to help and welcome more foreign employee, and encourage them to share more cultural knowledge, accommodation, basic local knowledge for example. Then, encouraging self-education: regular informational sessions on cultural issues, informal conversations and sharing of experience. And basically, open a language courses. Conclusion Wal-Mart is the world's largest retailer and the largest company in the world. While Wal-Mart has been tremendous successful running its business in the U. S. market, there are some organizational behavior problems under other culture context. Based on Wal-Mart's case, there are four aspects to create a successful multicultural organization. Firstly, employers and employees need to combine the same values, which means employer would has the same culture background with their employees in high culture context areas. Secondly, employers should build a particular effective and efficiency culture-based motivate system. In addition, when a conflict or communication issues occur in a multicultural workplace, people should respect cultural differences and solve it though

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