



International Management
Dr Mariusz Maciejczak

CROSS-CULTURAL vs. DIVERSITY MANAGEMENT

PART 1.



OBJECTIVES

- What is culture?
- What means cross-cultural and what diversity management?
- Why mistakes in management of cultures cost so much?



What is culture?

Various authors have tried to define the term culture, by each concentrating on different aspect of this term.

- Hofstede (1984) defines culture as "collective programming of the mind, which distinguishes the members of one human group from another.
- Elashmawi / Harris (1993) define culture as "the behavioural norms that a group of people, at a certain time and place have agreed upon to survive and coexist."
- Herbst (2004) defines culture as „a set of rules, norms and values which is often subconscious and influences our perception, judgement and feelings”.

Culture defines the identity of a human group in the same way as personality determines the identity of a n individual. Culture is not fixed - it can change over time.



What is culture?

“A system of values and norms that are shared among a group of people and that when taken together constitute a design for living.”

Hofstede, Namewirth and Weber



Different components of culture

- Values and Norms
- Folkways and Mores



Values and norms

- **Values**: Abstract ideas/assumptions about what a group believes to be good, right and desirable
- **Norms**: social rules and guidelines that prescribe appropriate behavior in particular situations



Folkways and mores

- **Folkways:** Routine conventions of everyday life.
 - Little moral significance
 - Generally, social conventions such as dress codes, social manners, and neighborly behavior
- **Mores:** Norms central to the functioning of society and its social life
 - Greater significance than folkways
 - Violation can bring serious retribution
 - Theft, adultery, incest and cannibalism



„ONION” THEORY - MINDSET



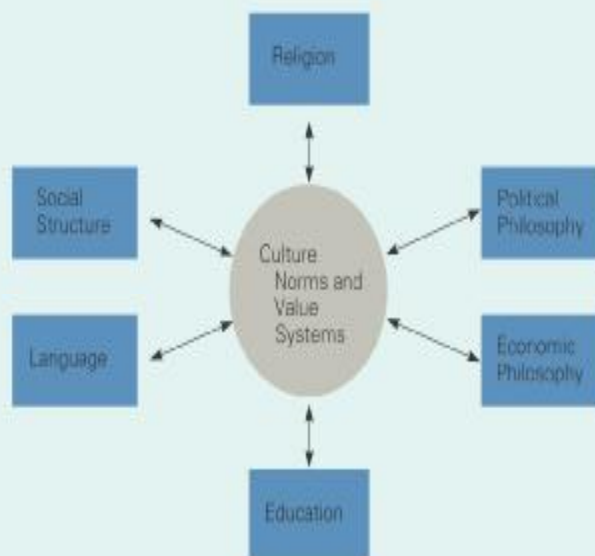


Culture, society and nation states

- Society is a group of people who share a common culture
- No one to one correspondence between society and a nation state
 - Nation states are political creations
 - Many cultures can co-exist within a nation state



Determinants of culture





ARTEFACTS – OUTER ELEMENTS OF CULTURE

SHOW and TELL



CROSS CULTURAL ORGANIZATION



“Organization in which
exist two (or more)
national or ethnical or
organizational
cultures.”

Source: Hofstede, Namewirth and Weber



Exchange and consolidation process

- § **(internal) international** – people from different cultures are meeting in a professional environment
- § **(external) international** – culture of international business influences the culture of a host country
- § **internal organizational** – two or more organizational cultures merge or find a way to co-exist



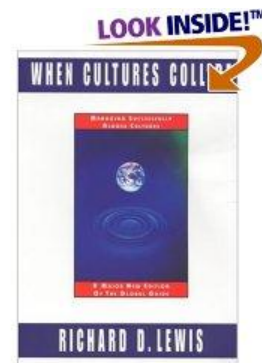
Cross cultural v.s. Diversity

- § **Cross-cultural management** is applied when outside or inside company are present differences in culture
- § **Diversity management** is applied when manager needs to manage people coming from different ethnical groups, but with regard to culture are members of one society



When culture collides

Cross cultural management is the biggest challenge faced by localization and globalization of business organization in 21 century. The central part of the Cross Culture Management is to effectively know the cultural foundation to be managed.



Levels of understanding cross-cultural dimension

- 1. ACCEPT** The first step is to understand how this culture is different from your own, why it is different.
- 2. RESPECT** Second step is to learn the tools to help you make your way easier.
- 3. COMPROMISE** Third step is to grasp how this knowledge can work for you.



Errors, Errors, Errors ...

- Today's manager cannot afford to ignore evidence of difference.
- Cultural differences are real and how they are expressed can vitally affect the workplace.
- Mistakes in understanding the other person's culture can be expensive and even life-threatening.
- **Any examples...**