

BA291: Introduction to Business

Ajarn Marcus ศรีอนันต์

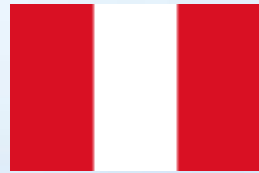
Class #5

“More and more, in any company, managers are dealing with different cultures. Companies are going global, but the teams are being divided and scattered all over the planet.”

-Carlos Ghosn

Once upon a time...

There was *Hora Peruana*...



-Considering what we discussed about management, leadership, and what you think you know about culture...

-If you were a manager just starting a high-tech business in Peru, what would you do to effectively manage your new Peruvian employees?

Reference point?

-Why?

Leading and Managing in and Across Cultures

What is culture?



“The Marcus Blindfold Test”



Organizational culture?

-Do organizations have culture?

-Who has the most control over this?

-Why does this matter?

-LEADERSHIP can shape the culture of the ENTIRE organization for GENERATIONS!

-Future CEOs and other leaders, listen carefully...

**The tree is designed for
the fruit.**











“20% Time”

Google
news



Google AdSense



Profit sharing

“100% Time”



**We don't just
communicate verbally.**

**Who has the most
control over this?**



Life at Google

https://www.youtube.com/watch?v=clbut_xq67Q

Understanding Your International Management Orientation

Self-Assessment: *How Well Are You Suited to Becoming a Global Manager?*

Ethnocentric managers - “We know best.”

Tend to believe that...

1. Their native country, culture, language, and behavior are superior.
2. They can “export” the managers and practices of their home countries to anywhere in the world and they will be more capable and reliable.

Advantages:

1.

2.

3.

Disadvantages:

1.

2.

3.

Polycentric managers - “They know best.”

Tend to believe that...

1. Native managers in the foreign offices best understand native personnel and practices.

2. The home office should leave them alone!

-Nearly the opposite view of ethnocentric managers

Advantages:

1.

2.

3.

Disadvantages:

1.

2.

3.

Geocentric managers - “What’s best is what’s effective, regardless of origin.”

-Accept that there are differences and similarities between home and foreign personnel and practices.

-Managers should use whatever techniques are most effective!

-More work, but I think the potential benefit is far greater...

Advantages:

1.

2.

3.

Disadvantages:

1.

2.

3.

**What you do is
communication. You're
sending a message,
aren't you?**

**Which approach will work
best for intercultural
management in business
today?**

Hora Peruana is not
enough!

Cultural dimensions: Hofstede Model

-Dutch researcher and IBM psychologist, Geert Hofstede

-Data was collected from 116,000 IBM employees in 53 countries.

-We will examine four cultural dimensions along which national cultures can be placed.



Cultural dimensions: Hofstede Model

1. Individualism/Collectivism - How loosely or tightly are people socially bonded?

-*Individualism* indicates a preference for a loosely knit social framework.

-People are expected to take care of themselves.

-The U.S., Australia, Sweden, France, Canada, Great Britain...

-*Collectivism* indicates a preference for a _____ knit social framework.

-People and organizations are expected to look after each other.

-Costa Rica, Thailand, Mexico, China, Guatemala, Ecuador...

Manifested?

Cultural dimensions: Hofstede Model

2. Power Distance - How much do people accept and/or expect inequality in power among people, institutions, and organizations?

-*High power distance* means that people accept and/or expect inequality in power.

-Mexico, India, Thailand, Panama, the Philippines...

-*Low power distance* means that people accept and/or expect equality in power.

-Sweden, Germany, Israel, Australia...

Manifested?

Cultural dimensions: Hofstede Model

3. Uncertainty Avoidance - How strongly do people desire certainty?

-How comfortable are you with risk and uncertainty?

-*High uncertainty avoidance* means that people feel uncomfortable with risk and uncertainty.

-Japan, France, Greece, Portugal, Costa Rica...

-*Low uncertainty avoidance* means that people have high tolerance for risk and uncertainty.

-Sweden, India, the U.S., Singapore, Jamaica...

Manifested?

Cultural dimensions: Hofstede Model

4. Masculinity/Femininity - How much do people embrace stereotypical male or female traits?

-*Masculinity* expresses how much people value performance-oriented masculine traits, such as achievement, assertiveness, and material success.

-Japan, Mexico, Austria, Germany...

-*Femininity* expresses how much people embrace relationship-oriented feminine traits, such as cooperation and group decision making.

-Sweden, Norway, Thailand, Denmark, Costa Rica, France...

Manifested?

LET'S TRY THAT AGAIN!

-Time orientation is only one aspect of culture.

-If you were a manager just starting a high-tech business in Peru, what would you do to effectively manage your new Peruvian employees?

Case Study: Mr. Lukas Goes to India



Table 4.2

Q&A!

Until next time...

