



# **Global Mobility and Working Effectively with Cultural Differences around the World**

**Karen Beaman**

7 November 2007

***Making Global Business Possible!***

# About Karen Beaman



## CEO/Founder

Current Home: San Francisco, USA

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Email: [karen.beaman@jeitosa.com](mailto:karen.beaman@jeitosa.com)

- Founder and CEO of Jeitosa, a global business consultancy focused on making global business possible.
- Responsible for building the strategy for Workday's new global Human Capital Management offering.
- Previously responsible for ADP's professional services across the Americas, Europe, and Asia/Pacific.
- Co-founder and Editor-in-Chief of the *IHRIM Journal* and Program Chair for IHRIM's Global HRIT Forum.
- Published works in the fields of Linguistics, Humanities, Human Resources, and Information Technology:
  - *Boundaryless HR: HCM in the Global Economy* (2002)
  - *Out of Site: An Inside Look at HR Outsourcing* (2004)
  - *Common Cause: HR Shared Services Delivery* (2006)
  - *HR Frontiers: Shifting Boundaries, Changing Borders* (2007)
- Recipient of IHRIM's Summit Award in 2002, honoring her lifetime achievements in the field of HR and HRIT.
- B.A. from Old Dominion and an M.S. from Georgetown University; Ph.D. candidate in Sociolinguistics.
- Fluent in English, German, and French; conversational Spanish and Portuguese.



# About Jeitosa Group International

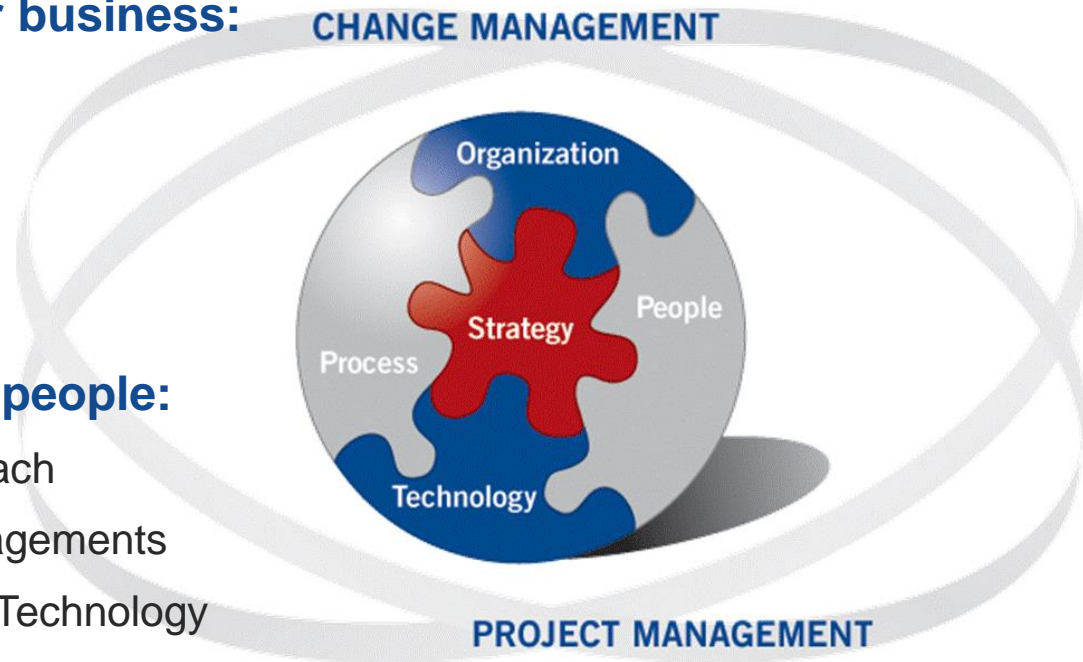
***Jeitosa* [zhay-taw-za] (Brazilian Portuguese) adj. agile, skillful, adroit, innovative, solution-oriented**

- **Four main cornerstones of our business:**

- Global HR / HRIT Strategy
- Global Communities
- Global Systems Deployment
- Global Solutions

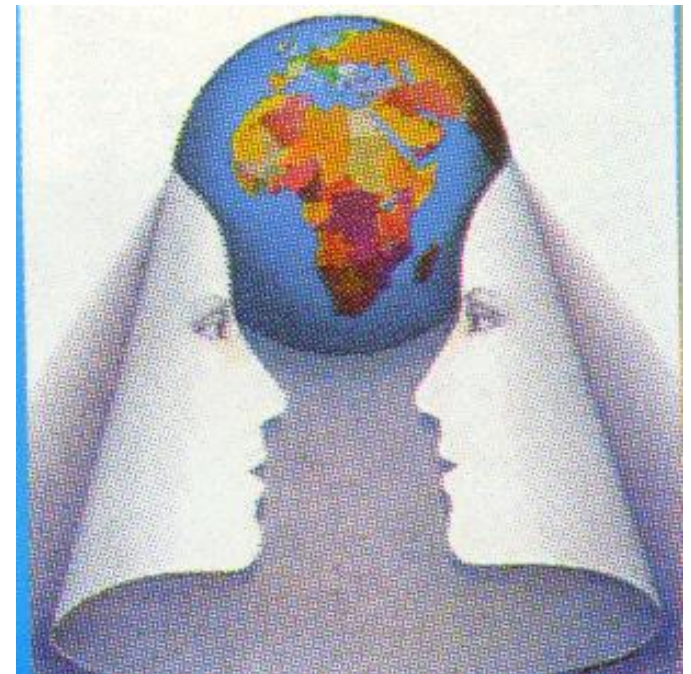
- **Four key competencies of our people:**

- Local Expertise – Global Approach
- Business Agility – Tailored Engagements
- Modern Solutions – Leveraged Technology
- Knowledge Sharing – Global Mentors



# Topics for Today's Webcast

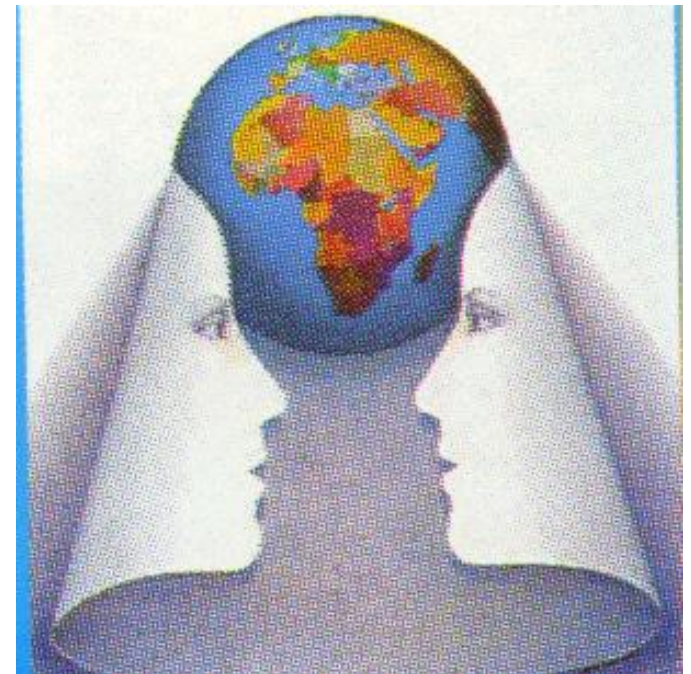
- Flattening of the world
- Failure in international assignments
- Changing demographics
- Cultural influences and factors
- Global communication challenges
- Understanding global mindset
- Global mobility strategies





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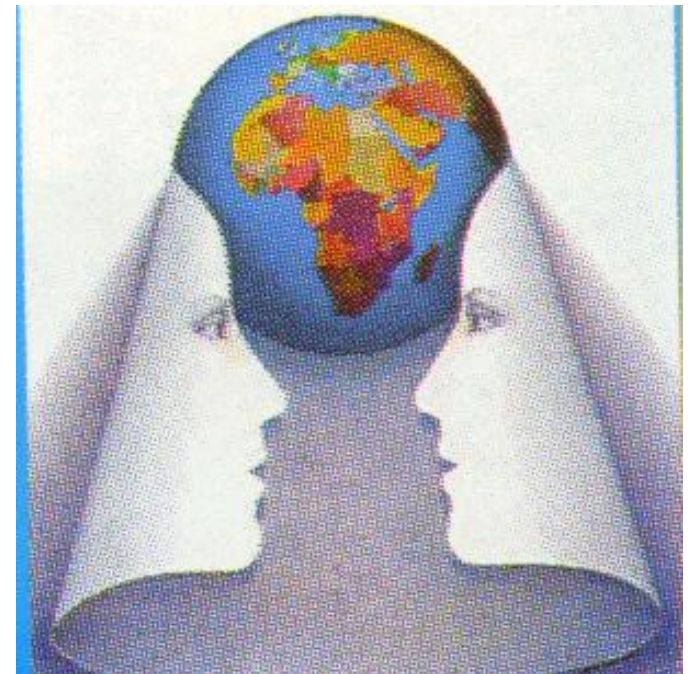
# Flattening of the World

- Emergence of the Digital Age
- Ease and speed of international travel
- Formation/expansion of regional trade alliances:
  - NAFTA (North American Free Trade Agreement)
  - EU (European Union)
  - GATT (General Agreement on Tariffs and Trades)
  - ASEAN (Association of Southeast Asian Nations)
- Growth of international professional associations
- English as the universal lingua franca
- Growth of BRIC countries (Brazil, Russia, India, and China)



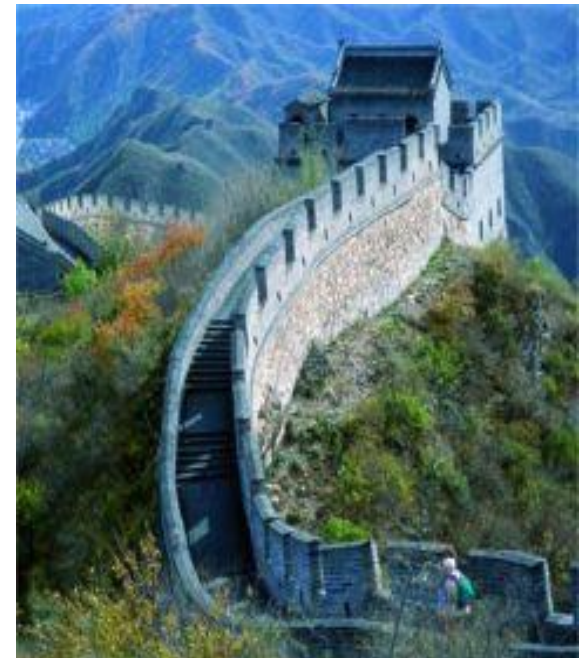
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# Failure in International Assignments

- 16 and 40 percent of American international workers fail to complete their assignments.
- 30 to 50 percent of completed international assignments are considered ineffective or marginally effective by their companies.
- Ineffective international assignments have considerable costs – estimated between US\$100,000 and US\$300,000 per year.
- Failure can have extensive repercussions:
  - Wasting the best talent
  - Increased refusal rates
  - Disruption of key initiatives
  - Lower quality of relations

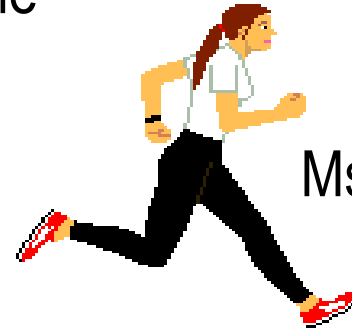




# International Assignment Selection Process

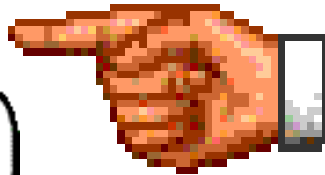


Mr. Smoothie



Ms. Go-Getter

Mr. Techie



Mr. Know-It-All



Ms. Congeniality

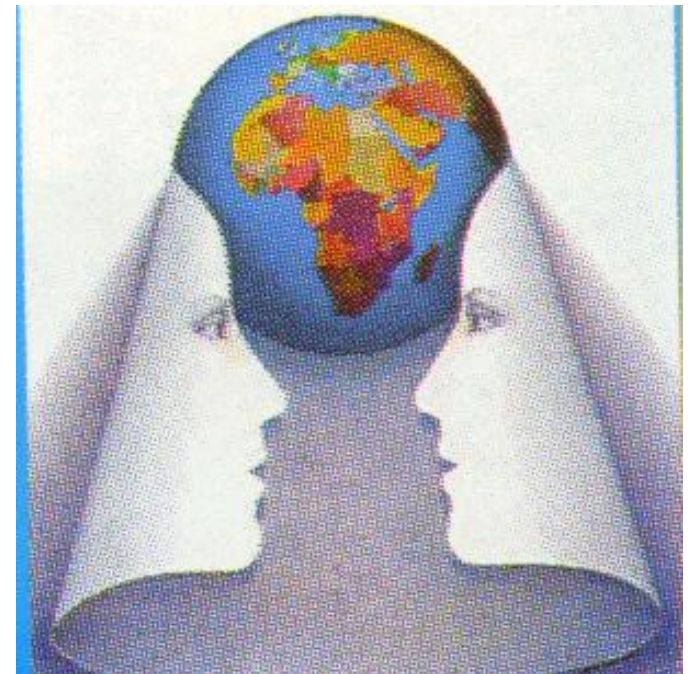
# Why International Assignments Fail...

- Spouse unable to adjust to new physical or cultural surroundings
- Employee unable to adapt to new physical or cultural surroundings
- Family problems
- Narrow or parochial perspective
- Emotional immaturity
- Lack of people skills
- Unable to cope with foreign responsibilities
- Lack of clear goals/objectives
- Not technically/functionally competent
- Lack of motivation for foreign assignment



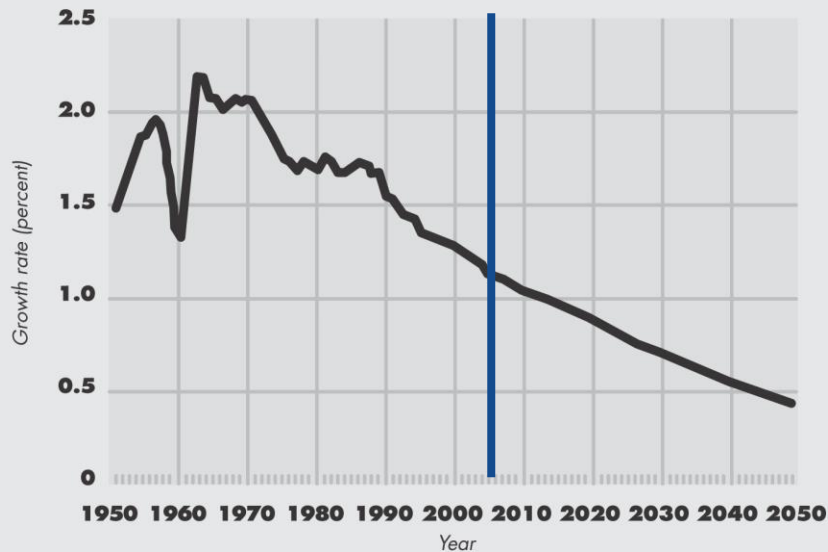
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# Shrinking Global Workforce

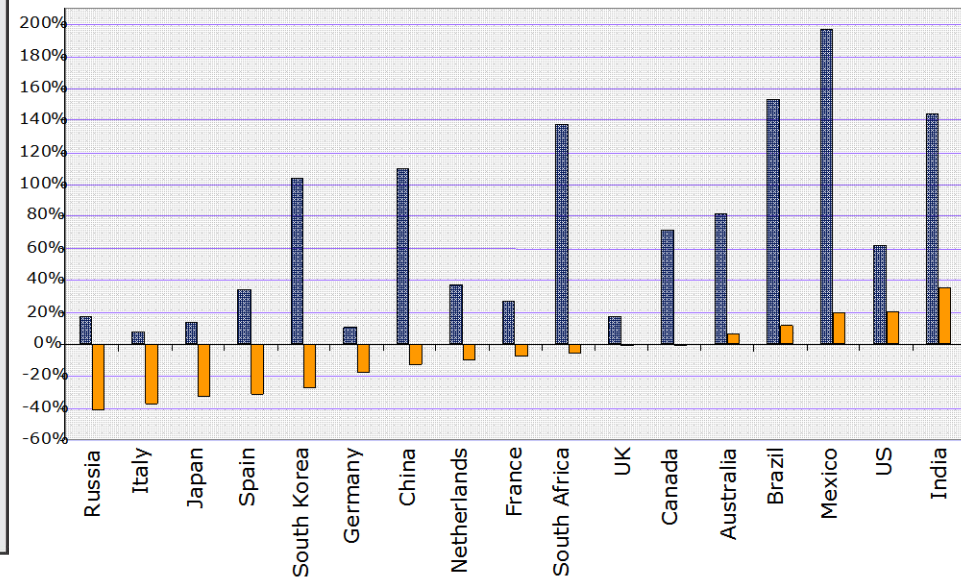
World Population Growth Rate: 1950-2050



Source: U.S. Census Bureau, International Data Base 5-10-00.

Projected Change in Working Age Population (15-64) 2010-2050

■ 1970-2010 ■ 2010-2050



- Shrinking populations throughout Europe, Russia, Japan, and China
- Near zero growth projected in UK, Canada, and Australia
- Projected growth in the U.S. and Canada primarily through immigration



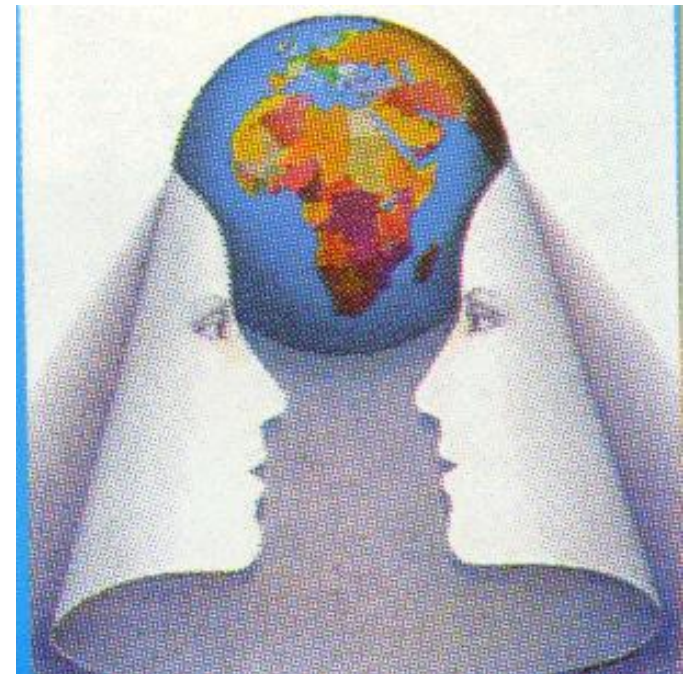
# Approaches to Immigration

- “No country has advanced by closing its borders.”
- Two approaches have been common:
  - *Differentialism* – integrate but keep own identities
  - *Assimilation* – integrate and lose own identities
- New approach recognizes:
  - *Multiculturalism* – fostering multiple identities
- Key principles to promote multiculturalism:
  - Respect diversity
  - Recognize multiple identities
  - Build common bonds of belonging
  - Promote tolerance and cultural understanding
  - Accommodate differences (e.g., religion, dress)



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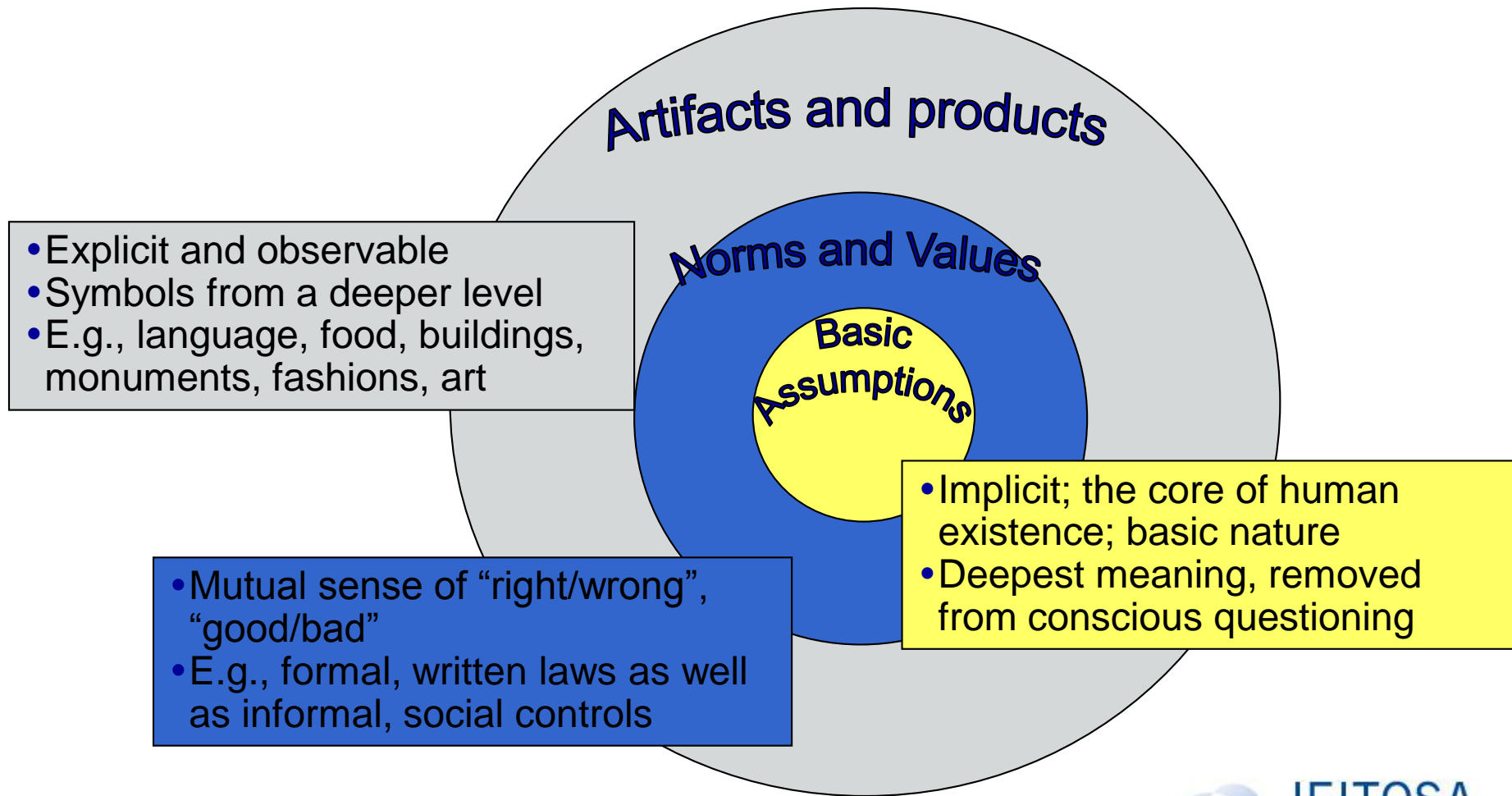


# Culture Defined

## **Culture ('kʌltʃə) n.**

1. the total of the inherited ideas, beliefs, values, and knowledge, which constitute the shared bases of social action.
2. the total range of activities and ideas of a group of people with shared traditions, which are transmitted and reinforced by members of the group; e.g., *the Mayan culture*.
3. the artistic and social pursuits, expression, and tastes valued by a society or class, as in the arts, manners, dress, etc.

# A Cultural Model





# Cultural Influences & Factors

## Cultural Dimensions



- *Independent versus Interdependent*
- *Egalitarian versus Status / Hierarchy*
- *Risk versus Restraint*
- *Direct versus Indirect*
- *Task versus Relationship*
- *Short-term versus Long-term*
- *Mono-chronic versus Poly-chronic*
- *Sense of Space / Proxemics*
- *Receptivity to Diversity*
- *Tolerance for Change*
- *Acceptance of New Ideas*

# Differing Cultural Models

### Hofstede's Four Dimensions:

- Individualism/Collectivism
- Power Distance
- Uncertainty Avoidance
- Masculinity/Femininity

### Trompenaars' Seven Dimensions:

- Universalism vs. Particularism
- Individualism vs. Collectivism
- Neutral vs. Affective Relationships
- Specific vs. Diffuse Relationships
- Achievement vs. Ascription
- Relationship to Time
- Relationship to Nature

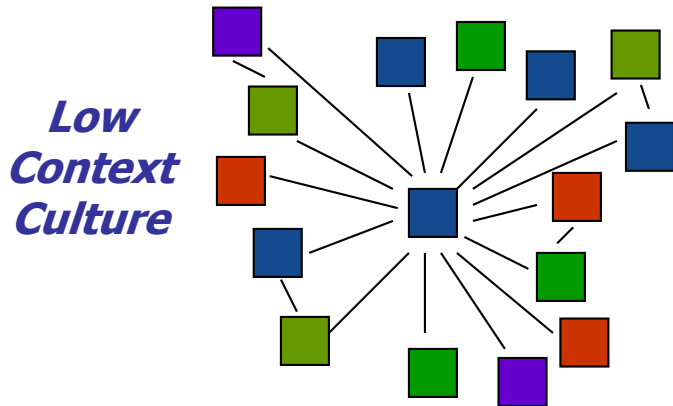
### Hall's Two Dimensions:

- High-Context (e.g., Japan, China, Egypt, Saudi Arabia, France, Italy, Spain)
- Low-Context (e.g., United States, England, Germany, Denmark, Norway)



# High and Low-Context Cultures

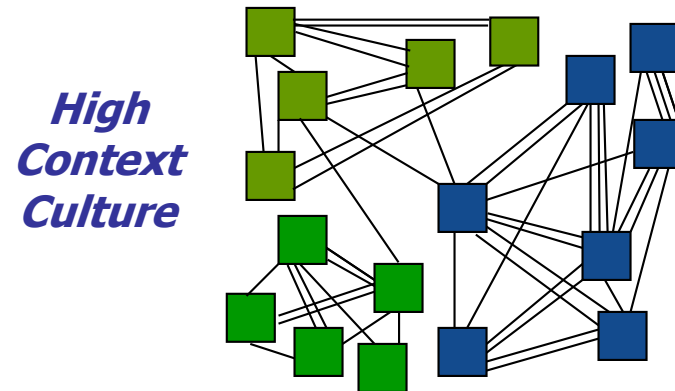
### Low-Context Cultures



Societies where people tend to have *many connections but of a shorter duration*.

Many aspects of cultural behavior and beliefs are explicit within the context so that new individuals coming into the cultural environment generally know how to behave.

### High-Context Cultures



Societies where people tend to have *close connections over a long period of time*.

Many aspects of cultural behavior and beliefs are implicit and do not need to be spelled out because members know what to do and think from years of interaction with each other.

# High and Low-Context Cultures

### Low-Context Cultures

Societies where people tend to have *many connections but of a shorter duration*.

Aspects of cultural behavior and beliefs are explicit in the culture

#### Characteristics:

- Individualistic
- Shorter term, compartmentalized relationships
- Tasks more important than relationships
- Logical, linear, rule-oriented
- Reliance on the verbal over the nonverbal
- Knowledge is transferable (above the waterline)
- Explicit knowledge, consciously organized
- Competitive; short interpersonal connections
- Change over tradition; present & future-oriented

#### Examples:

- Large US Airports, supermarket chains, cafeterias
- US, UK, Canada, Germany, Denmark, Norway

### High-Context Cultures

Societies where people tend to have *close connections over a long period of time*.

Aspects of cultural behavior and beliefs are implicit in the culture

#### Characteristics:

- Collective
- Long-term relationships
- Relationships more important than tasks
- Intuitive and relational
- Reliance on the non-verbal over verbal
- Knowledge is situational (below the waterline)
- Implicit knowledge, patterns not fully conscious
- Cooperative; long-term relationships
- Tradition over change; past-oriented

#### Examples:

- Family gatherings, neighborhood restaurants
- Japan, China, Egypt, Saudi Arabia, France, Italy, Spain



# Individualistic and Collectivist Cultures

### Individualistic Cultures

Individuals are seen as independent, self-directed, and autonomous; able to make proposals, concessions, and maximize gains in their own self-interest. Duty, honor, and deference to authority are less prominent.

#### Characteristics:

- Independence and individual achievement
- Self-expression, individual thinking, personal choice
- Egalitarian relationships, flexibility in roles
- Achievement involves individual goal-setting & action
- Autonomous, decisions based on individual opinion
- Accountable to self
- Belief in equality and personal choice
- Private property, individual ownership

#### Examples:

- US, UK, Canada, Australia, Denmark

### Collectivist Cultures

Individuals are seen as part of a circle of relations. Identity as a member of a group comes first, members are rewarded for allegiance to group. When conflict arises, behavior and responses are jointly chosen.

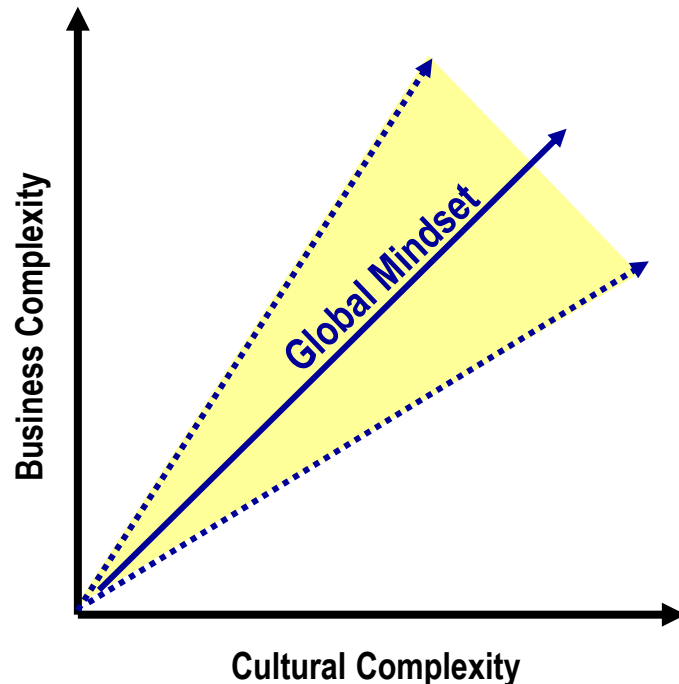
#### Characteristics:

- Interdependence and group success
- Adherence to norms, respect for authority, consensus
- Hierarchical roles (gender, family, background, age)
- Decisions should not disrupt group harmony & cohesion
- Choices made in consultation with family & authority
- Accountable to the group
- Respect for hierarchy and acceptance of higher status
- Shared property, group ownership

#### Examples:

- Singapore, Japan, France, Italy, Spain

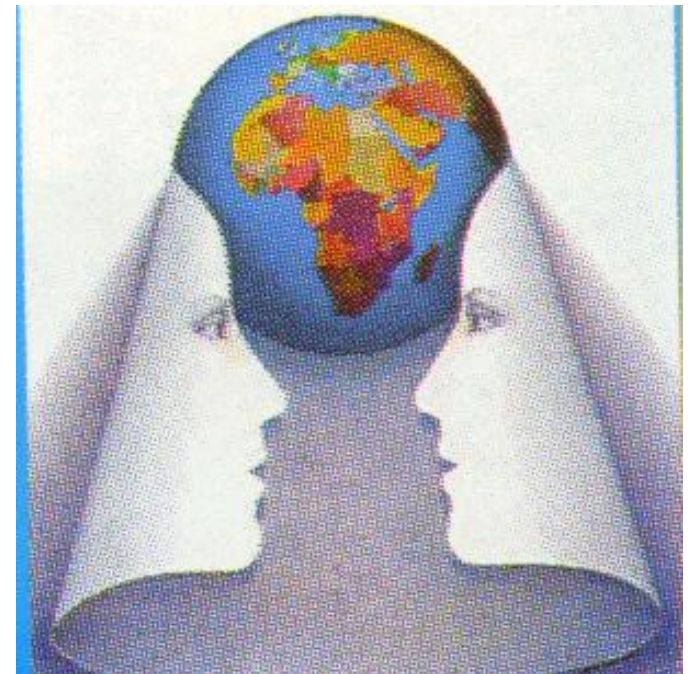
# Increasing Contextual Complexity



- As business complexity increases, managerial abilities must increase
  - Number of functions, products, suppliers, organization units, locations, etc.
- Likewise, as cultural complexity increases, facility to deal across cultures must increase
  - Number of geographies, languages, customs, values, habits, etc.
- Global Mindset is built working in a global context – business in situ

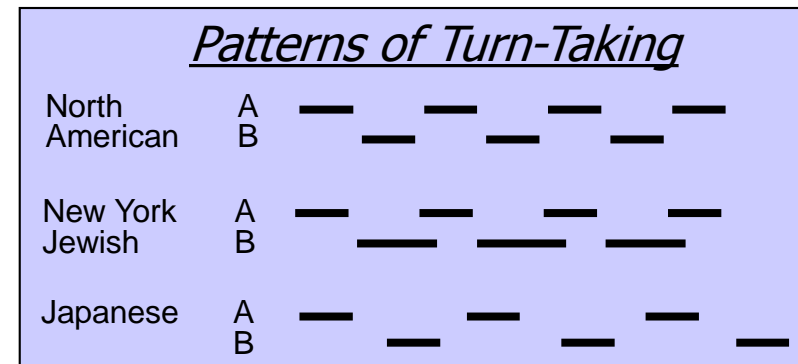
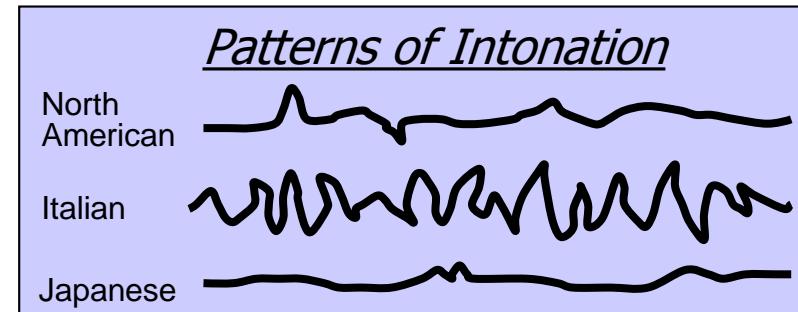
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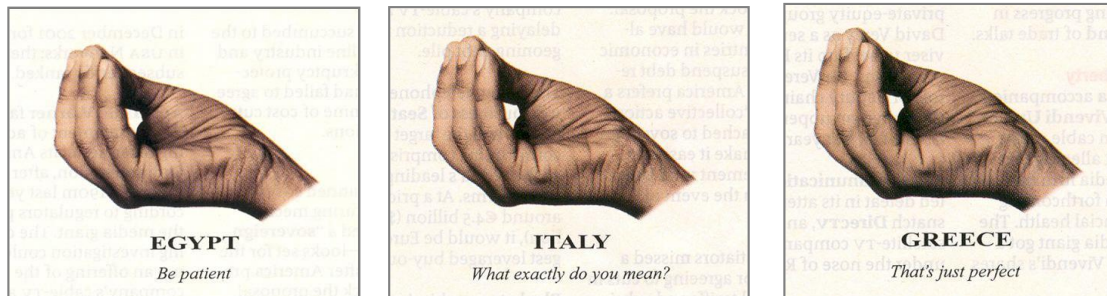
# Verbal Communication Differences

- Intonation – patterns of variation in the frequency of a speaker's voice
- Turn-taking – social convention governing who speaks when in a conversation
- Greetings – social conventions on to greet people – e.g., “kiss, bow, or shake hands”
- Terms of Address – Tu/Vous; John vs. Monsieur vs. Herr Doktor Professor
- Directness/Indirectness – vagueness versus exactness
- Agreement/Disagreement – methods/ words for yes, no, maybe, don't know
- Lexical – use of borrowings, slang, euphemisms, proverbs, word forms
- Humor – use of humor, jokes, small talk in conversations



# Non-Verbal Communication Differences

- Paralinguistics – the nonverbal elements in speech, such as body language, intonation – more than 70% of the communication channel
- Kinesics – study of the role of body movements: winking, shrugging; includes gestures, facial expressions, touching, posture, eye contact
- Proxemics – study of spatial interrelationships and its role in communications
- Silence – social conventions around timing and turn-taking
- Clothing/Hairstyles/Cosmetics – influence our perception as to status, personal/ political/ religious leanings, etc.



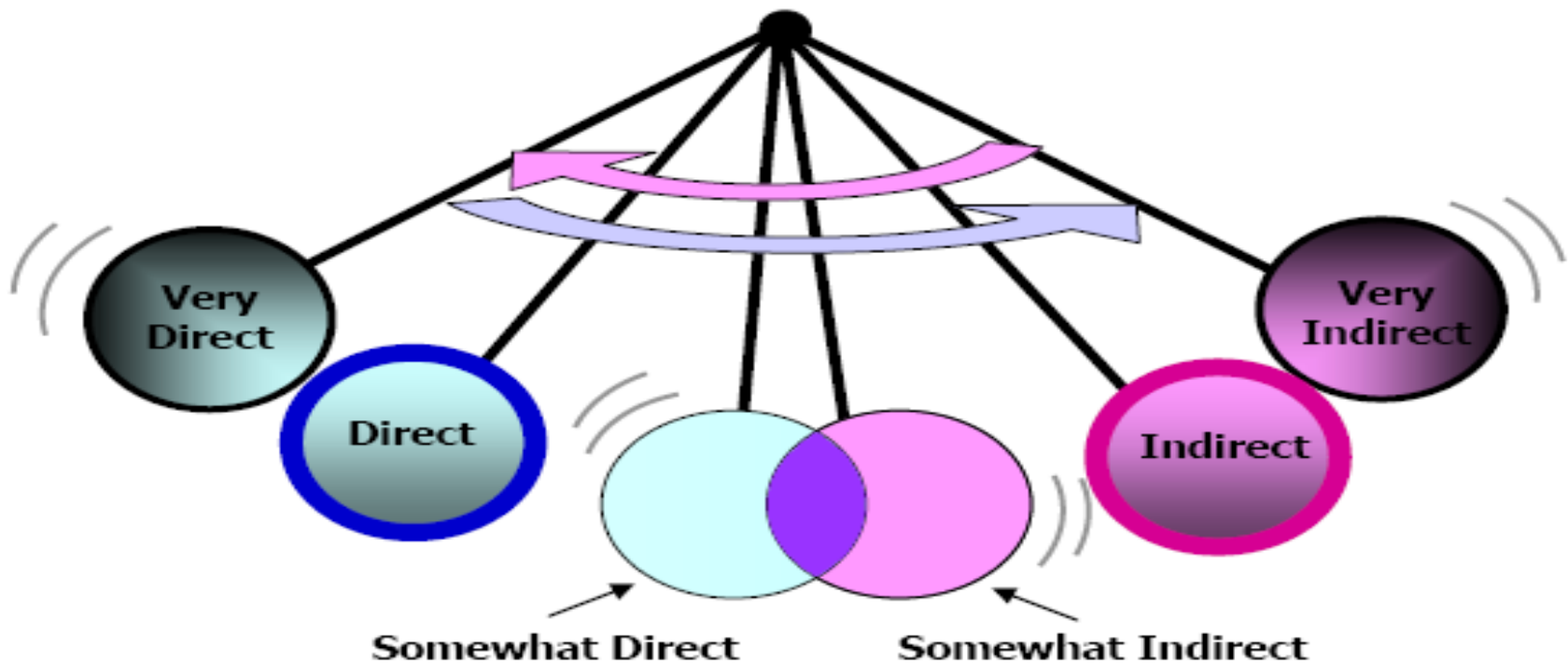
***“Never underestimate the importance of local knowledge.”***



# Style Variations and Switching

**Example:**

**Style Switching Between Direct and Indirect Communication**



# Style and Culture in Meetings

## **North American Culture**

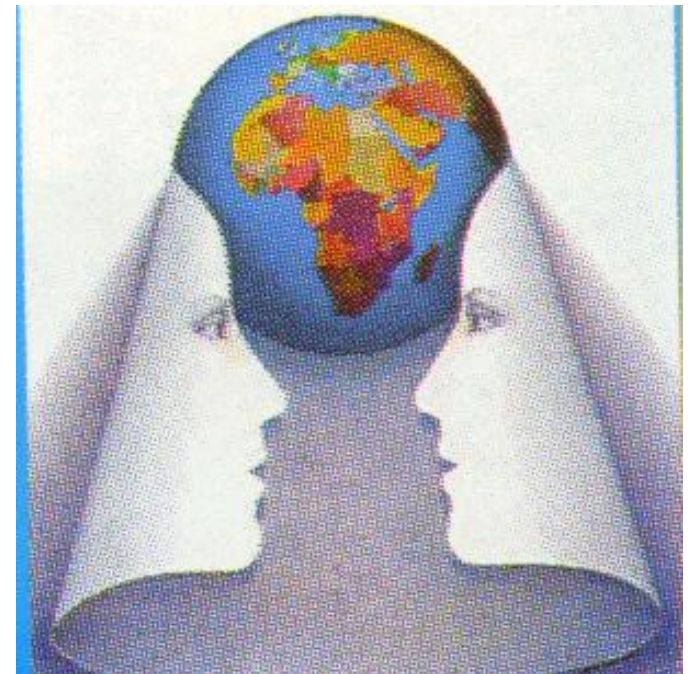
- Direct
- Drive to be explicit:
  - Give / get the facts
  - State a clear position and rationale
  - Decide on the merits or rely on position of authority
- Giving and taking negative feedback is a sign of strength
- Confront when necessary with logic and persuasion skills

## **Asian Culture**

- Indirect
- Drive to reach consensus:
  - Explore interest of all parties
  - Reserve stating a firm position
  - Achieve consensus
- Protect the dignity and self esteem of yourself and others
- Avoid confrontation
- Strive to develop harmonious, trusting business relationships

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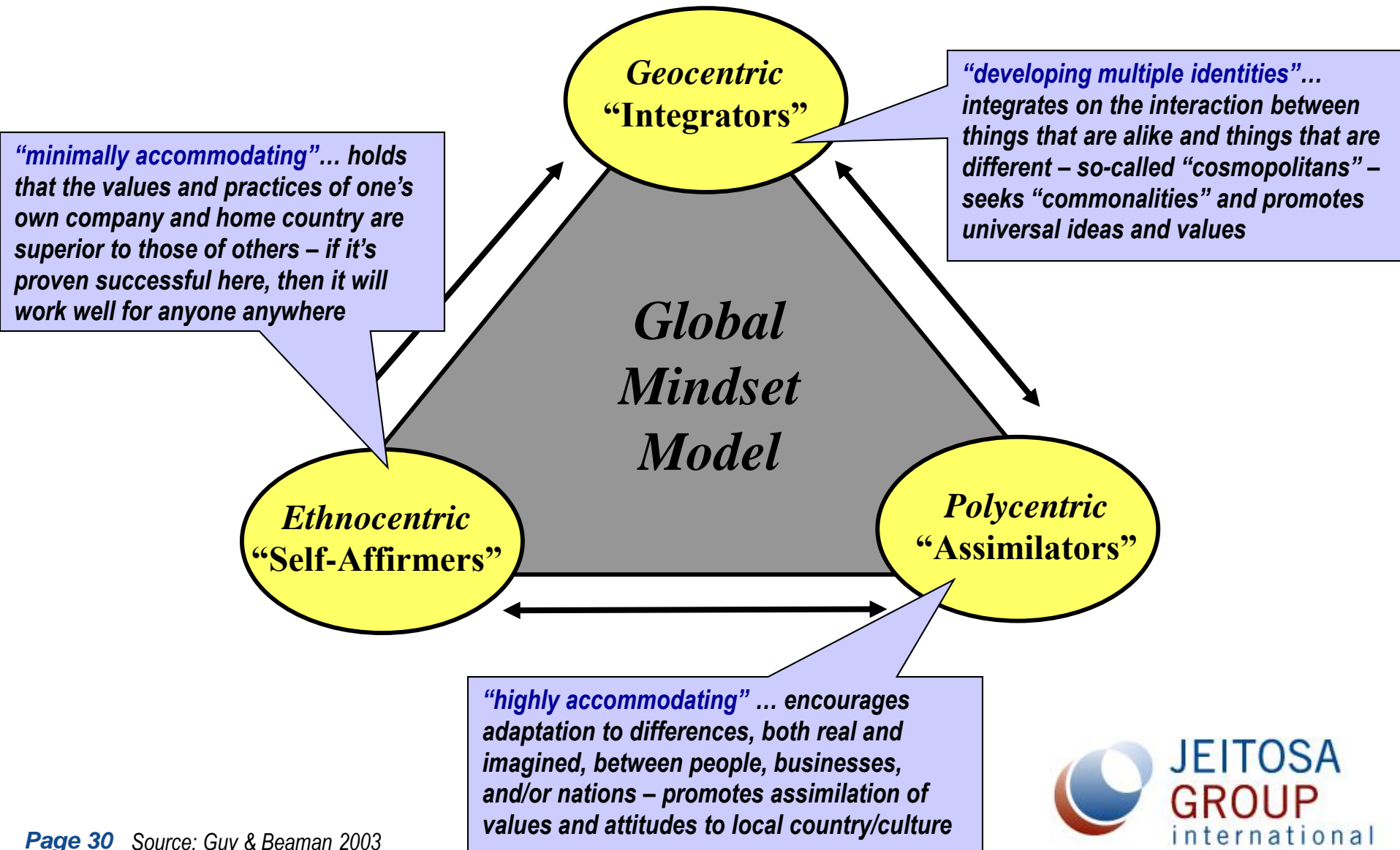
# The Role of Global Mindset

*Mindsets are "deeply ingrained assumptions, generalizations, or even pictures or images that influence how we understand the world and how we take action."*

Peter Senge,  
The Fifth Discipline, 1990



# Global Mindsets Model





# Global Mindset Differences

### ETHNOCENTRIC

#### Benefits:

- Safeguards proprietary technology and business design
- Poses cognitive challenges, inspiring emulation

#### Risks:

- Tries to fit all situations into one way of doing things
- Promotes “not-invented-here” syndrome
- Inhibits adaptation and absorption of new ideas

### POLYCENTRIC

#### Benefits:

- Bridges differences by being an empathetic facilitator
- Accelerates market entry, product adaptation, positioning
- Attuned to various customers, markets, and institutions

#### Risks:

- Can have limited territorial scope
- Champions “idealized” foreign markets / “going native”
- Tendency to generalize small experiences to larger domain

### GEOCENTRIC

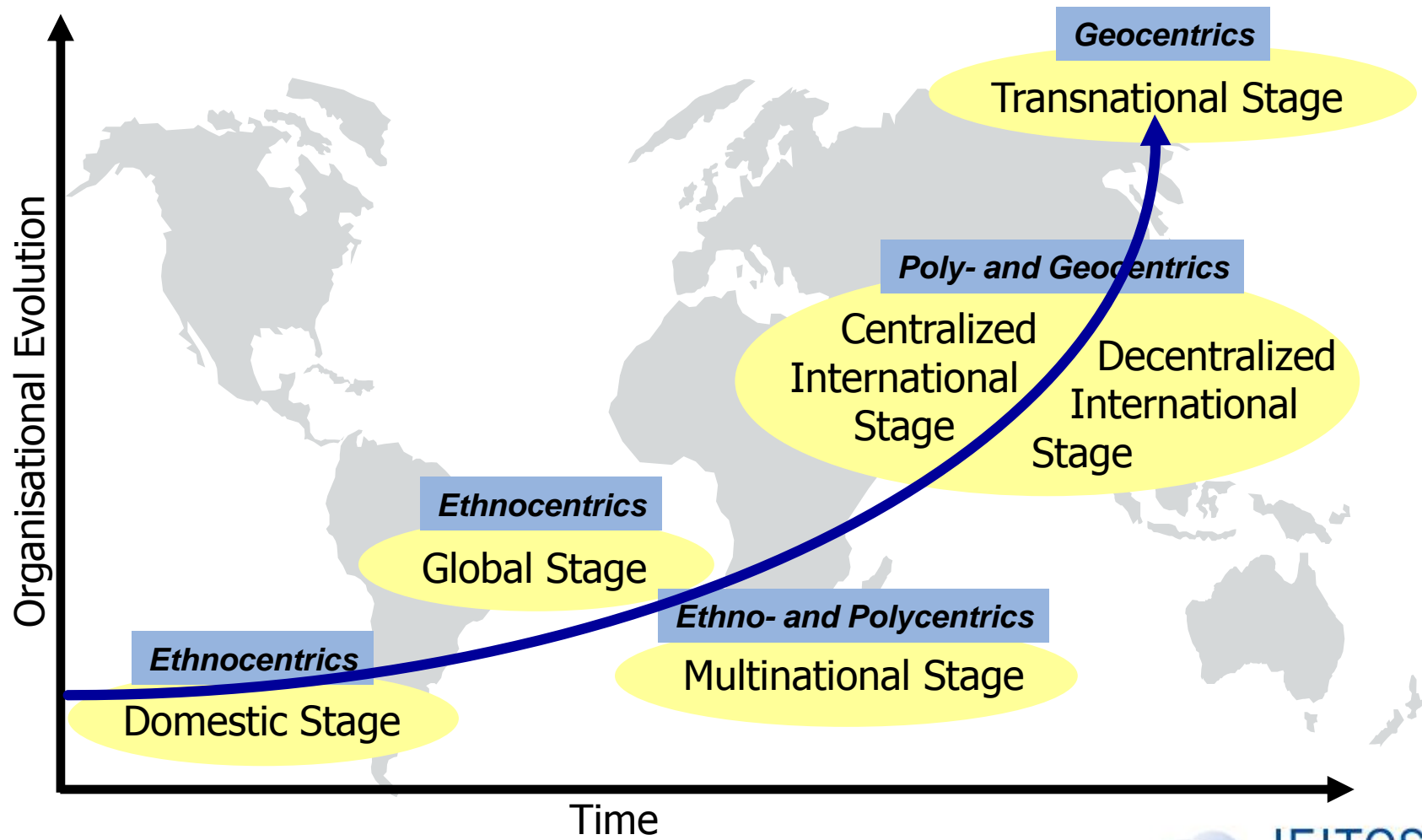
#### Benefits:

- Supports diversity and sensitivity to local practices
- Thinks of individuals as part of the global community
- Pushes managers to seek new ways of doing things

#### Risks:

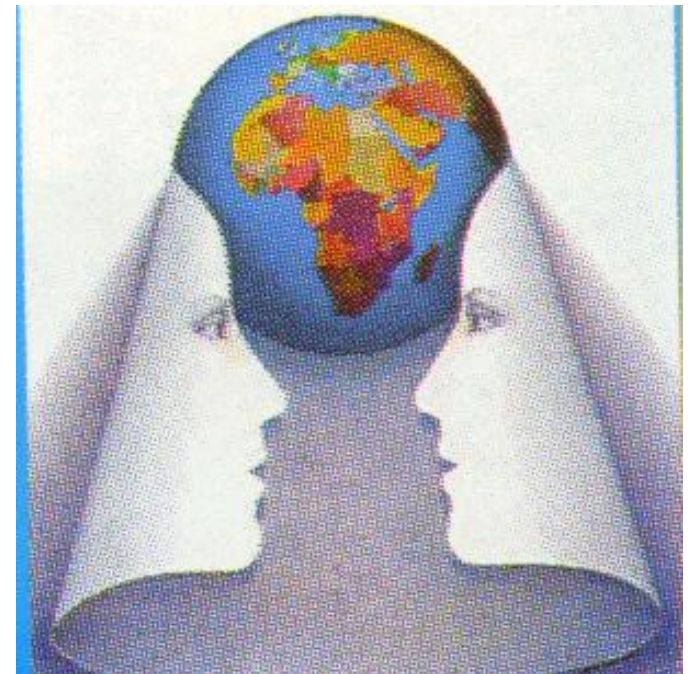
- Knowing a little about a lot, but not much about anything
- Difficult to develop while preserving who you are
- Can erode clarity and common purpose

# Transnational Leadership & Global Mindset

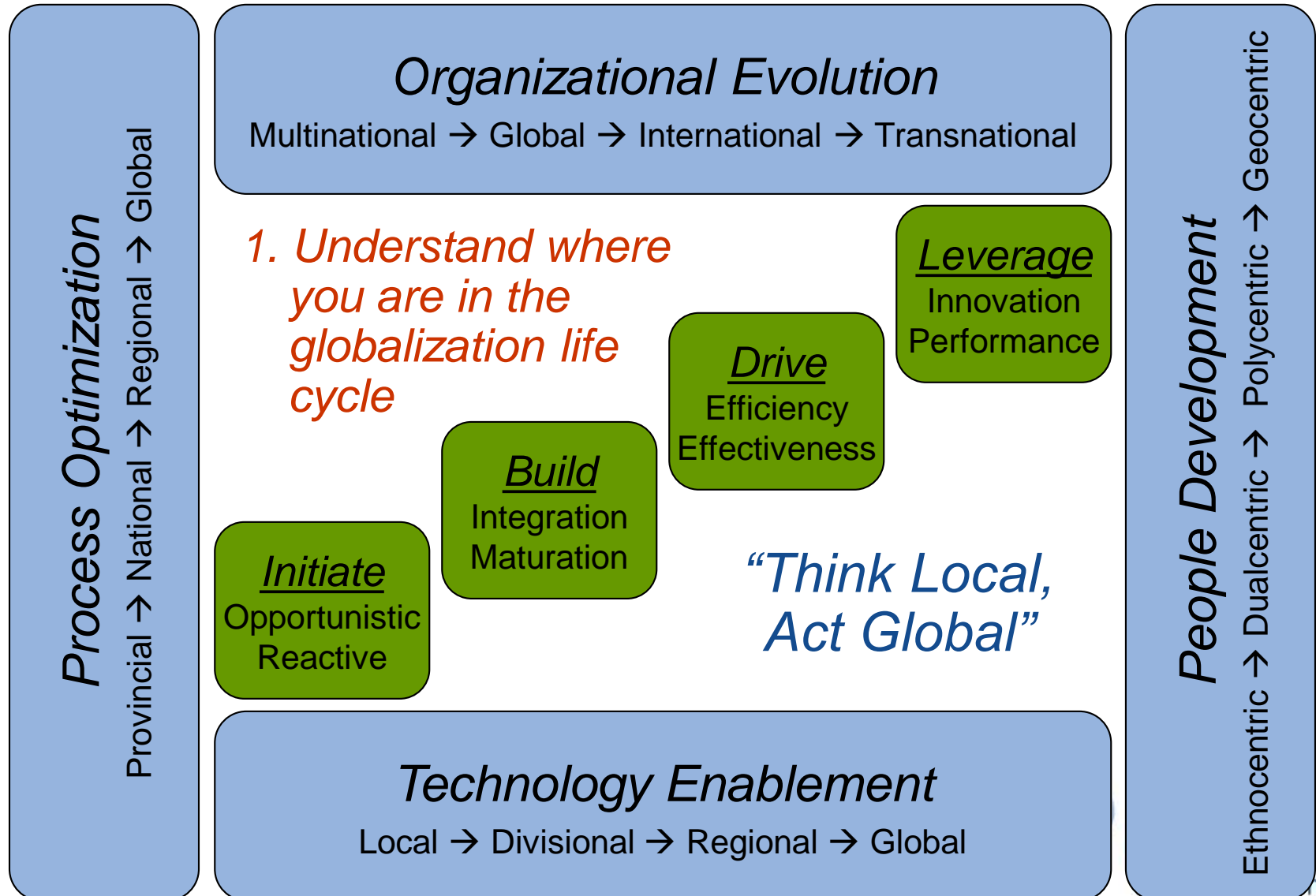


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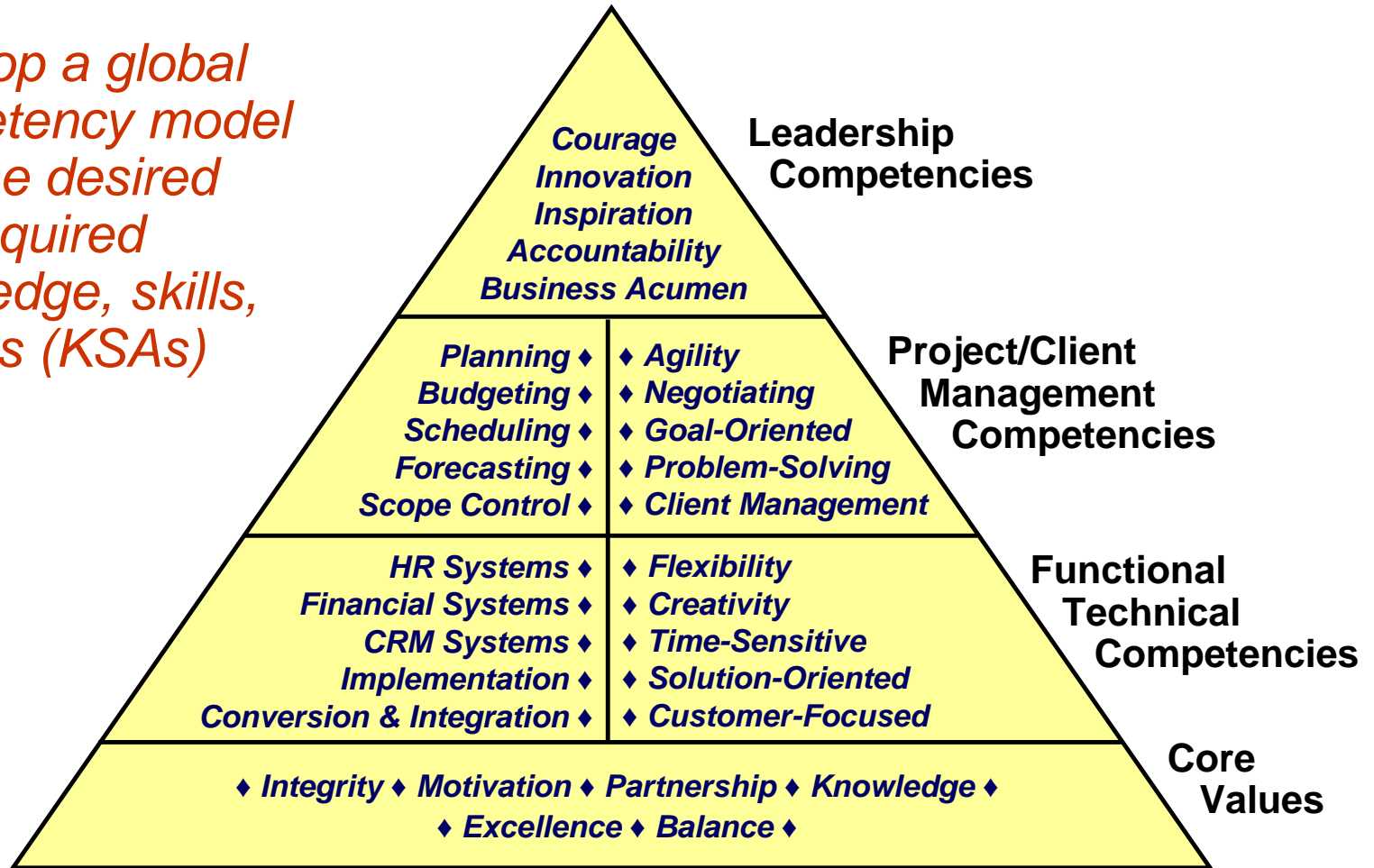


# Globalization Life Cycle



# Global Competency Model

2. *Develop a global competency model with the desired and required knowledge, skills, abilities (KSAs)*





# Global Selection Model

*3. Develop a global selection model to assure the right people are selected for the right assignments at the right time*



# Global Mentoring Program

## *4. Develop a global mentoring program to better support workers on international assignments.*

1. Organizational Support – inculcation of protégés with the values, expected behaviors, social knowledge, and other important features of the host country.
2. Social Support – mitigation of the negative effects of a international work (e.g., loneliness, culture shock) by meeting affiliative needs and providing feedback.
3. Intercultural Support – understanding and appreciation of the cultural differences between the protégé's home and host cultures.
4. Personal Support – support for the individual change the protégé must make to fit the local circumstances and demands of the task and culture.
5. Formal and Informal Support – support for both organization-based programs as well as for spontaneous and natural relationships based on mutual respect.
6. Hierarchical and Lateral Support – support for traditional mentor-protégé mentoring as well as for peer mentoring across organizations.
7. Network Support – multiple, diverse, broad-based support for international workers that span protégé's entire career.

# Successful Integration Strategies

## *5. Develop integration strategies to ensure international assignees are fully integrated into the new workforce.*

### Hiring:

- Hire first for motivation and capacity
- Hire second for flexibility and accommodation
- Hire third for Global Mindset and “ethnorelativism”
- Identify needed technical/functional skills & populations

### Training:

- Create education programs  
e.g., videos, seminars
- Celebrate “ethnic days”  
e.g., Chinese New Year, Cinco de Mayo

### Ongoing:

- Assess progress, adjust strategies,  
and reinforce successes
- Set up mentoring and coaching programs
- Foster a inclusive, collaborative environment



# Future Global Mobility Trends

- Continued immigration creating an ever more diverse workforce with resultant communication challenges
- Movement toward more collaborative, geographically dispersed, functionally oriented project and team work
- More focus on balancing globalization and localization needs; strengthening of regionalization
- Declining use of expatriates except in very specific situations; higher use of third-country and home country nationals
- Declining length of international assignments and more focus on strategic and developmental assignments
- Emergence of “Global Executives,” “Cosmopolitans,” “World Citizens”



# Thank You!

谢谢

*Merci*

*Obrigada*

*Ευχαριστω*

*Danke schön*

*Kiitos*

*Tack*

*Gracias*

*Dank u*

*Grazie*

*Shukriya*

*Tesekkür ederim*

*Takk*

*Terimah Kasih*

*Krop Kuhn Kah*

*Dziêkujê*

*Arigato*

*Asante Sana*

*Go Raibh Maith Agat*

*Thank You!*

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# Questions?



**jeitosa** — [zhay-taw-za] (Brazilian Portuguese) adj. agile, skillful, adroit, clever, innovative, solution-oriented.

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