

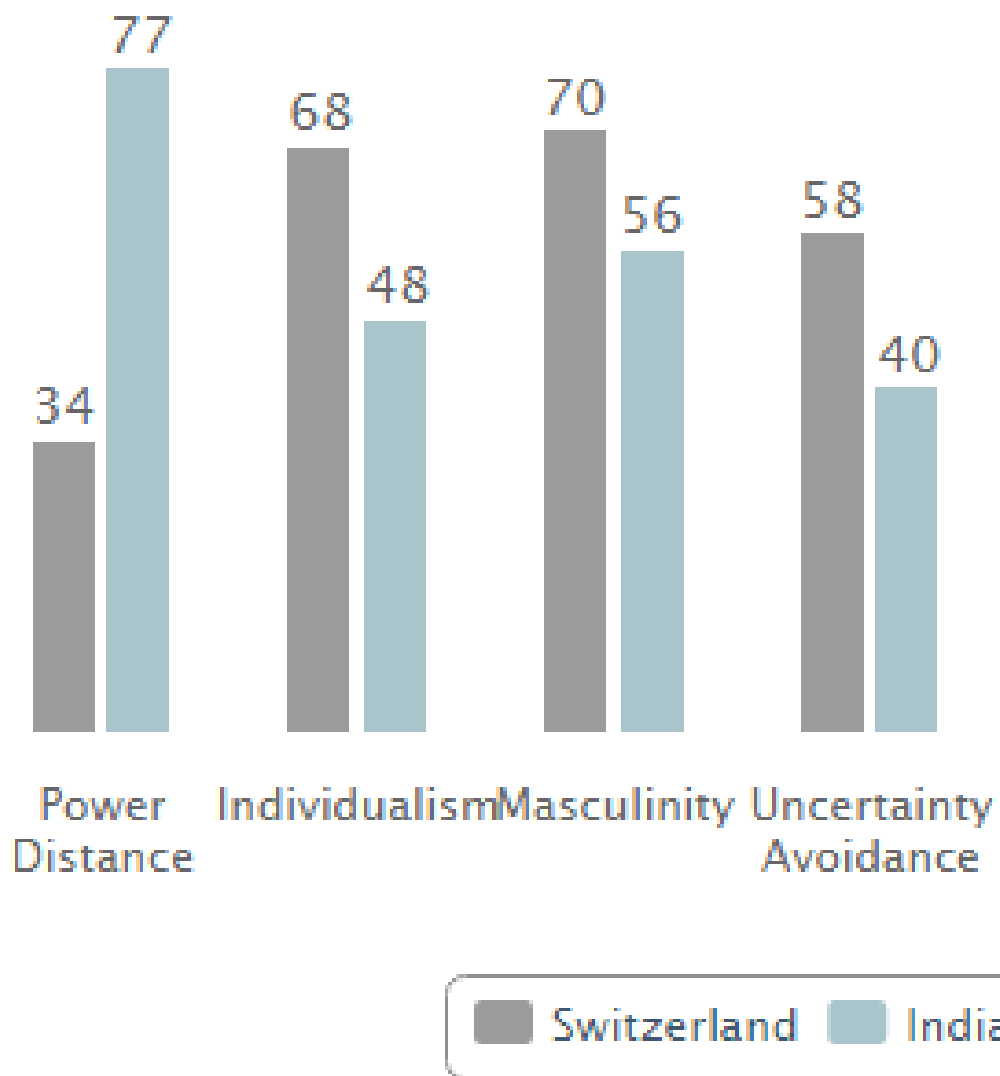
Mr. Lukas Goes to India!

By: Marcus S.

A good friend of mine, Lukas, is an executive for a Swiss company that has operations in India. The company deals with machines that simulate stirring and the dissolution of pills for the world's major pharmaceutical companies. We were discussing international business and the extreme differences between certain cultures and what managers must do in order to be successful when faced with such challenges. He told me about his time managing Indian employees in India. Keep in mind that Lukas comes from a business culture that many people believe prides itself on precision and the pursuit of perfection. Swiss managers generally expect employees to perform their duties with fervor and to not have to be told numerous times what to do. My friend said that his company's culture is consistent with the country culture of Switzerland. In other words, he works for a "very Swiss company" in which quality and efficiency are of the utmost importance.

Lukas did not get the same experience with his Indian employees. He told me that he became frustrated when the Indian employees were not doing their work with precision and the pursuit of perfection. In addition, when he gave orders, they would say that they understood; however, when he saw their work, which was often incomplete and poorly done, it painted a different picture than what he thought he would see. Lukas kept hearing "yes, yes, yes," but the results said otherwise. At times, he wanted to yell "no, no, no!" He told me that Indian managers and subordinates were typically more focused on just getting things done than on the quality of their work. This really showed when early in their dealings with the Indians, his company received a "completed" machine that had been shipped to Switzerland. To the dismay of the Swiss, the heads of the screws used to tighten parts of the equipment were worn and stripped. Also, many screws were not even properly tightened, causing some pieces to come loose! Lukas found out the hard way that to the Indians "yes, yes, yes" only meant that the screws were in the holes! It had nothing to do with sufficient engineering and aesthetics.

Imagine that you are Lukas. What would you do to ameliorate or eliminate the problems he and his company have encountered in India? You may refer to the attached chart for perspective.



Source of graph: <https://geert-hofstede.com>

What about Switzerland?

Power Distance

This dimension deals with the fact that all individuals in societies are not equal – it expresses the attitude of the culture towards these inequalities amongst us. Power Distance is defined as *the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally.*

At 34, Switzerland sits in the lower rankings of PDI – i.e. a society that believes that inequalities amongst people should be minimized. This means that the following characterizes the German Swiss style: Being independent, hierarchy for convenience only, equal rights, superiors accessible, coaching leader, management facilitates and empowers. Power is decentralized and managers count on the experience of their team members. Employees expect to be consulted. Control is disliked and attitude towards managers are informal and on first name basis. Communication is direct and participative.

On this dimension, there is a vast difference with the French speaking part of Switzerland, which scores higher in PDI (very similar to France), which means that people accept a hierarchical order in which everybody has a place and which needs no further justification. Hierarchy in an organisation is seen as reflecting inherent inequalities, centralization is popular, subordinates expect to be told what to do and the ideal boss is a benevolent autocrat. Challenges to the leadership are not well-received.

Individualism

The fundamental issue addressed by this dimension is *the degree of interdependence a society maintains among its members.* It has to do with whether people's self-image is defined in terms of "I" or "We". In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist societies people belong to 'in groups' that take care of them in exchange for loyalty.

Both German and French speaking Switzerland score relatively high on this dimension, giving Switzerland a score of 68, and it is therefore considered an Individualist society. This means there is a high preference for a loosely-knit social framework in which individuals are expected to take care of themselves and their immediate families only. In Individualist societies offence causes guilt and a loss of self-esteem, the employer/employee relationship is a contract based on mutual advantage, hiring and promotion decisions are supposed to be based on merit only, management is the management of individuals.

Masculinity

A high score (Masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner/best in field – a value system that starts in school and continues throughout organisational life. A low score (Feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A Feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable. *The fundamental issue here is what motivates people, wanting to be the best (Masculine) or liking what you do (Feminine).*

Switzerland scores 70 in this dimension, with both rankings for German speaking Switzerland and the French speaking of the country indicating a Masculine society – highly success oriented and driven, albeit that in the German speaking part the impact is much more noticeable. In Masculine countries, people “live in order to work”, managers are expected to be decisive, and the emphasis is on equity, competition and performance. Conflicts are resolved by fighting them out.

Uncertainty Avoidance

The dimension Uncertainty Avoidance has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. *The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these* is reflected in the score on Uncertainty Avoidance.

Switzerland scores 58 in UAI, perhaps reflecting the difference between the French and German parts. French speaking Switzerland has a strong preference for avoiding uncertainty while German speaking Switzerland scores lower. Countries exhibiting high Uncertainty Avoidance maintain rigid codes of belief and behaviour and are intolerant of unorthodox behaviour and ideas. In these cultures there is an emotional need for rules (even if the rules never seem to work) time is money, people have an inner urge to be busy and work hard, precision and punctuality are the norm, innovation may be resisted, security is an important element in individual motivation. Decisions are taken after careful analysis of all available information.

What about India?

Power Distance

This dimension deals with the fact that all individuals in societies are not equal – it expresses the attitude of the culture towards these inequalities amongst us. Power Distance is defined as *the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally*.

India scores high on this dimension, 77, indicating an appreciation for hierarchy and a top-down structure in society and organizations. If one were to encapsulate the Indian attitude, one could use the following words and phrases: dependent on the boss or the power holder for direction, acceptance of un-equal rights between the power-privileged and those who are lesser down in the pecking order, immediate superiors accessible but one layer above less so, paternalistic leader, management directs, gives reason / meaning to ones work life and rewards in exchange for loyalty from employees. Real Power is centralized even though it may not appear to be and managers count on the obedience of their team members. Employees expect to be directed clearly as to their functions and what is expected of them. Control is familiar, even a psychological security, and attitude towards managers are formal even if one is on first name basis. Communication is

top down and directive in its style and often feedback which is negative is never offered up the ladder.

Individualism

The fundamental issue addressed by this dimension is *the degree of interdependence a society maintains among its members*. It has to do with whether people's self-image is defined in terms of "I" or "We". In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist societies people belong to 'in groups' that take care of them in exchange for loyalty.

India, with a rather intermediate score of 48, is a society with both collectivistic and Individualist traits. The collectivist side means that there is a high preference for belonging to a larger social framework in which individuals are expected to act in accordance to the greater good of one's defined in-group(s). In such situations, the actions of the individual are influenced by various concepts such as the opinion of one's family, extended family, neighbours, work group and other such wider social networks that one has some affiliation toward. For a collectivist, to be rejected by one's peers or to be thought lowly of by one's extended and immediate in-groups, leaves him or her rudderless and with a sense of intense emptiness. The employer/employee relationship is one of expectations based on expectations – Loyalty by the employee and almost familial protection by the Employer. Hiring and promotion decisions are often made based on relationships which are the key to everything in a Collectivist society.

The Individualist aspect of Indian society is seen as a result of its dominant religion/philosophy - Hinduism. The Hindus believe in a cycle of death and rebirth, with the manner of each rebirth being dependent upon how the individual lived the preceding life. People are, therefore, individually responsible for the way they lead their lives and the impact it will have upon their rebirth. This focus on individualism interacts with the otherwise collectivist tendencies of the Indian society which leads to its intermediate score on this dimension.

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India scores 56 on this dimension and is thus considered a Masculine society. India is actually very Masculine in terms of visual display of success and power. The designer brand label, the flash and ostentation that goes with advertising one's success, is widely practiced. However, India is also a spiritual country with millions of deities and various religious philosophies. It is also an ancient country with one of the longest surviving cultures which gives it ample lessons in the value of humility and abstinence. This often reigns in people from indulging in Masculine displays to the extent that they might be naturally inclined to. In more Masculine countries the focus is on success and achievements, validated by material gains. Work is the center of one's life and visible symbols of success in the work place are very important.

Uncertainty Avoidance

The dimension Uncertainty Avoidance has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. ***The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these*** is reflected in the score on Uncertainty Avoidance.

India scores 40 on this dimension and thus has a medium low preference for avoiding uncertainty. In India, there is acceptance of imperfection; nothing has to be perfect nor has to go exactly as planned. India is traditionally a patient country where tolerance for the unexpected is high; even welcomed as a break from monotony. People generally do not feel driven and compelled to take action-

initiatives and comfortably settle into established rolls and routines without questioning. Rules are often in place just to be circumvented and one relies on innovative methods to “bypass the system”. A word used often is “adjust” and means a wide range of things, from turning a blind eye to rules being flouted to finding a unique and inventive solution to a seemingly insurmountable problem. It is this attitude that is both the cause of misery as well as the most empowering aspect of the country. There is a saying that “nothing is impossible” in India, so long as one knows how to “adjust”.

Source: <https://geert-hofstede.com/switzerland.html>

Source: <https://geert-hofstede.com/india.html>