

1 THE INTERCULTURAL CHALLENGE

Why is intercultural communication important?

Exercise 1

An example

Extracts from a report on the DaimlerChrysler merger illustrate the importance of INTERCULTURAL communication.

What cultural problems do you think DaimlerChrysler had after their merger? What could they do about them?

Compare your ideas with those expressed in the article.

A German executive working for DaimlerChrysler recalled a meeting with US colleagues:

‘When one of the Americans from Chrysler brought up what he thought was a new issue, a German counterpart said, “But we have agreed on this already in an earlier discussion. It is all written in the protocol.” The American looked puzzled, and said, “What protocol? I remember you took some notes, and you sent me some papers recently, but I didn’t think they were important.”’

‘At the beginning, one side tried to impose its working style on the other’, said Roland Klein, DaimlerChrysler’s manager of corporate communications in Stuttgart. ‘This prompted conflicts and misunderstandings. But even worse, it just didn’t fit with the people’s culture.’

The Germans taking part were irritated by the Americans’ unstructured ways, while the Americans thought the Germans were too rigid and formal. A senior product development executive in Stuttgart said that ‘Each side thought its components or methods were the best.’

Klein said that there were fundamental differences between the executives in Chrysler and Daimler.

‘Germans analyse a problem in great detail, find a solution, discuss it with their partners, and then make a decision. It’s a very structured process’, he said.

‘Americans start with a discussion, and then come back to new aspects after talking with other people—after a process which they call creative—they come to a conclusion.’ Former Daimler-Benz executives found the system chaotic. They were often puzzled by the American tendency to return to a subject they thought had been settled. Klein said that the two sides also decide things in different ways. In America, he said, ‘At any time you can just pop into your boss’s office and tell him something. The boss can make an instant decision—without explaining the reasons or involving other employees. It’s different in Germany: the underlings prepare extensive reports for the top bosses and make recommendations at formal meetings.’

A high-ranking engineer in Auburn Hills said: ‘(At the old Chrysler) if an idea had merit, you didn’t worry about approval, you just went ahead and did it. People working on the shop floor feel empowered to do things. It’s based on management trust. Over there (in Germany) they’ve got all those smokestack organizations that measure things, survey things. A lot of time is spent on unproductive activities.’ The clashing styles became apparent when Chrysler’s US methods were adopted in purchasing operations in Germany. The American style was imposed largely because Chrysler executive Gary Valade heads DaimlerChrysler global purchasing. ‘It just didn’t work out over here’, said Klein. ‘There are some European suppliers which you have to approach differently, or even have to deal with in the German language. For Americans, this was a CULTURE SHOCK.’ A senior product development executive in Germany said that top management probably underestimated the difficulties. (Ostle, D. *Automotive News Europe*. 22.11.99)

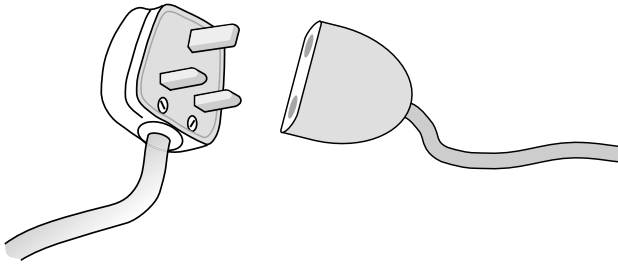
Suggested answer

The cultural issues raised by this article include differences in the way decisions are made, communication style, the role of meetings, structure versus informality, management style, and the use of local language. These and many other aspects of intercultural communication are the subject matter of this book.

As it happens, DaimlerChrysler soon became aware of these problems, and since the merger has invested large amounts of money in preparing employees for intercultural interactions. Their ‘Joint Program Germany–USA’ focused on expatriates and their families (i.e. Germans working in the USA and Americans working in Germany), staff and managers who work regularly with American or German partners and German–American teams. Training included preparation for the foreign assignment, as well as leadership, negotiation, and language training.

Exercise 2

Reflect on any similar experiences of culture clash you have had, and how you dealt with them.



- 1 Where did the incident occur?
- 2 Who was involved?
- 3 What exactly happened?
- 4 What did you feel at the time?
- 5 How far do you think the incident was caused by cultural factors?
- 6 How has your behaviour changed since?

Business organization and culture

Now, more than ever before in human history, more people are coming into contact with people from cultures other than their own. There are a number of reasons for this:

- Technology makes it possible for people to travel further and faster than ever before.
- The internet links people across national boundaries.
- The international labour force is more mobile.
- More people are on the move than ever before: business people are active globally, refugees are trying to escape from conflicts and natural disasters.
- In many places the workforce is becoming more diverse.

Intercultural skills are not only needed by those involved with mega cross-border mergers, such as that of DaimlerChrysler, but by people working in all kinds of organizations. Even a domestic company which only operates in Germany, for instance, is faced with an increasingly multicultural workforce. A small or medium-sized enterprise in Munich, for instance, where non-Germans account for more than 20% of the population, may have workers with a wide range of cultural backgrounds (for example, German, Turkish, Serbian, Croatian, and Greek).

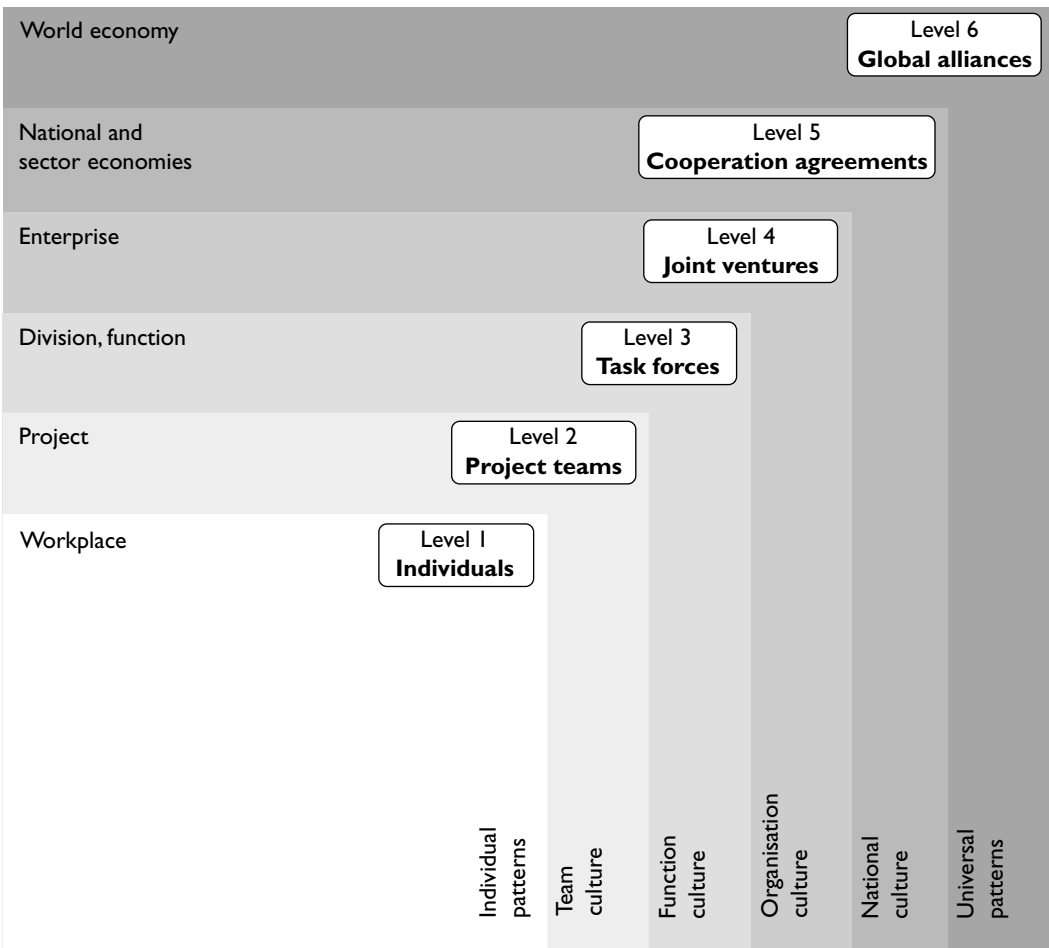
If the company wishes to grow, it may look beyond the domestic market and decide to export. For this, it will need to adapt its products or services for the foreign market, and negotiate with prospective partners abroad.

Somewhat surprisingly, if an organization relies on local structures when it becomes a multinational, the need for intercultural awareness may decline. The next stage of going global requires high-level skills to manage DIVERSITY inside and outside the company. The transnational organization develops

into a ‘global structure requiring networked multinational skills and abilities with a critical understanding of local responsiveness, integrating and coordinating mechanisms of corporate culture on a global basis’ (Brake *et al.* 1995: 20).

Any given company may become involved in different kinds of intercultural interaction. Dennis Clackworthy identifies different ‘cultural force fields’ within the German electronics company Siemens concerning individuals, project teams, task forces, joint ventures, co-operation agreements, and global alliances (see Figure 1.1).

Business Determinants
influencing **what** is done



Cultural Determinants
influencing **how** things are done

Figure 1.1: Business and cultural determinants (Clackworthy, personal communication)

To sum up, it is clear that managers in many companies will increasingly find themselves working in international teams at home, abroad, and in cyberspace, negotiating with foreign partners, and managing a diverse workforce.

Of course, intercultural communication is not only of importance for business people. Exercise 3 aims to help you reflect on some examples of how it could be important for other professionals.

Exercise 3

In what way could intercultural communication be important for the following people?

- 1 A doctor
- 2 An internet website designer
- 3 A university lecturer.

Suggested answer

1 *A doctor*

Attitudes to illness, kinds of treatment, the role of the doctor and his/her relationship towards the patient vary widely across cultures. What is considered an illness in one culture may not be seen as such in another. Some cultures favour treatment of the whole person, others concentrate on dealing with specific symptoms. In some cultures the doctor will put more emphasis on the patient as a person, while in others the focus is on analysing the illness.

2 *An internet website designer*

Although the internet has its origins in the USA, different cultures are now using it in different ways that suit their own environment and needs. Research comparing how the same company presents itself on the internet in different countries has revealed considerable cultural differences. One example is that some cultures prefer to use visual material and icons, while others favour more text. A designer has to take these sorts of factors into account if the communication is to be effective.

3 *A university lecturer*

A university lecturer working abroad, or with foreign students or a multicultural group at home, will have to be aware of a number of cultural issues. In the UK or USA, for instance, students may well call their professors by their first name, which in other cultures would be a sign of disrespect. The role of the teacher is different in different cultures. Western teachers working in Thailand, for example, complained that the students rarely asked questions in their classes, not realizing that it would be considered rude to ask questions, because this would imply that the teacher had not explained things satisfactorily in the first place. Forms of assessment vary—in some cultures, oral tests predominate, in others there are more written tests.