

A day at work, a trip to the store, a visit with friends—all bring diversity into our lives. Even a walk across the college campus can be a trip around the world, if you're willing to take it.

TUCSON 2567

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MOSCOW 50

ATHENS 4111

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Diversity and Global Cultures

16

There Are New Faces in the Neighborhood

Management Live

Diversity Maturity and *Finding Forrester*

F*inding Forrester* is an intriguing story about the relationship between an aging and reclusive Caucasian writer—William Forrester (Sean Connery), and a young African American from the projects—Jamal Wallace (Rob Brown). Jamal first enters Forrester’s apartment through a fire escape window. It is the fulfillment of a dare by friends. Forrester catches Wallace, who escapes by running out the front door. Later, they come face-to-face in the apartment when Wallace writes a 5,000-word essay to appease the reclusive tenant.

The two become fast friends, but only after Forrester tests Wallace’s mettle by pretending to be racist. He is anything but that. But Wallace’s literature professor, Robert Crawford (F. Murray Abraham), is racist. He finds it hard to believe that Wallace, a star athlete, can perform in the class as well as he does on the basketball court.

The roles of Forrester and Crawford provide excellent examples of differing levels of diversity maturity, the ability to respect and work with others who may be ethnically and culturally different. When Forrester invites Wallace into his apartment, it is clear he already trusts the young man. When Crawford refers to Wallace’s “previous education” and “background,” it is evident that he is biased.

Most of us have inherent bias. Give yourself a good honest self-check on diversity maturity. If the results are not what you hoped, begin to think about what you can do to improve.



Columbia Pictures/Photofest

YOUR CHAPTER 16 TAKEAWAYS

1. Understand what we need to know about diversity in the workplace.
2. Understand what we need to know about diversity among global cultures.

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Manager's Library
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by Nicholas D. Kristof and Sheryl WuDunn

Takeaway 16.1

What Should We Know About Diversity in the Workplace?

ANSWERS TO COME

- Inclusion drives the business case for diversity.
- Multicultural organizations value and support diversity.
- Minorities and women suffer diversity bias in many situations.
- Organizational subcultures can create diversity challenges.
- Managing diversity should be a top leadership priority.

FACT! THE U.S. POPULATION IS GETTING OLDER AND MORE ETHNICALLY DIVERSE. That shouldn't surprise you. But did you know that more than half of newborn children in the United States come from what the *Wall Street Journal* calls "racial and ethnic groups that in previous generations would have been considered minorities," or that by 2043 whites will constitute less than 50% of the U.S. population?¹ Such facts and projections are just one window into our changing social fabric.

Issues of diversity are often discussed in respect to age, race, ethnicity, gender, physical ability, and sexual orientation. An even broader definition includes differences in religious beliefs, education, experience, family status, national cultures, and perhaps more.² In his book *Beyond Race and Gender*, diversity consultant R. Roosevelt Thomas Jr. says that "diversity includes everyone . . . white males are as diverse as their colleagues."³ He also says that diversity is good for organizations, offering a source of competitive advantage. Picture an organization whose diverse employees possess a mix of talents and perspectives and reflect the firm's customers and clients. Wouldn't this be good for the organization and its members?

||| Inclusion drives the business case for diversity.

Many organizations seem to be good or relatively good at attracting new employees of diverse backgrounds to join. But they aren't always successful in keeping them for the long term. This problem of high employee turnover among minorities and women has been called the revolving door syndrome.⁴ It can reflect a lack of inclusivity in the employing organizations—the degree to which they are open to anyone who can perform a job, regardless of race, sexual preference, gender, or other diversity attribute.⁵

Research reported in the *Gallup Management Journal* shows that having a diverse and inclusive workplace is good for morale. In a study of 2,014 American workers, those who felt a sense of inclusion were more likely to stay with their employers and recommend them to others. Survey questions asked such things as "Do you always trust your company to be fair to all employees?" "At work, are all employees always treated with respect?" "Does your supervisor always make the best use of employees' skills?"⁶ The New York research group Catalyst also reports that companies with a greater percentage of women on their boards outperform those whose boards have the lowest female representation.⁷

Studies like those just cited back what some call a strong "business case for diversity."⁸ But, Thomas Kochan and his colleagues at MIT point out that the hoped-for advantages are gained only when managers make diversity a priority by investing in training and supportive human resource practices. They say:⁹

Diversity describes race, gender, age, and other individual differences.

The **revolving door syndrome** is high turnover among minorities and women.

Inclusivity is how open the organization is to anyone who can perform a job.

To be successful in working with and gaining value from diversity requires a sustained, systemic approach and long-term commitment. Success is facilitated by a perspective that considers diversity to be an opportunity for everyone in an organization to learn from each other how better to accomplish their work and an occasion that requires a supportive and cooperative organizational culture as well as group leadership and process skills that can facilitate effective group functioning.

||| Multicultural organizations value and support diversity.

Look around. Think about how people are treating those who differ from themselves. What about your experiences at school and at work? Are you and others always treated with respect and inclusion? Or do you sense at times disrespect and exclusion?

The model for inclusivity is a **multicultural organization** that displays commitments to diversity like those in Table 16.1—Characteristics of Multicultural Organizations.¹⁰ One such organization is Xerox, the first *Fortune* 500 firm to have an African-American woman, Ursula Burns, as CEO and also the first to have one woman succeed another as CEO. When praising Burns's appointment, Ilene Lang, head of the nonprofit Catalyst, which supports women in business, said: "Most companies have one woman who might be a possibility to become CEO; Xerox has a range of them." The firm has an Executive Diversity Council, runs diversity leadership programs, and evaluates managers on how well they recruit and develop employees from underrepresented groups. Harvard professor David Thomas says Xerox has "a culture where having women and people of color as candidates for powerful jobs has been going on for two decades."¹¹

Table 16.1 Characteristics of Multicultural Organizations

| |
|---|
| <p>Pluralism—Members of minority and majority cultures influence key values and policies.</p> <p>Structural integration—Minority-culture members are well represented at all levels and in all responsibilities.</p> <p>Informal network integration—Mentoring and support groups assist career development of minority-culture members.</p> <p>Absence of prejudice and discrimination—Training and task force activities support the goal of eliminating culture-group biases.</p> <p>Minimum intergroup conflict—Members of minority and majority cultures avoid destructive conflicts.</p> |
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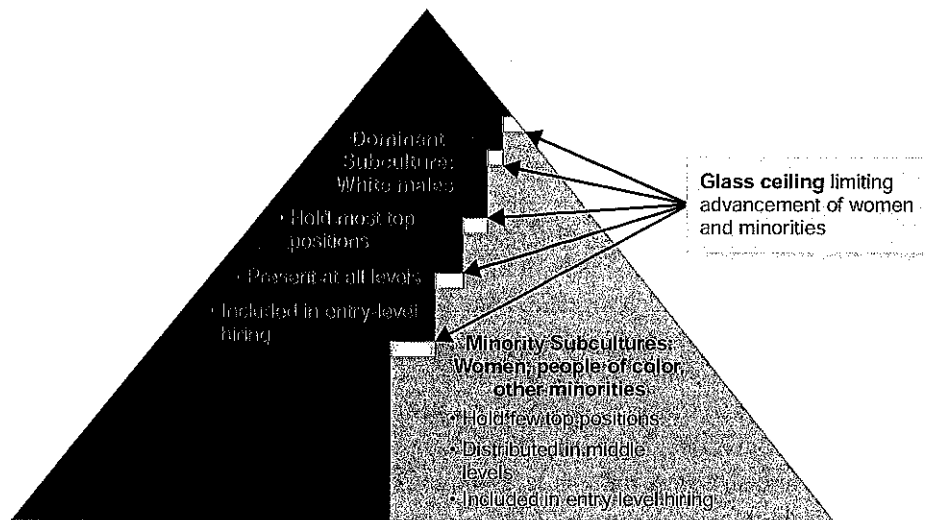
||| Minorities and women suffer diversity bias in many situations.

We have to be realistic in facing up to the challenges of creating inclusive and multicultural organizations. It isn't always easy to get the members of a workforce to really respect and work well with one another. The term "diversity" basically means the presence of differences, and that's potentially challenging in its own right. But

A **multicultural organization** is based on pluralism and operates with inclusivity and respect for diversity.

FIGURE 16.1
How Do Glass Ceilings Constrain Career Advancement for Women and Minorities?

Organizations consist of a majority culture (often white males) and minority cultures (including women, people of color, and other minorities). It is likely that members of the majority culture will dominate higher management levels. One of the potential consequences is a “glass ceiling” effect that, although not publicized, acts as a barrier that sometimes makes it hard for women and minorities to advance and gain entry into higher-management ranks.



The **glass ceiling** is a hidden barrier to the advancement of women and minorities.

The **leaking pipeline problem** occurs when women leave careers because employers lack family-friendly policies and practices.

Biculturalism is when minority members adopt characteristics of majority cultures in order to succeed.

diversity issues in organizations are further complicated because such differences and subcultures are often distributed unequally in the power structure. Let's be honest. Most senior executives in large businesses are still older, white, and male. There is more diversity among lower and middle levels of most organizations than at the top. And for some women and minority workers, the **glass ceiling** depicted in Figure 16.1 can be a real—albeit hidden—barrier to career advancement.

Minorities and women can face diversity challenges that range from misunderstandings, to lack of sensitivity, to glass ceiling limitations, to outright job discrimination and various types of harassment. One senior executive expressed her surprise on finding that the top performer in her work group, an African-American male, was paid 25% less than anyone else. This wasn't because his pay had been cut to that level; it was because his pay increases had always trailed those given to white co-workers. The differences added up significantly over time, but no one noticed or stepped forward to make the adjustment.¹²

Something called the **leaking pipeline problem** shows up in male-dominant organizational cultures. It occurs as women leave careers because their employer lacks family-friendly human resource policies and practices.¹³ The EEOC, for example, reports an increase in pregnancy and pay discrimination complaints.¹⁴ Data from the U.S. Equal Employment Opportunity Commission (EEOC) show that sex discrimination is behind an increasing number of bias suits filed by workers. And sexual harassment is another problem.¹⁵ It takes the form of unwanted sexual advances, requests for sexual favors, and sexually laced communications.

People respond to bad treatment at work in different ways. Some may challenge the system by filing internal complaints or taking outside legal action. Some may quit to look for better positions elsewhere or to pursue self-employment opportunities. Some may try to “fit in” by adapting through **biculturalism**, attempting to display majority culture characteristics that seem necessary to succeed in the work environment. For example, gays, lesbians, bisexuals, and transgendered might hide their sexual orientations and gender identities; an African-American or Hispanic manager might avoid using words or phrases that white colleagues would consider slang; a woman might use football or baseball metaphors in conversations with men to gain acceptance into their career networks.

Big Continent Attracts a Global Giant

Dear Wal-Mart: "Welcome to South Africa."

When Wal-Mart bought 51% ownership of South Africa's Massmart, it joined forces with an established and successful retailer. And the decision was strategic. "The more we learn about South Africa and the surrounding countries, the more we are convinced that this is an important region with attractive growth characteristics," said Doug McMillon, head of Wal-Mart International. It's a belief confirmed by Massmart's local record. "Yeah, people here love it," says one of the store's salespersons, "by midday there is a stampede through the doors."

Massmart operates close to 400 stores, mostly in South Africa but also in 12 other sub-Saharan African countries. The firm has prospered from a growing middle class and an acceptance of the "shopping mall" experience. Wal-Mart hopes to find the right fit with African cultures with the assistance of its local partner.

CEO Grant Pattison says Massmart will operate with regional sensitivity. This means that Wal-Mart's corporate culture, which originated in founder Sam Walton's hometown of Bentonville, Arkansas, will have to do some adapting. "Not everyone comes in the morning and does the rah-rah thing," says Pattison. "Not everyone does the Wal-Mart cheer."



Denis Farrell/AP

Find Inspiration

It's a long way from Arkansas to South Africa, and it's a big step across cultures. But that's the nature of business these days, and we all have to be prepared to work well across diverse cultural boundaries. How experienced are you at cross-cultural relationships, whether in the neighborhood or while traveling? What do you need to know to succeed in a globally connected world of work?

Organizational subcultures are groupings of people based on shared demographic and job identities.

Ethnocentrism is the belief that one's membership group or subculture is superior to all others.

Occupational subcultures form among people doing the same kinds of work.

Ethnic or national subcultures form among people from the same races, language groupings, regions, and nations.

Cultural intelligence is the ability to work well in situations of cultural diversity.

III Organizational subcultures can create diversity challenges.

Another reason that the truly multicultural organization is hard to find is the existence of **organizational subcultures**. These are informal groupings of persons that form around such things as gender, age, race and ethnicity, and even job functions. People can get so caught up in their subcultures that they identify and interact mostly with others who are like themselves. Although perhaps unintentional, they can develop tendencies toward **ethnocentrism**, and act in ways that suggest their subculture is superior to all others.

Occupational subcultures develop as people form shared identities around the work that they do. Some employees may consider themselves "systems people" who are very different from "those marketing people" and even more different still from "those finance people." Even at school, in course project groups, have you noticed how students tend to identify with their majors? Don't some look down on others they consider to be pursuing "easy" majors and view their majors as the superior ones?

Differences in **ethnic or national subcultures** exist among people from various races, language groups, regions, and countries. And as we all know, it can be difficult for some to work together across these boundaries. Although one may speak in everyday conversations about "African-American" or "Latino" or "Anglo" cultures, one has to wonder: Do members of these subcultures really understand one another?¹⁶ **Cultural intelligence**, sometimes called **CQ**, is defined as a "person's capability to function effectively in situations characterized by cultural diversity."¹⁷ It's a concept often used in the context of global business and travel. But shouldn't CQ skills be part of subculture relationships right here at home—at work and in everyday living?

It's common for **gender subcultures** to form among persons that share the same gender identities. Although common ground creates lots of comfort for those inside these subcultures, it may create distance between them and outsiders. Women, for

Generational subcultures form among people in similar age groups.

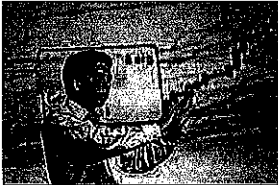
example, might feel a sense of exclusion in an environment of men who talk with lots of sports metaphors focused on winning and losing.¹⁸ Men might feel similar exclusion in an environment of women whose conversations and interactions emphasize relationships and collaboration.¹⁹ And what about persons with transgender identities? How do they fit in, how do they feel, and how do they adapt in work settings dominated by men and women who identify along traditional gender lines?

Age is the basis for **generational subcultures** in organizations. Harris and Conference Board polls report that younger workers tend to be more dissatisfied than older workers.²⁰ They are also described as more short-term oriented, giving higher priority to work-life balance, and expecting to hold several jobs during their careers.²¹ **Imagine the conflicts that can occur when members of today's college generation go to work for older managers who grew up with quite different life experiences and even values. Have you had a conflict with a parent, perhaps over a lifestyle or authority issue, that might foreshadow similar ones you might encounter at work someday?**

||| **Managing diversity should be a top leadership priority.**

What can leaders and managers do so that people under their care are treated **inclusively**? The answer begins with a willingness to recognize that, most workers **want the same things regardless of their backgrounds**. They want respect for their talents; they want to be fairly treated; they want to be able to work to the best of their abilities; they want to achieve their full potential. Meeting these expectations requires the best in diversity leadership.

CLAYTON DE SOUZA/
ESTADAOCONTEUDO/AP



{ "WHEN YOU COMBINE MOBILE DEVICES, FREE CONTENT AND AN INEXPENSIVE, BLENDED LEARNING MODEL, YOU CAN SERVE KIDS IN NAIROBI FOR \$4 A MONTH. . ."

Role Models

■ **Salman Khan Crosses Borders to Foster Learning**

The idea for the nonprofit Khan Academy was born when Salman Khan used Yahoo's Doodle online notepad to help his cousin Nadia with her math. He soon began to create tutorials which he uploaded to YouTube. Khan, a graduate of MIT and Harvard Business School, created his academy so that users could engage in free online learning of content they wanted, when they wanted, and how they wanted.

With a mission of "providing a high quality education to anyone, anywhere," Khan Academy provides free "micro-lectures" (there are close to 4,000 to date), in a ten-minute video tutorial format in subjects such as math, finance, physics, history, biology, astronomy, economics, and computer science. The result has made quality secondary education available to students in every corner of the earth. With inexpensive tablet devices, accessibility to secondary education was opened up to rural and urban populations most in need.

"When you combine mobile devices, free content and an inexpensive, blended learning model, you can serve kids in the slums of Nairobi for \$4 a month and you can start to imagine a \$100-a-year high school that is quite high quality," says Tom Vander Ark, CEO of Open Education Foundation and author of *Getting Smart: How Personal Digital Learning Is Changing the World*.

WHAT'S THE LESSON HERE?

Some praise the Khan Academy as "the future of education" and "game-changing." Skeptics are less sure. But it's hard to question the benefits of "flipping the classroom" and using the Internet so that students can study from anywhere and at their own time and at their own pace. What's your take on supplementing traditional in-class learning with online learning? When you're struggling in a course, are you ready to engage a tutor who might be reaching out to you from India, the Philippines, or some other country?

The small figure describes what R. Roosevelt Thomas calls a continuum of leadership approaches to diversity.²² At one end is *affirmative action*. Here, leadership commits the organization to hiring and advancing minorities and women. You might think of this as advancing diversity by increasing the representation of diverse members in the organization's workforce. But this is only a partial solution, and the revolving door syndrome may even negate some of its positive impact. Thomas says it's a mistake to assume "that once you get representation, people will assimilate." He describes *valuing diversity* as a step beyond affirmative action. Here, a leader commits the organization to educate its workforce so that people better understand and respect differences. The training goal is to help them better deal with "similarities, differences and tensions" by answering a fundamental question: "Can I work with people who are qualified that are not like me?"²³



The final step in Thomas's continuum is **managing diversity**. A leader who actively manages diversity is always seeking ways to make an organization truly multicultural and inclusive—and keep it that way. For example, Eastman Kodak has been praised by *Business Ethics* magazine for "leading-edge anti-discrimination policies toward gay, bisexual, and transgender employees." It has also received a perfect score from the Human Rights Campaign for its efforts to end sexual discrimination.²⁴

As pointed out earlier, Thomas argues quite forcibly that leaders have a performance incentive to embrace managing diversity.²⁵ A diverse workforce offers a rich pool of talents, ideas, and viewpoints that can help solve complex problems. A diverse workforce also aligns well with needs and expectations of diverse customers and stakeholders.²⁶ Michael R. Losey, former president of the Society for Human Resource Management (SHRM), says, "Companies must realize that the talent pool includes people of all types, including older workers; persons with disabilities; persons of various religious, cultural, and national backgrounds; persons who are not heterosexual; minorities; and women."²⁷

Managing diversity is building an inclusive work environment that allows everyone to reach his or her potential.



ARE YOU WILLING TO COPE WITH TENSIONS IN ADDRESSING DIVERSITY?

Explore Yourself

■ Diversity Maturity

Today's organizations and the nature of our global workforce demand **diversity maturity** from anyone who is serious about career success. Being mature about diversity means being able to answer a confident "yes" to questions such as these:

- Do you understand diversity concepts?
- Do you make decisions about others based on their abilities?
- Do you understand that diversity issues are complex?
- Are you able to cope with tensions in addressing diversity?
- Are you willing to challenge the way things are?

Be honest; admit where you still have work left to do. Use your answers to help set future goals to ensure that your actions, not just your words, consistently display positive diversity values.

Get to know yourself better by taking the self-assessment on *Diversity Awareness* and completing other activities in the *Exploring Management Skill-Building Portfolio*.

STUDY GUIDE

Takeaway 16.1

What Should We Know About Diversity in the Workplace?

Terms to Define

Biculturalism
 Cultural intelligence
 Diversity
 Ethnic or national subcultures
 Ethnocentrism
 Gender subcultures
 Generational subcultures
 Glass ceiling
 Inclusivity
 Leaking pipeline problem
 Managing diversity
 Multicultural organization
 Occupational subcultures
 Organizational subcultures
 Revolving door syndrome

Rapid Review

- Workforce diversity can improve business performance by expanding the talent pool of the organization and establishing better understandings of customers and stakeholders.
- Inclusivity is a characteristic of multicultural organizations that values and respects diversity of their members.
- **Minorities and women can suffer diversity bias in such forms as job and pay discrimination, sexual harassment, and the glass ceiling effect.**
- Organizational subcultures, including those based on occupational, functional, ethnicity, nationality, age, and gender differences, can create diversity challenges.
- A top leadership priority should be managing diversity to develop an inclusive work environment within which everyone is able to reach their full potential.

Questions for Discussion

1. What subcultures do you see operating at work and/or in school, and how do they affect relationships and daily events?
2. What are some of the things organizations and leaders can do to reduce diversity bias faced by minorities and women in the workplace?
3. What does the existence of an affirmative action policy say about an organization's commitment to diversity?

Be Sure You Can

- identify major diversity trends in American society
- explain the business case for diversity
- explain the concept of inclusivity
- list characteristics of multicultural organizations
- identify subcultures common to organizations
- discuss the types of employment problems faced by minorities and women
- **explain Thomas's concept of managing diversity**

Career Situation: What Would You Do?

One of your co-workers brought along his friend to lunch. When discussing his new female boss, the friend says: "Yeh, she got the job just because she's a Hispanic woman. There's no way that someone like me had a chance given her pedigree. And she now has the gall to act as if we're all one big happy team and the rest of us should accept her leadership. I'm doing my best to make it hard for her to succeed." It was uncomfortable for you just to hear this. Your co-worker looks dismayed but isn't saying anything. What do you do or say? Will you just let the comment go, or do something more?

Takeaway 16.2

What Should We Know About Diversity Among Global Cultures?

ANSWERS TO COME

- Culture shock comes from discomfort in cross-cultural situations.
- Cultural intelligence is the capacity to adapt to foreign cultures.
- The “silent” languages of cultures include context, time, and space.
- Cultural tightness and looseness varies around the world.
- Hofstede’s model identifies five value differences among national cultures.
- Intercultural competencies are essential career skills.

A TRIP TO THE GROCERY STORE, A DAY SPENT AT WORK, A VISIT TO OUR CHILDREN’S schools—all are possible opportunities for us to have cross-cultural experiences. And you have to admit, there are a lot of new faces in the neighborhood. At my university even a walk across campus can be a trip around the world, but we have to be willing to take it. How about you? Do you greet, speak with, and actively engage people of other cultures? Or are you shy, hesitant, and even inclined to avoid them?

||| Culture shock comes from discomfort in cross-cultural situations.

Maybe it is a bit awkward to introduce yourself to an international student or foreign visitor to your community. Maybe the appearance of a Muslim woman in a headscarf or a Nigerian man in a long overblouse is unusual to the point of being intimidating. Maybe, too, meeting or working with someone from another culture, causes us to experience something known to international travelers as **culture shock**. This is a feeling of confusion and discomfort when in or dealing with an unfamiliar culture.²⁸

Global businesses are concerned about culture shock because they need their employees to be successful as they travel and work around the world. Perhaps this understanding might also be applied at home to our everyday cross-cultural experiences. Listed here are stages that are often encountered as someone adjusts to the **unfamiliar setting of a new culture**. The assumption is that knowing about the stages can help us better deal with them.²⁹

- *Confusion*—First contacts with the new culture leave you anxious, uncomfortable, and in need of information and advice.
- *Small victories*—Continued interactions bring some “successes,” and your confidence grows in handling daily affairs.
- *Honeymoon*—This is a time of wonderment, cultural immersion, and even infatuation, with local ways viewed positively.
- *Irritation and anger*—This is a time when the “negatives” overwhelm the “positives” and the new culture becomes a target of your criticism.
- *Reality*—This is a time of rebalancing; you are able to enjoy the new culture while accommodating its less-desirable elements.

Culture shock is the confusion and discomfort that a person experiences when in an unfamiliar culture.

◀ Stages of Culture Shock



SURVEYS SHOWS HIGHEST MORALE
AMONG WORKERS IN THE NETHERLANDS

Facts to Consider

■ Employee Morale Varies Around the World

A worldwide study shows that the morale of workers varies from one country to the next. FDS International of the United Kingdom surveyed 13,832 workers in 23 countries. Here is how selected countries ranked based on employee reports of job satisfaction, quality of employer-employee relations, and work-life balance.

Top-Ranked—1. Netherlands, 2. Ireland and Thailand, 3. Switzerland, 4. Denmark, 5. United Kingdom.

Some Others—10. United States, 11. Canada, 12. Poland, 13. Korea, 14. Australia, 15. Japan.

YOUR THOUGHTS?

Why do you think employee morale in the United States and Canada trails that of other countries such as the Netherlands, Ireland, and Switzerland? Why might one Asian country such as Thailand score very high in employee morale and another such as Korea score much lower? Are there cultural factors that might make a difference in how employees respond to a survey about their workplace morale?

||| Cultural intelligence is the capacity to adapt to foreign cultures.

A U.S. businessman once went to meet a Saudi Arabian official. He sat in the office with crossed legs and the sole of his shoe exposed. He didn't know this is a sign of disrespect in the local culture. He passed documents to the host using his left hand, which Muslims consider unclean. And, he declined when coffee was offered. This suggested criticism of the Saudi's hospitality. What was the price for these cultural miscues? A \$10 million contract was lost to a Korean executive better versed in Saudi ways.³⁰

Some might say that this American's behavior was ethnocentric, so self-centered that he ignored and showed no concern for the culture of his Arab host. Others might excuse him as suffering from culture shock. Maybe he was so uncomfortable on arrival in Saudi Arabia that all he could think about was offering his contract and leaving as quickly as possible. Still others might give him the benefit of the doubt. It could have been that he was well intentioned but didn't have time to learn about Saudi culture before making the trip.

Regardless of the possible reasons for the cultural miscues, they still worked to the businessman's disadvantage. There is also no doubt that he failed to show cultural intelligence—the ability to adapt and adjust to new cultures.³¹ This was also called “CQ” in our discussion of diversity among organizational subcultures and described as an ability to work well in situations of cultural diversity. In the context of global management, people with high CQ have high cultural self-awareness and are flexible in dealing with cultural differences. They are willing to learn from unfamiliar cross-cultural situations and modify their behaviors to act with sensitivity toward another culture's ways. In other words, someone high in cultural intelligence views cultural differences not as threats but as learning opportunities.

Cultural intelligence is probably a good indicator of someone's capacity for success in international assignments and in relationships with persons of different cultures. How would you rate yourself? Could cultural intelligence be one of your important personal assets?

Cultural intelligence is the ability to adapt to new cultures and work well in situations of cultural diversity.

Silent Language Skills Do Lots of Talking in China

What are the silent language lessons for meeting a Chinese counterpart? Be sure to initiate the handshake when you are the lower-ranking person. Act impressed when receiving a business card and don't quickly tuck it away. Don't point with your finger; use a folded hand with thumb on top. Mind your alcohol, but be ready to mix drinks with business during dinner. Speaking of dinner, get ready. There will be many new and interesting things on the menu. And don't eat too much too fast, new dishes may keep arriving well past your "I'm full" point.



Igor Demchenkov/Stockphoto

||| The "silent" languages of cultures include context, time, and space.

Hanoi, Vietnam Visiting former U.S. Secretary of Defense Leon Panetta exchanged war relics with his counterpart, General Phung Quang Thanh. During a short ceremony Thanh presented letters found on a dead U. S serviceman during the war. The letters were placed on top of a red cloth with yellow fringe. Secretary Panetta presented a diary found on a dead North Vietnamese soldier. He presented the diary in a Fedex envelop.³²

It is easy to recognize differences in the spoken and written languages used by people around the world. And foreign-language skills can open many doors to cultural understanding. But anthropologist Edward T. Hall points out that there are other "silent" languages of culture that are also very significant.³² If we look and listen carefully, he believes we should recognize how cultures differ in the ways their members use language in communication.³³ Whether Secretary Panetta realized it or not in the prior example, it wasn't only his words that were communicating to the Vietnamese. The Fedex envelop was too.

In **high-context cultures** such as Vietnam, what is actually said or written may convey only part, sometimes a very small part, of a message. The rest must be interpreted from nonverbal signals and the situation as a whole—things such as body language, physical setting, and even past relationships among the people involved. **Context counts, and cultures and ceremonies are carefully interpreted. Things like dinner parties and social gatherings are also important. They allow potential business partners to get to know one another. It is only after the relationships are established that it becomes possible to discuss and hopefully make business deals.**

In **low-context cultures** most communication takes place via the written or spoken word. This is common in the United States, Canada, and Germany, for example. We rely on words to communicate messages. And as the saying goes: "We say (or write) what we mean, and we mean what we say."

Hall also notes that the way people approach and deal with time varies across cultures.³⁴ He describes a **monochronic culture** as one in which people tend to do one thing at a time. This is typical of the United States, where most business-people schedule a meeting for one person or group to focus on one issue for an allotted time period. And if someone is late for one of those meetings or brings an uninvited guest, we tend not to like it.

High-context cultures rely on nonverbal and situational cues as well as spoken or written words in communication.

Low-context cultures emphasize communication via spoken or written words.

In **monochronic cultures** people tend to do one thing at a time.



“WE WILL THEREFORE GUARANTEE THAT EVERY EMPLOYEE WHO MAKES OUR CLOTHING IS PAID A FAIR WAGE, NOT JUST A LEGAL MINIMUM WAGE . . .”

Ethics Check

■ Fair-Trade Fashion

Are you someone who likes to shop “fair trade.” Do you feel good when buying coffee, for example, that is certified as grown by persons who were paid fairly for their labor?

The clothing retailer Fair Indigo wants to be known for selling fair-trade fashion. It presents itself as “a new clothing company with a different way of doing business” that wants to “create stylish, high-quality clothes while paying a fair and meaningful wage to the people who produce them.” Pointing out that there is no certifying body for fair-trade apparel, Fair Indigo offers its own guarantee: “We will therefore guarantee that every employee who makes our clothing is paid a fair wage, not just a legal minimum wage, as is the benchmark in the industry.”

Fair Indigo’s representatives travel the globe searching for small factories and work cooperatives that meet their standards. CEO Bill Bass says: “The whole evolution of the clothing and manufacturing industry has been to drive prices and wages down, shut factories and move work to countries with lower wages. We said, ‘we’re going to reverse this and push wages up.’”

YOU DECIDE

Are you willing to pay a bit more for a fair-trade product? And what do you think about Fair Indigo’s business model? Is it “fashion” that sells apparel, or fashion plus conditions of origin? Is Fair Indigo at the forefront of the next new wave of value creation in retailing—fair-trade fashion?

In **polychronic cultures** people accomplish many different things at once.

Proxemics is the study of how people use interpersonal space.

Members of a **polychronic culture** are more flexible about time and who uses it. They often try to work on many different things at once, perhaps not in any particular order. An American visitor (monochronic culture) to an Egyptian client (polychronic culture) may be frustrated, for example, by interruptions as the client deals with people continually flowing in and out of his office.

In addition, Hall points out that cultures vary in how they value and use space. He describes cultural tendencies in terms of **proxemics**, or how people use space to communicate. If you visit Japan you’ll notice the difference in proxemics very quickly. Space is precious in Japan; it is respected, and its use is carefully planned. Small, tidy homes, offices, and shops are the norm; gardens are tiny but immaculate; public spaces are carefully organized for most efficient use. Americans, by contrast tend to like as much space as they can get. We like big offices, big homes, big yards. We also like personal space and get uncomfortable, for example, if others stand too close to us in lines. When someone “talks right in our face,” we don’t like it; the behavior may even be interpreted as an expression of anger.

||| Cultural tightness and looseness varies around the world.

The nail that sticks up will be hammered down. Asian Proverb

The squeaking wheel gets the grease. American Idiom

Two sayings; two different cultural settings. What are their implications? Picture young children listening to parents and elders as they offer these words of wisdom. One child grows up being careful to not speak out, stand out, or attract attention. The other grows up trying to speak up and stand out in order to get attention.

This contrast in childhoods introduces the concept of cultural tightness-looseness. Scholars Michele J. Gelfand, Lisa H. Nishii, and Jana L. Raver describe it as “the strength of social norms and degree of sanctioning within societies.”³⁵ Two things are



Half the Sky: Turning Oppression into Opportunity for Women Worldwide.
by Nicholas Kristof and Sheryl WuDunn

Manager's Library

WOMAN AREN'T THE PROBLEM: THEY'RE THE SOLUTION

An ancient Chinese proverb claims that “women hold up half the sky.” But the harsh reality is that women are oppressed throughout the developing world. Sex trafficking, rape, and death after childbirth are but a few gender-specific human rights violations.

In the book *Half the Sky: Turning Oppression into Opportunity for Women Worldwide.*, authors Nicolas Kristof and Sheryl WuDunn outline the prevalence of indignities suffered by poor, uneducated women around the globe. They offer well-thought-out ideas for eliminating that injustice, and equate the modern oppression of women worldwide to that of slavery. They argue that because slavery was legal, it was readily identified and defeated. Yet inhumane treatments of underprivileged women continue despite the rule of law.

Kristof and WuDunn, both Pulitzer Prize-winning journalists, state that “gendercide”—the daily slaughter of girls in the developing world—takes more lives in one decade than any genocide did in the entire 20th century. They travel the world writing and working to fight oppressive practices, but are resigned to harsh realities. Victimized women are poor,

uneducated, and powerless in their societies. Crimes against them are hidden from the developing world and often tolerated in their male-dominated cultures.

This book offers practical solutions framed as a moral and political movement to emancipate women. The authors suggest that we first recognize injustices, then speak against them. Ordinary citizens can initiate change by volunteering with global organizations that fight oppression or joining e-mail lists. Educating maltreated women about their moral rights and the economic means to maintain independence is a key. Female leadership is needed in countries with masculine power structures.

REFLECT AND REACT

Are our diversity initiatives toward women properly focused on a global scale? For example, is it more important to increase the ranks of female executives in *Fortune* 500 corporations, or to stop global “gendercide”? Do you agree that moral and economic education can empower poor, uneducated women to stand against injustice? Does the plight of victimized women get lost sometimes when we are too quick to embrace and accept so-called cultural differences?

at issue in this definition: (1) the strength of norms that govern social behavior, and (2) the tolerance that exists for any deviations from the norms. Empirical studies have classified 33 societal cultures around the world on their tightness and looseness.³⁶

In a **tight culture**, such as ones found in Korea, Japan, or Malaysia, social norms are strong and clear. People know the prevailing norms and let them guide their behavior. They self-govern and try to conform. They also understand that any deviations are likely to be noticed, discouraged, and even sanctioned. The goal in tight cultures, as suggested in the Asian proverb, is to fit in with society's expectations and not stand out.

In a **loose culture**, such as ones found in Australia, Brazil, or Hungary, social norms are mixed and less clear cut. People may be more or less concerned with them, and conformity will vary a good deal. Deviations from norms tend to be tolerated unless they take the form of criminal behavior or reach toward the extremes of morality. It is quite acceptable for individuals in loose cultures, as suggested in the American idiom, to show unique identities and express themselves independent from the masses.

It can be challenging to go from a tight to a loose-culture, or vice versa, for travel or work. This calls for lots of cultural awareness to understand differences and a similar amount of self-management to handle the differences well. One of the most common settings where the dynamics of tight and loose cultures play out is a course group or work team whose members come from different cultures. You've probably been there; what did you see and what might you expect?

In **tight cultures** social norms are rigid and clear, and members try to conform.

In **loose cultures** social norms are mixed and ambiguous, and conformity varies.

A mix of tightness and looseness on a cross-cultural team may result in soft or **unstated conflict** and missed performance opportunity. Members from tight cultures may look toward formal authority for direction while trying to always be on time and **prepared**. They may be slow to volunteer, criticize, show emotion, or seek praise. Members from loose cultures may not show much respect for authority, and **punctuality may be a hit-or-miss proposition**. They may be quick to voice opinions, criticize others, display emotions, and look for recognition. It takes a lot of cultural awareness for a team leader and team members to spot these culturally derived behaviors. And, it takes a lot of skill to create a team environment where everyone gets their chance to both contribute to team performance and take satisfaction from the experience.

||| Hofstede's model identifies five value differences among national cultures.

Understanding the ideas just discussed is a good place to start in cultural appreciation, but **cultures are still more complex**. Scholars offer many models and useful perspectives.³⁷ One of the most discussed is Geert Hofstede, who explores **value differences** among national cultures.³⁸ His work began with a study of employees of a U.S.-based corporation operating in 40 countries. Hofstede identified the four cultural dimensions of power distance, uncertainty avoidance, individualism-collectivism, and masculinity-femininity. Later studies resulted in **the addition of a fifth dimension, time orientation**.³⁹ **Figure 16.2** shows a sample of how national cultures varied in his research. Can you see why Hofstede's cultural dimensions can be significant in business and management?

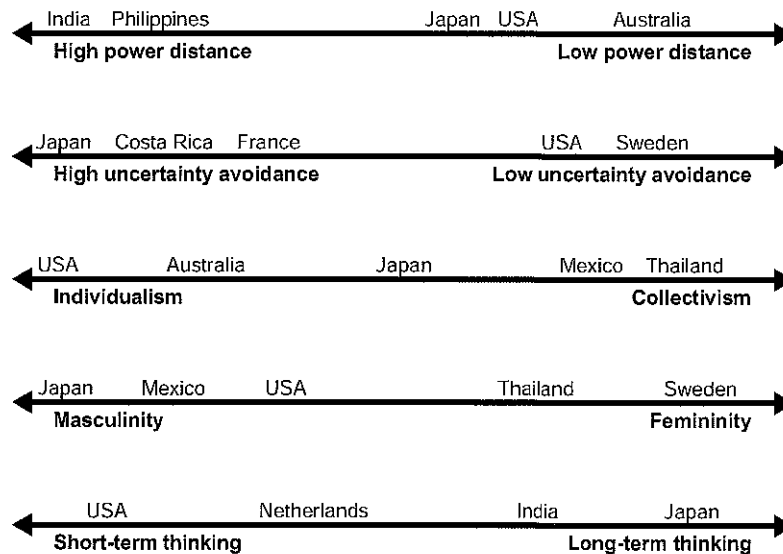
Power distance is the degree to which a society accepts or rejects the unequal distribution of power in organizations and society. In high power distance cultures such as **Japan**, we expect to find great respect for age, status, and titles. Could this create problems for an American visitor used to the informalities of a more moderate power distance culture, and perhaps accustomed to **first names and casual dress in the office**?

Uncertainty avoidance is the degree to which a society tolerates or is uncomfortable with risk, change, and situational uncertainty. In high uncertainty avoidance cultures, such as **France**, one would expect to find a preference for structure, order, and predictability. Could this be one of the reasons why the French seem to favor employment practices that provide job security?

Power distance is the degree to which a society accepts unequal distribution of power.

Uncertainty avoidance is the degree to which a society tolerates risk and uncertainty.

FIGURE 16.2
How Do Countries Compare on Hofstede's Five Dimensions of National Cultures?
 Countries vary on Hofstede's five dimensions of value differences in national cultures. For example, Japan scores high on uncertainty avoidance and masculinity; the United States scores high on individualism and short-term thinking. Imagine what this might mean when international business executives try to make deals or when representatives of national governments try to work across these cultural boundaries.



Individualism-collectivism is the degree to which a society emphasizes individual accomplishments and self-interests, versus collective accomplishments and the interests of groups. In Hofstede's data the United States had the highest individualism score of any country. Don't you find the "I" and "me" words used a lot in our conversations and meetings? I'm always surprised how often they occur in student team presentations. What are the implications of our cultural tendency toward individualism when we try to work with people from more collectivist national cultures?

Masculinity-femininity is the degree to which a society values assertiveness and materialism, versus feelings, relationships, and quality of life.⁴⁰ You might think of it as a tendency to emphasize stereotypical masculine or feminine traits and attitudes toward gender roles. Visitors to Japan, with the highest masculinity score in Hofstede's research, may be surprised at how restricted career opportunities can be for women. The *Wall Street Journal* comments: "In Japan, professional women face a set of socially complex issues—from overt sexism to deep-seated attitudes about the division of labor." One female Japanese manager says: "Men tend to have very fixed ideas about what women are like."⁴¹

Time orientation is the degree to which a society emphasizes short-term or long-term goals and gratifications.⁴² Americans are notorious for being impatient and wanting quick, even instantaneous, gratification. Even our companies are expected to achieve short-term results; those failing to meet quarterly financial targets often suffer immediate stock price declines. Many Asian cultures are quite the opposite, valuing persistence and thrift, and being patient and willing to work for long-term success.

Although Hofstede's ideas are insightful, his five value dimensions offer only a ballpark look at national cultures. They're a starting point at best. Hofstede himself even warns that we must avoid the ecological fallacy.⁴³ This is acting with the mistaken assumption that a generalized cultural value, such as individualism in American culture or masculinity in Japanese culture, applies always and equally to all members of the culture.

III Intercultural competencies are essential career skills.

The many complications of cultures place a premium on **intercultural competencies**, skills and personal characteristics that help us function successfully in cross-cultural situations. Think of them as "must-haves" for career success today. These intercultural competencies focus us on acting competent when working in another culture or in culturally mixed settings. Scholars describe them as the three pillars of perception management, relationship management, and self-management.⁴⁴

In terms of *perception management* a person must be inquisitive and curious about cultural differences and be flexible and nonjudgmental when interpreting and dealing with situations in which differences are at play. In terms of *relationship management* a person must be genuinely interested in others, sensitive to their emotions and feelings, and able to make personal adjustments while engaging in cross-cultural interactions. In terms of *self-management* a person must have a strong sense of personal identity, understand their own emotions and values, and be able to stay self-confident even in situations that call for personal adaptations because of cultural differences.

Individualism-collectivism is the degree to which a society emphasizes individuals and their self-interests.

Masculinity-femininity is the degree to which a society values assertiveness and materialism.

Time orientation is the degree to which a society emphasizes short-term or long-term goals.

The **ecological fallacy** assumes that a generalized cultural value applies equally well to all members of the culture.

Intercultural competencies are skills and personal characteristics that help us be successful in cross-cultural situations.

Foundations for Global Management Success



STUDY GUIDE

Takeaway 16.2

What Should We Know About Diversity Among Global Cultures?

Terms to Define

Cultural intelligence
 Culture shock
 Ecological fallacy
 High-context culture
 Individualism-collectivism
 Intercultural competencies
 Loose culture
 Low-context culture
 Masculinity-femininity
 Monochronic culture
 Polychronic culture
 Power distance
 Proxemics
 Tight culture
 Time orientation
 Uncertainty avoidance

Rapid Review

- People can experience culture shock due to the discomfort experienced in cross-cultural situations.
- Cultural intelligence is an individual capacity to understand, respect, and adapt to cultural differences.
- Hall's silent languages of culture include the role of context in communication, time orientation, and use of interpersonal space.
- Hofstede's five dimensions of value differences in national cultures are power distance, uncertainty avoidance, individualism-collectivism, masculinity-femininity, and time orientation.
- The foundations for intercultural competency are found in perception management, relationship management, and self-management.

Questions for Discussion

1. Should religion be included on Hall's list of the silent languages of culture?
2. Which of Hofstede's cultural dimensions might pose the greatest challenges to U.S. managers working in Asia, the Middle East, or Latin America?
3. Even though cultural differences are readily apparent around the world, is the trend today for cultures to converge and become more like one another?

Be Sure You Can

- explain culture shock and how people may respond to it
- differentiate low-context and high-context cultures, monochronic and polychronic cultures
- explain what makes cultures "tight" and "loose"
- list Hofstede's five dimensions of value differences among national cultures
- contrast American culture with that of other countries on each of Hofstede's dimensions

Career Situation: What Would You Do?

You've just been asked to join a team being sent to China for 10 days to discuss a new software development project with your firm's Chinese engineers. It's your first trip to China or Asia. In fact, you've only been to Europe as part of a study tour when in college. The trip is scheduled four weeks from today. What can you do to prepare for the trip and for your work with Chinese colleagues? What worries you the most about the trip and how well you'll do in the unfamiliar cultural circumstances?



TestPrep 16

Answers to TestPrep questions can be found at the back of the book.

Multiple-Choice Questions

- Which statement is most consistent with arguments that diversity is good for organizations?
 - Having a diverse workforce guarantees success.
 - Diversity is easy to manage because it is already valued by all people.
 - Diverse workforces help organizations deal with diverse customers.
 - When workforces are diverse, organizations can spend less on training.
- When members of minority cultures feel that they have to behave similar to the ways of the majority culture, this tendency is called _____.
 - biculturalism
 - particularism
 - the glass ceiling effect**
 - multiculturalism
- The beliefs that older workers are not creative and prefer routine, low-stress jobs are stereotypes that might create bad feelings among members of different _____ subcultures in organizations.
 - gender
 - generational
 - functional
 - ethnic
- Among the three leadership approaches to diversity identified by Thomas, which one is primarily directed at making sure that enough minorities and women are hired by the organization?
 - Equal employment opportunity
 - Affirmative action
 - Valuing diversity
 - Managing diversity
- Pluralism and the absence of discrimination and prejudice in policies and practices are two important hallmarks of _____.
 - the glass ceiling effect**
 - a multicultural organization
 - exclusive organizational cultures
 - affirmative action
- The term _____ helps describe an organization that fully integrates members of minority cultures and majority cultures.
 - equal employment opportunity
 - affirmative action**
 - revolving door syndrome
 - pluralism
- When members of the marketing department stick close to one another, as well as share jokes and even a slang language, the likelihood is that a/an _____ subculture is forming.
 - occupational
 - generational
 - gender
 - ethnic
- When someone experiences culture shock on a study abroad trip, the first stage is likely to be one of anxiety caused by confusion in the new cultural setting. What is the next stage in culture shock?
 - Experiencing a sense of confidence from small victories in dealing with differences.**
 - Displaying outright irritation and anger at the ways of this new culture.
 - Wanting to give up and go home immediately.
 - Accepting reality and enjoying the good and bad aspects.

9. When dealing with proxemics as a silent language of culture, what is the issue of most concern?
- How people use the spoken word to communicate
 - How people use nonverbal to communicate
 - How people use time to communicate
 - How people use space to communicate
10. In _____ cultures, members tend to do one thing at a time; in _____ cultures, members tend to do many things at once.
- monochronic; polychronic
 - universal; particular
 - collectivist; individualist
 - neutral; affective
11. When a foreign visitor to India attends a dinner and criticizes as "primitive" the local custom of eating with one's fingers, he or she can be described as acting in a/an _____ way.
- culturally intelligent
 - polychronic
 - monochronic
 - ethnocentric
12. In a high-context culture we would expect to find _____.
- low uncertainty avoidance
 - high power distance
 - monochronic time orientation
 - strong emphasis on nonverbal communication
13. It is common in Malaysian culture for people to value teamwork and to display great respect for authority. Hofstede would describe this culture as high in both _____.
- uncertainty avoidance and femininity
 - universalism and particularism
 - collectivism and power distance
 - long-term orientation and masculinity
14. On which dimension of national culture did the United States score highest and Japan score highest in Hofstede's original survey research?
- Masculinity, femininity
 - Long-term, short-term
 - Individualism, masculinity
 - High uncertainty avoidance, collectivism
15. If someone commits what Hofstede calls the "ecological fallacy," what are they likely to be doing?
- Disregarding monochronic behavior
 - Assuming all members of a culture fit the popular stereotype
 - Emphasizing proxemics over time orientation
 - Forgetting that cultural intelligence can be learned

Short-Response Questions

16. What is the difference between valuing diversity and managing diversity?
17. How can subculture differences create diversity challenges in organizations?
18. If you were asked to give a short class presentation on the "silent languages" of culture, what cultural issues would you talk about and what examples would you give?
19. In what ways can the power distance dimension of national culture become an important issue in management?

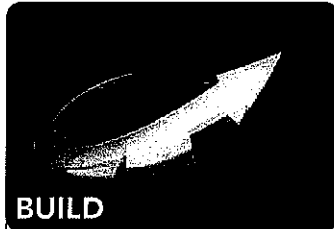
Integration and Application Questions

20. A friend in West Virginia owns a small manufacturing firm employing about 50 workers. His son spent a semester in Japan as an exchange student. Upon return, he said to his dad: "Boy, the Japanese really do things right; everything is organized in teams; decisions are made by consensus, with everyone participating; no one seems to disagree with anything the bosses say. I think we should immediately start more teamwork and consensus decision making in our factory."

Questions: The friend asks you for advice. Using insights from Hofstede's framework, what would you say to him? What differences in the Japanese and American cultures should be considered in this situation, and why?

BUILD MARKETABLE SKILLS
DO A CASE ANALYSIS
GET AND STAY INFORMED

Steps for Further Learning



BUILD

MARKETABLE SKILLS.
 EARN BIG CAREER
 PAYOFFS!

Don't miss these opportunities in the **Skill-Building Portfolio**

■ **SELF-ASSESSMENT 16:**
Diversity Awareness

It's easy to talk about diversity... where do you stand in day-to-day behavior?

■ **CLASS EXERCISE 16:**
Alligator River Story

Ambiguous situations can highlight diversity differences... compare values with your peers.

■ **TEAM PROJECT 16:**
Job Satisfaction Around the World

Discover how the world's workers view job satisfaction... consider cultural differences in work expectations.

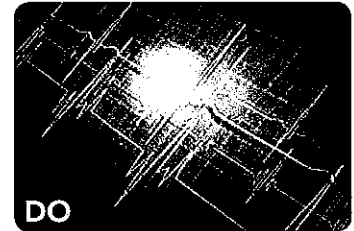
Many learning resources are found at the end of the book and online within WileyPLUS.

Take advantage of **Cases for Critical Thinking**

■ **CHAPTER 16 CASE SNAPSHOT:**

Cultural Charades in Business Process Outsourcing/ Sidebar on Beyond Race and Gender

When you call a toll-free number for customer service assistance, possibly pertaining to finance or banking, an airline reservation, an insurance claim or technical support for one of your gadgets, there is a good possibility that the person on the other end of the line is a half-world away. India and the Philippines are two of the biggest players. Your experience as a caller is part of the quest of multinational companies (think: Dell, American Express, and Verizon) to realize significant cost savings in customer service by outsourcing the work to lower-wage countries. The name for this industry is business process outsourcing, or BPO for short. Its critics worry not just about how customers react. They also worry about its impact on the personalities, lifestyle, careers, and culture of local workers across the world.



DO

A CASE ANALYSIS.
 STRENGTHEN YOUR
 CRITICAL THINKING!

Dig into this **Hot Topic**

■ **GOOD IDEA OR NOT? Use punishment to sting incivility in the workplace**

Rudeness isn't a good thing under any circumstance. But a recent study of workplace incivility found that it has many adverse effects on work attitudes and performance. Among workers that have been the targets of rude comments or uncivil behavior:

- 8% said they decreased work efforts and 66% say their performance suffered.
- 80% said the incident caused them to lose work time through worry.
- 12% said they quit because of the incivility.

Those in favor of making incivility subject to work punishment might say it is too important from just a "bottom line" perspective to ignore. Some of them might also add it deserves sanction because it goes contrary to social norms. Those against making incivility subject to work punishment might say that it's too hard to judge. What one person considers "uncivil" or "rude" might mean something else to another person. If you can't agree on describing the bad behavior, you really can't sanction it.

Final Take It's a fair guess that diversity and cultural differences are sometimes—perhaps often—at the core of rude and uncivil comments and behavior. Given all the complexities of human behavior, and individual and cultural differences, can you draw a line that would help identify a specific comment or behavior as "unacceptable" in a work setting? What examples of across-the-line incivility can you give? Should incivility of any form be subject to meaningful penalties at work?



AND STAY INFORMED.
 MAKE YOURSELF
 VALUABLE!