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I really hope you find the content of the thesis interesting.



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# **CHAPTER I - Introduction to thesis**

## **1 Introduction**

Over the last 15 years global organizations have become aware of a developing multi-cultural society, and how this could affect the successful day-to-day operation of a company. Since then, “culture” has become a necessity of company management, with race, ethnicity, age and religion having to be catered for. Within the UK and European Union implementing an equal opportunities law has been passed where all “cultural” aspects within a working environment have been implemented. Since then, both economists and scientists have been monitoring the position of cultural activities and understanding the problems that could occur with managing a multicultural workforce. Their continuous research and findings have assisted me to construct my own investigations, my own thoughts and perspectives on this subject can be conveyed, and thus being able to write my thesis on the topic of: “Managing a Multicultural Workforce”.

### **1.0 Background to Thesis**

The reasons I have decided to research and write about this particular subject are twofold: firstly since leaving my home country of Poland, being able to work, study and travel abroad has allowed me to understand various different cultures; and secondly my interest in international business studies, management, and the variety of personal experiences that have been undertaken whilst completing various Internship placements. Most experiences I have witnessed have been as a bystander, yet for some, I have encountered a number of workplace issues, where such a mix of cultures has created problems, often finding myself in situations where cultural differences have either hindered or concerned me. Generally these issues are where Directors, Managers or team leaders have not always been able to accept the way staff have been conducting their cultural habits or differences in completing their day to day tasks, understanding of commands and/or the communication with colleagues, which have originated from other parts of the world, where race, language and accents added together can sometimes create very different sounds and meanings. With these experiences, I have been able to have an open mind in respect to the many prejudices and judgements which life brings, together with learning about both the positive and

negative sides of cultures encountered. Seeing these issues first hand have raised a number of questions and thoughts, in regard to the reasons why these problems should occur.

The management of a multicultural workforce is exceptionally important as the style implemented will always influence whether a business succeeds or fails, and this can be from a CEO to the shop floor level, notwithstanding the consequences it could bring in both a positive and negative scenarios to the life of a company if incorrectly implemented.

As part of my investigation, I will review three companies, with each being used as individual case studies:

- The first case study focuses on “Euro-freight”, the second largest road haulage company based in Vienna, Austria, specialising in the transportation of “stuff” to Eastern European countries – such as Poland, Romania, Slovakia, Czech Republic, Hungary and Russia. Euro-freight also specialise in the containerisation and storage of goods.
- The second case study focuses on “Kinetic Worldwide” – an International Media Agency based in one of the largest and most populous metropolitan cities, London. Kinetic is part of a consortium of businesses, which stretch around the world, focusing on all aspects of design and media. With Kinetic’s specialist teams being in touch with the worldwide bases daily, ensure that they are market leader in their specialisation, providing up to date technological innovations and understanding the changes required to always be ahead of their competitors.
- The third case study focuses on “Bombardier Transportation.” Bombardiers’ head office is based in Montreal, Canada, together with having bases around the world, delivering aircraft and railway transportation solutions. One of Bombardiers UK bases is in Derby, where they specifically manufacture trains for both home and abroad, based on the “Electrostar” derivative.

The reasons for choosing the above companies for case studies is due to my knowledge of the processes and functions which are undertaken by each, together with how they interface with their other international bases. All three companies are located in the European Union,

and are influential in respect to the services they provide. Although the companies are quite similarly placed in respect to location, the way the businesses are operated couldn't be more different, and these reasons will be explained later on in these thesis.

## **1.1 Structure**

My knowledge and research for this topic has originated from a number of sources. Chapter 1 is where I introduce the background to my chosen research topic, and explain how I will collect the relevant data to support my arguments.

The second chapter will focus on the research of where 'culture' originated, i.e. family, religion, education, and about the relevance of national culture for organizations. I will also present research which captures Human Resources Management, Corporate Culture, through to Hofstede's 5 dimensions. My sources of information ranged from books by Mohir H. Tayeb<sup>1</sup>(1996) great publications from Fons Trompenaars, Charles Hampden Turner <sup>2</sup>(2003) together with Peter Woolliams(2003). This chapter will also present findings of *Jeanne* Brett, Kristin Behfar, Mary C. Kern<sup>3</sup>(2006).

This article contains a variety of examples taken from various multicultural companies who were dealing with issues of diversification of multicultural teams whilst working with each other. Additionally, this chapter will explain the research completed at the three companies: Kinetic, Euro-freight and Bombardier.

Lastly in chapters three and four, I will present my analysis and conclusions respectfully, being constructed around the questionnaires and interviews conducted, together with the theoretical studies completed by both Hofstede (1991) and Mintzberg (2006)<sup>4</sup>.

## **1.2 Research Questions**

To ensure I am able to investigate, instigate and construct arguments, I will be using both my experience from my university studies and day-to-day work, to research the areas,

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<sup>1</sup> Tayeb (1996)

<sup>2</sup> Ibid.

<sup>3</sup> Brett, Behfar &Kern (2006)

<sup>4</sup> Minzberg website, 2010

which will assist me in constructing the arguments for my thesis. As part of my University degree 'International Business' at Vienna University, I completed a number of specialised topics within this area: International Market Entry Decision Making, International Management, Organisational strategies: all taught by Professor Windsperger. Being employed at Kinetic (2010) and having a vast knowledge of the other two companies, has allowed me to access to CEO's, Directors and Managers within each company, and with this pre-requisite I intend to answer following questions:

- How do the CEO, Directors and Managers from Kinetic, Euro-freight and Bombardier perceive culturally diverse teams. Are they positive or negative for business, how are they structured to ensure smooth operation with reviews being completed at director and shop floor positions, and how do they converse within multicultural teams? All these aspects will be reviewed within my research and the well-known research papers that have been developed by Hofstede, Mintzberg and Trompannars, comparing whether any changes have taken place over time.
- How do the CEO, Directors and Managers cope and solve problems that are based on multicultural differences? Within each of the questionnaires and interviews conducted, I will compare the theories of the well known authors and the output, reviewing specifically how each of the companies interviewed and questioned manage the problems encountered whether it be with sub contractors or staff within either an internal or external team. Also explored are the means for resolution explored, and how each of the companies handles and manages both immediate and long-term solutions.
- Do the problems caused by multicultural differences affect their business in either a positive or negative way? For each of the companies reviewed, I will specifically ask whether companies believe they succeed with multicultural teams in place, or have they had to adjust the company to stop conflict that has subsequently had a negative impact of the running of the business day-to-day. Are there any methods that have been implemented to resolve problems even before they have occurred?

To answer the above questions, as stated in the points above, I will be using various

publications written by authors who specialise in this area: Geert Hofstede<sup>5</sup>(1928), Myron K. Lustig, Jolene Köster, Trompenaars(2006), to name but a few.

Working for Kinetic for a period of time, and having access to both internal staff at Euro-freight and Bombardier, has allowed me to access privileged data, together working with international based staff running their departments. A questionnaire was trialled, developed and sent to all companies, so a selection of departments and section heads could be questioned. In addition interviews would be conducted with Managers or CEO's from each company who had been employed at each for a long period of time:

Lisa Petutschnig:	Human Resources and Legal Office Manager, Euro-freight.
Nick Mawditt:	Global Director of Marketing and Insight, Kinetic Worldwide.
Peter Doolin:	Project Director, Bombardier.
Andy Derbyshire:	Project Manager, Class 379 Electrostar.
Mike Prosser:	Finance Project Controller, Electrostar.

The full case studies are presented within Appendix 1.

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<sup>5</sup> Hofstede ( 1928, p.69-110)

## **CHAPTER 2- Research**

Within this section, all sources of research will be sort, described and explained, whether it is through literature, questionnaires or interview, so the acquired analysis of my findings can take place in the subsequent chapters.

### **2.0 CULTURE**

#### **2.0.1 Origins and definition of Culture**

Culture in today's modern society is the only difference between every living human being, whether it be in the deepest and remotest parts of Africa, through to the hustle and bustle of New York, USA through to the tranquillity of the Highlands of Scotland.

The study of culture by anthropologists may develop in many different social entities, from football clubs to political or business organizations. They have always been associated with the traditions, habits and beliefs of a group of people, society or country, but as culture has developed over time, rather than some of the more traditional values, such as anatomical features which are fairly similar from person to person, nowadays culture is seen as carrying the life baggage of the society we live, work and breath within.

The cultural set of values and attributes that give the background to members of social groupings will be explored within this section, together with presenting Hofstede's research, and how the culturally determined values and behaviours are carried out as part of the employee's cultural nature in the workplace. The last part of this section will cover the issue of multiculturalism and its role in the world today, together with comparing both the UK and Austria.

#### **2.0.2 Influencing the development of culture and diversity**

To understand how culture has had an effect on a set of diverse values, the background and history needs to be examined to understand their relevance and how they became into

existence, taking concurrently occurring origins, attitudes and values of a person's culture. From my research Hofstede's (1991) states that:

*"Every person carries within him or herself patterns of thinking, feeling, and potential acting which were learned throughout their lifetime. Much of it has been acquired in early childhood, because at that time a person is most susceptible to learning and assimilating."*<sup>6</sup>

There are six main areas that determine how cultural development is influenced and range from religion through to history and education, and more recently technological advances with the introduction of the computer. Although people living in the same societies may share the same features and values, they are still individuals whose life has been shaped by different experiences:

- Family: ideally consists of a mother, father and children, and is the basis of a social factor, which have inherited most of our values and beliefs from teaching us behavioural techniques of reward and punishment. Throughout the world cultural differences, techniques and influences mean that there are different values and behaviours, which not only could have different meanings, but also interpretations, for example: Indian children are taught to respect their parents orders, yet Iranian children are to taught not to sit with their backs to old people otherwise it is seen as disrespectful. On the other hand, British children prefer to have their own emotional and distance from other people.
- Religion: plays a pivotal role all over the world in how culture is determined, as it affects both moral and ethical rules in many societies. These may be subjected to their own ways, symbols and deficiencies, from food and appearance through to how they communicate. For example, many people do not follow Christianity and the Ten Commandments, yet killings and stealing is still seen as unlawful. Worshipping God also varies in particular to cultural perspectives and tendencies. For Islamic worship, all humans no matter of race, background, skin colour or wealth is equal before God, where as Hinduism specify people into hierarchical casts or categories' from birth. In contrast, Protestantism values individualism and

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<sup>6</sup> Hofstede (1991,p.4)

personal choice of autonomy, where in liberal Sweden, Protestant religion prevails where people are able to marry in unusual places and the ceremony conducted by anybody who the bridal pair appoints as long as the marriage is inscribed by the civil office register. In this instance, a priest is not the most important. In contrast Amish people, who reside in Pennsylvania, USA, still have strict religious values and live without the day-to-day necessities of such modern technology of a car and mobile phone. Many external onlookers see this as a return to the 17<sup>th</sup> century way of living. Religious cultures can also be related to food and health, together with the modern styles of the 20<sup>th</sup> century. Hinduism prohibits the consumption of beef, and the Roman Catholic Church does not approve of premarital sex and contraception.

- **Historical:** events can also change the way cultural values, morals and attitudes of a member in society, with tragic, violence and glorious events occurring. Both Poland and Ukraine are good examples where historical and religious events over the last years have shaped not just the country, but all its inhabitants with modern lifestyles and beliefs which they could all experience if 'western' ways would be adopted. This differs to a neutral country such as Sweden where there has been minimal infliction and occupation of its borders. In most cases, history is always one of the major keys in understanding the culture of how a person or people live today. In some countries like China and Cuba, where there is a strong political regime, people are more focused on their leaders and beliefs within the country making the population more inferior, rather than looking at the outside world, and seeing the possibilities of what changes in culture could mean in the development of their country to ensure a better life and prosperity.
- **Geographical:** conditions can also affect the culture of inhabitants. Examples of cold northern territories normally mean they are colder and reserved, yet tend to adhere to very local traditions where unfriendliness to intruders may occur, and gaining trust may take time. In contrast in the warmer areas of the globe, the inhabitants are more welcoming and careless, loving the day to its full. The educational system also changes dependent upon geographical culture, with the methods of teaching, priorities and importance of educated inhabitants being critical. Within Britain there is a lot of pressure on the creativity, ambition and self discipline of the white middle class, where pure science and art topics are priority over the commerce and applied



science, yet when compared with both Germany and USA, the focus is firmly placed on technology, business and commerce. Not only is the emphasis on topics different between country to country, teaching styles can also be different. For example in India, one way learning and knowing books off by heart is seen to be very important, especially when knowing the full interpretation, yet in Arab countries the teaching styles do not involve creativity, but crammed with information with the teaching take place in either laboratories and/or workshops. Education here is seen as ineffective in regard to innovations and intellectual stimulation. In Western Europe and the USA, the focus is firmly placed on self study and discovery where students discuss the variety of projects whether individually or in groups, that could enhance how a person develops both in behaviour and values.

- Technological: advances over the last 25 or so years with the development of the computer, and more recently the WWW (world wide web) has enabled the access, transfer and spread of data which had previously been concealed in locations that were inaccessible being opened up to general release. Due to the speed that this has occurred, means that the data on an emerging basis connects people, organisations and companies immediately whether it be multinational banks such as Citi Group or HSBC, Health and Disaster organisations i.e. United Nations or UNICEF or as simple as free personal or business connections such as Skype, allows us all to be surprisingly close to so many and different cultures.
- Political and economic issues: play an important role in the modern society we live within. People migrate from all directions and locations throughout the world, with the majority travelling from the third world to the developed and industrialised countries of Western and Northern Europe and USA. The main activity for the Western World was the joining of European countries into the European Union's single market treaty, which allows the "free movement" of workers and residents of a member European Union state to enter, reside and work within any other member country, without the required resident or work permission documents. In comparison the prospect of ongoing war has also enhanced the movement of immigrants from a number of countries, to escape the prospect of civil unrest and fighting, more recently being the break up of the Soviet Union and the wars in the

former republic of Yugoslavia, Afghanistan and the ongoing religious disputes on the West Bank between Israel and Gaza. Other migrant influences for the shifting population flows are sometimes for more positive economic reasons, examples being the Oil rich Arab countries, where there has been an influx of migrants from India, Egypt and the Philippines, together with white-collar workers from Japan and the USA.

### **2.0.3 Cultural Specialists**

Culture over the years has, and will continue to develop at pace, with all aspects changing i.e. lifestyle and migration daily, due to the factors listed within Chapter 2, section 2.0.2. As long as the changes continue and the daily life of the population differ, research and investigation in respect to this topic will continue for the foreseeable future. From my research conducted, I have reviewed many articles, journals and publications, but three authors stand out who specialise in cultural and multicultural research are:

- Geert Hofstede: Social psychologist.
- Fons Trompenaars: Inter cultural management.
- Henry Mintzberg: Management and business strategies

When completing my research Geert Hofstede was one of the more influential researchers from the cultural perspective, with many studies being completed. As Hofstede suggests, we should differentiate human nature, which is modified by culture from the individual's personality formed by experiences through one's life.

*“Culture is learned, not inherited. It derives from one's social environment, not from one's genes. Culture should be distinguished from human nature on one side, and from an individual's personality on the other”<sup>7</sup>*

Later on in his book, Hofstede explains the definition of human nature and personality of an individual.

*“Human nature is what all human beings, from the Russian professor to the Australian*

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<sup>7</sup> Hofstede (1991,p.4)

*aborigine, have in common: it represents the universal level in one's mental software. It is inherited with one's genes."*<sup>8</sup>

Hofstede explains that culture is an:

*"Operating system that determine one's physical and basic psychological functioning."*<sup>9</sup>

Therefore an individual can vary significantly from the pattern represented by a culture, as we all have a unique mental program, which may or may not be representable of his or her own culture. The mental program is created and enhanced during our life and the environment we live within, partly inherent and determined by other cultures or personnel experiences.

#### **2.0.4 Company culture and diversity**

Many executives and managers consider multicultural teams as being the pinnacle of any company, making sure as much profit as possible is made. To ensure that the companies are efficient, company policies can be determined by the multicultural origins of the workforce that may work within the company. Many countries favour people from different cultures, so varying methods in training and promotion policies are developed. In respect to anti-discrimination rules these are developed to protect the minorities working within the company.

With all the importance on managing multicultural teams and workforce, where there is more than one culture, it's more difficult than managing just a single one, but to ensure success the team and company leaders need to possess skills that manage all the different cultural baggage, which the workforce could possess, to ensure a efficient and functional workforce occurs. To ensure smooth involvement, the human resource management (HRM) team is seen as the most valued critical asset, which any company would depend upon.

Dutch social psychologist Geert Hofstede (1991) conducted a study on the IBM workforce efficiency in different countries, and after a number of years has created "the edge of

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<sup>8</sup> Hofstede (1991,p.6)

<sup>9</sup> Ibid.

understanding” different nationalities, which consists of 5 dimensions of national cultures: Power Distance (PDI), Individualism (IDV), Masculinity (MAS), Uncertainty Avoidance (UAI), and Long Term Orientation (LTO). The research showed that “work related attitudes” were part of the actual identity of a nation and directly related to a HRM. Hofstede was the first to identify that culture as the “software of the mind”, stating that:

*" Culture is more often a source of conflict than of synergy.  
Cultural differences are a nuisance at best and often a disaster." <sup>10</sup>*

(...) and from this day, a completely different way of thinking about HRM and business diversity was born. I will review Hofstede’s 5 dimensions later in my research within Chapter 2, Section 2.3.1

## **2.1 GLOBALISATION AND MULTICULTURALISM**

### **2.1.1 Globalisation**

The process of “expansion in a specified sector to a global scale, whether it be the globalisation of the communication industry or faith, culture or policy. Globalisation will lead to the unification, interdependence and integration of various countries’ culture, ethnicity and diversity.”<sup>11</sup>

Due to the differences in culture, the process of globalisation has, and will occur as life progresses, developing with both the highs and lows brought about by the technological changes, diversity of companies and the complexity of merging societies, races and differing cultures. Although globalisation takes place throughout society, more importantly it is about the wealth and economic process that is governed by money, joint ventures, investments, and capital (human resource), yet without the later the phenomena of globalisation might be useless. In order for global markets to be successful, companies must employ and manage their workforce effectively and efficiently.

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<sup>10</sup> Hofstede (1991,p.11)

<sup>11</sup> Globalisation website

### 2.1.2 Multiculturalism

Is the process where *“various different cultures can peacefully exist within a single country, other than the national culture”*<sup>12</sup>

Multiculturalism can be described as a social model, or an idea according to which society should be characterized by the existence of groups with different backgrounds, race, religion and ethnicity, ensuring that multiculturalists press for central values and beliefs. Groups should conform to the social systems provided, ensuring they are able to evaluate the conduct of entities and individuals.

Within the 18<sup>th</sup> and 19<sup>th</sup> century, migration to both the US and Canada was rife, with many immigrants arriving from UK, France, Australia and Sweden, and this was often referenced as the “Melting Pot”<sup>13</sup>. Due to the “fusion of various nationalities”, with almost all having different religions and arriving without any knowledge of local rules and tendencies. When the immigrants arrived, families were separated and sent to different areas and told to ‘live’ without the help of the government, yet merge within the local environment of the locals.

Due to the number of multicultural immigrants arriving, and the amount of public pressure, Canada was the first country to develop Multiculturalism in the 1970’s. The social significance of immigration and ethnic diversity of the indigenous people, were initially divided into the “English” and “French”. Due to the mass immigration from many parts of the world previously seen, this policy was very progressive, tolerant and diverse, and if any racism occurred, it would be treated as serious slander. Multiculturalism then developed in both the USA and UK swiftly afterwards.

Where multiculturalism has developed in different countries, the acronym “Salad Bowl” was also developed, and differs to the “Melting Pot” (as described above) in a number of ways. Although it is similar at the beginning with the movement and immigration of foreigners to countries such as the USA, Canada or Australia, there is a difference in the

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<sup>12</sup> Multiculturalism website, 2010

<sup>13</sup> Hirschman (1983, p.397)

behaviour of the inhabitants when relocated. Instead of adapting to the local cultures, faiths and traditions, these immigrants were strongly connected to their roots, and rejected the requirement to change their cultural values and belief, affecting not only their personal life but also the inhabitants, which lived around them in the local area, as conflicts of interest could occur.

Multiculturalism is developing very rapidly changing the day-to-day personal and working lives of every human, whether it be political, differences in society or the influx of immigrants. Due to the mixture of cultures settling down in each country, the scenario of the “Salad Bowl” philosophy will be more common than the “Melting Pot” as specific influxes from one country to another i.e. because the prospects of war are reducing. As Hall and Hall states:

*“Cultural communications are deeper and more complex than spoken or written message. The essence of effective cross-cultural communication has more to do with releasing the right responses than with sending the “right” messages”<sup>14</sup>*

And in respect to the rapid expansion of global multiculturalism, new behaviours are occurring, whether it is travelling from one country to another to live and work or marriages between the populations with different countries of origin. As soon as this occurs, then the process of multiculturalism expands, being closer to each other than ever before, speaking various languages to capture the cultural differences as well as embracing the traditions of that culture – even if outside of that persons origin.

In chapter 2.3, section 2.3.1, I will go deeper into Hofstede’s findings, leadership types and the effects caused by diversified workforces caused by the multiculturalism explosion that has occurred over the last years.

## **2.2 ORGANISATIONS, CORPORATE CULTURE AND MANAGERIAL STRATEGIES**

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<sup>14</sup> Hall& Hall( 1990,p.4)

### 2.2.1 Types of Organisation

An organisation can be regarded as a group of employees that achieve targets that have been previously set by the board of Managers, Directors and CEO of the company – whether these are internal to the company or external to a supplier.

In every company whether it is a large multinational company or small family run business, there will be an organizational structure. The structure will consist of a group of people that specifically collaborate in order to achieve the same target, based around company and regulatory rules and policies, with the most critical taking place in the working environment. These policies and rules support employees' activities, control communication within other departments and projects, whether it is internal or external to the firm.

There are two types of organisation which depend upon size, but contain similar systems, departments and procedures, although the number, types of activity and roles they play will vary: profit (focused on revenue) and non-profit (which focus on promotional activities of private or public goods which are not in business to make revenue i.e. voluntary / social work.). There are also a number of departments that are also inherent to every company:

- Management department containing board of managers, directors, chief executive officer (CEO)
- Public Relation department, responsible for outside communication, press releases and the general publicity of the company.
- Human Resources Management, responsible for hiring, firing, training and employee/manager relations.
- Marketing department, responsible for advertising, media and promotion, and if no market research department, responsible for identifying the target audience, strategic research and insights
- Retail department, responsible for production or selling process.

An organisation could be constructed of various divisions containing an over arching CEO, with a 'head off' Director, and then a structured management and workforce team beneath,

where there are varying roles and responsibilities. Employees within a company are the most important as they will ultimately ensure that the goals and targets of the company are achieved. As Mohir Tayeb<sup>15</sup> (1996) states there are two different views: unitary and pluralist:

- “Unitary” is the end score or profitability of the company which is estimated by the stakeholders yet run by the CEO and Directors and doesn’t require to consider the needs and requests of employees. Companies that are run under this regime tend to have a lack of democracy due to the structure implemented.
- “Pluralist” is where stakeholders and employees join a company or organisation with a set of their own priorities and interests that they would like to achieve, ensuring good relations within society are kept, for example trade unions, where they need to agree and implement better working conditions and pay for the workforce, together with trying to direct power within an institution.

When applying the Unitary and Pluralist theories to various countries, according to Thyeb (1996) :

*“Nations differ from one another in the degree to which they view explicitly or implicitly, organizations (at various levels) as unitary or pluralist entities.”<sup>16</sup>*

There are many reasons for this, but the main differences relate to the varying cultures within countries, independent economies, together with free trade unions.

As part of Hofstede’s<sup>17</sup> (1991) five dimensions (described in full, in Chapter 2, section 2.3.1), Organisations could also be seen in terms of collectivism and individualism.

- “Collectivism” characterizes the strong emotional relation in workplace, where feelings are seen as together and united whether being within team or family. This type is mainly organisation can be seen in communist countries such as: China and

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<sup>15</sup> Tayeb (1996,p.83)

<sup>16</sup> Tayeb (1996,p.85)

<sup>17</sup> Hofstede (1991,p. 81-96)



Korea. Here companies believe that the employers and employees' are essential "life partners" as they treat them with full respect sharing with them their private life in detail. In respect to procedures, the workforce would also be advised that "right" is the correct and only way of doing things. In comparison, other collectivistic countries such as Malaysia or India do not connect to their bosses as their employers do not show any interest in their private life. If they have some issues or problems, they automatically turn to their families or friends where assistance and advice is given. In this instance, family and private lives are very crucial and are best kept apart.

- "Individualism" is best described as an organisation that is independent and does not consider teamwork to be the most effective, believing that their own capabilities, self belief and success being the most important goal and as Hofstede states:

*"The relationship between organisations and their employees is maintained at arm's length."*<sup>18</sup>

Generally individualistic organisations like competition and are indebted to their great personalities and staff. On a personal level, employees will not share their personal lives and problems with others, as they do not take part in external after work activities or care about some of their colleagues' difficulties. Typical countries where this trend occurs are the USA, western European Union and the UK.

### **2.2.2 Leadership and Management Styles**

A leader could be one person with a team or head of a group of people who directs the their employees' to ensure a successful outcome in the companies successful results. In the words of the "allpm" website (2010):

*"The only definition of a leader is someone who has followers"*<sup>19</sup>

In certain aspects of leadership, the characteristics of this person may change, as they may

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<sup>18</sup> Hofstede (1991,p.62)

<sup>19</sup> allpm website,2010

try to interpret a person that may be successful or great in their present job. In reference to Robert K. Merton<sup>20</sup>, he believes that the following distinction among leaders can be made:

- People who have influence at the moment (some of which social status is determined)
- Potentially influence people (rising stars, climbing up the hill on the social ladder)
- People whose influence gradually disappears (after reaching the peak moving down the social ladder)
- People whose influence is "hidden" (they are objective characteristics of individuals that have an effect, but do not use this feature)

A leader is a person who ensures that the goals are met whether within a team or CEO of a company, but also has the personal attributes or prestige to ensure that the rest of the team is successful and effective. If the leader isn't effective, then the team or company could possibly fail. Leaders could have different characteristics dependent upon position, experience and grade.

Responsibilities of many leaders have always been formalised by character, whether it be the accumulation of personal and official authority, or the experience in the roles already accomplished through the number of years that the leader has been employed within the company, and this is typical of both a privately or publically owned organisation. Additionally a leader could also be both from an institution or authority, or even an external multinational company, dependant upon the correct leadership and skills required for the ascertained position.

The process of Leadership ensures that the best results can be achieved for the company and workforce, with a plan, control and management briefs in place to improve existing relationships between subordinates and employers, and creating the right "way to follow" are always implemented.

Although many managers act as a leader and have a strong desire to be one of them, unfortunately some are then found as not having the required potential or charisma to be in

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<sup>20</sup> Merton (1949)

a leadership position, as desire and necessity is very often stronger than their capabilities and personal skills, so the question has to be asked whether a manager should automatically be assumed to be a leader. Monir H. Tayeb<sup>21</sup> (1996) distinguishes four various types of Managers: autocratic, benevolent autocratic-persuasive, consultative democratic and participate democratic. Taking each in turn:

- “Autocratic manager”<sup>22</sup>, controls everything, and does not trust his employees and subordinates, with decisions, and the smallest of detail being decided by himself. Time plans and stringent deadlines are also very important, with quick snap decisions being made if necessary to ensure the plan is kept to schedule. Having control in this manner also ensures that the order of tasks is correctly prioritised and co-ordinated, allowing the manager to make the right decisions at the right time. On the downside, this style of management could reduce motivation, as the workforce would not be able to make decisions for their own style and ways.
- “Benevolent autocratic-persuasive manager”<sup>23</sup>, looks down at his subordinates. Although this Manager may take into consideration the workforces’ opinions ideas and views, in most cases the manager would make the decisions alone, providing rewards and punishment when it’s needed. This management position is an exceptionally clear way of leading a group of people, as it shows employee concepts and strong and clear management position.
- “Consultative democratic manager”<sup>24</sup> takes into consideration all the ideas the managers’ employees bring to the table, encouraging them to collaborate and participate with the decision-making process. Where possible the manger will provide up to date feedback to his employees when results become available. This style of management believes in the workforce, paying particular attention in not loosing their trust, yet providing positive motivation to his employees – ensuring that the workforce feel extremely important and considered. If for any reason the manager loose the teams or workforces trust, then the manager could loose his

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<sup>21</sup> Tayeb (1996,p.84)

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> Ibid.

leadership position quickly.

- “Participate democratic Manager”<sup>25</sup> This style is a cross between the “Benevolent autocratic-persuasive manager” and the “Consultative democratic manager”. This type of management ensures that both sides (management and Employees) are in balance with one another, as employees are involved in the day-to-day decision-making process, bringing a feeling of belonging and importance to the team. They see their manager as leader who steers and motivates, together with organising meetings, issuing of meetings and plans. Any final changes are completed by his team, with the ultimate decision and initial implementation being completed by the manager himself.

Although the “Participate democratic manager” is one of the most popular managerial styles implemented, it can be very timely because of the employee decision process that would need to be completed, as meetings and reviews would need to fit around the existing meeting structure which would already be in place. Being on time is less important than trust, confidence and belief in the workforce. Any manager within an organisation will perform many different roles, and in some cases being prepared for the unexpected, although this would be focused on their management skills and personal preferences.

As the four different management styles show above, the suitability of each will depend upon the workplace, personnel and type of organisation, with some being more popular than others. One example would be the manufacture plant where plastic components were constructed, where more machines and advanced technology is used. For this type of company, it would be more petulant for an autocratic management style to be employed, where as with high tech business, most likely decentralised and participant management would be deployed. As Monir H. Tayeb(1996) explained saying that:

*“this style allows employees further down the hierarchy to express their views and to respond quickly to the events if need be without having to refer matters to the managers higher up.”*<sup>26</sup>

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<sup>25</sup> Ibid.

<sup>26</sup> Tayeb (1996,p.93)

Right to the opposite end to the spectrum, in the financial organisations i.e. banks; building societies etc, the preference of management style would be democratic due to the existence of using the employee's talents.

In addition to the above four management styles, I also found a further two types which are directly linked to the 'origin of cultural features', being caused by the new trends and constantly shifting patterns of the developing and diverse population, with the emphasis being on a 'task orientated' or 'employee-orientated' manager. Taking each in turn:

- Task orientated: where the manager is shaped, uses his own wide knowledge and is characterised by his/her employees' personal views and comments. The Manager will inform his subordinates about the very detailed new plans and projects, ensuring that the manager can clearly communicate with his colleagues about the program going forwards. The manager will divide his team into specific teams to ensure that pre-determined deadlines are completed on schedule, pushing the boundaries as hard as possible, yet requiring a weekly report on progress in case of potential or unexpected delays. The task orientated manager will ensure that all the required tools and information are available when needed.

On completion of the task, the manager will request feedback, understanding any areas which could have been completed any better, and using his own development techniques will enhance individuals to ensure that they are efficient in further team work going forwards.

- Employee Orientated: when the manager is characterised within a 'parenting role' taking care and understanding of viewpoints and ideas shared by employees. The most important role for this manager is to listen carefully, ensuring that his interest and support is paramount being available 24 hours a day if required. The manager will take interest with his employees and treats them with respect and trust, relying on the employees fully, rewarding where required. This ensures that there is an increase in job satisfaction as long-term relationships are developed, becoming both trustworthy and reliable.

### 2.2.3 Corporate Culture

Over the last 10 years, both scientists and experts have become very interested in Organisational Management, with many studies, journals and publications appearing in regard to this topic. I will focus on the subject of leading a team or organisation, which is closely related to corporate culture, rather than ‘leading (great diversity)’, which is exceptionally general, and captures many aspects. Corporate culture can vary from the culture in which we are normally raised up within. Referred by Oxford Dictionary (2003):

*“The values, beliefs, norms, and traditions within an organization that influence the behaviour of its members. The differences in level of formality, loyalty, respect for long service, etc., may vary between firms, giving each one a distinctive ethos, which often conditions the behaviour of new employees.”*<sup>27</sup>

Corporate culture (which could also be referred to Organisational or administrative culture), describes the origins, development and influence of the human factor which is key to an increase in efficiency for the whole workforce within any company, whether it be a CEO, Director, Manager or his/her subordinates, as this could increase company profits. J. Marshall and A. McLean<sup>28</sup>(1985) states that:

*“Organisational culture is the collection of traditions, values, policies, beliefs and attitudes that constitute a pervasive context for everything we do and think in the Organization.”*

Not only does Corporate culture have a key to an increase efficiency, it may also affect other areas such as the decision making processes, relationships with customers, clients, suppliers employees’ and communication, but it does largely depend upon the employees accepting and abiding to the parent company’s corporate cultural values and procedures, and whether the corporate is strong or not.

If it is found that a strong culture is in place, then the sense of confidence, security and acceptance by the workforce could be enhanced or dramatically reduced, dependent upon

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<sup>27</sup> Oxford Dictionary (2003,p.133)

<sup>28</sup> Marshall & Mclean (1985,p.2-20)

the position and situation of the company, although these will specifically relate to whether they were positive; where an employee receives recognition for his/her work, or negative; where disciplinary hearing could occur. In addition, if a highly developed corporate culture occurred, then there could be some negativity in respect to implementing innovation and changing trends, as certain rules, comments, workforce opposition and lack of individualism could hinder the organisation and reduce company opportunities. In the early 1980's E. Schein<sup>29</sup> created an organisational cultural model to distinguish two corporate cultural adaptations: "Internal and External"; "External" being able to understand the mission statements, organisational objectives as well as being able to integrate and involve members of the organisation, with "Internal" defining the principals and limits of power and freedom, informal / formal stature, common language and goals, to ensure the needs of security and affiliation.

Everybody who has worked within at least two different companies, would be able to notice a difference in the cultural organisation of each, as the style of operation, management, internal communication, behaviour of employees between themselves and their bosses could differ in a number of ways, depending upon how the company has structured its staff and the value in which they bring.

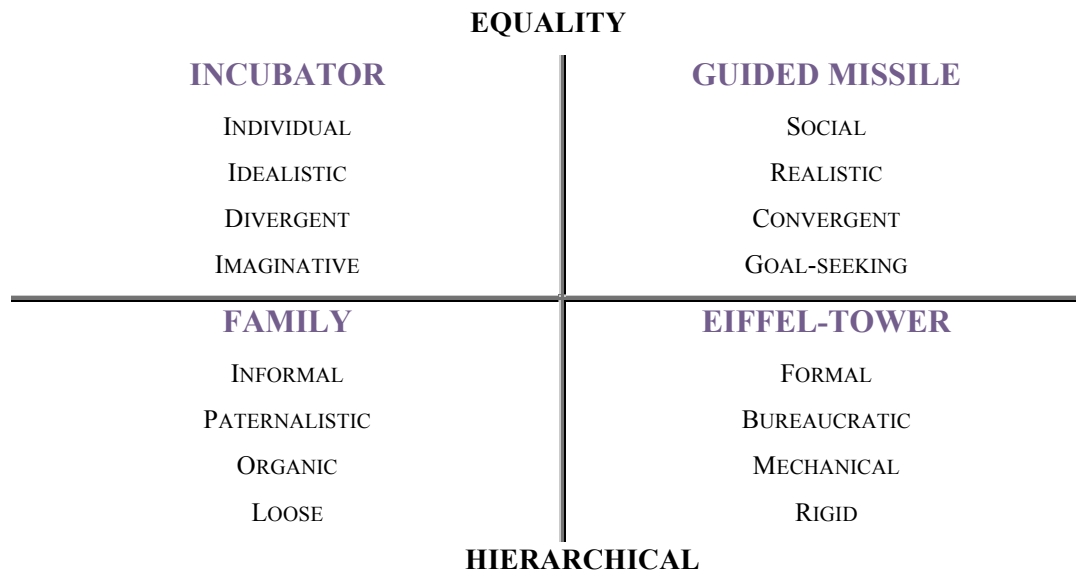
Fons Trompenaars<sup>30</sup> (2003) is Director of Trompenaars Hampden-Turner (THT) - a world-class innovative multicultural management centre, and has written many influential intercultural management books "Managing people across cultures" and "Business across cultures" just to name two. The later I have used for my thesis with the development of the Value Polarities table, which can be seen in Table 1 (below), where Trompenaars identified that there were four types of corporate culture: Incubator, Guided Missile, Family and Eiffel Tower<sup>31</sup>. Taking each in turn:

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<sup>29</sup> Schein website, 2010

<sup>30</sup> Trompenaars (2003)

<sup>31</sup> Ibid.



**Figure 1: Value polarities corresponding with Person-Task dichotomy<sup>32</sup>**  
**Trompenaars (2003)**

- Incubator: Trompenaars describes this as “*typical Silicon Valley, is a culture both person-oriented and egalitarian. It is highly creative, incubating new ideas. Such organizations are egalitarian because anyone, at any moment, regardless of their status, may come up with a winning idea. They are person-oriented because the tasks necessary to making and distributing these new products are not yet defined.*” Here Trompenaars explains that employees want and need to be considered within the decision making process, but where there are large numbers of employees within an organisation, there could be huge competition which may lead to negativity in both motivation and results, and for that reason alone, is why the CEO should take charge when companies change policies and working practices for employees such as pay. Sometimes the structure that is flexible and imprecise may not be so, as the leadership in regard to the CEO may differ or may not exist at all. Due to the competition and the strong decision making process, Trompenaars states that: “*in this culture, the individualization of all related individuals is one of the most important features. The organization exists only to serve the needs of its members*”. With this corporate structure, equality is more important than hierarchical.

<sup>32</sup> Ibid.



- Guided Missile: is more specific than the Incubator, and is more task orientated working within groups to ensure the best results possible. Characteristically groups are Multitasking, can differentiate and are very motivated to get good results. An example is NASA where achievements and being effective has greatest value. They took over 100 disciplines in science and engineering in order to land on moon. “The only boss was the task or mission itself”<sup>33</sup>
- Eiffel Tower: as it suggests by its name, is a highly strategic bureaucratic structure, with exceptional working systems, control levels and strict rules, yet is one of the most popular hierarchical models used by companies today. All employees have specific job titles and roles, to ensure there is no misunderstanding. Work is often routine, with results being very precise and leadership being admired. Respect for the CEO, directors and managers are the norm in this type of structure. Trompanaars believes that this culture is stable, reliable and safe.
- Family: is the oldest and most popular corporate cultural model, with most companies being exceptionally private in its day-to-day activities. This type of culture has role models, normally within the family structure: “older brother-younger brother” after one generation had disappeared. This structure is clearly hieratical, as the company will normally pass between family members. A company with this type of structure will pay particular attention to family values, cultures and traditions which not only provides a great reputation for the company, but also a good working relationship with its employees. From a negative perspective, the family structure may be run by old fashion management and could lead to a number of mistakes, with “unreal picture of his aim” being planned for the implementation of projects, with 50% of companies becoming bankrupt after the first 10 years in business.

Although the above types are idealistic types of corporate culture, Ch. B. Handy<sup>34</sup> developed a number of pure forms, but today these are very hard to find in companies, due

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<sup>33</sup> Ibid.

<sup>34</sup> Handy (1985,p.185)

to the type of perfection, which is required. Some of the types listed are similar, but more common are the assorted types:

- **Power Culture:** also known as a “spider network“. It is based upon the most important leader within the central division who has an extremely strong influence on the whole organization. There are of course other supportive groups of managers that follow the CEO; yet these are of course less important. Their work concentrates on the external relationships and vision of the company, whose whole development and success depends on the structure of their leaders. The leaders should implore strength, personal skills, good market value and environmental knowledge, ensuring they are able to respond quickly to various actions. This type of culture best suits small organizations, as it is almost impossible for the leader of large organisations to control in the long term.
- **Cultures Role:** called Greek Temple, which specialises in so called “pillars” - a role which separates departments or projects, yet are formed of strong specialist groups which later link together on completion of a project. This type of culture is often very stable without changes. The work that is completed within this type of role is mostly bureaucratic and their efficiency depends on rational determination of objectives and allocation of resources within individual departments, yet controlled by an Executive Board. If problems occur, then the pillar management would have to make changes, but due to their normal stable circumstances they could struggle to keep the same position within the market.
- **Aim Culture (Task Culture):** can be illustrated as “grid” where some of the lines are stronger than the other. In this culture the most important is to fulfil the task, project or program. Knowledge and experience here are the key leading features. The big advantage is that teamwork, mutual help, flexibility, and capabilities adapt to the changing environment and conditions. Working groups are specific and created to resolve issues, depending on the needs and reacting quickly when issues arise. The most powerful person of this cultural type must be experts who possess qualifications, knowledge and experience, and for this reason alone, is why this type of organisation is very hard to control. Efficiency and ability is crucial as moves within teams and projects could occur, but from the negative perspective this may

lead to limited access to information and resources. It's sometimes possible that with the implementation of long term static project work, the type of culture may change into a "Cultures Roles"

- Unit culture: is where individual professionals are highly motivated and confident candidates face and gain their professional needs. This type of culture often suits lawyers, architects or consultants. Normally this type of cultural company offer a good standard of professionalism and workplace, but in the main, specifically centres on the bodies within the workforce. If any member of the workforces needs to leave, then the owner of the company will take the decision immediately

### **2.2.4 Managerial Strategies**

Part of my research for my thesis centred upon documents, which were resourced from The Harvard Business School. It was found that in most instances the cause of such disruption/problems of industrial relations were not cultural, but personal due to the techniques and knowledge of the known issues by the company. Where a company has understood the behaviours and motives associated with a multicultural organization, then harmonic co-operation as well as progress for new challenges may occur. As part of this process, personal relationships and the open mindedness of other cultures may also develop. Each business will face multicultural differences on a daily basis, with the resolution of issues depending upon the attitude of the personal and company involved through to the techniques used. With these cultural differences facing companies every day, there are a number of ways, inclusive of a correct strategy which could be implemented to prevent individual domination, as long as compliance from the CEO to ground level is maintained.

Jeanne Brett, Kristin Behfar and Mary C. Kern<sup>35</sup> (2006) author of 4 different types of Managerial strategy developed, which represented the way how to apply and work within multicultural teams: Adaptation, Structural Intervention, Managerial Intervention and Exit. They developed this particular approach due to the acknowledgement and variety of communication problems encountered and the different ways of conducting business, whether it be direct vs. indirect communication, trouble with accents and fluency of the

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<sup>35</sup> Brett, Behfar &Kern (2006, p.1-4)

spoken word; differentiation of authority and finally the conflictive decision making process – all aspects being very crucial as they always appear in every kind of organisation on a daily basis. Implementing these basics and the correct approach from the early stages of conflict can influence the long-term effectiveness of the workforce where the managerial strategies table could be implemented. The authors also believe that it isn't just the national characteristics that could cause conflicts, but also the inborn behaviours of every person due to the simplest of issues i.e. lack of information or interest. This theory is also supported by Hofstede (2007) who states that:

*“The nature of management skills is such that they are culturally specific :a management techniques or philosophy that is appropriate in one culture may not necessarily appropriate in another”*<sup>36</sup>

Taking each of the four managerial strategies in turn, their description should be read in conjunction with Figure 2:

- Adaptation<sup>37</sup>: is when a company, through its internal and external policies or strategies, recognise cultural differences, ensuring they understand both the positive and negative aspects. This is so the company is able to ensure they try to avoid issues openly and capture the problem very early on so they are able to alleviate more complex problems further down the line. In a company where diverse cultures bring new challenges, the company and its directors adopt “best practice where possible, and any issues which may arise”<sup>38</sup> both the employees and managers must learn from the experience.
- Structural Intervention<sup>39</sup>: represents a “deliberate reorganisation or reassignment designed to reduce interpersonal friction or to remove a source of conflict”<sup>40</sup> This type of strategy can be very effective when the management team create clear aims to teams and divisions, or when team members are keen to represent old stereotypes.

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<sup>36</sup> Hofstede (2007,p.411- 420)

<sup>37</sup> Brett, Behfar &Kern (2006, p.1-4)

<sup>38</sup> Brett, Behfar &Kern (2006, p.1-6)

<sup>39</sup> Ibid.

<sup>40</sup> Ibid.

- Managerial Intervention<sup>41</sup>: strategy is when a director, with the right to decide acts like a judge, in making final decisions without letting any team member know. Divisional managers do not know exactly what the decision will be, until the final verdict has been received. Divisions or managers can also use Managerial Intervention at any time, when they come to the director or their subordinate and ask questions to solve specific issues. Although assisted, the relationship is reserved.
- Exit<sup>42</sup>: strategy, as the name suggests, is where the directors dismiss these employees who cannot adopt and perform in the way how the company requires them too. This is the most drastic strategy and is often used in long-term projects where performance has not been acceptable. In the short term, a team member could be cut out of an existing project and must wait for another project to commence. If the

**Figure 2: The four Managerial Strategies developed by: Jeanne Brett, Kristin Behfar and Mary C. Kern ( Harvard Business Review, 2006 )**

STRATEGY	PRESENTATIVE PROBLEMS	ENABLING SITUATIONAL CONDITIONS	COMPLICATING FACTORS
<b>ADAPTATION</b>	<ul style="list-style-type: none"> <li>• CONFLICT ARISES FROM DECISION MAKING DIFFERENCES</li> <li>• MISUNDERSTANDING OR STONEWALLING ARISES FORM COMMUNICATION DIFFERENCES</li> </ul>	<ul style="list-style-type: none"> <li>• Team member can attribute a challenge to culture rather than personality</li> <li>• Higher level managers are not available or the team would be embarrassed to involve them</li> </ul>	<ul style="list-style-type: none"> <li>• Team members must be exceptionally aware</li> <li>• Negotiation a common understanding takes time</li> </ul>
<b>STRUCTURAL INTERVENTION</b>	<ul style="list-style-type: none"> <li>• THE TEAM IS AFFECTED BY EMOTIONAL TENSION RELATING TO FLUENCY ISSUES OR PREJUDICE</li> <li>• TEAM MEMBERS ARE INHIBITED BY PERCEIVED STATUS DIFFERENCES AMONG TEAMMATES</li> </ul>	<ul style="list-style-type: none"> <li>• The team can be subdivided to mix cultures or expertise</li> <li>• Tasks can be subdivided</li> </ul>	<ul style="list-style-type: none"> <li>• If teams members aren't carefully distributed , subgroups can strengthen pre-existing differences</li> <li>• Subgroups solutions have to fit back together</li> </ul>
<b>MANAGERIAL INTERVENTION</b>	<ul style="list-style-type: none"> <li>• VIOLATIONS OF HIERARCHY HAVE RESULTED IN LOSS OF FACE</li> <li>• AN ABSENCE OF GROUND RULES IS CAUSING CONFLICT</li> </ul>	<ul style="list-style-type: none"> <li>• The problem has produced a high level of emotion</li> <li>• The team has reached a stalemate</li> <li>• A higher –level manager is able and willing to intervene</li> </ul>	<ul style="list-style-type: none"> <li>• The team becomes overly dependent on the manager</li> <li>• Team members may be sidelined or resistant</li> </ul>
<b>EXIT</b>	<ul style="list-style-type: none"> <li>• A TEAM MEMBER CANNOT ADJUST TO THE CHALLENGE AT HAND AND HAS BECOME UNABLE TO CONTRIBUTE TO THE PROJECT</li> </ul>	<ul style="list-style-type: none"> <li>• The team is permanent rather than temporary</li> <li>• Emotions are beyond the point of intervention</li> <li>• Too much face has been lost</li> </ul>	<ul style="list-style-type: none"> <li>• Talent and training costs are lost</li> </ul>

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

situation repeats itself, then there is every possibility of instant dismissal. This could also occur when the team members react too emotionally and without self-control.

## **2.3 Multicultural Research**

Cultures can be described and compared by using different dimensional levels, and there have been many great researchers who have tried to prove, develop and define. As previously mentioned, as part of my research I have reviewed both Hofstede and Mintzberg, and the ways and means culture can be defined.

When we talk about cultural differences, no matter what we want to discuss or analyse we always find one similarity: “understanding people with who we work with.” From Hofstede’s<sup>43</sup> (1991) own researches, I have found out that there are various explanations and examples about cultural differences where countries and nationalities are compared with one another. Culture is our mental system, based on our habits and natural reactions but it is something that we cannot change in any way; but which will always subconsciously show the characteristics of different environments.

From my personal experience of being an immigrant and living within varied and changing cultures, I believe that it is very difficult to adapt within a new environment, country and society, as behaviours and beliefs change within a section of the community, suburb, city or culture are different to that of my in born values, habits and beliefs of the community where I was living before. Although we may sometimes naturally adapt, it will always take time, commitment and self-control, as it doesn’t matter if we come from an individualistic, collectivistic, feminine or masculine country, people who decide to migrate should always be able to work with one another, with different nationalities coping, helping themselves and trying to meet their planned achievement. In most cases this is dependent upon the individual persons’ capabilities, attitude and knowledge. Nowadays because of economic developments, demographic movements and changing economics, we join other nations to co-operate, enhance lifestyles and understand the relevant behaviours and support which is required to solve and understand the changing daily lifestyle of a modern society, whether it is to bring profit or benefit to a nation, community or workforce. Balance in an

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<sup>43</sup> Hofstede (1991)

organization or workplace, where equal rights, together with the same possibilities of learning and growth should be given to everyone, with idealistic success being mutually achievable to all employees, where day to day activities should drive the required achievements by the development, use and acceptance of others values, attitudes and beliefs in multinational groups is implemented.

### **2.3.1 Hofstede's 5 Dimensions**

Geert Hofstede is a retired Professor from Maastricht University. He conducted vast amounts of research on how culture influences our behaviour at the workplace, family and school. Hofstede stated that people carry mental programs or software of the mind which is created during childhood, as a result of strengthened cultural environment, stating that:

*“the sources of one's mental programs lie within the social environments in which one grew up and collected one's life experiences. The programming starts within the family; it continues within the neighbourhood, at school, in youth groups, at work place, and in the living community. (...) Mental programs vary as much as the social environments in which they were acquired.”<sup>44</sup>*

The dimensions of culture do not allow the prediction of individual behaviour, but are a good indicator of the standards and expectations of society, as well as the most common behaviours. These norms and expectations have an effect on every aspect of society, particularly with the relationships within the organizations such as IBM. Many researchers developed their own research and theories of Hofstede's Dimensions as initiator in international business relations and activities of multicultural organizations, although many failed, when the hypotheses were confronted with another culture, whether it be the motivating of employees and employers, or the immigration of a population movement.

Between 1967 and 1973 Hofstede analysed around 100,000 IBM employees within 74 countries, and the results of this research helped Hofstede to create a model of five but originally four Cultural Dimensions: Power Distance (PDI), Individualism (IDV), Masculinity (MAS), Uncertainty Avoidance (UAI), and Long Term Orientation (LTO).

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<sup>44</sup> Hofstede (1991,p.4)

Taking each Cultural Dimension in turn, Hofstede concluded the following specifics about each:

- **1<sup>st</sup> Dimension: Power Distance (PDI)**

Hofstede's Power Distance Dimension specifies relationships between superiors and subordinates and between the authority and the citizen, Hofstede (1991) writes:

*“The extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally. Institutions are the basic elements of society like the family, school, and places where people work”<sup>45</sup>*

Power distance also determines the degree of acceptance of social inequality, the tendency of superiors for consultation with subordinates, namely the degree of authoritarianism of power as well as the expected degree of obedience to parents, superiors and authority.

Power distance reflects directly to the motivation of workers, and techniques used: the key differences can be seen in Figure 3 below. In cultures with low power distance, example Austria, with score of 22, motivating the autonomy of the worker by giving them greater opportunities to make decisions and show their initiative, but keeping “emotional distance” with their bosses. This will ensure that their bosses wouldn't involve them so much with the various strategic decisions and discussions required.

At the same time the workforce would prefer not to share their personal life – so the relationship between the manager and director is someone who they would respect and be loyal too but nothing else. Comparing Austria with the United Kingdom with a Power Distance score of 35, means that managers can review and communicate at will with their subordinate employees, implying democracy to the decision making process. Here blame and congratulations can be shared equally as team work would be exceptionally common, as the manager or director would trust and expect his subordinates to handle large projects, indirectly motivating the workforce due the superior authority, status and authoritarian management style, but not withstanding the strong need of consultation and help. From a negative perspective, due to the increase in authority, the subordinates may feel confused,

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<sup>45</sup> Ibid.



stressed or reluctant to take action if too much pressure is placed on them from their boss as this builds too strong differences between superiors and subordinates.

**Figure 3: Key differences between small and large power distance societies (within the Work Organisation)<sup>46</sup> (Hofstede ,1991)**

LOW POWER DISTANCE	HIGH POWER DISTANCE
Subordinates expect to be consulted	Subordinates expect to be told what to do
The ideal boss is a resourceful democrat; sees self as practical orderly and relying on support	The ideal boss is a well-meaning autocrat or good father; sees self as benevolent decision maker
Managers rely on personal experience and on subordinates	Managers rely on superiors and on formal rules
Hierarchy in organizations means an inequality of roles, established for convenience.	Hierarchy in organizations reflects existential inequality between higher and lower levels.
Privileges and status symbols are frowned upon	Privileges and status symbols are normal and popular
Decentralization is popular	Centralization is popular
Innovations need good champions	White-collar jobs are valued more than blue collar jobs
Managers feel adequately paid	Managers feel underpaid
Managers involved in relevant purchasing decisions	Managers not involved in relevant purchasing decisions.

- **2<sup>nd</sup> Dimension: Individualism (IDV)**

Hofstede's 2<sup>nd</sup> dimension Individualism vs. Collectivism<sup>47</sup> defines the cultures where people are able to unite (collectivism) or on the other extreme, lead a more individualistic lifestyle. Individualism sets ratios between the weight given to the good of individuals and other groups, keeping their family/company ties loose where everyone takes care after themselves, their own families, company position and problems. A number of individualistic societies sometime determine the position of their own qualities, and these are usually unique and / or independent.

The main differences between the Individualism vs. Collectivism cultures can be summarised in the Figure 4:

<sup>46</sup> Hofstede (1991,p.37)

<sup>47</sup> Hofstede (1991, p.67)

**Figure 4: Key Differences between collectivistic and individualistic societies (within the Work Organisation)<sup>48</sup> (Hofstede,1991)**

COLLECTIVIST	INDIVIDUALIST
Relationship employer-employee is perceived in moral terms, like family link	Relationship employer-employee is a contract supposed to be based on mutual advantage
Hiring and promotion decisions take employees' group into account	Hiring and promotion decisions are supposed to be based on skills and rules only
Management is management of groups	Management is management of individuals
Diplomas provide entry to higher status groups	Diplomas increase economic worth and/or self-respect
The purpose of education is learning how to do	The purpose of education is learning how to learn
Direct appraisal of subordinates spoils harmony	Management training teaches the honest sharing of feelings
Relationship prevails over task	Task prevails over relationship
Employees are members of in-groups who will pursue their in-group's interest	Employees are "economic men" who will pursue the employer's interests if it coincides with the self interest
Occupational mobility is lower	Occupational mobility is higher

- **3<sup>rd</sup> Dimension: Masculinity (MAS)**

This particular dimension indicates and specifies the diversity of gender-specific roles – the main differences being noted in figure 5. Masculinity lies on the attitude of being self-confident, which is earning money and other material goods, making sure that they “live to work” and have a good life with financial security.

Masculinity ensures that any managerial positions that take decisions are assertive, together with being just and competitive to ensure as many achievements are possible to the extent that cultures prefer achievement and assertiveness or nurturance and social support.

In comparison of the female behaviour, both sexes are similar, but are always closer to the male, whilst in culture the male has greater role attribution. This indicates that the:

*“High differentiation between woman and men, which means that women try to keep a*

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<sup>48</sup> Hofstede (1991, p.67)

*strong position, being confident, independent, challengeable and ambitious.*”<sup>49</sup>

From a feminine perspective, the women's role manages the realm of the harmony of feelings and behaviour. According to Hofstede's research, predominant feminine countries are based on national attitudes, caring for others and the quality of life. At work, normally there would be a good atmosphere and friendly relations between other employees and subordinates. Feminine perspective ensures that it's more common to “work to live” than “live to work”. Women do not care if they are promoted, as they concentrate on harmony and a proper atmosphere. Managers shall be guided by their intuition, always finding agreement. This is very important for equality, solidarity and quality of working life with any feminine conflict being resolved by compromise and further negotiations.

**Figure 5: Key differences between Feminine and Masculine societies (within the Work Organisation)<sup>50</sup> (Hofstede, 1991)**

FEMININE	MASCULINE
Career are optional for both genders	Career is compulsory for men, optional for women
Men should be assertive. Women should be nurturing	Men needn't be assertive, but can also assume nurturing roles
Performance is what counts	Quality of life is important
People work in order to live	People live in order to work
Rewards are based on equality	Rewards are based on equity
Resolution of conflicts by compromise and negotiation	Resolution of conflict by letting the strongest win
There is a higher share of working women in professional jobs	There is a lower share of working women in professional jobs
Competitive agriculture and service industries	Competitive manufacturing and bulk-chemistry
Preferences for smaller organizations	Preferences for larger organizations

- **4<sup>th</sup> Dimension: The Uncertainty Avoidance Dimension (UAI)**

This dimension measures the ratio of population vs. the uncertainty about the future with Hofstede using this dimension to show “the extent to which the members of a culture feel

<sup>49</sup> Ibid.

<sup>50</sup> Hofstede (1991,p.78)

threatened by uncertain or unknown situations” In other words, the UAI determines the extent to which people in a culture are willing to accept the unpredictability of social relations and uncertainty of the future - the main differences being seen in figure 6 below. Hofstede (2007) states:

*"we can avoid the uncertainty (...) defined as the degree of threat felt by members of the culture in the face of new situations, unknown or uncertain. "51*

The main motivator in societies with strong uncertainty avoidance is therefore providing a sense of security. In practice, they may be longer-term contracts, steadily increasing wages, certain employee benefits, such as medical care, insurance, pension plans, etc or within business the required “measurable factors” such as money in respect to the amount of sales secured or the number of completed tasks, training courses or minimal mistakes. In most instances the rules of engagement must be agreed, otherwise employees may have a sense of unpredictability, and could lose their incentive effect. According to Hofstede in countries with high UAI it is very common to find a steady threat with an increased feeling of anxiety and high level of stress. At work or school it is popular to face a strong emotional need for recognition of everything within a framework of recognition. Where Strong Avoidance countries like Austria, Hofstede found that:

*“working hard is caused by an inner urge- it is way for relieving stress”52*

Where cultures occur with weak uncertainty avoidance, the main motivator recognition of achievements is expressed in praise, financial awards, or other forms of gratification, where high open-mindedness towards uncertainty or behave abnormally towards people together with the reduction of rules that control society, such as sexual preferences and the desire to take risks and try new things is taken as the natural part of life. Within a working environment where weak uncertainty avoidance occurs, then rewarding should be left to an subjective assessment from the supervisor, yet where strong uncertainty avoidance is seen this would be considered as unpredictable and less motivational, would be deemed fairer by the weak uncertainty avoidance culture, as only man is able to assess all aspects of a

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<sup>51</sup> Hofstede (2007, p 411-420)

<sup>52</sup> Hofstede (1991,p.125)

professional employee.

**Figure 6: Key differences between weak and strong uncertainty avoidance societies (within the Work Organisation)<sup>53</sup> ( Hofstede,1991)**

<b>WEAK UNCERTAINTY AVOIDANCE</b>	<b>STRONG UNCERTAINTY AVOIDANCE</b>
Hard working only when needed	There is an emotional need to be busy and an inner urge to work hard
There is tolerance for ambiguity and chaos	There is a need for precision and formalization
Belief in generalists and common sense	Belief in experts and technical solutions
There should be no more rules than strictly necessary	There is an emotional need for rules, even if these will not work
More changes of employer, shorter service	Fewer changes of employer, longer service
Top managers are concerned with strategy	Top managers are concerned with daily operations
There are fewer self-employed people	There are more self-employed people
Focus on decision process	Focus on decision content
Conflict and competition can be contained on the level of fair play and used constructively	Conflict and competition can unleash aggression and should therefore be avoided
Ease and lower stress are experienced	Higher anxiety and stress are experienced

- **5<sup>th</sup> Dimension: Long-term orientation (LTO)**

As part of Hofstede's research of IBM, this dimension was not singled out, as it was only discovered and investigated when Canadian born Michael Bond completed his research. Bond who taught at the University of Hong Kong in China developed a questionnaire called the Chinese Value Survey (CVS) that was constructed without western bias, but did include Chinese cultural bias. He translated the (CVS) into different languages and 50 female and male students, in 23 countries, from all five continents were questioned. Bond's results were then investigated and validated at a later date by Hofstede, who then agreed that as a result of Michael Bond's dimensions, three directly overlapped, and thus finding a fifth dimension called the "Confucian dynamism dimension" (a relevant name for countries such as China Taiwan and Singapore) being renamed in 1991 to "long-short term

<sup>53</sup> Hofstede ( 1991,p.125)

orientation” so as to capture other Western, Latin or African countries which may display a similar orientation to those seen in the middle east. The long-short term orientation distinguished between long-and short-term attitudes in life – the main differences being noted in figure 7.

The long term culture focuses on the future where there was a sense of hierarchy, with inter personal relationships where the generation gap is visible, yet each member of the family has a particular role which concentrates on the long term plans. Within a company this long term attitude for example would be used to “ maintain face” within a company’s position – ensuring that all employees are held responsible for their results; and rewards should be granted as soon as possible. From a company perspective: lack of planning will ensure that there are loyalties within the business, although there will be only small amounts of funding for investment.

**Figure 7: Key differences between long and short term time orientation societies (Within a business and economical environment)<sup>54</sup> (Hofstede, 1991)**

SHORT-TERM ORIENTATION	LONG-TERM ORIENTATION
Personal loyalties vary with business needs	Investment in lifelong personal networks
Small saving quote, little money for investment	Large savings quote, funds available for investment
Managers and workers are psychologically in two camps	Owner-managers and workers share the same aspirations
Main work values include freedom, rights, achievement, and thinking for oneself	Main work values include learning, honesty, adaptiveness, accountability and self-discipline
Leisure time is important	Leisure time is not important
Importance of this year’s profits	Importance on profits ten years from now
Small saving quotes, little money for investment	Large saving quote, funds available for investment
Investment in mutual funds	Investment in real-estate

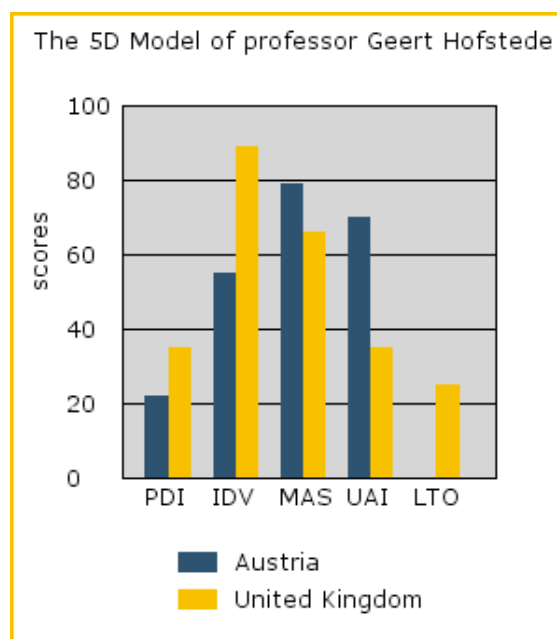
### **2.3.2 Comparison of Hofstede’s 5 dimensions between the UK and Austria**

Part of my research will include the interviewing and questioning of 3 companies, which as

<sup>54</sup> Hofstede (1991,p.132)

mentioned previously are located in both Austria and the UK – the research being seen in Chapter 2.3 section 2.3.4 and Appendix 1. As Hofstede has completed vast amounts of research using IBM, the results gathered can also be compared between the two countries. Using Hofstede’s findings for both Austria and the UK, will allow me to compare his results with mine, so comparisons between the 2 sets of results can be drawn – the analysis being completed in Chapter 3.0.

Figure 8 illustrates the differences between Hofstede’s 5 cultural dimensions of values obtained for the UK and Austria. It clearly shows the differences in the values where the UK lead over Austria in respect to the Power Distance (PDI) 35 vs. 22, Individualism (IDV) 89 vs. 50 and Long term orientation (LTO) 26 vs. 0, whereas Austria leads over the UK with Uncertainty Avoidance (UAI) 70 vs. 35 and Masculinity (MAS) 79 vs. 66, Dimensions.



**Figure 8: Compares the IBM results for Hofstede’s 5 dimensions for both Austria and the UK<sup>55</sup> ( Itim website, 2010)**

Splitting each of the countries down individually, it is very interesting to see the differences involved, but from the point of view of running a successful multicultural company IBM, the changes may be quite significant for the success of such a company within each of the countries.

<sup>55</sup> ITIM website,2010

Analysing the results from the UK and comparing the key difference of Hofstede's 5 dimensions, shows that the 3 dimensions which the UK are ahead on as highlighted above, confirm both in the short and long term the company has aspirations and key achievements planned for the future development of Subordinates and Managers as well as the company in both performance and managerial techniques (Power Distance (UK market leader) and Long Term orientation). All employees are individually striving to become the best not just in the short term, but also in the long term, as focus on learning and taking into consideration the employees interests are paramount (Individualism), without the stresses and strains of uncertainty and ambiguity going forwards, taking risks with their work lives to be ahead of their competitors with direction being given from the CEO downwards. Privileges and status when deserved will be awarded (Power Distance). When compared with the 2 other dimensions which the UK trail in, show that in neither the concerns of masculinity or the uncertainty avoidance dimension concern the UK based company to the extent of its Austrian counterparts, as the focus on the resolution of multicultural issues which could affect its UK operation are documented and in place, with any problematic issues which may arise being resolved immediately. Additionally it was also found that having an intermix of female and masculine workforce present, showed that within the company, equality and inclusion is equal, negotiation important, and the goals of both sexes being on par with each other, living and caring about themselves, leading original lifestyles.

Comparing why Austria is behind in the most important dimensions mainly centres on the different beliefs and cultures that can be demonstrated by Hofstede:

*"Examples of differences in mental programming between members of different nations can be observed all around us. One source of difference is, language and all that comes with it(...)In Europe, British people will form a neat queue whenever they have to wait; not so French(...) Austrians will wait at red pedestrian traffic light even when there is no traffic; not so the Dutch"*<sup>56</sup>

From Hofstede's research, where the UK leads in the Power Distance, Individualism and Long term Orientation, Austria lags behind as people do not feel inferior to one another, believing that authorities are there to serve people and that social or class equality should

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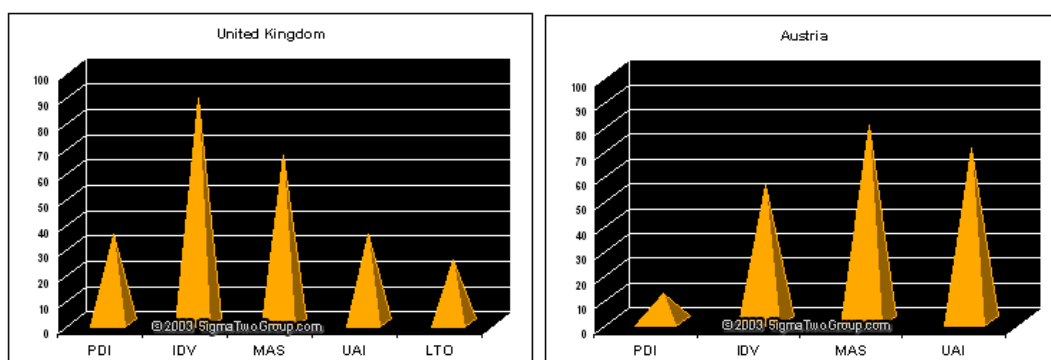
<sup>56</sup> Bing,online ( 2010,p.1-8)



be reduced, with society only using these powers for legitimate purposes (Power Distance). This can be summed up when John W Bing states:

*“(...)The people of Austria (parents, managers and subordinates) relate to one another as equals. People of this culture do not treat, and do not expect to be treated, any differently simply because of any social status or position of authority”<sup>57</sup>*

When reviewing the other two dimensions (Individualism and Long term orientation) from Hofstede’s research, Austria from my personal opinion is not seen as having an Individualistic or Collectivist culture nor has any Long Term Orientation for the future. From his research, Austria was seen to be placed in middle ground as only having a total of 50, in comparison with the UK that is seen to be very high, with a total of 89 for the individualistic dimension, with not being registered for the Long Term Orientation. The breakdown for each country can be seen in figure’s 9a/b below.



**Figures:9a (left) and 9b (right): Comparison of dimensions between UK and Austria<sup>58</sup> (Itim website, 2010)**

As Hofstede concludes below, Austria desperately wants to become an Individualistic country looking towards the future, but other collectivism and Short Term Orientation issues such as group appraisals, assisting each other and the management of groups and business needs vs. personal loyalties is preventing this, with only desires and preferences being seen rather than actual occurrence:

*“Austria “represents a desire for personal freedom, time, and challenge. As an*

<sup>57</sup> wikia,austria,online 2010

<sup>58</sup> ITIM website, 2010

*individualistic society, people of this country would rather do work, receive rewards, and take credit for innovation as an individual process as opposed to a collective gathering. Basically, the people of Austria are concerned with their personal well being, as opposed to the well being of the group, which they are a part of. They prefer to do their work individually*<sup>59</sup>

When reviewing the 2 dimensions which Austria excel ahead of the UK: Masculinity and Uncertainty Avoidance Dimensions, each shows that due to the “work to live” attitude, and the strong uncertainty avoidance, means that the opportunities for minimal long term planning, channels the instant emotional need to be busy and work hard with the same supplier, where male professions and general manliness is more common. Due to the uncertain long-term prospects, an increase in stress would be experienced. Normally where large organisations have male employees, then competition for the change of role would occur, with people judging the employee on their performance, ambition, specialisations and success. As John W. Bing(2010) states:

*„(...)Due to Austrian’s qualities of masculinity, people of the Austrian culture are good at detailed engineering type problems”*<sup>60</sup>

With the changing face and developing multicultural world we live in, as long as the Long Term orientation is not registered for Austria, to ensure the country confides within its aspirations to become individualistic over the coming years, with the development of the other dimensions listed, will assist with the long term orientation plans which are required.

### **2.3.3 Mintzberg’s managerial roles**

The second great researcher that I have reviewed is Henry Mintzberg’s PhD thesis, which was completed at the Sloan School of Management. Here, Mintzberg created ten Managerial roles within three divisions of a business environment, where any success in an organization depends upon the application of it roles through the direction of its CEO and mangers. Mintzberg<sup>61</sup> developed 10 roles spanning a variety of tasks, but all of which identified managerial behaviours. When reviewed collectively, the competences of a CEO /

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<sup>59</sup> wikia austria,online2010

<sup>60</sup> Bing, online (2010,p.1-8)

<sup>61</sup> Mintzberg (2010)

Manager can be evaluated in a role specific description.

With the rapidly developing competition in the global markets, large companies require specific actions to be implemented which will allow an advantage over their competitors, and to ensure this occurs, particular attention needs to be paid to the following aspects:

- Research, development and implementation of new products or services
- Identification of customer needs and how they meet the products or services of a company
- Construction of distribution channels, allowing their sale on global markets
- Adapt the company and its relationships with other companies to changing market conditions.

Ensuring that the best results can always be achieved, regardless of the managerial position held within the hierarchy, and the work the manager completes to ascertain achievement in regard to the above, Mintzberg's theory could be implemented.

From Mintzberg's research, he observed a number of CEO's from private and semi-public organisations, ultimately creating his own managerial management system (the manager's role) which focuses mainly on communication, and this can be seen in figure 10. Mintzberg established that where organisations deal with uncertainty, increased complexity, and does not allow simple methodology, communication is the most important aspect, where the more people orientated the company is, the more significant the company becomes, where the Management team should set achievable goals to ensure that for a certain period of time they are achieved, employees motivated together with ensuring that the required information, measurements and criteria for work evaluation of their subordinates takes place.

Category	Role	Activity
<i>Informational</i>	Monitor	Seek and receive information, scan papers and reports, maintain interpersonal contacts
	Disseminator	Forward information to others, send memos, make phone calls
	Spokesperson	Represent the unit to outsiders in speeches and reports
<i>Interpersonal</i>	Figurehead	Perform ceremonial and symbolic duties, receive visitors
	Leader	Direct and motivate subordinates, train, advise and influence
	Liaison	Maintain information links in and beyond the organisation
<i>Decisional</i>	Entrepreneur	Initiate new projects, spot opportunities, identify areas of business development
	Disturbance handler	Take corrective action during crises, resolve conflicts amongst staff, adapt to external changes
	Resource allocator	Decide who gets resources, schedule, budget, set priorities
	Negotiator	Represent department during negotiations with unions, suppliers, and generally defend interests

**Figure 10: Mintzberg's Managers Role (highlighting the 3 categories and 10 roles<sup>62</sup> (Imcuk online, 2010)**

Reviewing Mintzberg's "The Managers Roles", there are three categories with a total of 10 individual roles and activities within:

Category 1, Interpersonal Roles: which combine leadership, information gathering and ceremonial duties:

- **Figurehead:** the manager creates proper climate of contacts inside and outside the organization, promoting a positive, good image of company. Where the manager is seen as a symbol of authority
- **Leader:** the manager sets goals and creates conditions capable for the workers to achieve, directing them positively, overseeing their progress and prompting and encouraging their development.
- **Liaison:** the manager maintains contacts outside the organizations, ensuring information flow to gain access to the knowledge base.

Category 2, Informational Roles: which combine analysis of information, review of reports and conduct external speaking in regard to reporting.

- **Monitor:** The Manager obtains important information on the situation inside and outside the organization i.e. reports
- **Disseminator:** providing access to information resources to other members of staff
- **Spokesperson:** the manager builds awareness of the organization in its surrounding

<sup>62</sup> Imcuk website, 2010

environment (public relations)

Category 3, Decisional Roles: combine business development, resourcing and union negotiation

- **Entrepreneur:** The manager reviews innovation and risk taking on an optimized level and the identification of business development.
- **Disturbance handler:** The manager prevents conflict amongst staff and takes corrective action during disputes.
- **Resource allocator:** The Manager handles and creates organizational and material resources in order to achieve benefits and profits.
- **Negotiator:** Resolving interpersonal conflicts and conflicts of interest, where the Manager is seen as spokesman.

### 2.3.4 Case Studies

As previously discussed in Chapter 1, Section 1.2 Research Questions, there are a number of questions which I need to answer on “Managing a multicultural workforce,” so I am able to ascertain whether all my external research and theories reviewed and created by some of the largest and well know authors, confirm my findings. To complete this, I must understand the management of a multicultural workforce from an external perspective – where the chosen 3 companies answer the following questions:

- How do the CEO, Directors and Managers from Kinetic, Euro-freight and Bombardier perceive culturally diverse teams?
- How do the CEO, Directors and Managers cope and solve problems, which are based on multicultural differences?
- Do the problems caused by multicultural differences affect their business in either a positive or negative way?

To ensure that I asked the correct questions, and received answers which could support my theories and arguments to answer the above questions, I reviewed Hofstede’s - 5 dimensions; Mintzberg’s - 10 Managers Roles; Brett, Behfar and Kern - Types of Multicultural Strategies; and Trompenaas - Corporate Culture types taking the most important aspects from each to create the required questionnaire and interview questions.

To assist me with the assembly of the questions, I constructed a table using Hofstede's 5 dimensions, and this can be seen in Figure 11.

For my research I will use be using the following information gathering techniques:

- Questionnaire: will be sent to each of the 3 companies who I will be visiting for interview, and will be passed directly to the named representative to be disseminated to his workforce. The questionnaire (originally developed by Sir Francis Galton) will consist of open, closed and contingency questions, so as to gather as much information as possible of the same relevance. A copy of the questionnaire can be seen in Appendix 2.
- Interviews: there are 3 types of interview which could be used; a) Standardised (or structured interview); b) semi structured or c) unstructured (or in depth); as developed by Saunders<sup>63</sup>, but for my requirements, I will only be using the semi-structured and structured techniques. For the structured interview, the questions will be exactly the same for each of the interviews conducted, and the questions used will be a derivative to those used on the questionnaire – this is so I am able to compare and contrast the results from one participant to another in order to answer the research question. In addition to the structured interview, I also used the semi-structured type, allowing the participant to openly answer the questions, beginning with generalised topics about the company, and then moving onto the more specifics. This allows the person being interviewed chance to start answering certain questions without any directions, together with being more creative and flexible. Using this method also allows for non-planned information to be discussed, together with receiving more information than planned. A copy of the finished proposed interview can be seen in Appendix 3.

The questionnaires were emailed to each company representatives for distribution, with the interviews being conducted face to face. Printed prompt sheets were also produced. Each of the 3 case studies from the research perspective will be in the same format: Section A: Background to company; Section B: Questionnaires Distributed and Section C: Interviews

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<sup>63</sup> Saunders (2007,p.312)

conducted. Each case study can be seen within Appendix 1.

**Figure 11: Hofstede's 5 dimensions with the proposed areas for investigation as part of the questionnaire( own illustrated)**

<b>HOFSTEDE 5 DIMENSIONS'</b>	<b>AUSTRIA</b>	<b>UK</b>	<b>DEFINITION/ SUMMARY</b>	<b>MEASUREMENTS</b>
<b>POWER DISTANCE</b>	Low	High	It is the extent to which less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally <sup>64</sup>	What relationships have employees towards their employers? Does the structure of the company influence communication within departments and colleagues? Influence structure and relationships within the company on performance and cooperation?
<b>INDIVIDUALISM/ COLLECTIVISM</b>	Collectivism	Individualism	Individual, strong type or family, friendly one	Does domination in individual companies exist? How it influences decision-making process? How cultures differences and different types can influence performances businesses?
<b>MASCULINITY/ FEMININITY</b>	Masculine	Masculine	Masculinity is characterised by being ambitious, assertive, acquisition of wealth, whereas femininity stress caring and nurturing behaviours, and good working relationships.	What matters more, pure profit or good work relations? How is success defined? How high is human resources Developed? What function have employees and do they get any support from company management team?
<b>UNCERTAINTY AVOIDANCE</b>	High	Low	Indicates to which extent companies programs affects employers with different	How are decisions made? Do the employees have any freedom in the decision-making process? When companies face any problems, or how the company reacts? How does the CEO convey loss, and do they stick to the regulations or do they decide alone?
<b>LONG TERM ORIENTATION</b>	N/A	Low	On what companies concentrate more, future or past	How are decisions made, short - or long term?

<sup>64</sup> Hofstede (1928,p.98)

## **CHAPTER 3- Analysis**

Chapter 3 concentrates on all aspects of the analysed research, comparing the well-known theories with the interviews and questionnaires that have been completed with the three previously aforementioned companies: Euro-freight, Kinetic Worldwide and Bombardier. There were a number of reasons why these companies were chosen, not only being because they were multinational organisations, but also because the workforce was multicultural, various corporate cultures and management styles existed, and the companies had many sites which were split between countries, thus representative of Mintzberg's managerial roles and Hofstede's research at IBM. Although the choice of each company's output was different, allowed me to see whether the well-known theories also worked with every type of company whether it is advertising, manufacturing or transportation. Reviewing each aspect, therefore assisted me in answering the three original questions that I had previously posed earlier in the thesis: Chapter 1: Section: 1.3

- How do the CEO, Directors and Managers from Kinetic, Euro-freight and Bombardier perceive culturally diverse teams. Are they positive or negative for business, how are they structured to ensure smooth operation with reviews being completed at director and shop floor positions, and how do they converse within multicultural teams? All these aspects will be reviewed within my research and the well-known research papers that have been developed by Hofstede, Mintzberg and Trompannars, comparing whether any changes have taken place over time.
- How do the CEO, Directors and Managers cope and solve problems that are based on multicultural differences? Within each of the questionnaires and interviews conducted, I will compare the theories of the well known authors and the output, reviewing specifically how each of the companies interviewed and questioned manage the problems encountered whether it be with sub contractors or staff within either an internal or external team. Also explored are the means for resolution explored, and how each of the companies handles and manages both immediate and long-term solutions.
- Do the problems caused by multicultural differences affect their business in either a

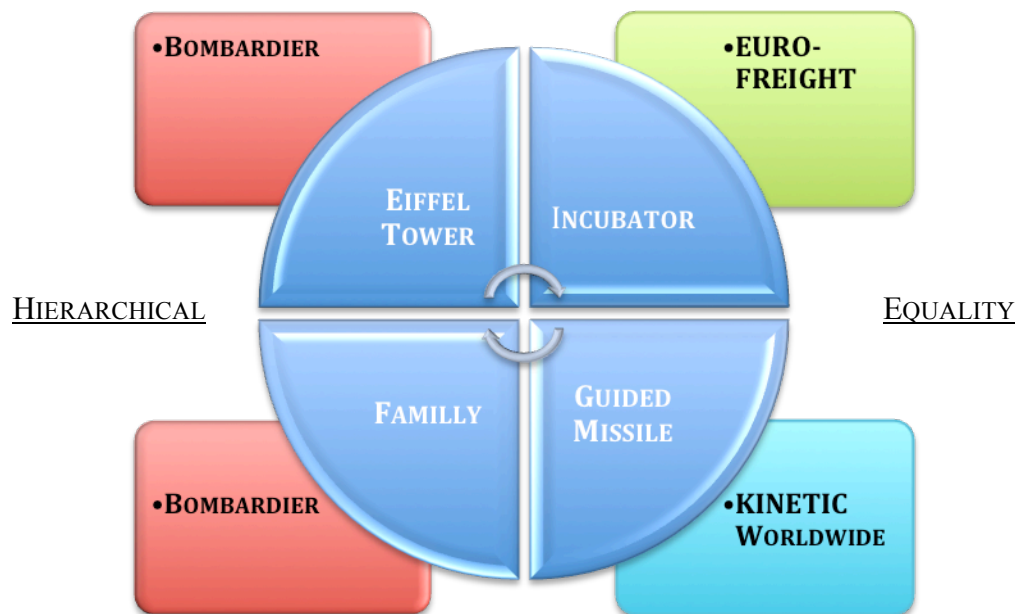


positive or negative way? For each of the companies reviewed, I will specifically ask whether companies believe they succeed with multicultural teams in place, or have they had to adjust the company to stop conflict that has subsequently had a negative impact of the running of the business day-to-day. Are there any methods that have been implemented to resolve problems even before they have occurred?

Taking each of the Professional Researches in turn, and comparing them with my results, will ensure the clarity and justification of results against the original theories

### **3.1 Comparison of research with Corporate Culture**

Reviewing Trompenaars four corporate cultures, it was very interesting to see that from each of the companies interviewed and questioned, in some form or another, all four cultures were noted; whether it is an “individual” or a “mixture” of one or more, see Figure 12. The reasons for this were very simple, as it really depended upon type of company which was being researched, i.e. Bombardier: manufacturing; Kinetic Worldwide: Advertising and Marketing, or Euro-freight: Road haulage transportation; which all have a different set of management techniques and styles, and individually structured. Another contributory factor was also the size of the company and the type of project being completed, where Bombardier would be creating a highly structured and safety critical aeroplane or train, the process has to be very formalised, rigid and bureaucratic, ensuring that all documentation is completed correctly, in comparison with Kinetic Worldwide which specifically concentrated on the selling of advertising space, creativity of solutions, new design marketing, all types of advertisements and various marketing solutions, trying to be the best they can be in the sector. They are a goal seeking and of a realistic nature.



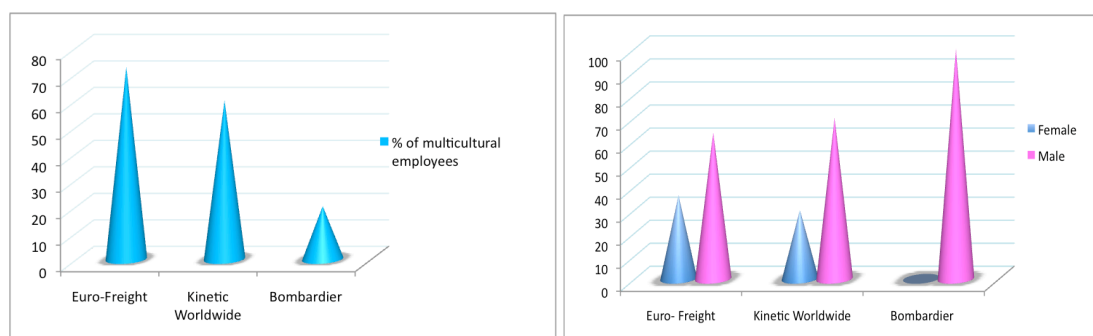
**Figure 12: Shows a diagram in respect to the companies interviewed versus Trompenaars four Corporate Cultures<sup>65</sup> (Trompenaars, 2003, self illustrated)**

From the research, this was confirmed as the team were very socialised and relaxed, with equality of employees, whether multinational or not being at the forefront of the Directors decisions, all being equal. Bombardier although from the project perspective is more of an Eiffel-Tower culture and is formalised with very clearly defined job descriptions, operates many important control systems, rules, responsibilities, rights and legalistic procedures, where appearance of bureaucracy may bring sometimes inflexibility. Subordinates and directors are highly respected as being in positions of power. From an origin perspective the company is still a Canadian Family owned company with a very formalised structure, keeping its original values. From the directorate level at the Canadian head office to the head offices in other countries, the family run company creates an organizational culture, where their employees contribute by their performance and the CEO is a leader icon for example the head office for the Derby site is in Berlin, Germany. In comparison with the shop floor staff, the family operated section of the company have their own values and mission, where trying to create a good working relationships and fair policies is developed and widely acknowledged.

When comparing the activities of Euro-freight and Kinetic, both are found to be at the forefront of Equality, where Euro-freight is very imaginative and idealistic from an

<sup>65</sup> Trompenaars ( 2003,p.21-27)

Incubator perspective, yet not very social from the company, where on the other hand Kinetic are exceptionally social emphasising on the Guided Missile approach, ensuring that the workforce is inspired going forwards. Both companies employ a large diverse multicultural workforce from different cultures and minorities, in the position of being seen to be equal and inspirational. When you compare the structure of the company versus where the employees emulate from, it is very interesting to see that were the structure is more of an Eiffel Tower approach, i.e. Bombardier's Project team, it is found that all staff come from the area, as Bombardier Derby's factory is one of the most important for the localised area, where as the more Equality based companies with the Incubator and Guided missile companies, i.e. Euro-freight and Kinetic respectfully, have more multicultural teams, with employees when questioned coming from Poland, Romania, Hungry, Italy to name just a for Euro-freight, where as Kinetic employed staff from Singapore, France, Columbia and the USA. The percentages of multicultural employees for each company, together with the split female/male can be seen in Figures 13 (a) and (b) below. What was



**Figures 13 a (left) shows the number of multicultural employees questioned within each company and figure 13 b (right); the split between male and female( self illustrated)**

interesting though was that both companies had employed multicultural teams from the locations where companies believed they would be completing business in, not just so they could have the knowledge of their relevant home country, but also for the language and completing business. With Bombardier being the most highly structured due to the type of industry and projects undertaken, it was found that only the Directorate and purchasing staff from individual teams would deal day-to-day with other staff or multinationals from different sections of Bombardier, but otherwise, teams would specifically speak to other teams within the factory in English. As Mike Prosser and Peter Doolin, Bombardier state respectfully:

*“(...)Bombardier now has a varied International Executive Group, with nationalities from Germany, France and Belgium being employed(...)” but “Due to the locality of where the staff comes from, it is very rare for any multicultural communicational issues to arise, as all staff need to have a very good understanding of the English Language(...)”*

When reviewing the structure of the multicultural workforce of each of the organisations, from Euro-freights perspective and Trompenaars model, being within the Incubator culture means that the company is person orientated, very imaginative and divergent, suiting the needs of the every day situation. Euro-freight was created for individuals, so employees are responsible for their own actions and decisions, where they decide how to organise and meet the required deadlines. Here work is flexible without strict rules and procedures. To support this statement, when I interviewed Lisa Petutschnig, she clearly stated that:

*“We are continuously growing, and from time to time we change and reorganise the departments when the markets necessitate. We are very result and task-oriented company. Competition is important for us and its part of our business. We offer various services and so we concentrate on people, customers and business partners relationships. Also creativity is needed.”*

This ensures that the business needs of Euro-Freight are actively stable to suit the needs of the day-to-day operation. When comparing this with Kinetic Worldwide, they are very forward, and always aspire as mentioned earlier to goal seek wherever possible. Being a (Guided Missile) task performance oriented culture, having the required “power of knowledge” and able to make quick decisions, with performance being on very high level, Kinetic Worldwide are able to identify the market need quickly, ensuring that their success depends mostly on their level of proficiency and achievements. Employees are self-motivated, full of engagement as well persistent and resistant to stress, because of the changing market and the very rational culture of where the “*job must be done*”. The management of the company is mostly by other employees seen as a successful problem solving team rather than a fixed team, with each being able to make decisions to conclude the required tasks. The task-oriented culture is very flexible, yet hard to control, so with Kinetic Worldwide there is a low level of centralisation, but a medium to high degree of formalisation. In total contrast, Bombardier as the “Eiffel Tower” model suggests can be very “rigid”, but when you split this concept down, it really depends upon which aspect it is

in regard. Taking the CEO and directors from the “Family” aspect of Bombardier, where there could be a looseness in regard to the structure, thus implying that if the high and middle level directorate teams do not produce the required performance, then these could be changed for new staff very easily, but when focusing on the “Eiffel Tower” side of the project teams, then this can be very rigid, with staff normally staying for long periods of time, although in some instances these staff could be manipulative if staff are using the situation to gain the required trust and benefits. When Bombardier is compared with both centralisation and formalisation, then the company has to be reviewed from a “Hieratical” culture, as both the “Family” and “Eiffel Tower” aspects combine to make an overarching “Hieratical” culture. Due to its globalised nature, Bombardier has a medium degree of centralisation and decentralisation, where for example the finance section has been merged for all projects, but where specific aspects are non common, such as component ordering or recruitment, individual Project Directors / Managers can make the required decisions.

### **3.2 Comparison of research with Strategies**

As previously discussed in Chapter 2, section 2.2.4; J. Brett, K. Behfar and M.C. Kern<sup>66</sup> (2006) were the authors of the article, where they developed four Managerial Strategies: Adaptation, Structural Intervention, Managerial Intervention and Exit, which applied the ways which are preferable when working with multicultural teams. From my research, Figure 14 below highlights my findings, and as per Trompenaars model there is a very clearly defined split between the “Hieratical” culture and the “Equality” culture, but from my research, it seems that neither were cross referenced in their development.

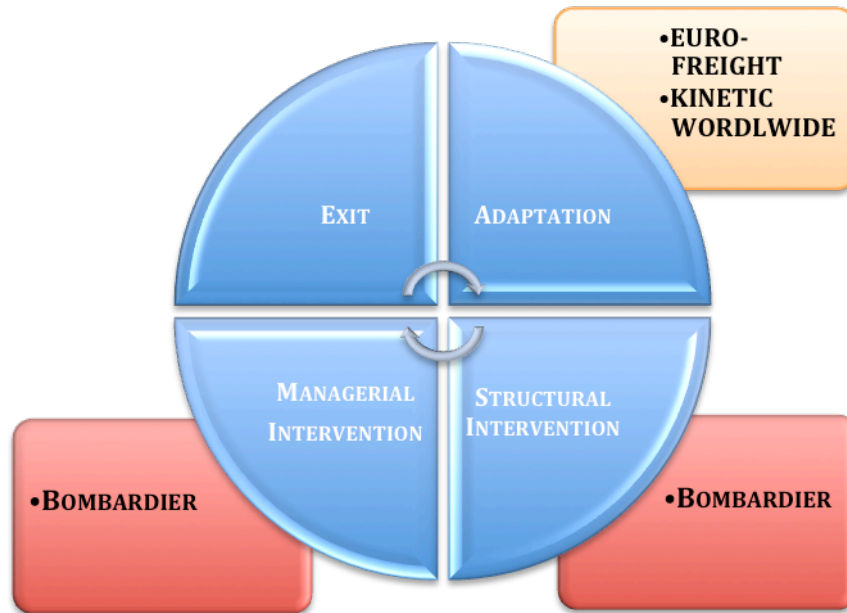
Like Trompenaars<sup>67</sup> (2004) cultural model there is a very clear split, not only in regard to the companies and their preferred methods of resolution, but also in respect to having one or more method that could be used. In the case of Bombardier the split between the “Family” and “Eiffel Tower” cultures is still very apparent. In all aspects of interview and questioning, out of the three companies, none accepted that the “Exit strategy” would be the correct method of resolution if multicultural problems occurred to the extent that both Euro Freight and Kinetic Worldwide stated similarly that:

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<sup>66</sup> J.Brett,K. Behfar& M.C.Kern(2006,p.1-7)

<sup>67</sup> Trompenaars (2004,p.21-27)

*“We (Kinetic and Euro-freight) don’t accept dismissing people just because they don’t fit in or struggle, but you need to accept the challenges and try to work around it, as well assisting if required.”*



**Figure 14: Strategies for resolving Multicultural differences versus companies interviewed and strategies used ( J.Brett,K. Behfar& M.C.Kern, 2006)<sup>68</sup>**

Reviewing the results from Kinetic Worldwide and Euro-Freight initially, both companies have stated that for the resolution of problems which occur with multicultural teams, “Adaptation” would be the preferred strategy, where team members are willing to accept and adapt to either existing or new problems, yet at the same time try to minimise them to as low as reasonably practicable. This specific strategy would prohibit any relocation of the workforce, but try to find both short and long term solutions to the problems. This is coherent with both of the interviews conducted with both Euro-Freight and Kinetic Worldwide, with both companies stating very similar ground. Within my interview with Lisa Petutschnig from Euro-Freight stated that:

*“during the economic crisis for the last two years we have reorganised the teams, but we don’t accept using the “Exit strategy” as this is too radical for Euro-Freight. I would say we don’t dismiss people just like that, but try to control the situations and conflicts which may occur, as it’s always better facing your problems.”*

<sup>68</sup> J.Brett,K. Behfar& M.C.Kern( 2006,p.1-7)

And from Nick Madwitt, Kinetic Worldwide:

*“(... )its not complicated to choose, it’s adaptation. We (Kinetic) do not fire people and we dont relocate them, we just try to resolve the issues“*

When comparing the above companies with Bombardier, together with what aspect of the organisation is reviewed, it is very clearly split into the “Family” and “Eiffel Tower” cultures, and again is specific to the seniority of the staff, Directors and CEO’s involved. If you then break down the following aspects in respect to each component, then the following occurs:

- Structural Intervention = “Eiffel Tower” Culture
- Managerial Intervention = “Family” Culture

Due to the different types of work being completed within Bombardier, Structural Intervention strategy is widely used where specific personal either individually or within groups suffer with differences which are caused by stress, ethnicity or any other issue which could have been caused by cultural differences, with staff affected being from shop floor to middle management. Here resolution would mean reorganising larger groups into small ones, or movement away into a different team or position. For Bombardier this works well, due to the amount of different tasks that are being undertaken at any one time, but dependent upon company, may indicate that they do not have the relevant procedures in place to handle these problems that could arise. Within Bombardier, Derby, these are more local disagreements rather than any other cultural issues, as most of the workforce which works on site is English and from the surrounding area. This is as confirmed within part of my interview with Andy Derbyshire, Bombardier. He states that:

*“As a Head of Project, we have to be aware of the staff within the team, how they function etc. To ensure we capture this, we complete a lot of activities in respect to race relation analysis, and we always understand what each person of the team is completing, but as Bombardier is such a large organisation, we do assume that there is a lot of duplicated work streams. Being in Derby and the workforce coming from a very localised background, there are not many multicultural teams, as many are English specific(...)”* Andy continued by saying: *“From my past experience working for Eurostar, it is a very different way of*

*working and was very French, even being based in England. Where as in England, the meeting structure is a “can do approach”, where with the French there are always a number of barriers which have to be jumped through to get to the end point.”*

In comparison with Mike Prosser, who like Peter Doolin from Bombardier works for the Managers and Directorate team, he sees the situation slightly differently as he is within the “Family” culture, mainly due to the position he is within, where his responsibility lies dealing directly with external suppliers and stakeholders. For this reason, Mike Prosser when questioned answered:

*“I wouldn’t say it’s Structural Intervention, because we are placed in Derby so, here are not so many cultural gaps, as most employees are form the local area, where the number of people requiring jobs out ways the number available. That’s why I would say we are Managerial Intervention”.*

Although Managerial Intervention isn’t at the forefront of multicultural resolution for shop floor staff in Bombardier Derby due to its very rigid and “Eiffel Tower” culture, it does although focus on the Managerial and CEO Bombardier “Family” team, with Managerial Intervention being implemented if any section or individual wasn’t performing to the best of their ability or if problems with any multicultural teams occurred. With this structure of the “Family” in place, would indicate that with such a strong head office in Berlin and subsequent headquarters in Canada, if any underperformance or problems occurred then this strategy would be implemented. Here the CEO or Director with the overriding power would be seen as the judge, with the reprimanded or problematic group having very little or no power over the director’s final decision. In addition to the resolution of this type of issue, teams can use knowledge of the leader; by asking any time more complex issues to resolve, with only resolution only occurring once their manager has reviewed.

### **3.3 Comparison of research with Hofstede’s 5 Dimensions**

As reviewed within Chapter 2, Section 2.3.1 I reviewed Hofstede’s 5 dimensions and then later in Section 2.3.2 the comparison of IBM between the UK and Austria specifically, and following the completion of my research, I am now going compare Hofstede’s findings versus mine.



As previously seen as part of Hofstede's 5 dimensions<sup>69</sup> the following results were seen:

	PDI	IDV	MAS	UAI	LTO
AUSTRIA	11	55	79	70	0
UK	35	89	66	35	25

When reviewing the companies interviewed, and comparing with the 1st dimension: PDI, as defined by Hofstede:

*“the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally”<sup>70</sup>.*

Originally it was seen that both Austria and the UK had a relatively low PDI of 11 versus 35 when Hofstede completed his investigation, but reviewing the companies which I have investigated, shows in specific areas, Hofstede research can be fully supported, but it must be said that even though a company may be of low or high PDI, doesn't mean that it is High, but could be marginally higher than the other countries, as part of the results are focusing specifically on the generic company rather than individuals.

My research shows from the interviews that both Kinetic and Euro-Freight are of Low PDI where staff and subordinates are adequately paid, with managers being involved with purchasing decisions, but not in every stage of making a strategic decision, but relying on personal experience. Generally Austrians expect by their subordinates to help them any time, and rely on them very much - they have this need. As Lisa at Euro Freight states:

*“Misunderstandings happen quite often, but we are aware of that and we are continually working on them. Because we have such knowledge, I believe our company has a very good reputation. To ensure we minimise mistakes, we also use our “emotions” when writing mails or talking to colleagues on Skype, as we do try to avoid misunderstandings.”* And if problems arise: *“Most occasion” people come to me so we discuss together first and very*

<sup>69</sup> Clearly-Cultural, online 2010

<sup>70</sup> Hofstede (1991, p. 33)

*often I encourage them to sit together and talk openly about their problems. To improve continually our work relationships we organise many events”*

When reviewing my research for the UK, the results seen are very mixed, with Kinetic having a low PDI, with Bombardier bucking the upward trend with a High PDI.

Kinetic shows that it relates better to the low PDI, and as seen in the next section within Mintzberg's managerial roles. Kinetic does not inform others in some of the more important aspects of the company, i.e. performance and results of the company. As seen whilst at Kinetic, the highest rank CEO and team of directors make their decisions prior to dispersal in the team, but due to the equality of roles, information is normally not passed to their sub-ordinates until the relevant decisions are made, here ensuring that no further alterations to the decision can be made. Comparing Bombardier with Kinetic, then this instance it is directly opposite with a very hierarchical structure being implemented as part of the project structure. Although I have mentioned previously that normally there are two sections between the Family and the Eiffel Tower Structure, from the PDI perspective, in this instance there are no differences, as the 5 dimensions have no affect on the culture, but only on the structure. As previously mentioned, some areas of Bombardier have been centralised, with hierarchy of the organisation highlighting the differences in the teams between both the higher and lower level teams, with employees being told what to do, being uncreative and not innovative.

In this instance, the PDI from my investigation can assume that Hofstede's research is correct, with Austria definitely being lower than that of the UK, although it is not uncommon as we can see for companies to have a low PDI within the UK, as part of the IBM data showed that Low PD I accounted for 65%, with high accounting for 35%.

When reviewing the differences between countries and companies for Hofstede's 2<sup>nd</sup> Dimension “Collectivism and Individualism” (IDV), as part of his original review of IBM, Hofstede found that the UK were leading ahead of the Austria, but stable around middle ground. Trying to substantiate this result as part of my research was more difficult, due to a number of issues which were being presented by each company at the time of questioning – Euro-Freight were developing from an Incubator through to Eiffel Tower Culture, where

Kinetic was very focused on equality and development, rather than structure and performance.

From the research I have gathered, and the change of worldwide culture, has and is still developing so society is picking and choosing the best parts of being an Individualist society and appearing in modern society, rather than specifically choosing the differences of each. As Hofstede states:

*“The interest of a group prevails over the interest of the individual”*<sup>71</sup>

Yet although this being from the Collectivist side of the dimension, in reality this would be acceptable in modern society from the individualist perspective too, as not only are individualists important in modern society, but also groups in respect to how a multicultural team works and functions going forwards. Combined together the output being more powerful together than individually.

To compare all three companies and decide whether they are Collectivist or Individualist is quite difficult, but from my results its evident that Bombardier is more Individualist rather than Collectivist if it was from a Eiffel Tower culture, with Euro-freight changing in a number of instances from a Collectivist to Individualist Culture due to its structure and developing face of a modern company. With the family culture of Bombardier and Kinetic, it could also be said that to an extent that they are still Collectivist with Management being the management of groups, relationships are more of an employer / employee perceived relationship, in contrast to the other Individualist styles such as diplomas increase economic wealth and /or self respect and task prevails over relationship

With the rapid advancement of culture based activities, if Hofstede would review his 5 dimensions once again, then I believe that with this specific dimension, Hofstede would find the answers to be very different to that originally found, with the following aspects of this dimension being seen:

- Relationship would be a contracted employer-employee.
- Hiring and promotion based on skill, rules and diplomas

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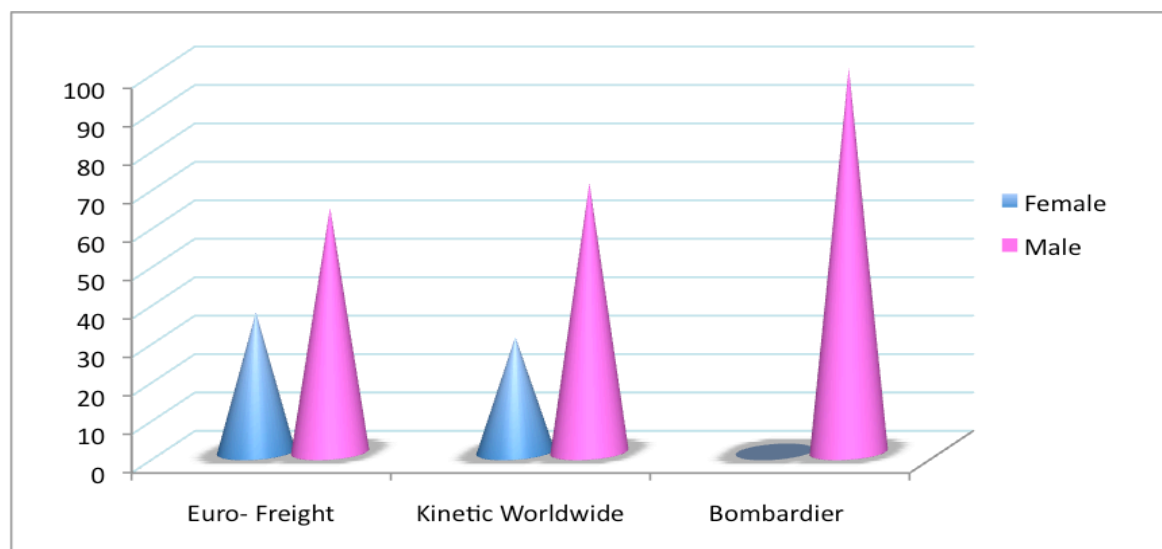
<sup>71</sup> Hofstede( 2007, p.74)

- The purpose of education is learning how to learn.
- Effective management skills that take into account multicultural environments, tasks and cultural differences.
- Employees are “economic men” who will pursue the employer’s interest if it coincides with the individuals self interest.
- Dependent upon group, the management is the management of groups and subordinates.

Euro-freight is a prime example of a company that is changing, so as to only promote employees who have skill, rules and diplomas. Lisa, from Euro Freight goes on to say:

*“Without Multicultural teams we couldn’t survive (...) if you master a foreign language, then this is the best way to create an effective contract and transportation plan, because you know how to approach a “given customer” due to the countries behaviour and culture. So yes of course multicultural teams influence our business very positively”*

Moving on to the 3<sup>rd</sup> Dimension, Masculinity (MAS) within Austria for IBM was high at 79, with the UK coming up a close second at 66. Both results were high in general. When reviewing the results from the interviews and questionnaires, due to the fast movement in equality and multicultural workforces, may bring a reduction in the masculinity scores if the research would be completed again, as equality of both masculine and feminine workers are now seen as equal and this will have the obvious effect on the companies going forwards. This can be seen with the research completed of both Kinetic and Euro-Freight, where both companies are seen as equal, having the positivity of both female and male inputs being put into the company, with teams working closely together.



**Figure 15: shows the percentage breakdown of women to men questioned (data from questionnaires)**

As you can see from figure 15 above, the number of females working for both Euro-Freight and Kinetic Worldwide are around one third to two thirds men and one quarter to three quarters respectfully, whilst Bombardier were all men questioned. Although the later is not an ideal position to be within especially when within an equal society, but due to the type of company Bombardier is, within the manufacturing industry, then this has to be one of the most important reasons for such non diversity, as manufacturing has never been specifically seen for the female society.

When comparing Hofstede's results further, with the transitions of both Euro-Freight and Kinetic Worldwide to have female employees, has also brought about the influx of Feminine ways and means of how a multicultural company operates with options for being career minded, performance counts with rewards based on equality being important, the emphasis being changed form a male to female dominated work.

Like the 2<sup>nd</sup> (IDV) Dimension, the 3<sup>rd</sup> (MAS) Dimension as previously mentioned will also be subject to change due to the change and development of a multicultural society. As Hofstede's research stands, it will require a refresh in the future as not only will the MAS totals most likely go down, the dimension preferences may also change.

Hofstede's 4<sup>th</sup> Dimension focused on the Uncertainty Avoidance Dimension, when this measure the ratio of the population vs. the uncertainty about the future, or as Hofstede (2005) quotes:

*“The extent to which the members of a culture feel threatened by ambiguous or unknown situations”*<sup>72</sup>

As part of Hofstede’s research, he found that Austria has a Strong Uncertainty Avoidance at 70, with the UK having a Weak Uncertainty Avoidance at 35, but from my research, it could be seen that all companies questioned have looked at minimising this possibility of uncertainty, by ensuring that projected plans are always formalised going forwards; whether it be 6 months to a year plan for Kinetic, or every 6 months against a 5 year plan for Bombardier. Even Euro-freight has a plan, and this is based on a monthly review going forwards, ensuring that always the avoidance is minimised, ensuring that staff are kept in place and job security maximised. Although this is specific in respect to long term planning, from the questionnaires received, it was very rare for new starters to be noted, with only 2 new members from all the companies being in place for less than 6 months, with many being in the same employment for over 6 years. Although Hofstede had put in place a number of specifics about the ideals of each, this has now become exceptionally difficult to rationalise, due to the tough economic times which the European Union is experiencing with the rest of the world, and therefore if this aspect of research had to be completed, then different results would most likely be seen if repeated at the later date.

With the development of Hofstede’s 5<sup>th</sup> Dimension, Long Term Orientation, this would in fact assist the 4<sup>th</sup> Dimension, as mitigation for the long-term strategy, ensuring that job security and trust of the workforce is gained.

As mentioned above, Hofstede’s 5<sup>th</sup> Dimension was “Long Term Orientation” where it focuses on the development and structure of the company going forwards, whether it be the company’s long term plan for development or for the personal development of the workforce. At the time when Hofstede completed his research, Austria had no results, and the UK scored a very low 25, but from the research conducted, it seems that from Euro-freights perspective, that long term orientation is being completed, just like the other 2 companies: Bombardier and Kinetic Worldwide. Here plans are developed to ensure the best development of the company is gained, investing for the long term future with owners

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<sup>72</sup> Hofstede (2005, p.167)

and workers sharing the same long term aspirations, and with all three companies reviewed, this is the case.

Reviewing Hofstede's 5 Dimensions, shows that when the research was originally completed and compared, there is no doubt that all the research presented, would have been correct, but due to the multicultural influx over the last years which has had a knock on effect of the companies, workforce and economic climate around the world, a number of the dimensions would need to be reviewed again to ensure that the most up to date information has been received, ensuring that all these issues are taken into consideration.

### **3.4 Comparison of research with Mintzberg's informational role**

Reviewing Mintzberg's 10 managerial roles and responsibilities, it is evident that through my research of well known authors and my answers from both the questionnaire and interviews, Mintzberg's Managerial roles do not specifically relate to a multicultural workforce as he doesn't take into consideration the differences in culture, structure and hierarchy of managers within specific companies. From my experience, every manager within a company will always use a percentage of each role whether its CEO or shop floor manager as the handling of responsibilities, although at different levels, the output of specifics will always be the same.

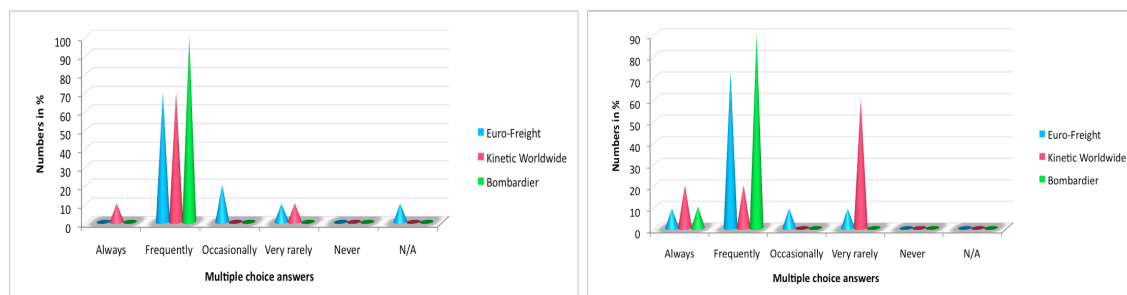
When comparing the managerial roles with each of the interviews conducted, it does show the importance of how the 10 Managerial roles are adapted in real terms in the management of a multicultural workforce, issues seen and the resolution of the problems. In figure 16 below, the 10 managerial roles are compared with the three companies on a low, medium and high priority; dependent upon how each managerial role within the company is perceived by the company's multicultural internal and external involvement.

From the review of the table, dependent upon how important the multicultural roles completed by each of the companies are in respect to the type of roles completed on a day to day basis, will prescribe how affective the company will be going forwards in the implementation of these managerial roles. What is important to note, is that there are a number of roles which are seen as high priority for all three companies with all medium to

CATEGORY	ROLE	PRIORITY EURO- FREIGHT	PRIORITY KINETIC	PRIORITY; BOMBARDIER		
				Interview 1	Interview 2	Interview 3
INFORMATIONAL	Monitor	High	Medium	High	High	High
	Disseminator	High	Medium	Medium	High	Medium
	Spokesperson	High	Low	Low	High	Low
INTERPERSONAL	Figurehead	Medium	Medium	Low	Medium	Low
	Leader	High	High	High	High	High
	Liaison	High	Low	Medium	High	Medium
DECISIONAL	Entrepreneur	Medium	Medium	Medium	Low	Low
	Disturbance Handler	High	Low	High	High	Low
	Resource Allocator	Low	Low	Low	Low	Low
	Negotiator	Medium	Medium	Medium	High	Medium

**Table: 16 Comparison of companies in respect to the importance of the 10 Managerial Roles vs. Priority of Multicultural teams in its day to day activities (Mintzberg, 2010, self illustrated)**

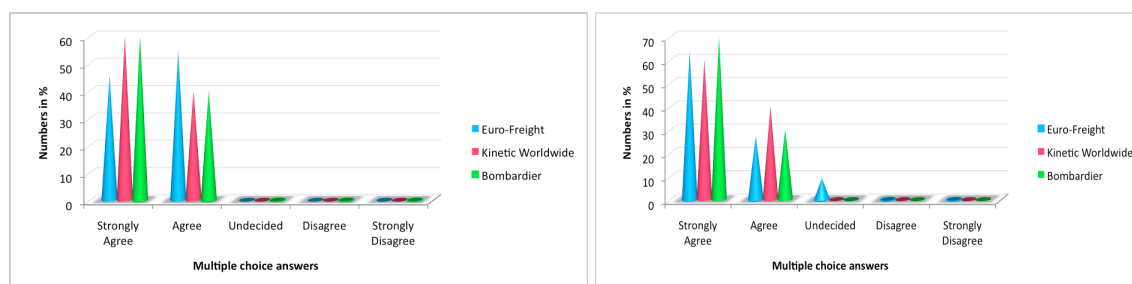
high priority being noted, and this is confirmed by Figure 17 which shows how the informational role of “Monitor” information from the questionnaires is provided to the workforce of each company whether it be within figure 17 (a) (left) changes to working practices or (b) performance, although it will be seen that Kinetic is seen as provider of work changes rather than provider of performance information where those questioned stated that this activity was conducted very rarely.



**Fig 17 a (left) shows the content of changes to workforce and (b) right highlights the performance of the company (data from questionnaires)**

From the “Disseminator” perspective, the information is normally dispersed within either face to face or project group reviews, and this can be seen in Figure 18 (a); being the number of face to face meetings and (b) being group meeting – with all companies being equal in this area.





**Fig 18 (a) (left) shows how the dissemination of information being completed by face to face, and (b) right by Group reviews (data from questionnaires)**

The other aspects where there was a high priority were “Leader”: High priority throughout all companies, as all sections of the company need to be given direction, whether it be CEO to his teams or from the shop floor manager to his sub-ordinates; and “Disturbance Handler”; where two of the companies have large inputs of multicultural teams: Euro-freight for the managing of Eastern Transport haulage company and Bombardier where the original “Family” structure has a very high level multicultural team when liaising with overseas head offices etc. need to be aware of the problems which may arise going forwards.

When comparing the structure of Mintzberg’s ten managerial roles in respect to individual companies, there are two that are very high priority throughout: Euro-freight and Bombardier (Andy Derbyshire interview) as these are the two areas where effective multicultural influenced managerial roles are the most important as Euro-freight are trying to increase their market share with international road haulage sector throughout Eastern European countries, and Bombardier are trying to ensure that the production of transport vehicles runs well, to schedule and to influence the external multicultural business. When reviewing the interviews versus the managerial roles, then the importance of each can be seen readily.

Taking each of the companies that have high priority and will be affected by Mintzberg’s 10 managerial roles, the following activities can be placed against the roles, so as to understand the influence the roles have on certain activities. Figure 19 below shows the influence of Mintzberg’s managerial roles against the multicultural activities of Euro-freight:

CATEGORY	ROLE	PRIORITY EURO- FREIGHT	ACTIVITIES COMPLETED BY MULTICULTURAL TEAMS
INFORMATIONAL	Monitor	High	Receipt of orders, organise transportation moves, arrange prices and the dates for collection, as well as reviewing monthly performance reports. High levels of multicultural intervention due to number of countries employed within.
	Disseminator	High	
	Spokesperson	High	
INTERPERSONAL	Figurehead	Medium	Directors of the company liaising, developing customer contacts and signing agreements to ensure company becomes more profitable. High levels of multicultural intervention due to possible long-term expansion in other countries.
	Leader	High	Becoming a hierarchical structure. Direct, influence and motivating multicultural teams, so they become the best going forwards. Interface with external multicultural teams.
	Liaison	High	Representatives speak with external clients to ensure business development. Interface with external multicultural teams
DECISIONAL	Entrepreneur	Medium	Representatives find new niches in the market for development with new and existing companies. Influence with external multicultural teams
	Disturbance Handler	High	Important internally due to the different multicultural teams within Euro freight for resolution of multicultural differences
	Resource Allocator	Low	Not specific for use within multicultural teams, unless as a last resort, if a problem cannot be resolved.
	Negotiator	Medium	Used in a number of ways, where the benefits such as pay awards is given, and equally to multicultural teams.

**Figure 19: Euro Freight and Mintzberg's 10 Managerial Roles in respect to the influence on day-to-day responsibilities(Mintzberg,2010, self illustrated)**

As can be seen from figure 19, Euro-freight's high priority and effectiveness of Mintzberg's managerial styles is caused by the multicultural business which is employed both in Austrian and the European Union, not just to enhance the business, yet also to be used in the distribution and agreement in transportation contracts between Euro-Freight and its external clients. Although Euro-Freight has to focus on the development of the external business, all Mintzberg's managerial roles can be also used for internal purposes, as "Disturbance handler" in case multicultural issues arise, as Lisa Petutschnig states:

*"Principally, when we have so many diverse cultures working in one company, it's normal that we may face some problems which are very natural and inevitable, but the resolution of such problems is the most important and how these are handled."*

Through to the “Leader of teams”:

*“Most occasions’ people come to me so we discuss together first and very often I encourage them to sit together and talk openly about their problems. To improve continually our work relationships we organise many events, e.g. Christmas and Easter events, team building and Football matches. We do actually quite a lot to improve working relationships between our teams.”*

The next example is taken from Andy Derbyshire, Bombardier, where he heads the Class 379 project. Although from the shop floor perspective, multicultural teams are minimal, the project runs from a hierarchical into a family structure, where a number of key multicultural influences must also be importantly be sustained through foreign sub contractors. The Bombardier table of managerial roles is from Andy Derbyshire’s perspective of his project, and can be seen in Figure 20.

What is important here is the fact that the Class 379 project is the production of new train vehicles for the UK National Rail Network and for this reason alone, Andy has to ensure that the project is on time and budget, with the delivery of new trains on schedule, with any issues which may arise because of any multicultural issues resolved to the satisfaction of his superiors. To ensure that this occurs, Mintzberg’s 10 Managerial roles will be very important in the delivery of such projects, and Andy must ensure that the right managers employ the correct procedures into each of the production stages.

Even implementing the table for his internal hieratical project team, he must also convey the required reports to his Project Director, so the information can be disseminated to his superiors in the European offices. Comparing both Euro Freight and Bombardier (Project Manager) with the other companies, Kinetic Worldwide and Bombardier form the “Family Structure”(Project Director and Finance Project Controller), as mentioned before there is a clear distinction, and the reasons for this are purely down to the types of roles and responsibility which each company or its part of structure, especially where Kinetic Worldwide interfaces to other offices around the world and the type of media entity it will sell and look for to develop its company in the long term.

CATEGORY	ROLE	PRIORITY BOMBARDIER	ACTIVITIES COMPLETED BY MULTICULTURAL TEAMS
INFORMATIONAL	Monitor	High	Production of reports, progress delays etc are passed through his managerial teams both in Derby and HQ Berlin as well as reports from shop floor and other functions which Andy controls.
	Disseminator	High	All progress reports, safety briefings can occur from high level to the shop floor. Very important when speaking with external multicultural companies
	Spokesperson	High	Speaks with multicultural companies outside of Bombardier yet representing the project, both as a company and project director. Directs his team going forwards.
INTERPERSONAL	Figurehead	Medium	Heads the project, whether it is external of internal multicultural teams. (Very Important) and disseminates information to both the Directorate structure and shop floor.
	Leader	High	From the project perspective, The Project Director has to sell his project internally to vi for space and availability, using his influence where required.
	Liaison	High	
DECISIONAL	Entrepreneur	Low	Very little affect on multicultural teams, as the only way to review methods of change on the shop floor, rather than looking for new business opportunities. Slimming of manufacturing processes could be implemented though.
	Disturbance Handler	High	From a multicultural perspective the senior project director will speak with his suppliers and team to resolve cultural background issues, whether it is at a high or low level and decide appropriate action.
	Resource Allocator	Low	In a multicultural context there is very minimal influence from this perspective, as most resource is gained from the local area, and therefore, there is a low priority of requirement for reallocation of resource.
	Negotiator	High	From a multicultural perspective, the Project manager will need to liaise with the team for extra working hours, agreements in revised working practices etc.

**Figure 20: Bombardier and Mintzberg's 10 Managerial Roles in respect to the influence on day-to-day responsibilities(Mintzberg,2010, self illustrated)**

## **CHAPTER 4 - Conclusion**

My thesis has explored the “Management of a multicultural workforce” and to see whether companies manage them effectively, with the aim to answering the following questions which were originally listed within Chapter 1: Section: 1.3

- How do the CEO, Directors and Managers from Kinetic, Euro-freight and Bombardier perceive culturally diverse teams. Are they positive or negative for business, how are they structured to ensure smooth operation with reviews being completed at director and shop floor positions, and how do they converse within multicultural teams? All these aspects will be reviewed within my research and the well-known research papers that have been developed by Hofstede, Mintzberg and Trompennars, comparing whether any changes have taken place over time.
- How do the CEO, Directors and Managers cope and solve problems that are based on multicultural differences? Within each of the questionnaires and interviews conducted, I will compare the theories of the well known authors and the output, reviewing specifically how each of the companies interviewed and questioned manage the problems encountered whether it be with sub contractors or staff within either an internal or external team. Also explored are the means for resolution explored, and how each of the companies handles and manages both immediate and long-term solutions.
- Do the problems caused by multicultural differences affect their business in either a positive or negative way? For each of the companies reviewed, I will specifically ask whether companies believe they succeed with multicultural teams in place, or have they had to adjust the company to stop conflict that has subsequently had a negative impact of the running of the business day-to-day. Are there any methods that have been implemented to resolve problems even before they have occurred?

and to ensure I am able to answer the three questions above, I have reviewed and completed numerous amounts of research ranging from the analysis of some of the greatest authors:

Hofstede, Trompennars and Mintzberg together with my own research focusing on the case studies produced from Bombarider, Euro Freight and Kinetic Worldwide.

Completing my research for the thesis shows that there are many reasons (positive and negative) which could affect and influence a multicultural workforce, and the productivity and profitability of a company if not managed correctly or wanting to adapt in both the short or long term. They are dependent upon country specific cultures, construction of team members, type of business, structure implemented as well as the main other external influences such as religion, beliefs, and upbringing, but what is more important is whatever decisions are made will influence their business. With a more structured and tolerant cultured workforce ensuring the company thrives and performs to its best, could be in the form of how the CEO or director manages its staff effectively through its decision making process, to how the manager and staff on the shop floor function as a team.

From reviewing the research by some of the greatest authors, and then comparing with the case studies produced, has shown me that the multicultural society is rapidly changing in the ways that companies perceive, deal with and resolve any of the problems which may arise, from these changes. Reviewing Trompennars Corporate Structure, J. Brett, K. Behfar and M. C. Kern Management strategies and Mintzberg's Managerial roles, it has to be noted that all these strategies and structures can be intermixed and manipulated to suit the every day need of a specific company and are not affected by time, whether it be to enhance the team, deal with a multicultural problem or resolve a cultural difference, but of course the amount of which it can be changed, depends upon the structure and whether the staff employed allow the changes to be implemented in respect to be either from a equality or hierarchical perspective. Where corporate culture, structure and managerial roles can be taken into consideration in times of change and influx, Hofstede's 5 dimensions can't, as they don't specifically review the changing day to day requirements of the multicultural society we live within. Reviewing Hofstede's 5 Dimensions, shows that not all of the original research completed stands up to the modern tests of the 21<sup>st</sup> century, with a number of dimensions being out of date with today's society and the speed of the changes occurring. Although the basic principals were most likely correct when the Hofstede created the 5 dimensions between 1967 and 1973, now with the modern developments, the individual aspects of each are by far a long way away from the actual of today's modern

individual, group and company requirements, and thus until reviewed once more, will the development of these changes and the adapted dimensions become clear.

Differentiation and cultural teams are nowadays not unparalleled, which means that a lot of companies must deal with a various struggles and conflicts that may occur with a multicultural workforce. It depends mostly on type of performing business, and market needs as well as the percentage of services based on a multicultural workforce. Each of the company case studies shows that their perception of multicultural workforces in modern society are fully understood, to the extent that vast experience is available within each of the teams, whether it be a Project Manager or CEO being filled by Multicultural representatives, Bombardier from Germany, Euro Freight from Italy or Kinetic Worldwide from America, but for each of these, even if a problem arises within the team, having the work knowledge and location of where the team member is from, allows the localised knowledge to be used to resolve the situation. Either way companies or managers should be more aware of the differences and risks in handling other countries cultures and setting up businesses abroad, as they should always understand and be prepared for many discrepancies which may occur between their own and the conflicting multicultural societies.

So from all the research and analysis completed, do multicultural problems affect the business in a positive or negative way? Well actually positive, as having a multicultural team allows for a whole new set of businesses to be set up, whether it is in an adjacent country across a boarder, with one of your existing team speaking the local dialect, or around the world in say America of Columbia from a home town of an employee. It is interesting to see that all three companies which I have focused my case studies on have set up companies in other countries which they have experience from.

Completing this thesis has allowed me to explore how companies can manage a multicultural workforce, and from all of my investigations and analysis, I can conclude that not only do companies perceive multicultural workforces as a positive attribute, they are also fully aware of the consequences of such actions if problems arise, but the main reason for having a multicultural workforce is so the company can learn, develop and expand the company into new and exciting areas of the world, as well as maximising both profitability and development of new resource.

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**ABSTRACT- ENGLISH**

The reasons for completing this thesis: "Managing a multicultural workforce" were two fold: firstly due to my personal interest in business studies which I have, together with the completion of my "International Business" Masters degree at Vienna University; and secondly my personal experience as I was able to work and study in Vienna, Austria, and more recently London, United Kingdom. This has allowed me to complete my research and analyse companies from two different countries, as well as producing case studies for each company researched, questioning and interviewing staff in every aspect of a multicultural workforce.

Managing a Multicultural Workforce is seen in today's environment as a very ethical way to manage the many different cultures, which could be employed in the world today. Due to the rapidly changing and developing economic environment of the 21st century, means that cultures are always developing to ensure they are up to date, the most recent example being the mass movement of people around the European Union with the opening up of borders over the last 10 years-changing policy, market needs and communication styles for ever, with people freely moving and communicating wherever and when required.

My thesis examines how companies perceive culturally diverse teams, do problems arise, together with the steps for resolution, and whether the companies questioned believe that having a multicultural team benefits its long- term aspirations. My research and analysis compares the case studies, business markets, trends, and ways of managing multicultural workforces versus the findings of the professional research: Mintzbergs' Informational Roles, Hofstede's 5 dimensions and Brett J. Behfar K. and M.Kern "Managing Multicultural Teams" - a business review article published in the Harvard Business Review.

## **ABSTRACT- GERMAN**

Die vorliegende Diplomarbeit ist aus vielen Gründen entstanden. Vor allem mein persönliches Interesse im Bereich der BWL und damit verbundenes Studium der „Internationalen Wirtschaft“ an der Universität Wien waren entscheidend bei der Auswahl des Themas dieser Diplomarbeit. Auch meine Arbeitserfahrungen, die ich in Wien und London gesammelt habe, waren eine große Hilfe im Laufe des Schreibens dieser Diplomarbeit. Da ich in internationalen Unternehmen tätig war, konnte ich meine Forschung( u.a. zahlreiche Befragungen und Interviews mit internationalen Mitarbeiter) und Analyse aus zwei unterschiedlichen Blickwinkel im Bezug auf eine multikulturelle Arbeitskraft durchführen. Heutzutage wird das Führen einer multikulturellen Arbeitskraft als ein sehr ethischer Weg gesehen, der einen Zugang zu den anderen Kulturen ermöglicht. Aufgrund der raschen und ständigen Veränderung der Wirtschaft, die Massenbewegung von Menschen innerhalb der Europäischen Union in den letzten 10 Jahren, die mit der Grenzüberschreitung verbunden ist, zeigt sich dass die Kulturen und auch internationale Kommunikation entwickelt sich ständig.

Meine Diplomarbeit untersucht die Verhältnisse in Unternehmen, in denen viele internationale Mitarbeiter beschäftigt sind. Sie zeigt inwieweit solche Unternehmen ihren internationalen Mitarbeiter wahrnehmen und wie sie mit denen zusammenarbeiten. Darüber hinaus werden die eventuellen Probleme bzw.Vorteile der Zusammenarbeit im interkulturellen Umfeld dargestellt.

Meine Forschung und Analyse vergleicht die drei Fallstudien, Business-Märkte und Trends wie man Multikulturellen Mitarbeiter führen sollte. Meine Analyse basiert auf die professionellen Studien von Mintzbergs, Hofstede's 5 Abmessungen und Brett J. Behfar K und M. Kern Artikel:" Managing Multikulturellen Teams".

## **APPENDICES.**

### **APPENDIX I: CASE STUDIES**

#### **1: Euro-freight**

##### Section A: Introduction.

Euro-Freight<sup>73</sup> is the second largest Austrian road haulage transport and logistics company after LKW WALTER. They are a small sized, young and dynamic company with modern technologies and environmentally friendly logistic solutions. They organise full truck loads, specialising in markets mainly in Central and Eastern Europe; Poland, Romania, Slovakia, Czech Republic, Hungary, Russia and the CIS countries. Representatives from Euro-freight are based in both Poland and Austria, where their employees are native speakers from the countries where they conduct business, giving the company excellent communication with suppliers and business partners, as well as guaranteed long term contracts. These credentials ensure that Euro-freight give the best all round service possible, as well as gaining the trust and confidence of their customers.

With a constantly changing market, especially throughout the most recent recession, means not only are contracts exceptionally tight, but also challenging in ensuring new long term relationships, contracts and market needs are maintained, meaning that Euro-freight has to be demanding as well as competitive.

##### Section B: Questionnaires Distributed and Returned.

Due to the small size of the logistics company, 15 Questionnaires were distributed, with 11 returns. Of the 11 returns, the following basic information about the recipients can be gained: Of the returns, I can establish that (63.7%) of answers given were by males, and that there are at least 5 different nationalities working for Euro-freight, with the largest percentage being Polish (36.3%) and then Austrians (27.3%) with the remainder being Russian, Romanian and Italian. There are 2 main age groups that work for the company: 25-30 year olds, which make up (45.5%) of the workforce, with the remainder being from 35-40 year olds: (54.5%). Over (90.9%) of the workforce questioned have been at the company between 1 and 5 years.

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<sup>73</sup> Euro-Freight website,2010

Section C: Interview Conducted; Lisa Petutschnig: Human Resources and Legal Office Manager; Euro-Freight; September 13<sup>th</sup> 2010.

The interview was conducted on September 13th 2010 with Lisa Petutschnig; Human Resources and Legal Office Manager at Euro-freights Headquarters in Vienna. Lisa is Austrian and has been working with Euro-freight since September 2007, and is responsible for recruiting, business and team development as well as being partially involved with the legal perspective. Lisa is also responsible for taking care of any day-to-day problems that may arise with the workforce and personnel aspects. Working within the company for the last 3 years, she has learnt to adapt to the various problems and conflicts.

I started the interview with Lisa, asking if she could give me a short introduction in respect to Euro-freight:

*“The company was founded in 2005. In the beginning we were part of an Italian company “Spinelli”. We are a young company with quite a small team, where we were organising shipments between Poland and Italy, developing very quickly to start additional routes to Romania, Italy, Hungary and Russia. We always had a strong track record between Italy-Poland and expansion has come directly from our customers. Now Euro-freight operates from Vienna Austria, with routes to Poland, Romania, Hungry, CIS’s and Russia. As Euro-freight does not have their own trucks, means we are in the middle between our customers and business partners, so our main business is to organise the various stages of the transportation move in the Eastern countries. We receive orders from our customers and business partners, than we set the prices and arrange the transport for the move. Our goal is to employ only workforce who speak the native language. We have only international teams and they work for us whether they come from a different city in Austria or directly to our office from European countries.”*

I then asked Lisa if she could tell me a little bit more in regard to the structure of the company:

*“Our structure is becoming hierarchical as well as decentralized - we are a classic Middle Management operation but presently of an incubator style because of the changes being implemented. Our Limited company has 2 Directors: Richard Benedek (CEO and Director*

*of Operations) and Malteo De Simone (CEO and Director of Sales). Beneath the Directors there are 3 main divisions: Operations Division, Sales Division and HR / Legal Division. Beneath the main divisions there with 3 area divisions which focus on the regional teams for movement within the Eastern Countries: Poland, Romania and CIS countries: each having up to 7 team members.”*

Discussing possible issues according to immigrant employees regarding communication or language problems Lisa stated:

*“Principally, when we have so many diverse cultures working in one company, it’s normal that we may face some problems which are very natural and inevitable, but the resolution of such problems is the most important and how these are handled.”*

This answer shows that Euro-Freight is very aware of existing multicultural issues and problems which may arise, and that they have the correct approach for resolution. They don’t try to cover issues, as they realise the cultural differences that may occur. Euro-Freight always tries to resolve issues instead of hiding them or pretending that they don’t exist. Lisa states that:

*“Each culture has a different mentality with their own peculiarities, and sometimes it is very hard to work on these issues, but if somebody is aware of them, then it makes it easier to cope and resolve the problem. It’s important to accept that issues occur and talk about them openly. Communication is the best way to cope with these type of problems (...). I’m sure that each culture communicates with each other differently, but when it comes to our company and we have to discuss issues in English, it’s very easy to makes some mistakes and miss or use unsuitable words, and this of course makes it harder. Misunderstandings happen quite often, but we are aware of that and we are continually working on them. Because we have such knowledge, I believe our company has a very good reputation. To ensure we minimise mistakes, we also use our “emotions” when writing mails or talking to colleagues on Skype, as we do try to avoid misunderstandings.”*

Euro-Freight developed their own system of adding “emotions” to the writing and verbal methods of communication during face-to-face, telephone and video-conferencing, so as to

ensure they make communication more clear to understand, avoiding the timely misunderstandings.

The next question I asked Lisa was in accordance to team and individual performance. Lisa stated that:

*“I think it depends really on the type of work being undertaken as we divide responsibilities for the sake of “information lost.” In this type of industry, the business is changing every day, so we have many requests from our customers. We must be very precise and fast not to lose anything and use it in proper controlled manner.”*

I then asked Lisa if multicultural workforce influences business in positive way. Lisa stated without hesitation:

*“Without Multicultural teams we couldn’t survive (...) if you master a foreign language, then this is the best way to create an effective contract and transportation plan, because you know how to approach a “given customer” due to the countries behaviour and culture. So yes of course multicultural teams influence our business very positively”*

This is a very good and satisfying answer. I have one further question in respect to a multicultural workforce: Does a multicultural workforce bring a lot of problems and conflicts, and if so, how do you deal with them? Lisa said:

*“There are all the time problems, but it doesn’t mean straight away that these problems are down to cultural differences. Sometimes it depends simply on the person’s character, so I do believe that it’s not always culture fault”*

Continuing the discussion Lisa explained how Euro-Freight’s Vienna office deals with conflict:

*“Most occasions’ people come to me so we discuss together first and very often I encourage them to sit together and talk openly about their problems. To improve continually our work relationships we organise many events, e.g. Christmas and Easter*

*events, team building and Football matches. We do actually quite a lot to improve working relationships between our teams.”*

Then I asked Lisa if she can describe a situation, which will prove that a multicultural workforce makes a difference to the company, Lisa said:

*“There are always stereotypes, and as an example I would say that the Austrian and Italian managers are more flexible than the others”* She then followed on by saying: *“I believe that it just depends upon the situation, on the one hand we have an Austrian employee who work for us, he has a flat, family, friends, knows town and nice places to go out, and on the other hand we have a Russian employee who doesn’t have a flat, doesn’t know town, needs help and assistance in lot of issues based on ordinary life. This type of person has different expectations and may need much more support than an Austrian one.”*

From my perspective it is in Euro-freight’s interest to have happy and satisfied employees, and as such a Middle Managed company must adjust properly to each of their employees. Euro-freight are aware of the possible problems and conflicts which could occur, and understand that it’s not easy for someone who doesn’t know the town and culture to jump from one day to another feeling good, safety and relaxed.

Moving on to the next question, I then asked Lisa about the importance of feedback, how managers receive it and how important it is to the company. Lisa stated that:

*“It depends more on the person rather than just a department or culture. Some managers simply require feedback, and they ask many questions too. I think it is a very positive means of communication on a face-to-face basis. This can also work in reverse and bring something to our company also. Sometimes the employees wish a change, if it’s possible why not, I mean we can’t change everything but good ideas according to better performance and more effective networks are welcome at any time”.*

I then went on to ask if the company are simply influenced by cultural differences only. Lisa confirmed:

*“Not really. I believe that some of the problems may come from multicultural differences,*



*but it doesn't depend upon the multicultural teams. As stated previously it depends more upon personality and their individual approach. Still E-mails might be perplexing, because people don't see each other so lack of emotions and reactions might bring some issues"*

Speaking with Lisa, I was able to ascertain a very clear understanding of the multicultural differences which Euro-Freight have to contend with, but it does show that they are aware of the multicultural differences which may occur in modern society, and this is most likely due to the number of different nationalities which work for this organisation. It is clear not only they understand the potential of the problems they may face, but it seems that from speaking with Lisa they will always try to resolve the problems in the shortest possible timescales. Euro-freight also recognise that all of their employees are very valuable and without their effort and hard work, the company would not be where it is today, and that is why it is appropriate for Euro-freight to have good personal support, healthy working relationships and a clear understanding of their employees.

## **2: Case Study 2; Kinetic Worldwide**

### Section A: Introduction.

Kinetic Worldwide<sup>74</sup> (WW) UK is part of WPP Group - a global leader in communication services. WPP employ in sum around 141,000 people in 2,400 offices in 107 countries. They state that:

*„Kinetic is the global leader in understanding how brands can connect with people's lifestyles and the environments they engage with. Our expertise and insight allows us to deliver solutions for our clients that achieve ambitious brand and marketing goals“*

Kinetic Worldwide has 3 UK offices: one global headquarters located in Paddington, London, and 2 regional offices in Manchester and Harrogate. Kinetic Worldwide buys, rents and plans for all forms of media “Out Of Home” i.e. bill boards, underground and taxi advertising. They co-operate with a variety of people and complete various researches for a number of institutions in respect to brand sales, development etc. so as to maximise their customer's profits when the item they wish to advertise is launched. Kinetic Worldwide's

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<sup>74</sup> Kinetic Worldwide website,2010

most important business partners are media agencies, owners and suppliers of consumer goods. They manage several divisions, which help to control and manage different areas of media. Kinetic WW offices in Manchester and Harrogate (northern England) concentrate on local advertisers and regional clients, together with focusing on the finances of the company, where as the London office specialises in the market and research development of both European and Worldwide clients.

Kinetic try to understand how brands connect with people's lifestyle and their intended environments. They also offer a wide range of products, which are part of planning and buying expertise through variety of their divisions:

- Alliance: Multicultural group of specialist in the US
- Aviator: Specialise in airport and in-flight media
- Destination Media Group: Planning and buying of non-traditional "Out of Home" media
- Hi Resolution: Out Of Home print production and project management
- Joule: Deal and work with mobile marketing services.
- Kinetic Intelligence: Data analysis, geo-targeting
- Kinetic People: Deal with brand and marketing insights
- Target Health: Work with pharmaceutical and healthcare environments
- Zone: OOH media to local and regional advertisers in the UK

#### Section B: Questionnaires Distributed and Returned.

Due to the small size of Kinetic's offices and availability of staff, 10 Questionnaires were distributed, with 10 returns. Of the 10 returns, the following basic information about the recipients can be gained: Of the returns, I can establish that (70%) of answers given were by males, and that there are at least 6 different nationalities working for Kinetic, with the largest equal percentage (30% each) being English speaking British and Americans (60% total), while the remaining (40%) of respondents were split between Singapore, Columbian, German and French nationals. There are 2 main age groups that work for the company both being split equally at (50%) each at 25-30 and from 35-40 year olds. (80%) of the workforce questioned have been at the company between 1 and 5 years, with the remaining (20%) between 1 month and a year.

Section C: Interview Conducted; Nick Mawditt; Global Director of Marketing and Insight, Kinetic Worldwide; London. 10<sup>th</sup> August 2010.

The interview was conducted on August 10<sup>th</sup> 2010 with Nick Mawditt, Global Director of Marketing and Insight at Kinetics Headquarters in London. Nick is British and has been working with Kinetic since 2007. Nick with his team is responsible for planning advertising campaigns as well as finding new methods and suitable locations around the world for where advertising can be created, published and sold, giving their customers the expanse of vision from the public they expect.

So, to start off with please Nick, can you tell me a little about your company?

*“Kinetic Worldwide (WW) UK is part of WPP Group. Interests are global with 39 offices in 37 cities. Kinetic World Wide UK is an International Global Media Agency, who plan campaigns for agencies, and understand brand technology and how it fits within the day-to-day environment. Not only do we search for the right location for our customer, but we can also create the whole package, in respect to design and creation of advert, right the way through to sale and installation at the mutually agreed site. We always manage our client’s expectations and investment, to ensure the best value is received from the communications.”*

I then went on to ask Nick, if he could tell me about Kinetic’s structure?

*“Mainly all Global decisions are made from the Top Board of Directs and CEO downwards, but individually some departments have their own freedom to make their decisions by themselves, such as dealing with clients, the planning of the research and/or advertising campaign and buying. Normally as a project progresses, then it would be a combination of the two. The company isn’t highly structured, so mainly teams work within groups and are task orientated, normally working on a number of different tasks in parallel.”*

Being part of a global organisation, can you tell me Nick about your team, how you conduct business within a multicultural workforce, and normally what languages you use?

*“As you can well imagine, being part of a global company, we do travel vast amounts, normally conducting business in the English Language, but in certain countries, such as Asia, then we do speak their own language. Neither the less we always try to complete our business in English. Obviously most of our employees abroad do come from their home countries, but we also do have a percentage of immigrant employees. Here in London we have a mixture: American, Dutch, French and even a Columbian, and sometimes I do find myself in a position where I face a few problems, sometimes in understanding and the techniques being explained. I also find that certain cultures find us specifically difficult to deal with, mainly the Turkish and Chinese.”*

Nick, please can you tell me how your teams function and are there any benefits of having a multicultural team?

*“Well all our employees work within teams, as not only do they support each other, they also are able to discuss ideas going forwards as groups. We do benefit of having multicultural teams, in my particular area, as I’m the global Marketing Director, I am dealing with people in different countries and markets so this for sure has to be an advantage. Even my boss, the UK CEO is from the USA, and she has implemented various techniques, which have helped us to develop our business. We defiantly have more cultural awareness. Having a multicultural workforce ensures that we are aware of the problems which may arise in both the positive and negative aspects, ensuring that any problems which may arise are captured early on. When answering the question, does a multicultural workforce influence the business, not really for Kinetic, but for the individuals working for our parent company WPP yes, as it brings more profit to the table.”*

When looking at future growth, can you tell me how often you review you company position and the strategies employed?

*“Normally it is every 6 months to a year when we review our strategy going forwards. We always try to reposition our company as a brand, and always ahead of our competitors.”*

Nick, moving on now to communication within the workforce and company, can you advise whether you personally receive feedback and how you provide your team with feedback and its importance to both the team and company?

*“Yes, well even being a Director means you are not immune to feedback. At Kinetic we use 360 degree Feedback where I receive feedback from the team I manage, which could either be verbal or face-to-face. This does assist me greatly, as I am able to change the direction in the decision making process. The feedback I receive is every 6 months. When dealing with our international partners, we do share information by video conferencing, email and verbally the most.”*

I then asked Nick if a multicultural workforce influences business in positive way.

*“Well it normally can, but it can be from the negative perspective also. Big projects in China, wanted our research but didn’t want to pay for it, so we disconnected with them, and certainly it can be a big problem, when aspects of our multicultural teams, don’t understand our position. Kinetic is a global company and we are determined on how we develop, so we look forwards and move on. It is always a good experience when issues don’t go to plan, as important lessons can be learnt.”*

Nick, can you please tell me, when your teams work with your international colleagues, do they face any problems, and are there any differences?

*“We only have difficulties with language, and it is very important to gain experience in regard to how you can communicate with somebody from a different company, an example being Asia - a country which is much different than talking to somebody, or making business in China. Language for example, as email, is very essential and important. There are differences in how people work, not just in the approach, but also in their business ethics, but it is always important that we do try to deal with these.”*

Meeting Nick has allowed me to understand how a multicultural team works within a truly global company. Although the interview was the shortest conducted, it does seem that Kinetic has a handle on the issues that a multicultural workforce will bring. Even with all the different locations, where multicultural teams embrace and work with one another, it does seem that challenges are also captured at dealt with, to the best of Kinetic’s ability.

### **3: Case Study 3: Bombardier**

#### Section A: Introduction

Bombardier<sup>75</sup> is a multinational manufacturing company, being one of the largest in the world in the production of both aircraft and rail vehicles, with an unprecedented net income of 1 million dollars being generated in 2009.

Bombardier<sup>76</sup> was born in 1907 when Joseph-Armand Bombardier, aged 15, built his first 'snow vehicle' to assist people to travel across the snow covered roads of rural Quebec, Canada, developing his first commercial seven passenger B7 snow mobile in 1937. Snow mobile production then continued until 1973 when an oil crises forced to halve its production by half, with Bombardier then redeploying its excess manufacturing capacity by acquiring mass transit technologies-the first contract being won in 1974 to manufacture 423 cars for Montréal's subway system, then in 1980 winning a landmark 1 billion dollar contract to supply 825 subway cars for the New York Subway. Entry into Europe occurred in 1986 with Bombardier acquiring a 45% interest in the Belgian manufacturer BN Constructions Ferroviaires et Metalliques S.A, followed in 1989 with the acquisition of ANF – Industrie, France.

In 1986 Bombardier expands, with entry into the aerospace industry, purchasing Canadair, manufacturing the Challenger and CL-215 amphibious fire fighting aircraft and in 1989 launching the 50-seat Canadair Regional Jet (CRJ) and more recently in 2007 introducing a 100-seat version.

Bombardier continues at pace to manufacture both rail vehicles and aircraft around the world, will numerous sites operating, but for this specific case study, I will be concentrating on one of its UK sites which Bombardier acquired from Adtranz in 2001(merger of ABB and Daimler-Benz): Derby which specialises in the manufacturing of both rail and underground vehicles for the UK transportation network.

#### Section B: Questionnaires Distributed and Returned.

The total number of questionnaires distributed to Bombardier was 10. As the interview

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<sup>75</sup> Bombardier Website, 2010

<sup>76</sup> Ibid.

focused on Peter Doolin's team, the questionnaires were distributed to his immediate subordinates for answering. Of the returns, I can establish that (100%) of answers given were by males and resided in the UK. Age groups varied considerably with no specific patterns, but (70%) of those questioned were over 40 years of age. (80%) of the recipients questioned have been at the company between 2 and 10 years, with (60%) of the workforce being at Bombardier between 6 and 10 years.

Section C: Various Interviews Conducted; Bombardier Transportation Limited, Derby. 27<sup>th</sup> September 2010.

Unlike the previous companies, I was lucky enough for Bombardier to provide me with 3 interviews on the same day when visiting their Derby factory on September 27<sup>th</sup> 2010. During my visit, the following people were interviewed, with the content for each being appended below:

Interview 1:	Peter Doolin:	Project Director Electrostar.
Interview 2:	Andy Derbyshire:	Project Manager Class 379 Electrostar.
Interview 3:	Mike Prosser:	Finance Project Controller

NOTE: The main Bombardier content in respect to the structure, team and group elements will be contained within Peter Doolin's Interview, with Interview's 2 and 3 containing specifics which relate to the personal experiences and knowledge of their present and past positions. This will ensure generic aspects of each interview are not repeated.

Interview 1; Peter Doolin; Project Director; Electrostar.

Peter Doolin is Welsh and has worked for periods at Bombardier over the last years of his career. Presently working at Bombardier for the last 1½ years firstly as a contractor, but more recently being taken on permanently by Bombardier as Project Director for the manufacturer of the Electrostar Fleet. Prior to Bombardier, Peter has worked for Rolls Royce and Alstom.

Peter, can you start by telling me please a little bit about Bombardier and the structure of the company:

*“Well, from my position of Project Director, the structure is both hieratical and decentralised depending upon the position of responsibility. Although the Bombardier Company was, and is still family owned, the company is highly structured and has a large directorate structure. We also allow the teams with their professional heads to make a number of key decisions; e.g. when it affects a train going down the production line, and if something happens in respect to a missing component or delayed stage, then the direct reporting line will be with the Project Manger who would report to myself if this has any knock on effect to the overall project.”*

With Bombardier being a large multicultural company, can you tell me how you brief your staff and colleagues, and in which language you use?

*“Well it depends which part of Bombardier we are conversing with. In Derby, it’s predominantly English speaking when communicating with other employees within the Project or Manufacturing teams on site. If there are issues with sub-suppliers or other International Bombardier teams, then the language may change, dependent upon whether the language is spoken by the Project Manager or Director and/or the representative they may be speaking with, but generally form the Derby perspective, it’s English. Due to the locality of where the staff comes from, it is very rare for any multicultural communicational issues to arise, as all staff need to have a very good understanding of the English Language.”*

Can you advise whether teamwork plays a large part in Bombardier’s Derby site, and do problems arise? Can you also tell me what type of corporate culture best describes Bombardier?

*“Yes, there are many teams within the Derby site, and they can be a mixture of Directorship, Project Management and Production Teams, dependent upon the stage of the project which is being completed. When the project gets to a point of assembly, production and completion, then the amount of project teamwork will increase – as the final project will be shown off to the customer for the first time. Team work is definitely important due to the size of project which is being completed on site, and is typical of a Guided Missile structure – where multitasking is exceptionally precise, and this mechanism can be seen over the whole of the site.”*



With a very team orientated workforce, does a multicultural workforce benefit Bombardier?

*“Yes, definitely. A multicultural workforce has to be advantageous, especially when you have a number of staff that also comes from a specific country. As an example one of our directors is German and we maintain a large supplier base there also. If problems arise, then he is able to converse and discuss the problems, which are being encountered, and find an amicable solution. When within a Derby perspective there aren’t too many cultural differences, as the makeup of the workforce is from Derby. Historically, local people assume that jobs will always be here, and in all cases this should not be assumed, as situations do change. Here culture is not dependable upon ethics or origin, but loyalty as many of the workforce have never worked elsewhere, and depend upon Bombardier being located in Derby for a sustainable future. There have been subtle changes with procurement being run by German employees and operations and logistics being headed by the French, but we do always co-operate with each other.”*

So Peter, does Bombardier believe that it is more important to have better working relationships over profit, and how often in advance do you make decisions for the future growth of the company?

*“In the long term, you will only achieve a sustainable business if you work as team, and have good working relationships. There may be conflicts where decisions and people are challenged and questioned, but at the end of the day everybody needs to have the same shared vision so it’s very important and essential. You need to ensure that you have a strategy, which everybody buys into. Bombardier reviews all strategies for development normally around every 6 months against a 5-year plan, but it is slightly difficult to define, dependent upon resource and projects being completed at the time, and how the project runs. Within my previous company we reviewed the growth strategy at a very high level, which was corporally agreed and implemented, ensuring the main aim was to increase sales, with a number of sales targets having to be met. To achieve this aim, the strategy needs to be cascaded throughout the company from the worker right at the bottom through to the Director, ensuring all targets and the problems of not meeting the strategy are fully understood. Achieving the strategy normally takes around 3 years to implement.”*

Moving on to feedback from international teams, can you tell me Peter please, do you receive any to and from your sub-ordinates and how is this communicated?

*“I have run various teams throughout my career, and feedback is exceptionally important, so meeting and hearing from your colleagues directly is critical. If you try to do this with either video conferencing or email, you are unable to understand the reactions of this person, so completing face to face has to be the ideal. If I was providing feedback, then generally I would complete monthly reviews with our teams, and for me once a month with Berlin (European HQ) where I would report Bombardiers performance and effectiveness to my direct CEO. If individual objectives had to be set, then this would be completed within a face to face meeting, where I could discuss directly with the individual.”*

Peter, could you tell me, have you been in a position where international culture has made a difference to a situation?

*“When working in Bruges, Belgium, I had to work with the system engineers who only conversed in French with one coming from Belgium and the other France, and I was between the two of them whilst at Project reviews. Here it was very difficult to converse as not only was the culture different, the formality of speaking the same language and coming from two different countries was very difficult and had to be managed, as both of the cultures were worlds apart.”*

With Bombardier working with many International teams and suppliers, have you experienced any issues in respect culture?

*“The main problems which have been seen, have been from Sweden, where they have no urge of timescales which need to be adhered to, ensuring tight timescales are managed and delivered on time. Understanding this culture takes time to adapt, when interfacing with this culture. For summer holidays, the Swedes can have 3 to 4 weeks off, where the factory would close, where as similarly on the UK, this would be for only 1 or 2 weeks, so planning for such a type of activity is very important.”*

When comparing foreign employees with your own, are there any differences?

*“It does depend fully on the qualifications and the country involved. For example I feel that from experience it is far much quicker for a English Engineer to complete a job, rather than either a French or German counterpart, where the later are very academic, but they don’t tend to have the day to day experience of running a business. If for example you attend the “Grande l’ecole” in Paris, then Alstom would set up a job for life however you performed.”*

#### Interview 2: Andy Derbyshire; Senior Project Manager Class 379 Electrostar

Andy Derbyshire is British, and has joined Bombardier recently to take on the Senior Project Manager position for the new Electrostar Class 379 that is being manufactured in Derby, reporting directly to Peter Doolin, Project Director. Andy has a multitude of multicultural experience, as his previous job was working with Eurostar the tri-partite railway operator running services between London, Paris and Brussels.

Andy, can you tell me please how your team functions:

*“Although the company structure is slightly different, I report directly to Peter Doolin, but within my team alone, the structure is hieratical – we me directing from the top. Each project also controls its own budgets in line with its delegated authorities, so if we require any financial authority, then we can do this by presenting an action plan to the Executive Manager.”*

What type of problems do you face within your project teams Andy?

*“As a Head of Project, we have to be aware of the staff within the team, how they function etc. To ensure we capture this, we complete a lot of activities in respect to race relation analysis, and we always understand what each person of the team is completing, but as Bombardier is such a large organisation, we do assume that there is a lot of duplicated work streams. Being in Derby and the workforce coming from a very localised background, there are not many multicultural teams, as many are English specific. From my past experience working for Eurostar, it is a very different way of working and was very French, even being based in England. Where as in England, the meeting structure is a “can do approach”, where with the French there are always a number of barriers which have to be jumped through to get to the end point.”*

Using your past and existing experience, do you feel that multicultural teams influence your business? And how would you solve the problems, which may occur?

*“Yes, we definitely profit from such teams, but it also depends on business you are in, and with whom your doing the business. In some countries it would be very different e.g. Russia and Japan, where after 6 months you would still have a person stood behind you checking to ensure whether you are still completing the work correctly. When I worked for Eurostar, and working with the French, I had to change the way I was behaving and acting, as I was unable to co-operate with them and understand their techniques used.”*

Do you think that working relationships are more important than making profit? And how do you strategically plan for future growth?

*“This is a good question. Well we do have new policies regarding how we should behave and how it is supposed to look like, so you do need to have the ability to grow existing and new relationships, otherwise profit may be limited. Being the Class 379 Project Manager, performance and relationships are my next order based on that, so yes it is very important to us. As I am so new within the Bombardier organisation, it’s hard to say what Bombardiers long term strategy is, as I am full aligned with the requirements of my existing project.”*

Being the Senior Project manager for the Class 379, feedback is obviously important. Can you tell me whether you receive feedback and how you provide feedback to your subordinates?

*“Feedback is exceptionally important to ensure you are heading in the right direction, for the project and also personally. Normally I receive feedback during meetings and functional face-to-face meetings with my direct bosses. I’m not a fan of email, so I do prefer to sit with that person. It is also very important to provide feedback to my subordinates, and dependent upon function, will depend upon how I complete this – as it may be during a meeting, by email or face to face – I do prefer the later.”*

Can you tell me if you feel that international teams have made a difference in Bombardier? And if any problems have arisen, how you have overcome them?

*“Not particularly in Derby, as it is predominantly an English work force, but when I was working within Eurostar, especially in minutes of meeting or in emails, the ways certain aspects had been recorded or written was defiantly a problem, as the way it had been translated was then restructured into incorrect English – which meant something totally different to that of its original meaning, and as this was of a technical stance, made the translation even more difficult. When at Eurostar my boss was French and because he didn’t want to speak to people in English and I had to do this on his behalf (union consultation and presentation), but when I had to do the French part, he would do this for me as this was his native language. Because of this, we had a very good working day to day relationship. To ensure that the correct outcome, dealing with facts, and taking away the blame culture is the correct technique, as this allows the opening up of staff and illuminate any problems which could arise.”*

Do you have any cultural differences between your teams and international teams?

*“This is really only related to my previous experience at Eurostar. Whilst working in London, we had to respect the religious beliefs i.e. Asian, having their own beliefs and values but once you become more educated with the differences, you then adapt your working techniques to suit your business requirements and their beliefs. With this differential, your employment network will be greater and could create positive differentiation.”*

### Interview 3: Mike Prosser; Finance Project Controller.

Mike Prosser has worked within Bombardier for the last 8 years; with his present position being Project Controller for the Eurostar diesels and electric multiple unit fleets, working very closely with Peter Doolin, Project Director. Being part of the accounting team, he does speak with various different companies from around the world.

Please can you tell me about your responsibilities within your controlling team and how it functions?

*“We have a team, which controls all the finances from the Electrostar projects, and due to the different countries they are located within, will depend upon the language which is spoken. Mainly it is predominately English, but we also speak German sometimes. We do perceive that the cultures are different, especially when we deal with them, and they all seem to have different ways of working. Within my team we also have an Indian lady and gentleman. We have good working as well personal relationships. When with our German colleagues we like to listen and communicate with them freely to see how they face and resolve similar issues, and the way how they are working. We always try to ascertain the best way to work and if we learn new techniques and we find them useful, then we will always implement them. Being within such a small team, we are always aware of our responsibilities and project management processes, and because of the different projects which are being completed we do multidiscipline teams.”*

From your experience, does a multicultural workforce influence your business? And does your company profit because of this?

*“Yes of course as it brings different people and techniques to the company. Bombardier now has a varied International Executive Group, with nationalities from Germany, France and Belgium being employed. For the last 2 years. Me personally, I am heavily involved with the Gau Train project in South Africa, developing financial plans for the next 3 years.”*

Do you believe that working relationships are more important than making profits? And can you tell me how Bombardier develops their strategies for the future?

*“Every business must make profit, but good working relationships need to be sort and implemented to that business, and this is what Bombardier try to employ. I have worked for companies who have struggled before, and have found that the working relationships were not the best. When this happens, relationships break down and the workforce become very difficult to direct, and this should always be taken into consideration when planning strategies. From the Bombardier perspective we do review various strategies, dependent upon forecasts. Every month we review progress and performance and look if every project is on target, behind or in front. The forecasts for the annual budget are reviewed quarterly with the strategic plan looking 5 years in advance. Due to the number of projects*

*Bombardier services are involved with, there strategic plan looks in some cases 10 to 15 years ahead.”*

Moving on to the requirement for feedback, can you tell me if you receive feedback and do you also provide to your teams?

*“We receive feedback as a team from Berlin head office weekly and this will go directly to my boss and will occur normally in English and by phone. This will then be dispersed to the rest of the team. Formal one to one methods are normally completed as part of my review 6 monthly. As part of the team, we also complete daily and weekly meetings, but this depends upon project and objectives for the coming year. Here we must also change any objectives which may be misaligned with our performance and priorities.”*

Do you think international teams differ, and if so in which way?

*“Yes, in particular Swedish people as there seem to have a different mentality in respect to how you address them. You do need to be very careful otherwise you may offend them, so prior to speaking to international colleagues; we always try to think of the best way to address the problems, but from our perspective, when within the Derby community, everybody is treated respectfully and the same – so no differential occurs.”*

When your teams deal with International teams, do they face any particular issues?

*“The only major issue is with language, and it is a bit disappointing that we can speak all the languages which we deal with around the world. We are always aware that people are difference, and as part of our policies, we must be aware and be sure that we know what we are doing. Being briefed on their customs and traditions is also important and for this we normally receive training, before addressing or going on a trip – whether it be the normal day to day requirements or tax laws etc.”*

Interviewing all the Bombardier employees has shown that it is a very English way of working within the Bombardier Derby site, but there are slow changes to make the company more multicultural and international. Even though a small multicultural workforce is employed, it must be said that Bombardier are aware of the requirements

which a multicultural workforce brings together with the requirements of taking the company successfully forward, without disputes and unrest. From the project perspective, the structure is very mixed but is suited to the different projects that are being completed on the site today, with a firm structural and strategic plan for development going forwards. With the varied experiences of both the Director and Project Managers interviewed, their experience is very important and worthwhile, as developing modern techniques is the correct way of developing their industry in the society we live in today.



## APPENDIX 2: QUESTIONNAIRE

### A: Information about yourself and company

1. Female ☐  
Male ☐

2. How old are you?  
20-25 ☐ 25-30 ☐ 35-40 ☐ 40-45 ☐ more than 45 ☐

3. What is your nationality?

4. How long have you been working in the company?  
0-6 months ☐ 7-12 months ☐ 1-5 years ☐ 6-10 years ☐ more than 10 years ☐

5. What is your position, and in which department do you work in?

6. Is the structure of your company hierarchical? If not, can you advise the type of structure which is in place? How does the structure of your team work?

7. Which languages do you communicate in with:

i) CEO, Directors and Managers?

ii) The teams you manage?

iii) The workforce on a day-to-day basis?

### B: Information about your employee

1. Do you have a mixture of nationalities?

Yes ☐ No ☐

If yes, which ones:

2. How many colleagues do you manage within your department?

1-5 ☐ 5- 10 ☐ 10-15 ☐ 15-25 ☐ more than 30 ☐

3. How many immigrant colleagues do you manage within your department?

1-5 ☐ 5- 10 ☐ 10-15 ☐ 15-25 ☐ more than 30 ☐

4. How many non immigrant colleagues do you manage within your department?

1-5 ☐ 5- 10 ☐ 10-15 ☐ 15-25 ☐ more than 30 ☐

5. Do you have any communication issues with your immigrant employees

Always ☐ Frequently ☐ Occasionally ☐ Very Rarely ☐ Never ☐

**6. Do you have any issues regarding immigrant employees with cultural issues relating to tribes or religion?**

Always ☐ Frequently ☐ Occasionally ☐ Very Rarely ☐ Never ☐

**7. Do you have any issues regarding immigrant employees with physical or learning difficulties?**

Always ☐ Frequently ☐ Occasionally ☐ Very Rarely ☐ Never ☐

**8. Is it easy for you working with immigrant employees?**

Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly Disagree ☐

**9. Do you feel that different cultures are more problematic within employees?**

Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly Disagree ☐

**10. How are you overcoming problems regarding immigrant employees?**

Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly Disagree ☐

**11. Can you advise of the solutions you are implementing to overcome the issues?**

### **C: Company Information**

**1. If you brief your staff within your team, how do you communicate with them?**

i) Personally (face to face):

Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly Disagree ☐

ii) Group meeting:

Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly Disagree ☐

iii) E-mail:

Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly Disagree ☐

iv) Telephone:

Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly Disagree ☐

**2. Do you complete performance reviews on your team?**

Always ☐ Frequently ☐ Occasionally ☐ Very Rarely ☐ Never ☐

**3. During the group reviews what information do you normally convey?**

**i) Performance statistics; enhancements in production; changes to the structure of the workforce?**

Always ☐ Frequently ☐ Occasionally ☐ Very Rarely ☐ Never ☐

**ii) Only performance?**

Always ☐ Frequently ☐ Occasionally ☐ Very Rarely ☐ Never ☐

**4. How often do you have group reviews?**

twice a week ☐      once a week ☐      once in 2 weeks ☐  
 once a month ☐      once in 2 months ☐

**5. Do you receive any feedback from your team about your performance?**

Always ☐      Frequently ☐      Occasionally ☐      Very Rarely ☐      Never ☐

**6. Do you receive any feedback from your team about other personal issues?**

Always ☐      Frequently ☐      Occasionally ☐      Very Rarely ☐      Never ☐

**7. Is it important for you to receive feedback from immigrant employees?**

Very Important ☐      Important ☐      Moderately Important ☐      Unimportant ☐

**8. Do you receive feedback from your international teams?**

Always ☐      Frequently ☐      Occasionally ☐      Very Rarely ☐      Never ☐

**9. Does the feedback change the way of communication and structure of the workforce?**

Always ☐      Frequently ☐      Occasionally ☐      Very Rarely ☐      Never ☐

**10. Please can you describe a situation where you feel that a difference in culture made a difference, and what changes were implemented to resolve the issue?**

**11. If your team(s) have to work with international teams for different divisions/companies, what kind of problems do they face?**

**12. What type of relationship do you have with your immigrant employees?**

Very good ☐      Good ☐      Barely Acceptable ☐      Poor ☐      Very Poor ☐

**13. Have you discovered some communication problems within your teams?**

Always ☐      Frequently ☐      Occasionally ☐      Very Rarely ☐      Never ☐

**14. Do you think it is important to understand the cultures of immigrant employees?**

Very Important ☐      Important ☐      Moderately Important ☐      Unimportant ☐

**15. Do you think that immigrant employees easily adapt within your company?**

Very Important ☐      Important ☐      Moderately Important ☐      Unimportant ☐

### **APPENDIX 3 :INTERVIEW QUESTIONS**

#### **A. QUESTIONS CONCERNING YOUR COMPANY, STRUCTURE AND WORKFORCE**

1. Please can you tell me a little about the company you work for?
2. What is your nationality?
3. How long have you been working in the company?
4. What is your position, and in which department do you work in?
5. Is the structure of your company hierarchical (where the CEO directs his staff beneath), or decentralized (where each manager from their own department, make the decisions alone)?

If neither of the above, can you advise the type of structure which is in place, and the management of your staff.

6. What type of corporate culture do you think best describes your company?
  - i) Incubator (very creative, person-oriented)
  - ii) Guided Missile (multitasking, very percise)
  - iii) Eiffel Tower (highly structured, group-oriented)
  - iv) Family (private company)
7. If the company is multinational, which language do you brief your workforce in? What information do you convey and how do you inform the workforce of the information?
  - i) Between CEO and Directors
  - ii) Between Directors and Managers
  - iii) Between Managers and other employees.
8. Do you have any issues regarding immigrant employees with?
  - i) Communication? (Language, culture etc)
  - ii) Physical or learning difficulties?
9. Do you think that working in groups is better than individual performance?
10. When resolving problems there are a number of strategies, which could be used. Please confirm which one best suits your company:
  - i) Adaptation
  - ii) Structural Intervention
  - iii) Managerial Intervention
  - iv) Exit
11. From your experience, does a multicultural workforce influence your business and in which ways? Does your company profit because of this?
12. How are you overcoming the issues from question 11? From your personal

experience, can you advise of the solutions you are implementing to overcome the issues?

13. Are good working relationships within your company more important than the profit you make?

14. When making decisions for the future growth of the company, do you implement long term strategies to ensure your aims; objectives and growth predictions are met? Can you tell me how far in advance your company strategies are discussed, designed and implemented? Do you review them continually to ensure the targets implemented are being met?

## **B. QUESTIONS RELATING TO INTERNATIONAL BUSINESS AND WORKFORCE**

1. Do you receive any feedback from the international teams you manage, about your performance / any other issues? Can you advise?

i) How is this communicated? What type of form is it?

ii) How do you assess and communicate the changes of the feedback?

2. Do you give any feedback to your international colleagues and teams?

If yes, please tell me how often? In what form is it passed (e-mail/telephone)?

What kind of issues do you discuss?

3. Please can you describe a situation where you feel that a difference in international culture has made a difference?

4. From your experience, if your team(s) have to work with international teams for different divisions/companies, do they face any problems?

5. Do you personally see any differences between foreign employees within the international teams and your colleagues?

6. What type of relationship do you have with your immigrant employees? Are there any areas, which have been implemented because of their suggestions?

## **CV - MAGDALENA DRAZEK**



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- GRUNDSCHULE NR. 8 in Police-Polen  
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