

GLOBAL FORUM

AUGUST 2010 • VOL 2 | ISSUE 4

EXCLUSIVELY FOR DIA MEMBERS

WORKING IN A MULTICULTURAL ENVIRONMENT16-40

IN THIS ISSUE

ANNUAL MEETING WRAP-UP 48

CLINICAL FORUM 2010.....72

ELECTION RESULTS 100



8TH ANNUAL
CANADIAN MEETING.....**58**

Culture and Its Impact on Team Effectiveness



Ira Asherman and Catherine Mercer Bing

Introduction

Recent years have seen dramatic growth in the use of project teams, task forces, and drug development teams in the pharmaceutical industry. This article focuses on the Hofstede research on comparative cultures. Dr. Geert Hofstede, author of *Culture in Organizations: Software of the Mind* (the new third edition has just been released) and one of the founders of the comparative cultures field says that “...studying the values that drive people’s behavior helps decision makers and team leaders understand the different priorities people attach to their work and their interactions with others.”¹

¹ Hofstede, Geert, Hofstede, Gert Jan, and Minkov, Michael, *Culture And Organization: Software of the Mind* (3rd Edition), McGraw-Hill, 2010.

² Johansson, Frans, *The Medici Effect: What Can Elephants and Epidemics Teach Us About Innovation?*, p2–Harvard Business School Press, 2006.

This article will look at Hofstede’s research as it applies to the narrow perspective of team effectiveness and team leadership.

Team Challenges

Team members are located all over the world and in many instances, attend meetings via tele/video conferences at all times of the day or night. Groups struggle to become high performing teams in situations where many of the members have never met, work at odd hours, and use impersonal technology as the sole means of communication.

The dramatic growth in global teams can become a time of great creative potential. In *The Medici Effect*, Frans Johansson refers to the time of great creativity in 15th century Italy, during the reign

of the Medicis. He describes the Medici Effect as, “...a time and place when different cultures, domains and disciplines stream together towards a single point... [which allows] for establishing concepts to clash and combine, ultimately forming a multitude of new, groundbreaking ideas.”²

However, cultural differences, which are not obvious, also bring with them a potential downside, when team members and leaders fail to appreciate the importance that culture can have on member behavior. As one of the authors said in an earlier article, “Working in a multicultural environment is a distinctly challenging task. Be it leading a team, talking with a co-worker from another country, negotiating with a vendor, or meeting with the representative of

a regulatory agency, cultural and language differences intrude.”³

Cultural Differences

Hofstede’s research shows that there are measureable cultural dimensions, each with two distinct orientations. Hofstede’s dimensions – Individualism, Power Distance, Certainty, Achievement and Time Orientation – drive behavior, what people do and say. **Culture is the foundation from which we derive our internal values and attitudes.** These are learned very young and are deeply embedded, so much so, that we rarely even know people are different until we find ourselves in a situation with others who do not act or speak in the same way we were taught was right, fair, and “acceptable.” Often at work we find ourselves thinking, “Well if they would just do this my way, everything would be easier.” Hofstede’s dimensions and their impact are outlined below.

The Individualism Dimension (Individual Orientation or Group Orientation) is the degree to which decisions are made for the benefit of the individual or for the benefit of the group.

Different cultural groups will define the qualities and characteristics of an effective team member based on their cultural orientation. They may either prefer a more linear work flow – I do my work and pass it off to you (Individual Orientation), or a more collaborative effort, where we work on it together and I help you – you help me (Group Orientation).

The Power Distance Dimension (Hierarchical Orientation or

Participative Orientation) is defined as the degree to which inequality or distance between those in charge and the less powerful (subordinates) is accepted (by the subordinates).

This dimension affects how people from different cultures would describe the qualities and characteristics of an effective leader.

People from participative cultures, (even those with a relatively low degree of Participative Orientation, such as the US), often have a difficult time understanding why anyone would not want a more participative approach. Western practices such as 360° feedback on teams (give feedback to your boss? – not a wise career move in Hierarchical cultures) and matrix organizations (not knowing who is really in charge – has the most power) are practices from a Western perspective. However, these practices can be confusing at best or career limiting at worst in hierarchical cultures.

In teams, comfort with hierarchy (not questioning who is in charge, not raising issues to management, not offering ideas different from the team leader’s) may appear to those with a Participative Orientation as lack of commitment to the team, lack of creativity, or are perceived in other negative ways.

The Certainty Dimension (Need for Certainty or Tolerance for Ambiguity Orientation) is defined as the extent to which people prefer rules, regulations, and controls, or are more comfortable with unstructured, ambiguous, or unpredictable situations. (Note: This dimension is not about risk but about planning and communication.) One manifestation of this difference is a very prevalent scenario in teams where some

people want more information before making a decision and others feel comfortable making a decision with less information.

Think about how Germans and Koreans (for example) can be “sticklers for details” and want more information and more extensive planning than the people from other cultures often think they need.

The Achievement Dimension (Achievement Orientation or Quality of Life Orientation) is the degree to which we focus on goal achievement and work or quality of life and caring for others.

In cultures with higher Quality of Life country averages (Nordic countries, for example), you will find longer maternity and paternity leave and 4 – 5 weeks of vacation benefits. This often causes dissatisfaction on global teams by the members who feel they are working harder than their counterparts from these cultures.

One global Pharma team member was often heard to complain that team members located in the European offices “went home on time” even when the team members knew that other team members were on US time and there was very little overlap in their regular work schedules.

The Time Dimension (Long-term Orientation or Short-term Orientation) is the extent to which members of a society are prepared to adapt themselves to reach a desirable future, or the extent to which they take their guidance from the past and focus on fulfilling their present needs and desires. One pretty clear distinction between the two orientations is the focus on profits (Short-term Orientation) vs. market position (Long-term Orientation). The pharmaceutical industry necessarily

³ Asherman, Ira, *Language Culture, and the Drug Development Process*, DIA Forum 2005; 41(3):28–30.

has a long-term horizon with a focus on market position. Today's market pressures have caused mergers/acquisitions, a concerted effort to find new indications for existing compounds, and a focus on rapid decision making/being first to market.

Each of these Hofstede dimensions rarely exists in isolation from other dimensions and each is much more complex than explained in this broad overview.

Pressures on Global Teams and Global Team Leaders

Team leaders need to be cognizant of how to mitigate the negative impact language and culture might have on meetings, decision making, handling of conflict, dealing with time zone differences and language differences.

Meetings: Besides the more obvious issues about who sits where, especially important in hierarchical countries, other nuances impact team effectiveness. In some Asian cultures, meetings are seen as ceremonies/ceremonial. They are NOT where decisions are made or problems are discussed. All that happens BEFORE the meeting and the meeting itself is the time for the announcement of the decision.

People who have more of an orientation towards the culturally defined Need for Certainty find meetings without agendas frustrating and disorganized. They may feel that meetings are too loosely run or accomplish too little because all that happens is idea generation and more ideas are thrown out for discussion but decisions are not made.

Although it sounds obvious, clearly establishing team protocols goes a long way to minimizing typical misunderstandings. Here are a few real-life examples.

Example #1: When Spanish members of a research and Development team called their functional boss on all team correspondence, Americans viewed this behavior with skepticism. When asked, they thought it might mean that they were not trusted. The Spanish members of the team thought the Americans were trying to hide something when they did not call their own supervisors.

Example #2: A lack of trust was born when the American repeatedly emailed a specific request to his European colleague. The requests got more and more demanding over the week. The European colleagues became frustrated that if this was so important, why didn't the American pick up the phone and talk to him directly?

Example #3: When the US Director asked for the final report to be submitted ASAP, the Asian Analyst felt she could get around to submitting the final report when her other work was complete. (The literal translation of as soon as possible does not carry the same meaning as the Western understanding of it.)

Example #4: An IT and QA team member became discouraged and thought he was about to be fired. The invitation to an important team meeting was distributed to everyone but him because the team had never finalized a team distribution list.

Global Team Leaders can avoid many of these misunderstandings by collecting information as the team begins to form – either in a survey prior to the first meeting or in the first meeting – about the following:

- What are the qualities and characteristics of an effective team leader?

- What are the qualities and characteristics of an effective team member?
- What are the barriers to building and maintaining trust on a team?

This simple list of answers (which WILL differ) will uncover many areas where establishing protocols will provide clarification and help to resolve differences in culture and language.

Decision Making: Whether decisions are made at the top, with or without robust conversation and input, or are made by consensus (everyone must agree before the decision is to be made) – all are underpinned by various cultural preferences. For those with a Hierarchical Orientation – decisions need to be made at the top. In some cultures, there is little or no discussion or involvement of team members in the decision making. For those with a more Participative Orientation, this feels demeaning, as if their opinion is worthless. If a team leader involves team members in conversation when it is their expectation that an effective team leader makes decisions without input from the team, the team members may view the leader as ineffective and unable to make decisions.

In some cultures, issues are discussed behind the scenes (not in meetings) and people are involved, invited to have their say (sometimes in social settings such as drinks after work, rather than at work, for example in Japan). Team leaders who misinterpret these options for culturally appropriate approaches or ignore them, may do so at their project's peril.

Conflict: When things do not go well, team interactions break down very fast on virtual and global

teams. Repair of the damage also is particularly difficult at a distance. Leaders need to be particularly sensitive to cultural attitudes about conflict (which differ greatly) in order to avoid having misunderstandings blow out of proportion. Some cultures believe in maintaining harmony or not raising critical issues for consideration because others on the team (or the team leader) disagree(s). Some cultures prefer “heated interactions” and the intellectual challenge of robust discussions. This approach may make team members from group cultures, who value harmony, very uncomfortable.

Time Zone Differences: Most global teams are also virtual. The more widely dispersed the team members, the greater the potential for stresses on the team. Too often people are working virtually (which in relationship cultures is more difficult than face-to-face) when they are most tired (during the evening or late night hours), in a second language. It is precisely this time when they are at their least effective as thinkers and communicators. An unintended consequence to these late night meetings for those not at headquarters, is the feeling that those required to be available for meetings at odd hours are somehow less valued members of the team (which could lead to morale issues).

Effective global teams stagger the start time of team meetings so that all members are equally “put out” over the course of the project. This often minimizes the unintended consequences and recognizes those working in second languages need to be at their freshest when they are working on difficult challenges.

Language differences: Anyone who has studied a language other than their “mother tongue” will tell you that it is especially difficult and

tiring to work in a “second language.” Native speakers often know many more definitions for each word than second language speakers, which means nuances are lost. In critical situations, such as scientific research, clinical trials, and regulatory compliance, these nuances are even more important. In addition, people consistently report that they are far more creative and think much faster in their primary language. The issue of language is of particular importance to pharmaceutical teams as English is the language of this industry; however, not everyone is sufficiently fluent in English. To make sure they are easily understood, sensitive team members avoid the use of acronyms and sports analogies which are hard to understand (cultural context) or just do not translate well.

Because one can speak a second language does not mean they are equally facile in writing or reading it (or they may be better at reading or writing than speaking). One global team success strategy is to make sure everyone has equal access to information in the mode in which they feel most accomplished. This means using agendas and sending them in advance of the meeting, carefully communicating at the meeting and following-up with written summaries of action items and decisions made. Another success strategy is for team leaders to allow those in natural language groups to converse in their mother tongue after the meeting to allow them to discuss and come to agreement on their understanding. If team leaders stay during this check/re-check conversation, they are available to answer questions or offer clarifications needed.

While language and time zone differences are obvious stressors for those on global teams, the impact of

culture values is both more important to understand and less obvious to identify as a team pressure.

Just because people do things or view things differently (whether this is based on culture or personality) does not mean they are wrong. Different perspectives can significantly enhance creative thinking and problem solving. Try to think, “It is not wrong; it is just different.”

The steps to build cultural sensitivity, are to first, recognize that cultural differences are real; second, respect that others are different and will not change just because it is convenient for you if they do; and lastly find ways to reconcile the differences. Hofstede calls this reconciliation of differences – the establishment of practices. Use practices or protocols that take into account the needs of the various cultural orientations on the teams.

Recommendations for Creating Effective Global Teams

If you are the team leader there are a number of things you can do to ensure that culture and language do not have a negative impact on your team’s performance. Among them are:

- Create opportunities for team members to get to know more about each other (Group Orientation) not just about their work experience and capabilities (Individual Orientation).
- Find out from team members what they think the qualities and characteristics are of an “effective leader” and “effective team member” (Power distance preferences). Ask team members what creates barriers to effective team work. Understand that cultural differences will give rise to very different answers. These should be acknowledged and discussed.

- Set team protocols for communications (Need for Certainty), leadership, meetings, decision making (Power Distance), and handling conflict (Group orientation) that reflect the team's cultural and language diversity.
- Manage individual and group performance in accordance with cultural preferences (Power Distance and Individualism Dimensions).
- Track the human interactions on team members (for example with team questionnaires) so that you can identify potential cultural and process issues before they become serious problems.
- Acknowledge the fact that not meeting face-to-face might have a negative impact on meeting effectiveness (Achievement and Group orientations).
- Take the time to learn something about the different cultures represented on your team. Find a culture mentor.
- Be vigilant about watching for any the cultural and language

differences that might negatively impact team performance.

- Give members who do not speak English as a first language more time to respond to the discussion. Accept written ideas after the meeting even from groups (Group orientation).
- Speak distinctly and avoid the use of sports analogies, jargon and the telling of jokes.
- Paraphrase and summarize more frequently (Need for Certainty).

See Exhibit 1 for a summary of this check list.

Conclusion

Leading and managing a team under any conditions can be difficult. Add the unique dimension of culture and language and the leadership responsibility becomes far more complicated. To be done well, it requires a great deal of sensitivity and awareness, not only by the leader but by all of the team members to the issues faced by co-workers from other countries and cultures who may not speak English as a first language. If the

human process interactions on teams are not going well, this is a leading indicator that the team is not likely to meet its goals (on time or on budget). Also, the speed with which products get to market may be a direct function of how well the issues of cultural and language differences are addressed.



Ira Asherman is a consultant who specializes in the issues faced by negotiators in the drug discovery and drug development areas of the pharmaceutical industry. Ira can be reached via email at ira@asherman.com. His website is www.asherman.com.



Catherine (Cass) Mercer Bing, is CEO of ITAP International, Inc. ITAP is one of only three consulting and training companies endorsed by Dr. Hofstede and approved to represent his research. ITAP can be reached via email at cass@itapintl.com or found at www.itapintl.com.

References. Additional books and articles can be obtained from either author's websites. ■

Exhibit 1

Global Team Leader Check List

- ☐ Create get-to-know you opportunities
- ☐ Collect information on the qualities and characteristics are of an "effective leader" and "effective team member"
- ☐ Set team protocols that reflect the team's diversity
- ☐ Manage performance in accordance with cultural preferences
- ☐ Track the human interactions between team members
- ☐ Acknowledge being virtual might have a negative impact on meeting effectiveness
- ☐ Take the time to learn something about different cultural differences
- ☐ Watch for cultural and language differences
- ☐ Give team members more time to respond during discussions
- ☐ Speak distinctly and avoid jargon
- ☐ Paraphrase and summarize

