Turning cross-cultural complexity into high performance vitality "- Bridging Cultures –"

Swiss-Chinese Association
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- Part **II**   The cultural dimension….

- Part **III**   EurAsia Competence

Part 1: Bridging cultures….   ….Where to start ?

Food for thought….

2013 Gallup Global Employee Satisfaction Survey (The state of the global workplace; <u>engagement /wellbeing</u>)

263 research studies; 192 organizations; 49 industries; 34 countries;

49'928 business units; nearly 1.4 million employees

	Global	Developed	Emerging
• **Engaged**	13 %	19 %	10 %
• **Not engaged**	63 %	61 %	65 %
• **Actively disengaged**	24 %	20 %	25 %

The Three Types of Employees

1 **ENGAGED** employees work with passion and feel a profound connection to their company. They drive innovation and move the organization forward.

2 **NOT-ENGAGED** employees are essentially "checked out." They're sleepwalking through their workday, putting time -- but not energy or passion -- into their work.

3 **ACTIVELY DISENGAGED** employees aren't just unhappy at work; they're busy acting out their unhappiness. Every day, these workers undermine what their engaged coworkers accomplish.

Food for thought….

2013 Gallup Global Employee Satisfaction Survey (The state of the global workplace; engagement /wellbeing)

Selected countries

	France	**Germany**	**Switzerland**	**China**	**Japan**	**Taiwan**	**S-Korea**	**Thail.**
● **Engaged**	9 %	15 %	16 %	6 %	7 %	9 %	11 %	14 %
● **Not engaged**	65 %	61 %	76 %	68 %	69 %	60 %	67 %	84 %
● **Actively disengaged**	26 %	24 %	8 %	26 %	24 %	32 %	23 %	2 %

Gallup criteria metrics lead to engagement cluster findings….

- Actively disengaged employees continue to outnumber engaged employees by nearly 2 to 1 (or 6 to 1 if we combine not engaged & actively disengaged)

- Engagement makes a difference to the bottom line

- Engaged employees regard their lives more highly and experience more positive emotions

- Engagement is associated with employees in jobs that can use their knowledge and talents

….a people issue….

….a leadership issue….

….a quality of work environment issue….

Food for thought ….

Something is wrong….

- with the functioning of organizations / social systems

- with management theories

- with leadership, organizational culture, HR management

- incentive systems, quality of work environments, etc.
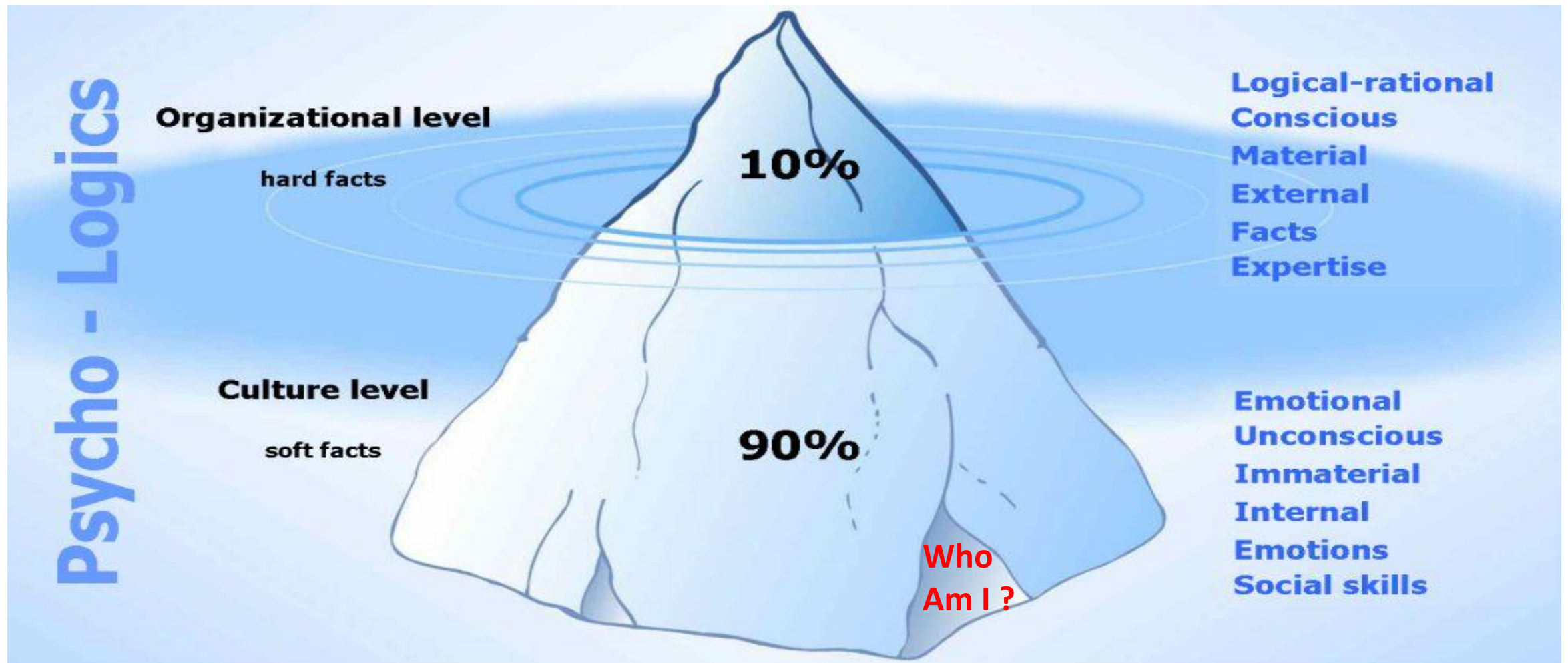
….independent from cultural complexity….

Where do organizational disfunctionality & cross-cultural complexity meet…. ?

…..at the individual (people) level…. !

Food for thought….

"People are human beings, not human resources"*

*K.S. Raju
 Founder and former Chairman Nagarjuna Group, India

People are human beings….not human resources….

Psycho - Logics

Organizational level
hard facts

10%

Culture level
soft facts

90%

Logical-rational
Conscious
Material
External
Facts
Expertise

Emotional
Unconscious
Immaterial
Internal
Emotions
Social skills

Who
Am I ?

Food for thought…. intrinsic values and motivations of human beings….

- Beyond Maslow e.g. SDT (Ryan/Deci 2000 «competence; relatedness; autonomy»)

-Acceptance	(inclusiveness)	-openness
-Curiosity	(be in the know)	-creativity
-Honor	(respect rules; be ethical)	-integrity & trust
-Independence	(feel unique and respected)	-authenticity
-Order	(be organized)	-transparency
-Power	(have influence)	-empowerment
-Social contact	(social interactions)	-care about & develop people
-Social status	(feel important)	and human relations

Bridging cultures and leadership starts at home ...

….by accepting and wanting the "Andersartigkeit des Anderen"….

Leadership....

Roche

Leadership at Roche
March 2013

Tammy Lowry, Head of Learning & Organizational Effectiveness
Maggie Weston, Head of Attraction and Sourcing

"*Make your mark.*
Improve lives."

Roche, Portugal

Employee engagement matters
Measurable impact on many aspects in the workplace

Average difference between companies with people engagement scores in top-quartile vs. bottom-quartile

Quality defects
-60%

Safety incidents
-49%

Employee turnover
-49%

Absenteeism
-37%

Customer satisfaction
+12%

Profitability
+16%

Gallup study 2009: Meta-analysis of 199 research studies across 152 organisations, 44 industries, 26 countries and 955'000 employees
(Source: Harter J., Schmidt F. & Agrawal S. (2009). *The Relationship Between Engagement at Work and Organisational Outcomes*. Gallup Press)

The future of culturally adapted leadership (Roche)….

| Putting People First	Complexity & Change	Diversity	New ways of working
Authenticity, recognition and open communication	Increasing complexity, dealing with uncertainty, leading change	Five generations in the workplace, working across cultural boundaries	Virtual/flexible working, operating within the matrix

The cultural dimension ..... the EurAsia approach

Culture is a result 1. of three basic challenges and 2. of inherited tradition

- A person's efforts in the natural environment
- A person's efforts in the social environment
- A group's efforts in its natural environment
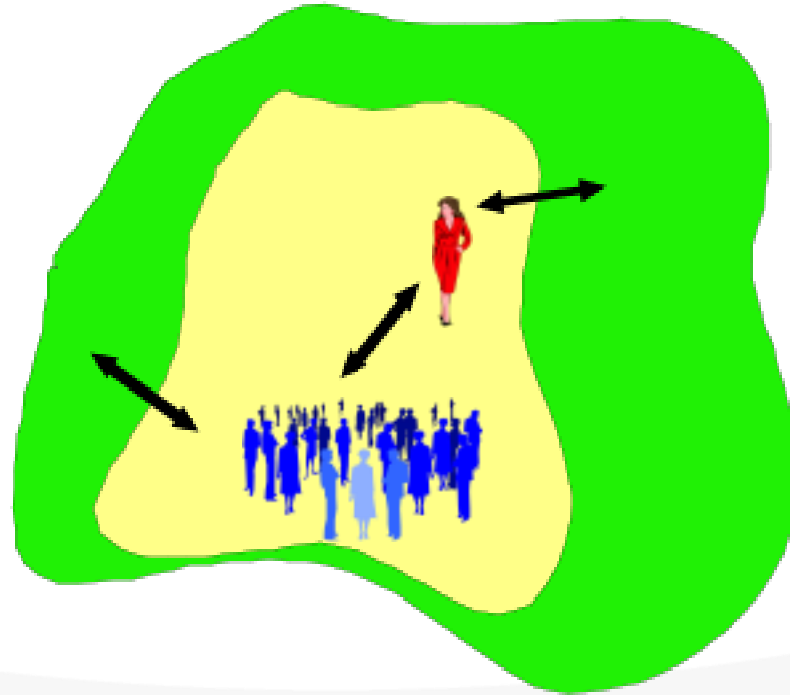
Culture

- Culture must be seen on different levels from person to family, to city, and nation

- Culture is a result only in a given moment. It is more a process and an instrument .....
  it is constantly changing

- If culture is defined that way, then perception of the environment becomes key
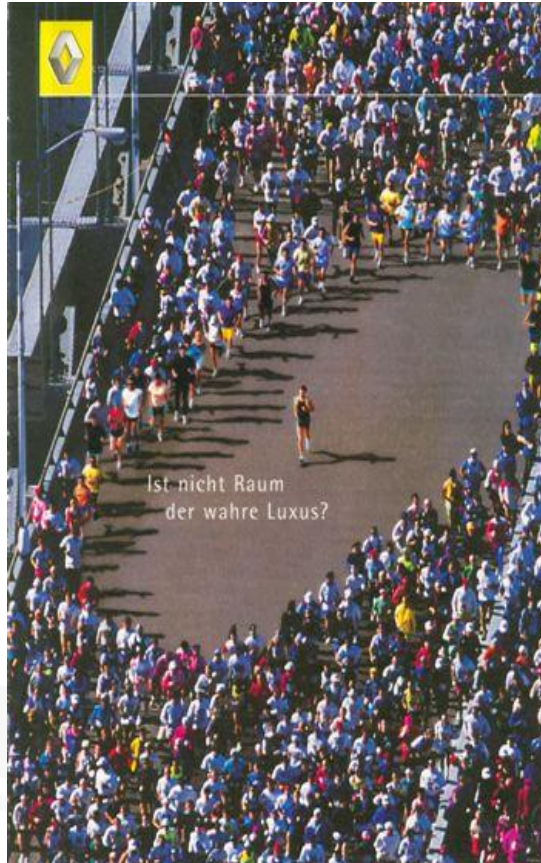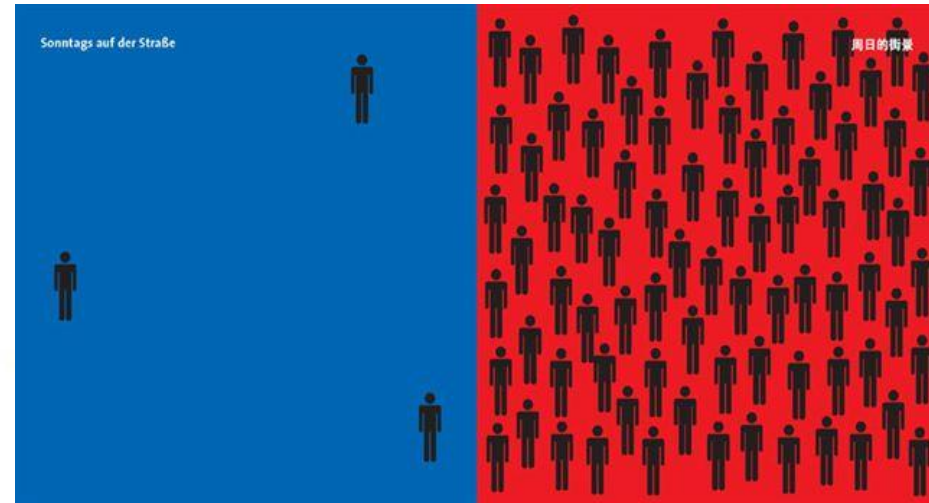
Where do we live and act ? .....
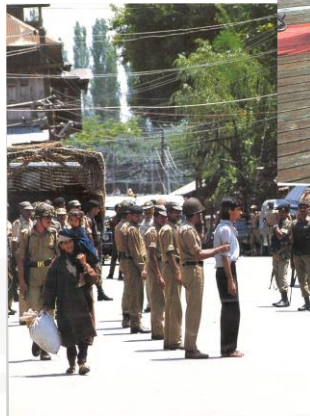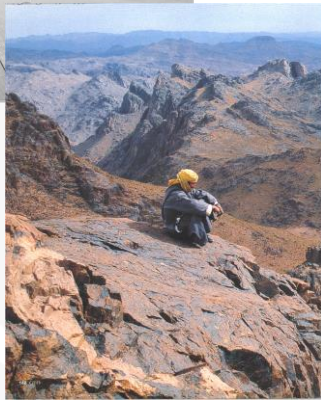
How do we live together? ..... We are all individuals AND social beings
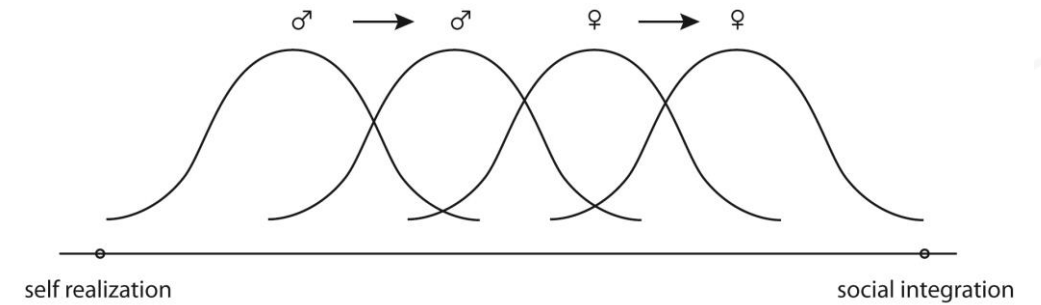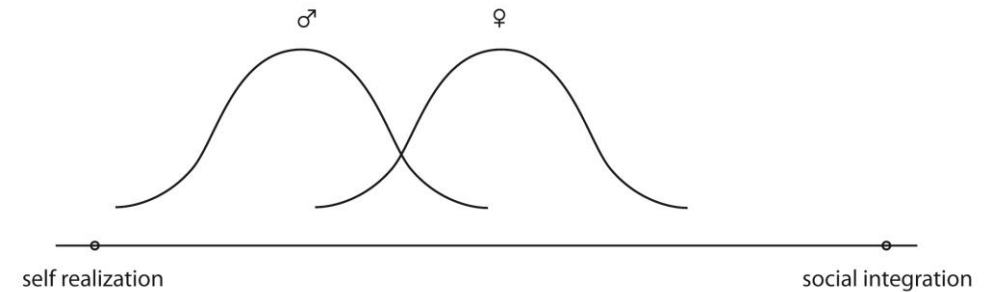
We are either integrated into or detached from our environment

The West – and the Rest ......

Proximity and distance and their effects

- Perception is essentially influenced by time and space
- It can be described in terms of **proximity and distance**
- This is a purely physical approach
- But perception also includes a mental element
- This element can be described by **closeness and detachment**

Distance and detachment ..... the West .....

- Distance is the precondition for analysis and abstraction
- Distance is the precondition for planning and for risk reduction

- Distance creates mental detachment
- Distance is the base for rational, binary thinking

- ... But it leads to a strong reduction of empathy and
- ... An exclusion of emotions

Proximity and closeness .... the Rest ....

- Proximity works with all the senses, leading to an information overflow
- Reality is in flow, not static
- Reality unites contradictions
- Reality is felt holistically, not rationally

- Closeness leads to a strong emotional engagement, empathy is part of the deal
- But it does not allow planning and analysis
- Limits to the in-group !!!
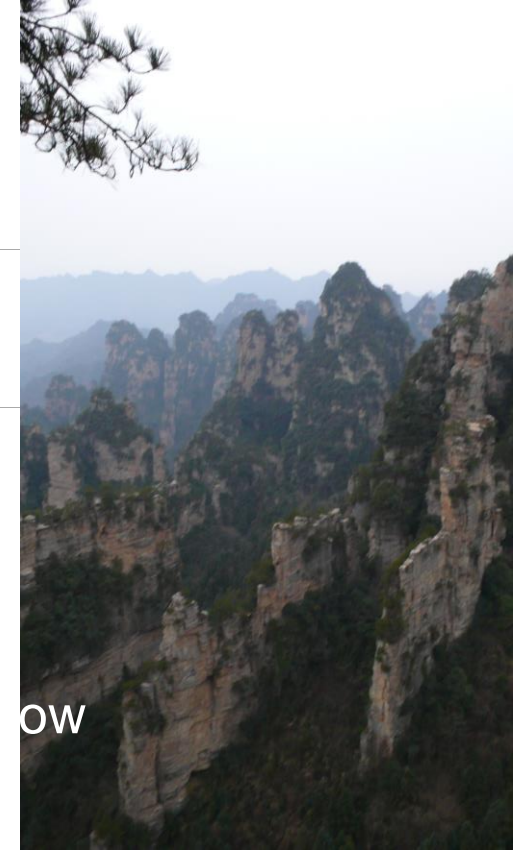
How do we communicate ? .....

- High context vs low context cultures – the said and the unsaid
- Communication related to message or to relationship
- Digital and analogous communication

- Discussions of a hard issue or a problem
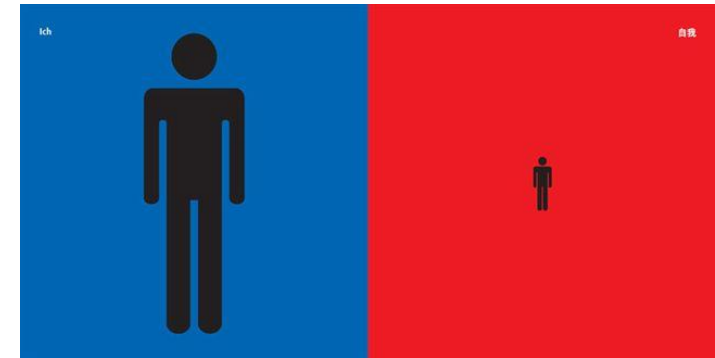
Management issues

- Choosing your expatriates with assessments that are Western and „male"

- Management by objectives – management through persons …

- Different functions of „planning" – the rational way, the visionary way

•   Different risk assessments and risk management

- Bigger issues in management – strategies and operations

- Innovation – basic and applied research

Personnel management

- Engaging and dismissing employees ....

- Engaging and disappointing customers ....

- Background is a cultural difference between
  in-group and out-group behavior

EurAsia Competence AG

- EurAsia Competence applies a proprietary theory of culture to transferring knowledge for a client-specific practice oriented organizational purpose.

- The approach takes the basics of human behaviour and social organization into account.

- EurAsia tackles superficial understanding of culture by putting the individual and community at the centre, using anthropological, sociological, and psychological insights to develop a coherent picture.

- It is based on a distinction between proximity and distance and the psychological consequences of closeness and detachment – the key factors of differentiation.

- Services: strategy and organizational development; leadership and change; cultural due diligence; issue and reputation management; coaching for boards, executive teams and project teams; assessment, education and training of individuals and teams.

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Definitions

Culture

«Culture is a **process**. It delelops out of the mutual influences between **person** and **nature** as well as person and **society**. At the same time it includes the mutual influences between **society and nature** as well as **traditions** of that society. Traditions are nothing else than the cultural results of earlier generations that are being changed by actual persons and the society in which they live. **Values and norms** of a person and the respective society are developed on this background.» (Dr. Hans J. Roth)

Organization

«….any **target oriented** institution in which **people** cooperate for a common **purpose** to achieve common **goals** in the **market place**….» (Sociology)

Leadership

«….**to direct** any organization target oriented, systemically and systematically in a **process of continous development** to its **highest level of performance** and to stimulate the **people** in the organization both **mentally and emotionally** to cooperate **across units/hierarchies/geographies**….» (German Management Association)

Leadership & Change Management Issue No. 1....

Politics

Shared Values

Global

Skills

Structure

External

Culture

Economy

Ecology

Organization Performance

Internal

Style

Staff

Regional

Science & Techn.

Systems

Local

Strategy

Human Behaviour
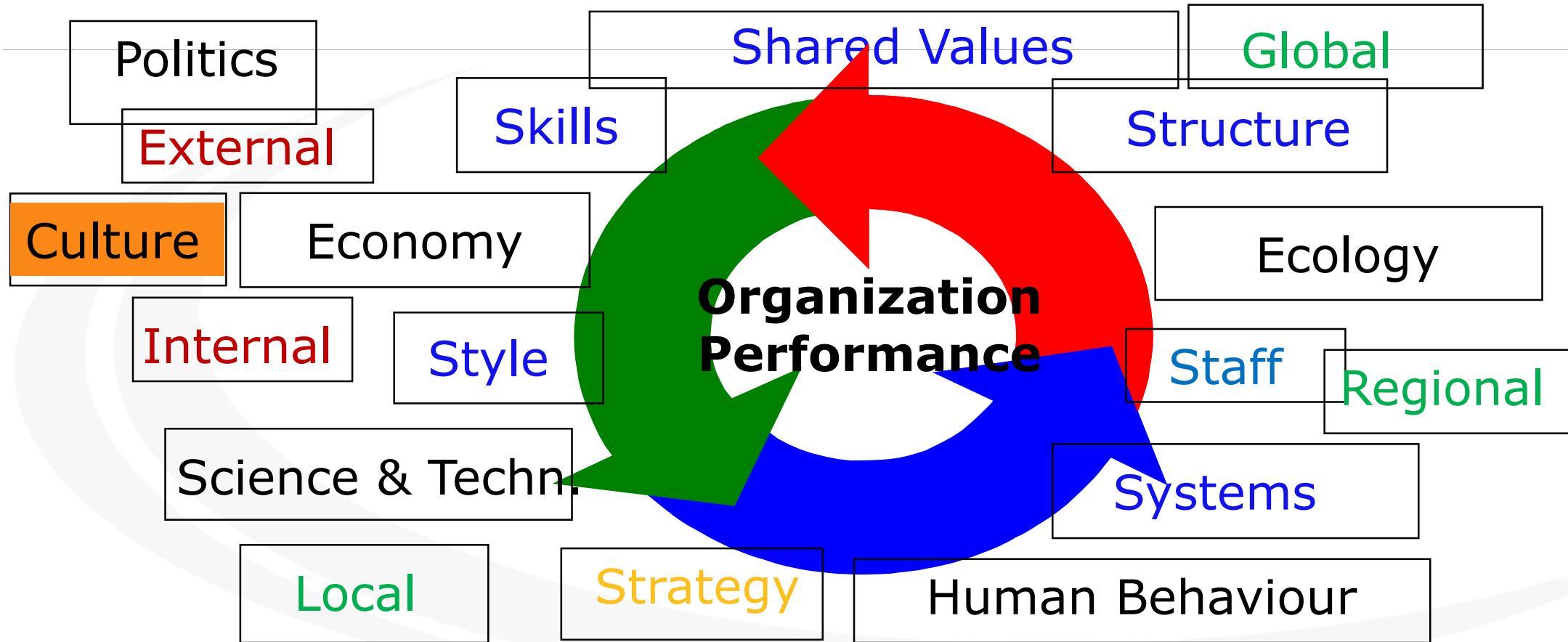
....to turn complexity & volatility into high performance vitality....

7.5bio. human beings, all individually different and culturally conditioned ….

"Culture, like an onion, consists of layers that can be peeled off."
(Trompenaars 2003 p25)

Visual Cultural Differences

Language
Housing
Food
Clothes

Key Beliefs
Not so visible but has an effect on determing behaviour at a more superficial level

Norms and Values
greetings
bow, shake hands

«Human development is like an onion: what can be seen from the outside is only the most recent stage»
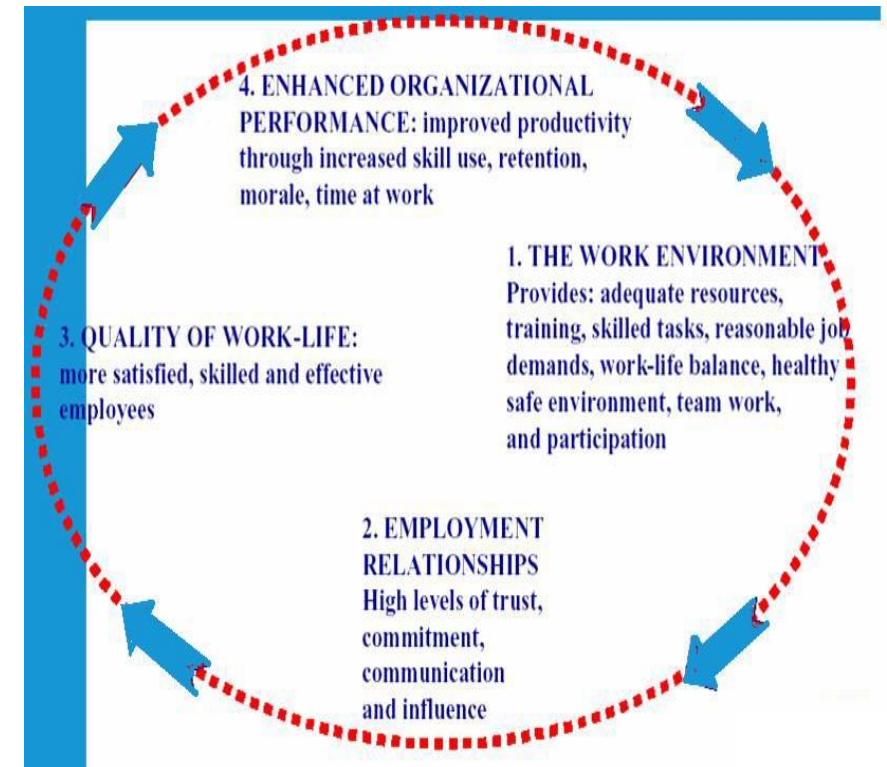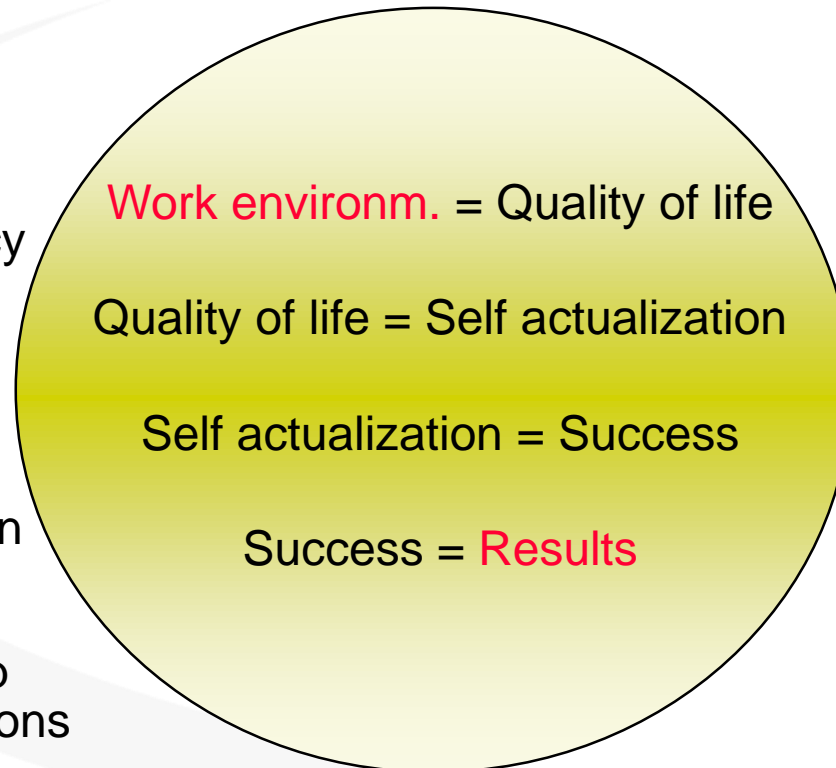(Pedro Neto 2012)

….yet share common intrinsic values….

Food for thought…. intrinsic values and motivations of human beings….

- Beyond Maslow e.g. SDT (Ryan/Deci 2000 «competence; relatedness; autonomy»)

-Acceptance	(inclusiveness)	-openness
-Curiosity	(be in the know)	-creativity
-Honor	(respect rules; be ethical)	-integrity & trust
-Independence	(feel unique and respected)	-authenticity
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…..when analyzed in context of respective cultural environments lead to differences in definitions and priorities in thinking and behavioural patterns….

Leadership in charge of people centered quality of work environment….

- Integrity & Trust
- Openness
- Honesty/Transparency
- Creativity
- Empowerment
- Development
- Authenticity / Inclusion
- Acceptance
- Care about & develop people / human relations

Work environm. = Quality of life

Quality of life = Self actualization

Self actualization = Success

Success = Results

4. ENHANCED ORGANIZATIONAL PERFORMANCE: improved productivity through increased skill use, retention, morale, time at work

1. THE WORK ENVIRONMENT Provides: adequate resources, training, skilled tasks, reasonable job demands, work-life balance, healthy safe environment, team work, and participation

3. QUALITY OF WORK-LIFE: more satisfied, skilled and effective employees

2. EMPLOYMENT RELATIONSHIPS High levels of trust, commitment, communication and influence

….influence individual engagement & organizational performance….

Leadership

«Human beings can be proactive and engaged or,
alternatively, passive and alienated,
largely as a function of the social conditions in which they develop and function.»
(Richard M. Ryan and Edward L. Deci; 2000, Univ. of Rochester, NY)

„It means setting trends, not following them"
(Peter Drucker)

«Bridging cultures starts at home at the people and leadership level
before embracing the cultural dimension in a different environment»

(EurAsia Competence AG)

self realization   social integration