

# **Coaching for Success in International Business**

Turning Cultural Diversity into Competitive Advantage  
– a Practical Guide.

Erik Brown

## Contents

Coaching for Success in International Business.....	1
1. Introduction .....	4
1.1. International Business Organisations .....	4
2. Cultural Similarities/Cultural Differences .....	6
2.1. Today's Global Business Challenge .....	6
2.2. Defining Culture .....	7
2.3. Coaching Implications: Why Do I Like You? .....	9
3. Acknowledging and Working With Diversity .....	10
3.1. Cultural Orientations .....	10
3.1.1. Power Distance .....	11
3.1.2. Individualism and Collectivism .....	12
3.1.3. Masculinity and Femininity .....	12
3.1.4. The Avoidance of Uncertainty.....	13
3.1.5. Long-term orientation vs. Short-term Orientation .....	13
3.2. Coaches Self-audit .....	14
3.3. Coaching Implications: Helping Clients Confront Their Preconceptions...	15
4. Cross-Culture Communication.....	17
4.1. The Cultural Tower of Babel .....	17
4.2. Cultural Communication Differences .....	17
4.2.1. High Context/Low Context .....	17
4.2.2. Direct/Indirect.....	18
4.2.3. Affective/Neutral .....	18
4.2.4. Formal/Informal .....	18
4.3. Communication and Trust.....	19
4.4. Coaching Implications: Being Understood .....	20
5. Work-Life Balance.....	21
5.1. Always On, Always Connected .....	21
5.2. Defining Personal limits .....	21
5.3. Respecting the Needs of Others .....	23
5.4. Coaching Implications: Taking Back the Controls.....	23
6. Distributed Organisations .....	25
6.1. A Team or Collection of Individuals?.....	25
6.2. Creating a High Performance International Team .....	26
6.3. Coaching Implications: Turning Players into an Orchestra.....	27
7. Creating a Learning organisation .....	27

- 7.1. Countering "Not Invented Here" ..... 27
- 7.2. Coaching implications: Collective Creativity and Problem Solving ..... 29
- 8. Conclusion ..... 30
- List of Illustrations ..... 32
- Bibliography ..... 32
- Appendix: Examples of Companies Successfully Turning Cultural Diversity into an Asset ..... 33
  - Unilever ..... 33
  - Deutsche Bank ..... 33
  - Siemens ..... 33

## 1. Introduction

### 1.1. International Business Organisations

What is the point of an international business organisation? This is perhaps a surprising question in these times of globalisation and an ever “shrinking” world. Are the benefits of international expansion to a business not obvious: larger markets to aim for, additional customers, increased revenue and profits?

A sceptic might challenge the need for building multi-national organisations as the best way of successfully doing business in “foreign” markets. It can be expensive and has many pitfalls. It inevitably requires an extra organisational level to manage the international business (added overhead cost). It requires people to work across cultures, languages, national boundaries, religions and time zones with all the inherent dangers of misunderstanding. This can cause inefficiency (again added cost) as well as potentially leading to distrust and resentment that can seriously impair the effectiveness of the organisation.

This same sceptic might propose that a much more efficient way to international markets would simply be to appoint local agents or distributors in each country. They could then market and sell the products as they see fit. These local agents understand the local marketplace, local regulations, the customers, the cultures. This could be done on a buy/re-sell or commission basis. The international dealings would then be restricted to delivering the goods and collecting payment.

There are, of course, many good business reasons why companies build international organisations to supply and profit from doing business with customers across the globe. The closer one is to the customers the better one can understand their needs. This knowledge can ensure that future product developments better meet the needs of customers around the world. Controlling distribution and service ensures the best possible customer experience and so secures customer loyalty and future sales. Regulatory requirements, protecting patents and copyright as well as limiting liability exposure requires intimate knowledge of the specifics of each specific country’s legislation.

The dangers pointed out by the sceptic above, nevertheless, remain. Working across cultures, languages, national boundaries, religions and time zones open countless potential areas for misunderstanding and friction. The distrust and resentment between “us” in the field and “them” at the corporate HQ is a familiar scenario to anyone with international business experience. This concern, however, masks what is

potentially the single greatest advantage for an organisation operating internationally. That is the benefit of gaining from the expertise, creativity, ideas, perspectives, experience, best practices and the “different” thinking of great minds from around the world.

Unfortunately, many organisations squander this potential as their employees struggle to cope with the international and cross-cultural challenges. A recent report from the global accounting and consulting company Ernst and Young based on a survey by the Economist Intelligence Unit (EIU) concluded that “one of [their] key findings was that most companies fall short on the diversity of thought and culture needed to handle global business” (Ernst and Young: Redrawing the map: globalisation and the changing world of business, 2010). Many organisations leave this to chance, possible because leveraging international diversity does not fall neatly under any of the traditional senior management functions such as finance, sales, marketing, production etc. An “international, cross-cultural, diversity index” is a KPI that is missing from most international organisations’ balanced scorecards. Some companies pay lip service to the topic, often because of internal international problems or conflicts that have occurred. A common approach is for the human resources department to offer short inter-cultural trainings.

To fully grasp the opportunity offered by international presence requires vision and commitment from a company’s executive leadership. It requires awareness, focus, goals and measurements. It requires training and processes that enable success and a mind-set that is open to learn from others. It is here that coaching for those in international roles can be especially effective by providing:

- A protected but challenging forum where clients are encouraged to question their preconceptions, confront differences and find ways to turn diversity into advantage
- Flexible and accelerated learning to cope with rapidly changing international business environments
- Support to help clients balance the complex demands of international work with the demands of their non-work lives
- Help to develop teams where each individual is open and actively willing to learn from their international peers

Companies that show such leadership (such as, Unilever, Deutsche Bank and Siemens: see Appendix), can turn international diversity into true and lasting competitive advantage.

## 2. Cultural Similarities/Cultural Differences

*"I note the obvious differences between each sort and type, but we are more alike, my friends, than we are unlike".* Maya Angelou

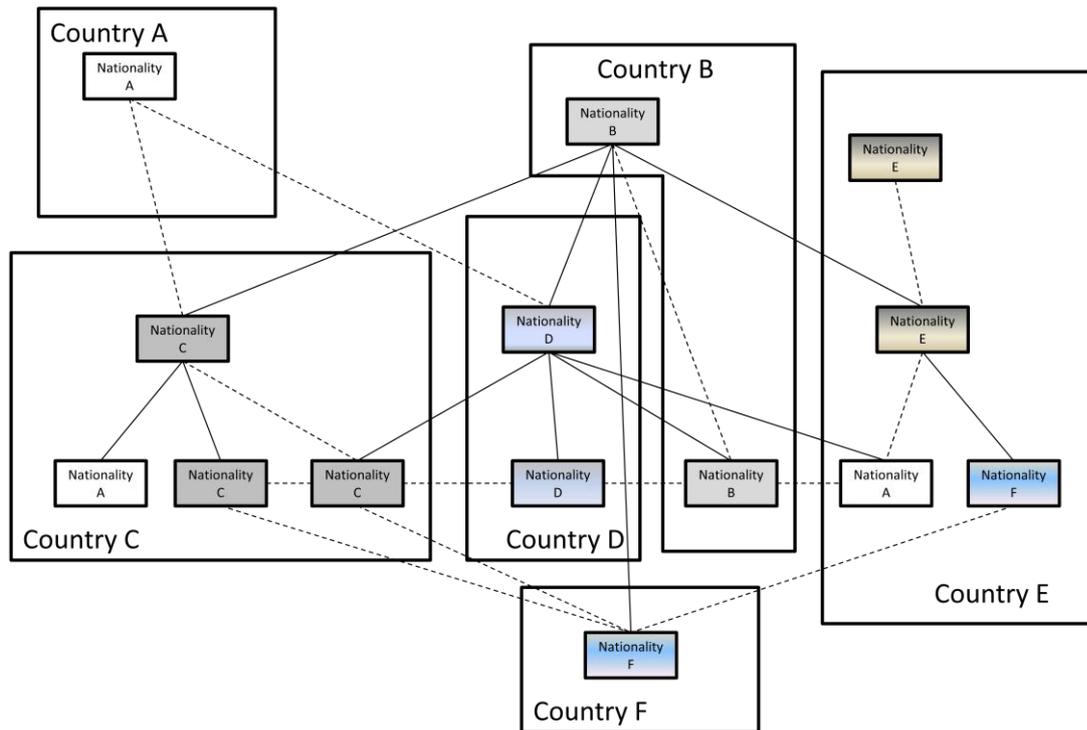
### 2.1. Today's Global Business Challenge

Historically, much of the thinking, writing and training on the topic of working across cultures has been focused on the differences between two specific societies.

- How does culture "a" differ from culture "b"?
- How does an executive from one background prepare for an expatriate tour of duty in a country with a different culture, e.g. an American going to work in Japan?
- How do immigrants from one nation fit into the working life in a different culture, e.g. Indians settling in the UK or Turks settling in Germany?
- What are the challenges when two organisations from different cultures are brought together through acquisition, merger or partnership?

Globalisation has overtaken this bi-polar view of cultural diversity. It is no longer sufficient to just consider how people of two cultures work together or even how people of multiple different cultures work together in a common team. The challenge of international business today is how do people of multiple cultures work effectively in distributed teams across multiple cultural boundaries.

The coach's challenge is to find ways to transcend cultural/linguistic/religious/national differences and map a common ground for productive working. Done well this can mean that, rather than accepting compromises in effectiveness or efficiency, the whole can add up to much more than simply the sum of the parts.



**Figure 1: Typical Geographical Distribution and Reporting Structure for Employees of Multinational Organisations**

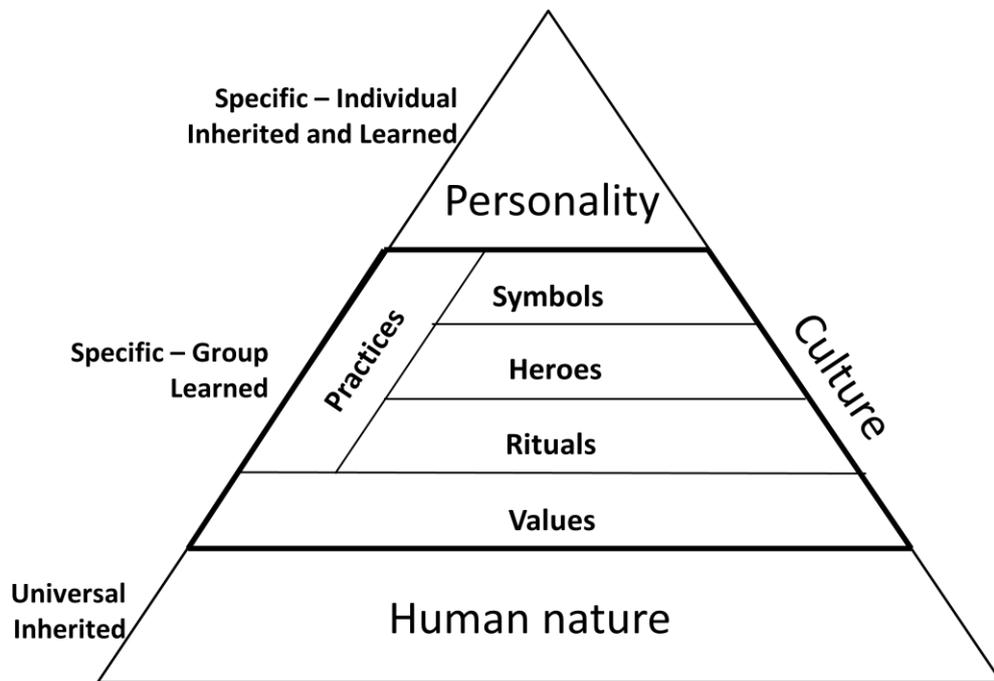
## 2.2. Defining Culture

The word “culture” covers many aspects and is often used very loosely. It is therefore worth taking some time to define the term more precisely. The Compact Oxford English Dictionary (2008) describes culture as “*the customs, institutions, and achievements of a particular nation, people, or group*”. Hofstede captured the essence in his definition: “*it is the collective programming of the mind which distinguishes the members of one group or category of people from another.*” (Hofstede: Culture and Organisations, 1991). Another complementary definition which looks more at the effects of culture is “*a set of basic tacit assumptions about how the world is and ought to be ...that determines [a person’s] perceptions, thoughts, feelings, and, to some degree, their overt behaviour.*” (Schein, 1996).

A key point is that culture is learned while being part of a group. It needs to be distinguished from *human nature*, which is universal and inherited. That is what all human beings have in common wherever they grew up or whatever their situation. It is inherited in our genes and dictates our basic physical and psychological needs. Culture also needs to be distinguished from individual *personality*. Personality is what makes each of us unique. It is partly inherited but also learned and shaped by individual circumstances.

That culture is learned while being part of a group means that each individual person's culture is continuously developing as they belong to different groups. There is the culture of the town, area and country where a person grew up. There may be a religious culture often learned from an early age, but perhaps adapted later due to changes in faith. Religious culture is often linked to one's ethnic or linguistic roots. Social class and education have a significant cultural influence with the shared experiences between groups attending the same school or university, or groups who have studied the same subject (e.g., people around the world who have studied computer science, or joined a profession such as medical doctors will have some elements of cultural commonality). Gender and age are important elements contributing to an individual's cultural identity. Belonging to social institutions such as sports clubs all add to a person's cultural experience. Working for a particular organisation brings a significant cultural influence. Fitting in to the "company culture" is an important element for success in any business.

Clearly, the various cultural influences reveal themselves in different ways and have various levels of importance. Hofstede categorises the manifestations of culture in four layers: *symbols, heroes, rituals and values*, with symbols being the most superficial and values the deepest. *Symbols* are words, gestures, pictures or objects that carry a specific meaning recognised by those that share a culture (e.g. jargon, fashion and status symbols). *Heroes* are persons alive or dead, real or imaginary, who possess characteristics that are highly praised in a culture and so act as role models (religious leaders, national heroes, political thinkers, rock stars, company founders etc.). *Rituals* are collective activities considered socially essential within a culture (e.g. form of greeting, paying respect, social and religious ceremonies, and the way business meetings are held). Symbols, heroes and rituals are all practices that can be observed by an outsider. However, the cultural meaning of these practices will only be fully understood by an insider. The core of culture is formed by *values*. Values are deep-seated preferences that deal with such things as evil vs. good, ugly vs. beautiful, abnormal vs. normal. Values are among the first things that children learn and psychologists believe that by the age of 10 most children have their basic value system in place. After that, changes are difficult to make. (Hofstede: Culture and Organisations, 1991). Therefore, while an individual's culture is continuously developing, some basic anchors remain and underpin that person's identity. Groups that people join as adults will not significantly influence their values. As such "company culture" can have some bearing on a person's practices (rituals, heroes and symbols) it will not change their underlying values.



**Figure 2: Levels in human mental programming. Adapted from Hofstede (1991)**

It is perhaps human nature to focus on differences and view what is not understood with suspicion. Most writers focus on the differences between people from different cultures (Western vs. Eastern, French vs. German, Christian vs. Muslim etc.). In my experience, it is more constructive to first concentrate on similarities and the common ground between individuals or groups and then build on these to achieve broader cross-cultural understanding. At the level of human nature, we are all the same. Between people of different national, linguistic or religious cultures, there can still be many areas of shared culture through age, education, profession, employer etc. Finally, we need to take care not to blame “cultural differences” for misunderstanding or conflicts caused by personality dissimilarity. In daily business life, personality clashes usually cause more problems than cultural differences.

### **2.3. Coaching Implications: Why Do I Like You?**

In the 1990s, I spent several years travelling and working in Eastern Europe. As a Western European child of the Cold War, I carried many preconceptions, especially about Russia and the Russians. During my frequent visits to Russia I discovered two things: (1) most of my preconceptions about Russian people were without foundation and (2) culturally and personally I had much in common with many of my Russian colleagues: We shared similar interests, worked in the same industry, had chosen the same employer, received similar education and indeed usually laughed at the same jokes! There was ample basis upon which to build great relationships and we could additionally learn much from one another. It is important not to fall into clichéd as-

sumptions about cultural differences. It is also essential to clearly distinguish between cultural differences and individual personality, team or organisational issues.

In coaching individuals or teams facing cultural challenges I invite clients to start by asking the question of the other "Why do I like you?" This question encourages clients to start focusing on the positives and areas of common understanding before exploring any differences. It builds a productive basis on which differences can then be welcomed and viewed as potential areas for learning and enrichment. For individual coaching there are a variety of ways of doing this, but a technique that works well is to ask the client to list all their important international contacts. For each they should then write down (a) three things they like about the person, (b) three things they could learn from the person and, lastly, (c) three areas where working together may be a challenge, and why? The answers to these questions provide an excellent basis for an initial cross-cultural coaching discussion. It immediately creates a positive and constructive atmosphere, identifies potential "quick-win" learning opportunities for the client while starting to pinpoint some of the more fundamental challenges that may need to be addressed. (Note: a related exercise expanded for team coaching situations is described in section 6.3).

### **3. Acknowledging and Working With Diversity**

*"No one is born hating another person because of the colour of his skin, or his background, or his religion. People must learn to hate, and if they can learn to hate, they can be taught to love, for love comes more naturally to the human heart than its opposite."* (Nelson Mandela)

*"If you judge people you have no time to love them."* (Mother Teresa)

#### **3.1. Cultural Orientations**

So what are the key differences between cultures? Luckily, there has been a lot of research by eminent scholars and writers classifying the key cultural features and characteristics (Florence Kluckhohn and Fred L. Strodbeck, Edward T. Hall, Geert Hofstede, Fons Trompenaars, Philippe Rosinski, R.J. House among others). There are a variety of similar and overlapping classifications available. For this paper, I have chosen to use the cultures classification developed by Hofstede due to its unambiguous nature, specific business relevance, broad acceptance and relative simplicity, (Hofstede: Culture and Organisations, 1991). It defines five national cultural dimensions:

### **3.1.1. Power Distance**

This refers to how societies handle inequality, and the degree to which power should be distributed in an organisation. Power distance culture has its roots in the family, driven by how deferential vs. independent children are brought up to be. Similar patterns continue through school and into the workplace defining the nature of manager: employee relationships. The power distance index (PDI) (Mulder, 1976,1977) measures the emotional distance that separates subordinates from their superiors. Egalitarian Nordic countries (especially Denmark) have a very low PDI contrasting with more formal and hierarchical Russia with a high PDI. Germany, UK and USA have relatively low scores contrasting with France, which is relatively high. Asian and South American countries mostly have high PDIs. This dimension is sometimes described as Achievement vs. Attribution where status is either unrestricted based on individual achievement or hierarchical depending on age/gender/education/social class/professional status/religious position.

A personal encounter where I misjudged the power distance position of a customer sticks in my mind as a most embarrassing example of not being culturally prepared. Working for a large American software company, I visited Uzbekistan accompanied by a colleague from the Moscow office. Our first customer visit was to the ministry responsible for the IT infrastructure in the public service. We knew that they were using large volumes of pirated copies of our products, and I wanted to explore win-win ways to bring our business on to a more standard commercial footing. Our contact was the responsible state secretary within that ministry. I was aware there would be some cultural differences. Our General Manager responsible for the CIS (former Soviet) region was a woman and as such would not have been accepted as a senior executive. I had also practiced how to appropriately greet people, but beyond that, I made the naive assumption that as a former Soviet country it would be just like doing business in Russia. The state secretary was dismissive to the point of being rude. There was a television switched on beside his desk and he gave that more attention than his visitors. It was quite clear that he felt dealing with us was way below his hierarchical level. We spoke at cross-purposes and had a very frustrating and non-productive meeting. Luckily, I had taken a small gift with me or the encounter would have been a complete disaster. The lesson was that I was not prepared for the extreme power distance culture within government bodies in Uzbekistan. Had I understood this I would have adjusted my level of deference towards our contact, and avoided directly talking business. I could have spoken about a "vision" of future cooperation, asked for his help in finding the right contacts within his organisation, and tried to win him as

an “executive sponsor” for future dealings further down the hierarchical chain within his ministry.

### **3.1.2. Individualism and Collectivism**

This scale defines the importance of the role of the individual or the role of the group. Individualist cultures (“I” societies) are where the interests of the individual prevail over those of the group. “I” societies are characterised by small nuclear families. Collectivist cultures (“we” societies) are those where the interests of the group (extended family, clan, community, company etc.) take precedence and the group in turn offers identity and protection. In the workplace this is translated into focus on individual performance where success is promoted through competitive stimulation vs. collaborative team performance where success is promoted through mutual support, sharing of best practices and solidarity. In collectivist societies many things are self-evident while individual societies have much more need of spoken “low-context” communication and where one is expected to speak one’s mind. In Collective societies business is based on relationships and trust. Hiring may favour family or other candidates with other collective links. The USA, UK and Australia are all highly individualistic countries. China (together with most of Asia) and Central and Southern American countries are very collective. Most European countries are more individualistic than collective.

### **3.1.3. Masculinity and Femininity**

The expected roles of men and women differ significantly across cultures. In “masculine” cultures men are expected to be tough, assertive and concerned with material advancement while women are looked on to be tender, modest and concerned with the quality of life. Examples are Japan, Italy, USA, Germany and UK. In “feminine” societies these gender roles are much less distinct. Both men and women are expected to be modest, tender and concerned with the quality of life. There tends to be greater equality in the roles played in society by the sexes such as in Scandinavian countries. Of all the cultural orientations this one gets the most social and political attention, with active push for change to achieve women’s equality of opportunity in the workplace. It is also the diversity opportunity that is most commonly proactively addressed by businesses. Much has changed since the suffragette movement achieved equal voting rights (in the 1900 – 1920s for most industrial countries, 1946 in Japan). However the big differences between countries illustrates that it is a slow and difficult process to change cultural orientations, even in the face of social pressure and political policy.

On a side note, when I first studied the scientific data (e.g. Hofstede: Cultural Dimensions, 1997-2009 [www.geert-hofstede.com](http://www.geert-hofstede.com)) I was surprised the Arab and other pre-

dominantly Muslim countries where not strongly "masculine", but rather around the mid-point of the scale. That underlines the importance of always questioning personal preconceptions.

#### **3.1.4. The Avoidance of Uncertainty**

This is the extent to which a society relies on rules, procedures and social norms to make life as predictable as possible. On the one end of the scale is the desire for uncertainty avoidance and on the other tolerance of unpredictability. Mediterranean countries, Latin Europe and Latin America, Japan and South Korea have the highest scores for wishing to avoid uncertainty. China and Southeast Asian countries show the most tolerance for unpredictability. This is a cultural behaviour close to my heart as a British citizen who has moved to Germany. The UK culture has a high tolerance of unpredictability whereas it will not come as a surprise to anyone who has travelled in Germany that this society has a high desire to avoid uncertainty. Through the eyes of a Brit there seem to be unnecessary rules for everything in Germany (usually displayed on notices telling what is "verboten")! In the UK the main topic of casual conversation is the weather (which nobody can do anything about) whereas in Germany it is anything that has upset the smooth running of society such as trains being late or roads being blocked because of an accident. In Germany, there is a need to control. One is obliged to carry an identity card and people must register where they live and when they move house. In Britain there is a keenly felt believe that such details are nobody else's business unless one chooses to share them. There are, however, advantages and disadvantages to all cultural orientations. I recently chatted to an ex-colleague who had moved back to the UK after several years of living in Germany. She had to set up home, open a bank account, get connected to utilities etc. Without proof of address, this was proving to be a chaotic and difficult business. She strongly advocated the introduction of the German registration process where you just visit the local "Rathaus", register once, and then everything runs smoothly. After more than twenty years of living in Germany, I sometimes catch myself thinking "there should be a rule about that" if frustrated by something when I visit the UK! That seems to confirm that one's culture is learned and adapted over time.

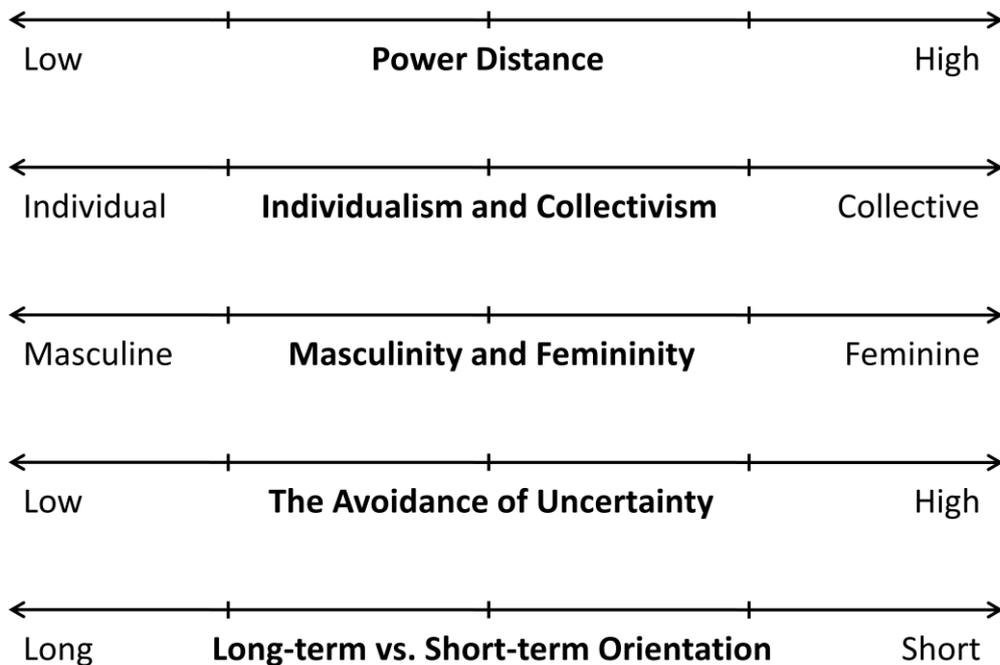
#### **3.1.5. Long-term orientation vs. Short-term Orientation**

Future orientation has a bias towards far-reaching vision and long-term benefits. It is characterised by perseverance, thrift and maintaining relationships and respecting their order. Long-term growth is seen as far more important than short-term profit. China, Hong Kong, Taiwan, Japan and South Korea are long-term oriented cultures.

Short-termism focuses on the here and now and short term benefits. It is oriented towards the past, present (the present is likely to be a continuation of the past) and immediate future. This dimension is characterised by personal stability, respect for tradition, focus on appearances and disregard for long-term planning (the obsession with quarterly results by Wall Street listed companies is a typical symptom). The USA, together with most European and African countries have short-term oriented cultures. Clearly most businesses want to achieve both short-term profits and long-term growth. This is a challenge in short-term oriented cultures where there is always a pressure to save on long-term investments (such as people development) to secure the short-term results. Business scorecard management is a case in point. Many company's balanced scorecards include elements that have longer-term strategic importance. However, the status of these metrics needs to be reported on in a monthly or quarterly cycle, effectively defeating the point by managing them as short-term goals. Achieving long-term orientation requires a clear vision from senior management and the willingness to separate the control of long-term investments from those responsible for short-term results and operating expenses.

### **3.2. Coaches Self-audit**

Before a coach can help clients work through cultural challenges it is important that he/she is fully aware of their own cultural identity and to have confronted their own prejudices. The coach needs to be able to comfortably manage his or her own responses to diversity. This should be primarily driven by honest reflection about one's real life experiences in a variety of cross-cultural situations. It is helpful, however to have a self-audit framework to structure this process, and to find another coach to help one challenge and review the outcomes through a peer consulting session. A good way to do this is to draw a linear scale for each of the five cultural dimensions described above.



**Figure 3: Cultural Orientation Self-Audit**

Start by plotting where you are on each scale.

In a second step, think of people you have come across that are as near the right and left extremes of each scale as possible, plot them and write down their names. (It is best to use people you have encountered but you can also use public figures you may not have personally met).

- What was/is your reaction to and your feelings towards to each of these people?
- Was/is your reaction appropriate and respectful?
- Was/is your reaction influenced by judgements or preconceptions?
- Are you genuinely open and willing to learn from this person? What have you learned?
- How should you adjust your behaviour to ensure success when dealing with this person in the future?

To gain clients trust it is vitally important that coaches are seen to be culturally open, respectful and without obvious prejudices.

### **3.3. Coaching Implications: Helping Clients Confront Their Preconceptions.**

There are no "right" cultures or "wrong" cultures. There is no good and bad in the spectrum of cultural diversity. With any review of cultural issues, it is important to respect what a client is, put them at ease and encourage confidence in accepting their

own individual cultural identity. What is important is not what they are but rather (1) how they react to others from different cultural backgrounds, and (2) understanding how others might react to them.

While coaching individuals it is important to first assess where the client is in terms of cultural openness. This can be achieved through a discussion, asking the client to describe his/her environment, the key players that they work with and their relationships with these people. Rosinski built on work by Bennett to develop a seven-stage scale:

1. Ignoring differences - being physically or mentally isolated.
2. Recognising differences but evaluating them negatively – denigrating others and feeling superior.
3. Recognising differences but minimising their importance – trivialising and failing to notice uniqueness.
4. Recognising and accepting differences – acknowledging, appreciating and understanding.
5. Adapting to differences – moving outside one's comfort zone.
6. Integrating differences – analysing and evaluating situations from various cultural perspectives.
7. Leveraging differences – making the most of differences, proactively looking for gems in different cultures and achieving unity through diversity.

(Philippe Rosinski: *Beyond Intercultural Sensitivity, Leveraging Cultural Differences*, 1999 and Milton Bennett: *Towards Ethnorelativism: A Model of Intercultural Sensitivity*, 1993).

As with all coaching, it is important to be totally open and transparent with the client. Share the seven-stage model with them, ask for their self-assessment and discuss first impressions based on the previous discussions. Be specific and give examples of what formed that first impression. Discuss exactly what the client would like to achieve, and agree goals (or sharpen existing goals).

To move to the next level a repeat of the self-audit methodology as described above can be used (see 3.2 Coaches self-audit), but this time analysing the client's cultural identity. The coach should ask the client to map their important cross-cultural business contacts on to each cultural scale and review in detail their reactions to each one.

- Is the reaction appropriate and respectful?
- Is the reaction influenced by judgements or preconceptions?
- Is the client genuinely open and willing to learn from this person? What have they learned?

- How should the client adjust their behaviour to ensure success when dealing with this person?
- How can this person's culture enrich and add to the organisation's effectiveness and success?

A concrete action plan should be developed to address each case where there is a danger of cultural misunderstanding. Does the client need to invest time with an individual to better understand them? Should the client adjust their behaviour towards an individual, and if so how? Is the client disturbed by specific behaviour of an individual, and if so how can this be confronted in a respectful manner? Agree follow-up actions and topics for subsequent coaching sessions.

## **4. Cross-Culture Communication**

*"Nothing is so simple that it cannot be misunderstood".* Freeman Teague, Jr.

### **4.1. The Cultural Tower of Babel**

Of all cultural differences, communication is the most obvious. We speak different languages. We use language and tone of voice differently. We use different expressions, and some body language varies across cultures. Private space and the degree of physical contact in communication differ significantly. The appropriate degree of formality, directness or emotion to use can be a minefield. Yet communication forms the primary interface between people. It is the cultural aspect that causes most misunderstanding and conflict. In the complex reality of international business (described above: 2.1 Today's Global Business Challenge) communication is increasingly not face-to-face but indirect (using videoconferencing, phone, email, instant messaging, SMS, etc.). This magnifies the challenge of effective communication and multiplies the possibilities of misunderstanding.

### **4.2. Cultural Communication Differences**

The topic of cultural communication differences could fill several books but for this paper I will focus on the following key elements:

#### **4.2.1. High Context/Low Context**

This refers to the extent to which people rely on factors other than speech to communicate their message. High context cultures such as in Asia and South America rely on implicit communication such as gestures, posture, voice and context. Low context cultures such as the USA rely on explicit communication with clear and detailed in-

structions leaving little room for interpretation. Modern communication tools present specific challenges for cross-cultural communication. High context interaction relies on seeing the other party. This works best when you are face-to-face and partly using videoconferencing and VoIP (such as Skype). Telephone, voice-mail, email and text messaging continue progressively on a scale of lower and lower context communication.

#### **4.2.2. Direct/Indirect**

In direct communication (e.g. USA or Germany), the communicator says exactly what they think. Little consideration is taken about the risk of offending or hurting. It is seen as most important to make sure the point is communicated clearly. In indirect communication (e.g. UK), maintaining a cordial relationship is given priority, even at the risk of misunderstanding. Communication is more likely to include metaphors, hints, questions and the presentation of possibilities. A German may meet a friend and say "you're looking terrible, are you ill?" which can be a real blow to self-confidence if there is nothing wrong. A British person would be much more subtle starting with small talk, perhaps complementing the friend on their dress and then finding other roundabout ways of enquiring after their friend's wellbeing.

#### **4.2.3. Affective/Neutral**

Affective communication is where emotions and warmth are expressed openly and naturally. People are less concerned about the precision of the communication than establishing and maintaining social relationships. Messages carry most weight when they are spoken from the heart. Mexico and Italy are examples of countries where this is prevalent. Neutral communication stresses precision and detachment. It can be thought of as typically British, but is also prevalent in e.g. Japan, Indonesia, Norway and Germany. Here, facts, objectivity and clarity of thought are what carry most weight. Emotional appeals or angry gesturing may be viewed with suspicion.

#### **4.2.4. Formal/Informal**

Formal communication observes etiquette, rituals and protocols. This can include specific forms of greeting, displays of deference and respect, and the use of specific language such as formal/informal personal pronouns (e.g. "Sie/Du" in German). Formality can extend beyond language to forms of dress, stance etc. Japan is an example of a highly formal culture. Informal cultures such as the USA favour familiarity and spontaneity. The easy use of first names is seen as a way to encourage friendly relationships.

### 4.3. Communication and Trust

Communication ultimately relies on trust. When someone receives a message (irrespective of the medium, face-to-face, phone, written etc.), it is subconsciously filtered and interpreted based on how that person regards the source of the communication. The same words will be understood differently depending if they come from one's mother, partner, valued colleague, boss, rival, a person you actively dislike and distrust, someone trying to sell you something or a politician who is after your vote. It is vital to establish a basic level of trust for communication to be correctly received and effective. This becomes even more important when overcoming the barriers of cross-cultural communication. It is interesting to note that the need for high levels of communication is greater in individualistic cultures than in collective cultures. These assume a basic level of common trust and understanding allowing many things to be taken for granted without communication.

Building trust takes time. It is also much easier face-to face where the full range of non-verbal communications can be observed and joint experiences shared. Many companies make the common mistake of cramming precious and expensive international get-togethers with the communication of information. That can be done just as effectively by videoconferencing or email. Physical time together should be focused on dialog, developing relationships and building trust. It is another mistake to think that the use of communication technology can replace face-to-face meetings. It goes without saying that companies should be careful with travel costs and their carbon footprint, and use technology such as use videoconferencing whenever appropriate. However, these only work effectively when the basic relationships are established and functioning well. My personal experience during many years working for American corporations was that it was optimal to physically visit my US colleagues once every three to four months. After that time there was a measurable deterioration in the closeness of the relationships and the effectiveness of our communication.

In most international businesses English has become the lingua franca. For an English native language speaker that, of course, holds some advantages. It does however carry a responsibility to not abuse the language fluency in times of stress or dispute. To do so is a sure way of eroding trust. One also needs to avoid using slang or idioms. I learned that lesson in an early visit to Moscow. During an internal meeting, one of my colleagues suddenly seemed to become very uptight and uncooperative. I let it pass but afterwards asked another Russian colleague what had happened. Unconsciously, I had used the expression "as a rule we do it this way...", a common English

way of saying “normally we would do it this way”. His reaction was “who does this guy think he is, coming from the headquarters and laying down rules for us?”

#### **4.4. Coaching Implications: Being Understood**

A coach can help a client review his/her inter-cultural communications and help build a framework to optimise its effectiveness. How is he/she heard by those receiving communication? How does he/she receive and interpret the communication from others with different cultural backgrounds?

The first place to start is to review the client’s relationships with their key cross-cultural business contacts and try to judge the levels of trust that exist. How well does he/she know the individuals? What is the level of joint understanding and indeed friendship? Are there joint experiences that they can reminisce about? If there are deficits, how do these manifest themselves? How can the client find ways to address these (perhaps by spending face-to-face time with the specific people)? How can the client engineer win-win situations that can develop the relationship and trust?

As a second step, a coach can help a client review his or her own communication. How do they communicate? Perhaps it might be helpful for the client to keep a log of the communications to each contact (e.g. number of face-to-face meetings, phone calls, emails, instant messages etc. in a month or quarter). What is the tone and style of the communications? Given what the client knows about the individual contacts and their culture, is this appropriate? Is there an imbalance between the levels of communication between contacts? If so what is driving that?

Thirdly, has the client spent time to ensure he understands the other’s communication style? How do they communicate? How does the client interpret these communications? Are there alternative interpretations?

Finally, a coach can encourage the client to develop a customised communication strategy for each important cross-cultural contact (that will augment any existing formal reporting and broad communication). Some contacts might be happy sticking to email between occasional face-to-face meetings. Some might need to talk and require a weekly phone call. Others may need some sort of daily contact like a quick instant message chat. This may sound a bit arduous, but it is exactly what would happen informally in a mono-cultural team all working in a single location. It can also pay dividends as effective communication avoids time-wasting misunderstandings and is the basis of productive cooperation and the ability to drive great results.

## 5. Work-Life Balance

*"One of the symptoms of an approaching nervous breakdown is the belief that one's work is terribly important."* Bertrand Russell

### 5.1. Always On, Always Connected

Can anyone remember the concept of nine-to-five working? In today's international business world that seems like a quaint idea from a time that is long since past. Business appears to have become tougher and more demanding. There is a collective pressure to work harder and longer to survive. In international roles people are working with colleagues around the world in different time zones, the working day never stops. Travel time is often not seen as working time, so the early mornings and late evenings spent in airports and taxis don't really count! Technology allows us to be "always on, always connected". Mobile phones and wireless connections mean we are constantly available and able to keep working. The time challenges facing employees and leaders today are significant and the danger of broken personal relationships, burnout or nervous breakdown all too real.

International workers additionally need to be aware of the requirements and practices of the various cultures they are working with. Firstly, the culture and work practices of the mother company (usually defined by where the company's HQ is based). Secondly, the needs of the international contacts based around the world need to be understood. What is the normal working day in each geographic region? What days are the local weekend? What family, private or religious obligations do people have? And finally, these somehow need to be harmonised with the personal requirements of the country where one lives and with one's own private non-work commitments.

### 5.2. Defining Personal limits

In a global business, it is always the normal working daytime somewhere in the world. The timing of contact with global team members needs to be carefully managed.

Normally one can contact most locations in the world either very early or very late in the workday but that requires planning and discipline. For very remote locations there can be little room for spontaneous telephone calls. It is all too easy to fall into the habit of trying to be flexible and fitting into other people's wishes or demands. If one is not careful it can lead to taking business calls at home late in the evening or even through the night. I have personally worked for west coast based American companies for many years while being based in mainland Europe. That represents a nine-

hour time difference. I remember taking on a role as the European member of a worldwide team, managed from the US headquarters. During the first week, I attended two conference calls. One ran from 7pm to 9pm and the other, the next day, from 10pm to 12 midnight my local time. I also heard tales from other colleagues calling in to monthly meetings that went through the night (daytime in the USA) and even regular 1:1 calls with their manager that took place late in the evening. I quickly decided that this was not how I wanted to manage my time, and personally defined a window of from 4pm (7am US time) and 7pm (10am US time) for all my US calls or videoconferences. Outside this time I always found ways of politely declining meeting requests. I discovered that people were happy to accommodate me if requested when I explained the situation. It simply required that I consciously set my personal limits and stuck to them.

Many international roles demand a lot of travel. The scenario of a dawn trip to the airport, overnight stays in foreign hotels, meetings and customer visits from early morning to late at night, arriving home, exhausted, late on Friday evening is a not uncommon reality. If this is combined with the always on, always connected work practice of being available when at home and through the weekends, problems are pre-programmed. Social life will be the first casualty, partnerships and family life may suffer, there will be no time left for personal interests or hobbies and health may decline. Again, it is vitally important to set personal limits that are acceptable to one's family, and to be strongly disciplined in maintaining these. When I was in that situation, my personal rules were to always finish business trips on Thursdays to leave Fridays as office time leading into a relaxed weekend. Flying out on Sunday evenings was also taboo. I never did email or took business calls at home. As soon as I entered my house I was 100% there for my family and myself. Holidays were sacrosanct and available holiday allocation was always taken and dedicated to family time. A very common trap into which many managers fall is the belief that business will suffer if they are not available: truly a psychological illusion of exaggerated self-importance. If a business really cannot run smoothly without the boss, it is, in fact, an indication of that person's failure as a manager.

Email and other forms of electronic communication deserve a special mention. While the communication advantages are obvious they can also be a curse, like a never-ending treadmill one cannot get off. This can be extreme if contacts are all around the world are on-line at different times. A phenomenon that is not widely recognised is that most email is generated by the receiver. Sending email generates replies. Answering an email and choosing "reply all" generates a follow-up mail chain. If a mail is left to sit for a while (assuming it is not urgent and important) the issue will often

resolve itself. The effect can be proved by simply looking at the continual decline in the daily number of emails in an inbox during a two or three week vacation. (Note: this assumes business emails are not answered during a vacation!). Personal rules and discipline are essential. When is email processed, are specific times set aside? Is the inbox appropriately managed (e.g. cc. mails routed to a non-urgent folder, rules applied to automatically process mails from certain senders, a priority folder created for mails from important contacts etc.)? Are personal email practices communicated to key contacts so as to set appropriate expectations, (e.g. "I process mail once a day in the late afternoon, if something is extremely urgent please send a text message to my mobile phone")?

### **5.3. Respecting the Needs of Others**

The culture within an organisation is usually defined by the founders or leaders of that company and the country culture where they are based. When people from around the world work for or with that organisation there are bound to be some work-life balance conflicts. Typical areas of friction are international conferences organised during religious or family holidays, lack of respect for local work times when arranging meetings or sending urgent requests for information to a time zone where the working day is drawing to a close. A good international executive is aware of and tries to be respectful towards the important work-life priorities of his/her contacts around the world. An excellent international executive tries to learn from these to enrich his/her own life.

### **5.4. Coaching Implications: Taking Back the Controls**

International business across time zones with the associated travel can quickly and easily consume all of a person's time if allowed to do so. Many international business people with impressive careers need outside help to balance their success with the other good things in life. There are few areas where coaching can have such an immediate impact as in addressing work-life balance issues.

Even if a client has specific issues they feel they want to address, it is probably best to take a step back and start with an audit of their priorities, wishes and goals. What is important in their life? How would they prioritise these areas? How would they wish to allocate their time towards these priorities? Analyse how their time is currently allocated. What are the gaps? What realistic goals could they define to bridge these gaps?

In most cases, the biggest challenge will be freeing up what is currently work time to be able to allocate this to family, health, hobbies, spirituality, self-development etc. How can this be achieved without sacrificing their effectiveness at work? In other words, how can they work smarter? A good place to start is with a more detailed analysis of exactly how the work time is currently used. It may be worth asking the client to keep a time log for a month in order to build a true picture (which might bring some surprises!). How much time is spent on tasks like face-to-face meetings, 1:1 phone calls, conferences calls, email, travel etc.?

The next stage is to drill down on how effectively the time in the various categories is used. How important are these activities? Could they be managed differently? What are the alternatives? Common areas that might have significant potential for optimisation are the management of email and the use of travel time. Are there activities due to collective peer pressure, such as answering email at weekend, that are not truly productive? It is also common to identify some activities that are no longer necessary and that can simply be scrapped. Does the client need to personally perform all these activities? Are there opportunities for delegation or re-organisation of responsibilities?

The subsequent big discussion is to drill down on the extent to which the client is in control of his/her own time. What activities are planned and where is the client spending time reacting to situations or the requests from others. How can he/she minimise the reactive time? The goal should be to take control, as far as is possible, setting personal priorities. When the client has fixed goals and defined a plan he/she should consider if it is helpful to communicate this (or elements of it) to people that may be affected or that can help.

Finally, key elements of the plan should be translated into personal ground rules that the client commits to. Examples might be:

- Fridays are reserved for office work and going home at 15.00. No travel.
- No email or work phone calls during the weekend.
- I will only accept conference calls from 9.00 – 19.00.
- Email where I am on cc. will only be processed during dead time such as at the airport or during flights.
- When travelling I will reserve one hour each morning to jog or go to the hotel gym.

To anchor these I suggest that the client writes them down in an official-looking contract to him/herself, which is signed, and then witnessed by the coach. The client should be encouraged to recall the commitments made in this contract every time

there is temptation to bend or break one of these ground-rules. Ideally, follow-up sessions should be agreed after three and six months to jointly review progress towards the goals and talk through any barriers or issues.

## **6. Distributed Organisations**

### **6.1. A Team or Collection of Individuals?**

How does one build a team when the individuals are physically spread across different countries and time zones? This is a common challenge for managers in today's global businesses. Their staff can consist of multiple nationalities with diverse cultural backgrounds (language, race, religion etc.). These employees may report to the manager directly or indirectly (dotted line) as part of a matrix structure.

Before an executive invests a lot of time and effort in team building, they need to question the value of teamwork in their business context. There are international headquarter situations where the individuals all have different discrete responsibilities with little opportunity for cooperation or learning from each other. If that is truly the case then it is probably best to recognise that reality and manage the group as a collection of individuals that happen to share the same manager. Group meetings or calls can then simply be convenient forums for communicating company or department news and handling questions. Motivation and ensuring that each team member has a support network will need to be addressed in alternative ways. Often this is achieved by ensuring that each individual is closely linked to the host organisation at his or her physical location. It may also be appropriate to request that a local executive act as a host manager.

In most business situations, however, the potential benefits of forming a well functioning team make the effort well worthwhile. Team members can support and learn from each other, exchange ideas, help out in times of pressure and tackle joint projects too big for one individual. Belonging to a team is psychologically important to many people. Aiming for and achieving team goals is a powerful motivator. Accomplishing real teamwork in a distributed multicultural environment, however, requires significant effort, a degree of investment (time and money) and some very specific techniques.

## **6.2. Creating a High Performance International Team**

Working in an international team is especially demanding and needs to be made attractive. That is the role of the manager. It all starts with hiring the right people and that in turn depends on the appeal of the organisation. It is the manager's role to ensure the team offers a first class intercultural learning experience for its members' self-development. Positioned correctly, that will significantly enhance the individual member's future career opportunities. The manager must also ensure recognition and visibility for the team members within the wider organisation. By creating the right environment, it should be possible to attract some of the best talent available, young stars from the company's expo/talent programs, top performers from local subsidiaries looking for expanded horizons or people recommended by senior executives.

The basis of all good teamwork is trust. In an international multicultural environment where people do not see each other on a day-to-day basis, opportunities for building trust need to be created. This can be achieved through a fun annual team kick-off event or some other joint motivational activity. I have known teams that have gone to the top of Mont Blanc and another that built a school in Africa together. The key is that there is plenty of time to get to know one another and to build some joint experiences. The kick-off is also a great opportunity to define joint projects and goals that are owned by two or more team members. Carefully constructed, these can build on the personal and cultural diversity of the team members.

Relationships, of course, need to be maintained and developed. My own experience as a manager that worked well was to bring the team physically together every two to three months. Even in times of travel restraints, this needs to be made a budget priority. Each team member can probably find ways of combining the trip with other business to be as cost effective as possible. My formula was to use the time to have 1:1 meetings with each team member, then a short team meeting followed by dinner (in a good restaurant). The rule at dinner was that there should be no discussion of business. This was time for socialising, building relationships and having fun.

To hold the team together requires an on-going communication rhythm, be that weekly or bi-weekly calls, newsletters, regular team reviews etc. I found a short weekly call worked very well with a brief update on any important news followed by a round table where each team member outlined (a) their priorities for the week and (b) the areas where they needed input or support from other team members.

### **6.3. Coaching Implications: Turning Players into an Orchestra**

Managing a distributed multicultural team can be much more demanding than a monocultural team based in a single location. Unfortunately, international managers often have less time for their teams due to their own demanding workloads and gruelling travel schedules. That is where an external coach can help with the overall team development and support the individual team members to chart their way through the complex international environment. A particular focus for a coach should be to help each team member recognise the cultural similarities and differences with the rest of the team and consider how they can use and learn from these.

A technique that works well during a team development session is the following:

Each team member has a paper notebook in which they collect input from their colleagues. These are left in a room over a period of a several hours during which time each person writes the following personal feedback to each other team member.

- Three things I like about you
- Three things we have in common
- Three areas where we are different and could learn from each other
- Three things that you should work on to improve
- Any other personal message or comment

Once all comments are collected, each person reviews the feedback they have received and has an opportunity to have 1:1 discussions with each of the rest of the team. Afterwards, each individual is invited to a session where the coach will help them review and analyse the feedback. Issues and opportunities for improving the effectiveness of the team should be identified and personal goals established.

## **7. Creating a Learning organisation**

*"If I have seen farther than others, it is because I have stood on the shoulders of giants."* Isaac Newton

### **7.1. Countering "Not Invented Here"**

In 1990, Peter Senge first put forward the idea of a learning organisation *"where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to learn together."* (Senge: The Fifth Discipline, 1990). While some of his ideas may have proven to be idealistic and im-

practical in the real world of business, the ultimate challenge for any executive with international responsibility is to create an organisation that is open to ideas from around the world. A business where the members proactively search for what they can learn from others to improve their individual, group and organisation's performance. In other words, a company that fully leverages the asset of cultural diversity. Unfortunately, there are some powerful forces working against this ideal. It is human nature to be suspicious of different ways of doing things. Self-esteem is all too commonly driven by feelings of superiority or being "right" rather than by being able to learn. Culturally, individualist societies actively encourage competition as opposed to collaboration. The tough and assertive nature of masculine cultures is sometimes counterproductive when it comes to sharing and being modestly open to the ideas of others. The desire to avoid uncertainty is achieved most easily by sticking with what one knows and understands. Short-termism with its focus on immediate gains can work against the investment needed to build on new ideas from others. Indeed, we all know the "not invented here" knee-jerk rejection of other people's ideas: the first instinct to think of why outside ideas will not work "here" and why the situation "here" is unique and different.

So how can a manager overcome these barriers and create an international learning organisation? As in so many aspects of business, the most critical factor is to achieve trust between the parties. Strong cooperation is built on the quality of relationships, the formal and informal networks that exist and the extent to which individuals feel part of a common community. Forums and methods need to be found to encourage relationship building, not just between headquarters and subsidiary/country units, but also between the individual subsidiaries. If face-to-face time is possible, it needs to be focused on relationship building. That needs to be augmented with other group communication forums (such as peer groups calls, community blogs etc.) as well as defining joint projects to encourage bilateral or multilateral exchange of ideas. It is counterproductive when a headquarter function becomes a funnel (and bottleneck) through which all communication flows. The headquarter does, however, need to have processes for capturing ideas, best practices and lessons learned and ensuring that these are effectively shared.

For diverse entities to effectively work together it is essential to have common goals, language and understanding of the business. This does not just mean a common spoken language, like English, French or Japanese, which is usually a given in any organisation. It refers to ensuring that there is common understanding of how the business works, common taxonomy and common measurements. In a dynamic learning organisation, these factors are continuously being revised, refined and updated. It is the role

of the headquarters to ensure that feedback from the field is constructively used so that everybody is kept on the same page as things develop.

Arrogance, defensiveness and uncertainty are the enemies of sharing and learning. For people to be open to the ideas of others their individual self-esteem needs to be acknowledged and appreciated. A common level of acceptance and respect between the parties is required. A good manager will find ways of making each team member a hero within the group in some way. Acceptance of winning ideas from others will be easier if the recipient is also having his/her own successes celebrated.

Many companies present awards for outstanding achievement and creative new approaches to the business. If this process is not carefully managed it can backfire by creating an environment where people aim to stand out by being different. Energy can be focused on developing new ideas rather than learning from the rest of the organisation. Although it may be counter-intuitive in individualistic cultures, for each such award there should be an even better award for the person or team that has most effectively implemented a best practice developed somewhere else.

I once held regional responsibility for a company's business unit across 15 Western European countries, with teams in each subsidiary. The nature of that organisation's matrix structure meant that this very small group had accountability for about 50% of the company's total business. To drive success it was essential to create an environment where the teams in each subsidiary were helping and learning from each other. Every opportunity was used to foster a regional sense of community and to broker bilateral cooperation between the leaders and stragglers in each key element of the business. One day I discovered that, independently and without headquarters suggestion, the entire Spanish team had gone to spend two days with the Dutch team to intensively learn from one another. For me that was the ultimate confirmation of the success of our approach.

## **7.2. Coaching implications: Collective Creativity and Problem Solving**

Many international executives are so deeply involved with running the day-to-day business that they find it difficult to step back and focus on how well their global organisation is utilising all its strengths. A good coach can be an external sparring partner that can take a detached view of how well an organisation is truly performing and challenge the status quo.

Success, however, does not solely rely on the leader. An international learning organisation requires each member to be self-aware, culturally open and eager to accept the ideas of others. A group-coaching program can assist in achieving a common level of self-awareness and readiness. Ideally, each member should be encouraged to go through a self-assessment (using the techniques outlined in 3.3 Coaching Implications: Helping Clients Confront Their Preconceptions.) and offered follow-up coaching.

In group coaching, the use of action learning techniques, developed by Professor Reg Revans (Revans: The ABC of Action Learning, 1983) is very effective. These put groups of peers together to jointly solve problems as a way to learn and achieve individual and organisational development. In an international context this would ideally be peers with similar roles from operations or subsidiaries around the world. It encourages self-reflection and joint learning opportunities that will be transferable to other situations. The coach leads the group through the following process:

- Clarifying the objective of the "action learning group"
- Presentation of the problem by the problem owner
- Using questioning the group will reframe the problem and identify the crux of the issue(s) and most critical elements the group should focus on
- Determining goals
- Developing action strategies
- Taking action between group meetings to test assumptions
- Repeating the cycle until the problem is resolved
- Capturing the lessons learned.

In an international cross-cultural context this technique encourages individuals to challenge their own assumptions, build on the experiences and creativity of the entire group and achieve joint ownership for the resulting strategies or tactics. Individual members receive feedback on their actions from the coach and are encouraged to scrutinise their underlying assumptions and mental models.

## 8. Conclusion

*"You see things; and you say, "Why?" But I dream things that never were; and I say, "Why not?"",* George Bernard Shaw

In the world of the sceptic we met in the introduction, international and cross-cultural business is characterised by the dangers of misunderstanding, inefficiency, distrust and resentment. These are real hazards, but the march towards globalisation is un-

stoppable. The potential advantages for companies and their customers create a pull so strong that few companies can, or want to, resist. However, are these businesses really acting globally? The sad truth is that many are either behaving as imperialists, building out an empire based on their own home national culture, or colonizers establishing a collection of local but unconnected settlements. Organisations that have profoundly reengineered to capitalise on cultural diversity and turn it into a competitive asset remain exceptions. Few international businesses fully gain from the creativity, ideas and perspectives of the great minds they employ around world. To repeat the very recent findings of Ernst and Young "one of [their] key findings was that most companies fall short on the diversity of thought and culture needed to handle global business". They go on to cite the need for "internationally experienced staff as the most important cultural factor in conducting business globally". (Ernst and Young: Redrawing the map: globalisation and the changing world of business, 2010). That gets to the core of the issue. Many executives with international roles lack the skills, experience and support required to excel. This is where cross-cultural coaching can be a critically important leadership development tool.

The role of the coach is to accompany their client on a journey of critical self-examination, opening their minds to opportunity and possibility. It is to support the client in understanding and valuing the wealth of ideas that can be contributed by the individuals they are dealing with, no matter how "different" they are. The coach is there to help the client map practical ways of maximising the impact that the cultural richness of his/her organisation can provide, and to assist in confronting the problems encountered along the way. Finally, the coach can help ensure the client enjoys their international career while maintaining an appropriate balance between work and their private life.

In team coaching the goal is to achieve an organisation where each individual is open and actively willing to learn from his or her international peers. It is to help break down cultural, national, and geographic barriers and replace them with constructive bonds that will develop and grow. Done well this will enrich the experience of belonging to the organisation for each individual, and collectively improve the effectiveness and performance of the team.

The field of international business coaching is still in its infancy. Until very recently, cross-cultural management development was restricted to training courses. Published literature on cross-cultural and international business coaching is rare. Detailed searches on Amazon.com reveal only a handful of books on the topic. It is my hope that this practical guide will contribute to the further development of this discipline.

## List of Illustrations

Figure 1: Typical Geographical Distribution and Reporting Structure for Employees of Multinational Organisations .....	7
Figure 2: Levels in human mental programming. Adapted from Hofstede (1991).....	9
Figure 3: Cultural Orientation Self-Audit.....	15

## Bibliography

- Bacon, Terry R. & Spear, Karen I. *Adaptive Coaching*. Davis-Black (2003)
- Compact Oxford English Dictionary*. Oxford University Press (2008)
- Bennett, M. *Towards Ethnorelativism: A Model of Intercultural Sensitivity*. (In Paige, R.M. *Education for the Intercultural experience*.) Yarmouth, ME: Intercultural Press (1993)
- Ernst & Young *Redrawing the map: globalisation and the changing world of business*. Ernst and Young (2010)
- Hall, Edward T. *Beyond Culture*. Anchor/Doubleday (1976)
- Hofstede, G. *Cultures and Organisations*. McGraw Hill (1991)
- Hofstede, G. Cultural Dimensions. [www.geert-hofstede.com](http://www.geert-hofstede.com) (1997-2009)
- House, R.J., Hanges, P.J., Javidan, M., Dorfman P.W. and Gupta, V. *Culture, Leadership and Organisations: The GLOBE Study of 62 Societies*. Sage Publishing (2004)
- Kluckhohn, Florence and Strodtbeck, Fred L. *Variations in Value Orientations*. Row, Peterson and Co. (1961)
- Revans, R.W. *The ABC of Action Learning*. Chartwell-Bratt (1983)
- Rosinski, Philippe *Coaching Across Cultures*. Nicholas Brealey (2003)
- Rosinski, Philippe *Beyond Intercultural Sensitivity, Leveraging Cultural differences*. (1999)
- Schein, E. *Three Cultures of management: The Key to Organisational Learning*. Sloan management Review 38 (1996)
- Senge, Peter *The Fifth Discipline: The Art and Practice of the Learning Organisation*. Doubleday (1990)
- Stout Rostron S. *Business Coaching International*. Karnac (2009)
- Tompensaars, Fons *Riding the Wave of Culture 2<sup>nd</sup>*. Ed. Nicholas Brealey (1997)

## **Appendix: Examples of Companies Successfully Turning Cultural Diversity into an Asset**

### **Unilever**

“Our commitment to diversity is set right at the top of our business with our Global Diversity Board, chaired by Chief Executive Officer Paul Polman. We work to embed diversity firmly into our day-to-day business decisions, via our talent management and people processes. Our business units are required to develop specific diversity plans that are aligned to the priorities and needs of their regions and product categories. We have 20 different nationalities among our top-level group of leaders worldwide. Our Global Diversity Board comprises leaders from all business functions and is chaired by our CEO, driving our efforts in this area.”

(Source <http://www.unilever.com/sustainability/employees/diversity/index.aspx> )

### **Deutsche Bank**

“The international nature of our workforce is not merely a corollary of our globalization strategy. We deliberately cultivate diversity because we regard it as a great asset: Diversity helps us to better understand our many different clients around the world. It allows us to perceive risks and trends earlier. By switching perspectives we can avoid making errors of judgement. Last but not least, we all benefit also at a very personal level from meeting and interacting with colleagues from different cultural backgrounds”.

(Extract of Speech from Dr. Josef Ackermann, Chairman of the Management Board and the Group Executive Committee of Deutsche Bank AG. [http://www.db.com/en/content/company/headlines\\_1356.htm](http://www.db.com/en/content/company/headlines_1356.htm))

### **Siemens**

Our understanding of diversity is that it is the inclusion and creative collaboration of different modes of thinking, cultural backgrounds, experiences, types of expertise and individual qualities, across all levels of our company. A study by Forbes magazine showed that diversity improves employee satisfaction, makes it easier to recruit talented new employees, improves customer relationships and drives creativity. Diversity has a long tradition at Siemens: in fiscal 2008, the company had over 427,000 employees in around 190 countries and in our ten biggest markets alone we employ people of 140 different nationalities.

For an integrated technology company like Siemens, diversity is of particular relevance. Studies show that heterogeneous teams are more productive and more successful. The reason is that diversity drives creativity which in turn fuels innovation.

(Jill Lee, Chief Diversity Offices Siemens AG.

[http://www.siemens.com/responsibility/report/08/en/in\\_focus/success\\_factor\\_diversity.htm](http://www.siemens.com/responsibility/report/08/en/in_focus/success_factor_diversity.htm))