



When Corporate Cultures Clash – Impact of Cultural Differences in Business

Joanna Smit, Smit Training, May 2017

www.smit-training.com



About Me – Joanna Smit

- **International business experience**
- **7 languages**
- **Finance, Corporate, Consulting**

Best practices don't translate



Positive behaviour = negative behaviour

Source: http://www.slate.com/blogs/lexicon_valley/2015/10/15/the_up_yours_gesture_looks_like_a_peace_sign.html

What is culture?



- **How does Culture affect you in International Business?**



The cost of culture shock



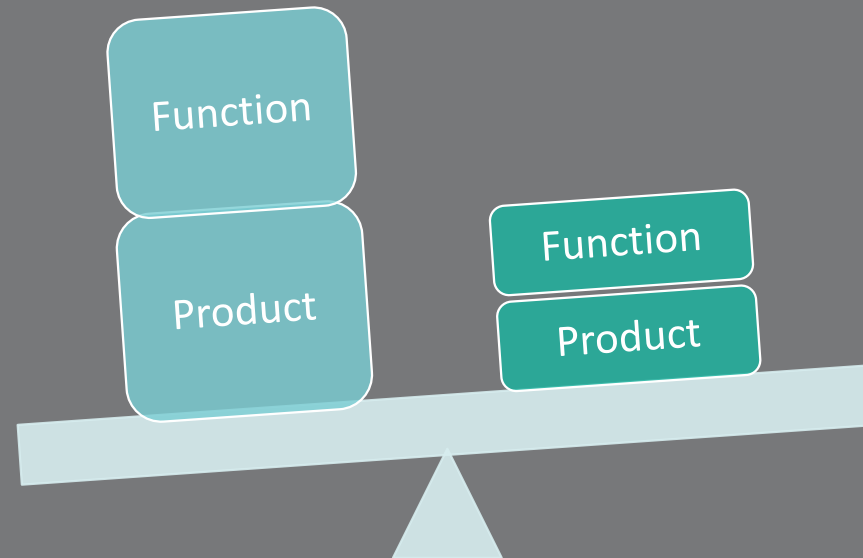
Example 1 of cross-cultural failure



Example 1 of cross-cultural failure

US

India



Example 1 of cross-cultural failure



Incompetent

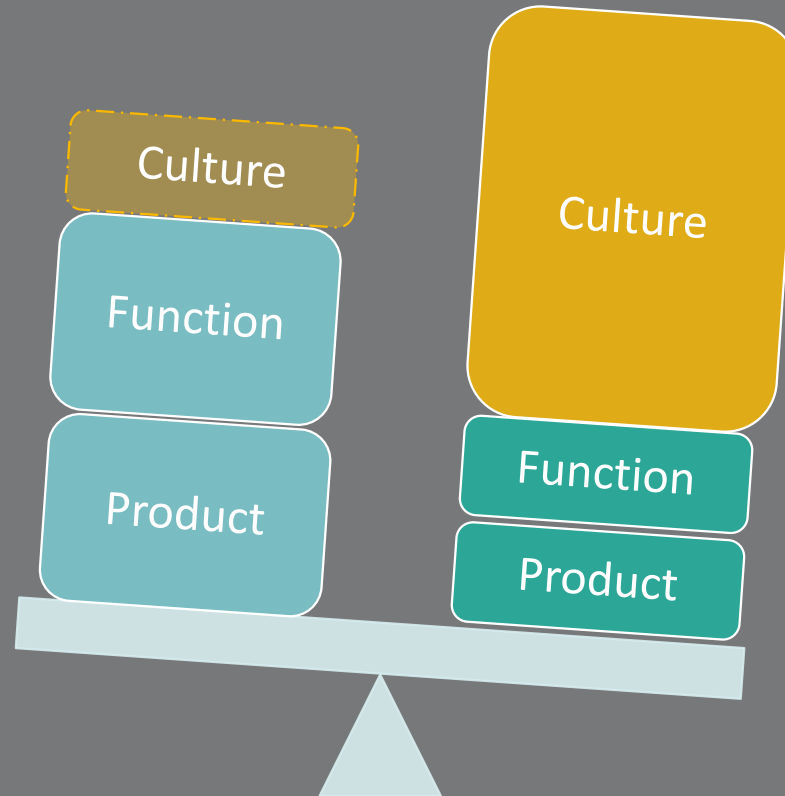


Impossible

Example 1 of cross-cultural failure

US

India



Costs



Money



Time



Quality

Costs



Money



Time = Money



Quality = Money

Key Cross-Cultural Dimensions

1. Trust

2. Power

3. Time

4. Decision

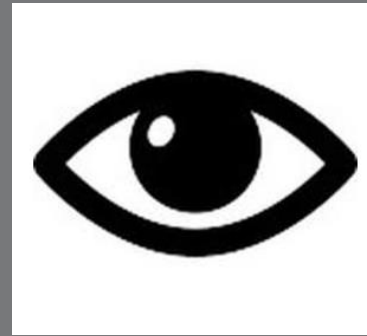
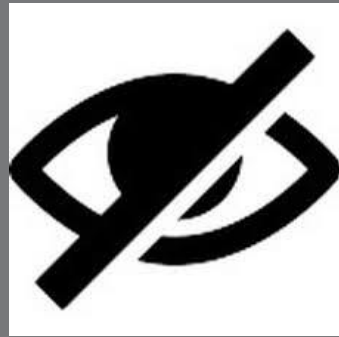
5. Persuasion

6. Emotion

7. Communication

8. Conflict

STEP 1



CULTURAL AWARENESS

STEP 2



CULTURAL COMPETENCE

EXAMPLE 1 OF CROSS CULTURAL CONSULTING

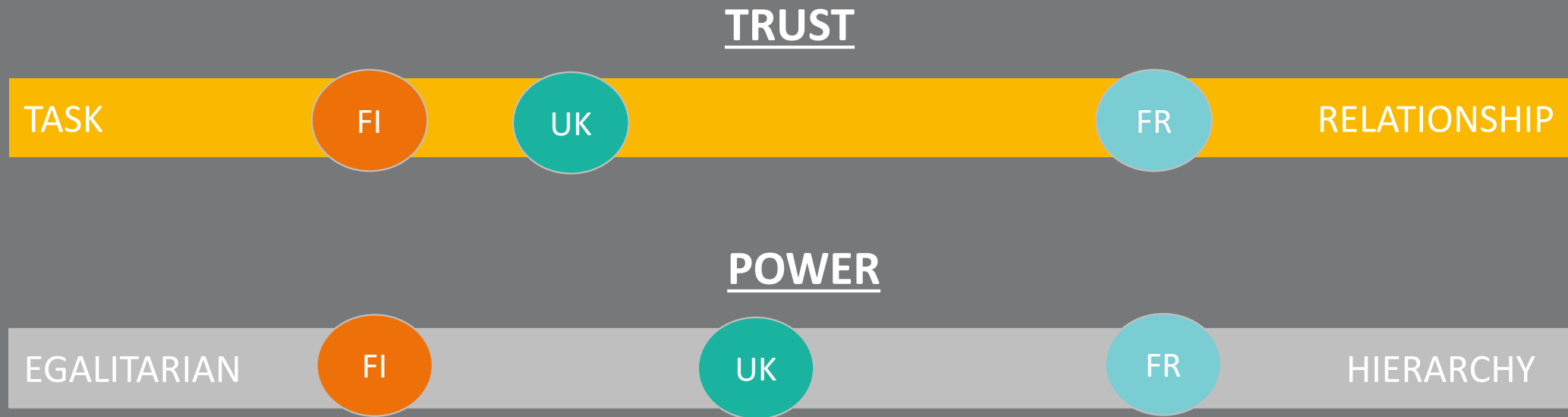
Example 1 of Cross-Cultural Consulting

„The Culture Map‘ by Erin Meyer



Source: <http://uk.businessinsider.com/the-culture-map-8-scales-for-work-2015-1>

Example 1 of Cross-Cultural Consulting



Adapting the customer acquisition strategy

- Management Buy-In
- Budget
- Touchpoints & Timing
- Leverage existing relationships
- Meeting facilitation
- European head visit

Consequences of cross-cultural misunderstanding



Incompetent



Impossible

Example 1 of Cross-Cultural Consulting



It's all relative

EXAMPLE 2 OF CROSS CULTURAL CONSULTING

Example 2 of Cross-Cultural Consulting

,The Culture Map' by Erin Meyer



Source: <http://uk.businessinsider.com/the-culture-map-8-scales-for-work-2015-1>

Example 2 of Cross-Cultural Consulting

- Website & Marketing campaign
- Company presentation
- Customer auditing tools.

EXAMPLE 3 OF CROSS CULTURAL CONSULTING

Conflict

FIGURE 2.2. EVALUATING

Russia	France	Italy	US	UK	Brazil	India	Saudi Arabia	Japan
Israel	Germany	Spain	Australia	Canada	Mexico	China	Korea	Thailand
Netherlands	Denmark	Sweden		Argentina	Kenya	Ghana	Indonesia	



Direct negative feedback

Indirect negative feedback

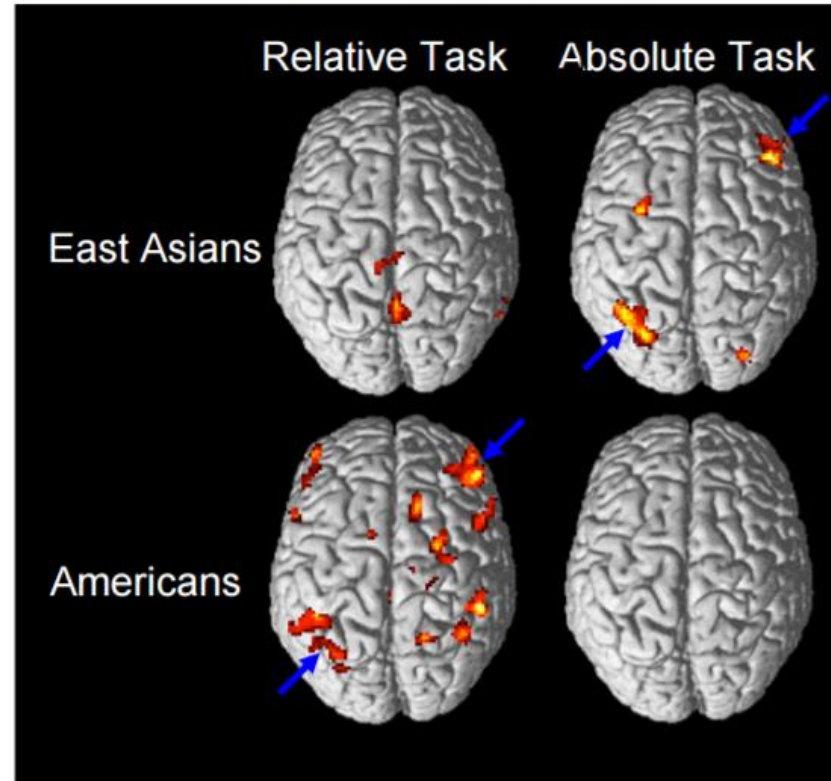
Source: <http://uk.businessinsider.com/the-culture-map-8-scales-for-work-2015-1>

British Indirectness

	What the British say	What the British mean	What others understand
1.	That's not bad	That's good	That's poor
2.	I would suggest...	Do it or be prepared to justify yourself	Think about the idea, but do what you like
3.	Oh, incidentally/ by the way	The primary purpose of our discussion is...	That is not very important
4.	I was a bit disappointed that	I am annoyed that	It doesn't really matter
5.	I almost agree	I don't agree at all	He's not far from agreement
6.	I only have a few minor comments	Please re-write completely	He has found a few typos
7.	Could we consider some other options?	I don't like your idea	They have not yet decided

Information – perception and processing

Greater Brain Activation to Support Culturally Non-Preferred Task



Source: <http://news.mit.edu/2008/psychology-0111>

Information – perception and processing

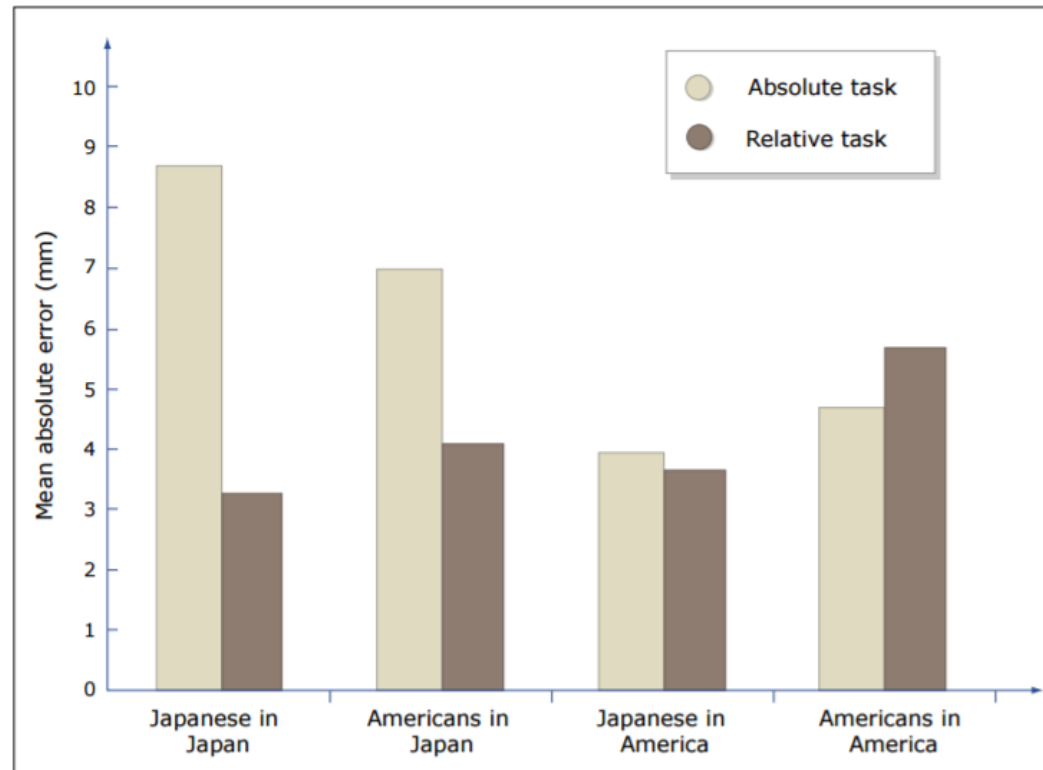
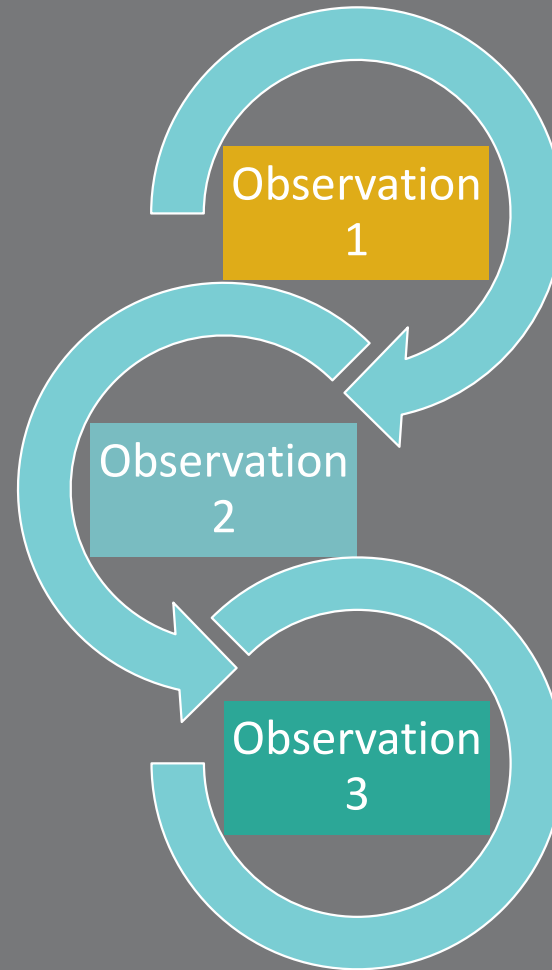


Image by MIT OpenCourseWare. Adapted from Kitayama, S., et al. "Perceiving an Object and its Context in Different Cultures." *Psychological Science* 14, no. 3 (2003): 201-6.

Source: https://ocw.mit.edu/courses/brain-and-cognitive-sciences/9-00sc-introduction-to-psychology-fall-2011/social-psychology-ii/MIT9_00SCF11_lec23_socpsy2.pdf

Information – perception and processing



EXAMPLE 3 OF CROSS CULTURAL CONSULTING

- **Multi-Cultural Team building workshops**

TIPS & INFORMATION

Tips for working internationally

1. Don't assume „your way is the right way“
2. Don't assume „incompetence“ or „impossible“
3. See for yourself whenever possible
4. Read up on the other culture
5. Communicate – ask the other person „why“ 5 times.
6. Accept the unforeseeable – at least initially
7. Ask for advice from culturally experienced peers

Further Reading

1. „The Culture Map : Decoding How People Think, Lead, and Get Things Done Across Cultures”, Erin Meyer
2. „When Cultures Collide: Leading Across Cultures: Leading, Teamworking and Managing Across the Globe”, Richard Lewis
3. “The World Business Cultures - A Handbook”, Barry Tomalin

Contact & Questions

Joanna Smit
SMIT TRAINING

0203 63 3946

Questions welcome.