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What are cultural differences in management?

Cross cultural management is going to be considered in this paper. First of all, a definition of this term should be provided. In our opinion, one of the most appropriate definitions of this term is the following.

“Cross-culture management techniques help managers contend with the challenges and opportunities of managing employees in a culturally diverse organizational environment. Increasing globalization has created more awareness of the need for managers to be sensitive to the cultural aspects of decision-making” (Cross-Culture Management Definition).

The modern world is really globalized. Transnational corporations have become the leading players on international business arena. These companies perform in the different cultural and mental environments. That is why there is always a need to manage some processes in the different cultural environments.

Today influence of internationalization, globalization and integration processes that cover the entire world is particularly felt. Increasing amount of companies carries out its operations in many countries simultaneously. That is why it is important today to identify and use characteristics of national cultures to create a unique competitive advantage in the international market. It is a task of cross-cultural management.

Formation of cross-cultural management is a long historical process that is closely linked with the processes of formation of the world market and foreign trade, international division of labor, the development of transport, communications. Managers need to know that an effective cross-cultural management requires not only knowledge of traditions, etiquette,

individual business culture of a business partner, but also cultural and mental features of the different countries. The difference between people is mainly in the external manifestations, customs, rituals, clothing, nonverbal communication, etc. Attitude to business is also one of such external manifestations.

Construction of interpersonal relations in a multicultural team or management of organization located in different countries, cooperation with foreign partners - it's always a clash of different cultures. A lot of problems and misunderstandings may occur because of such cultural differences. Therefore, the "cross-cultural" knowledge requires a manager to avoid such problems. Knowing mentality of an opposite side in international business negotiations is a key to success.

Generally, cross cultural management does not pay the only attention to differences separately in different countries. It also prompts how to effectively use culturally conditioned knowledge to construct the mechanism of cross-cultural management as a joint multinational activity. The following elements and instruments of cross-cultural management may be defined:

- A combination of different knowledge via interactive broadcast (IT) - integration of participants in the process of working in multicultural groups to develop a common approach to understanding and solving problems. IT facilitates the transfer of knowledge, values and experience and their integration into the production process;

- To promote the formation of effective cross-cultural technology - common business language and communication networks;

- Creation and maintenance of partner interaction.

These instruments help to create a single cultural environment even in a large multinational and multicultural company.

Successful use of the mentioned instruments of cross-cultural management can help a company to achieve synergetic effect when the intellectual potential of the collective is greater than the sum of the potentials of its individual members.

Thus, cross-cultural management as a set of knowledge and skills from different countries plays extremely important in national economy and the success of individual companies and associations. It is important to explain the features of cross-cultural management on some particular example. We believe that McDonald's would be a great example of cross-cultural management.

"McDonald's" is a model of global marketing because it offers visitors the standard menu, regardless of where it is located. But they also pay attention to the tastes of the local population. In Singapore the company serves breakfast muffin with sausage that is made with chicken instead of pork meat with spices. Approximately 15% of the population of this city is Muslims. In Poland you can order milkshakes with black currant in Netherlands - vegetarian burghers, and in Norway - burghers of salmon.

Another striking example of cultural diversity is well-known Finnish corporation Nokia, which since the mid-1960s started working in the field of production of telecommunication equipment, and in the late 80's was one of the main developers of standard equipment according to GSM standard. The Company marketed the first cell phone, in 1987 and today it is an innovative corporation that is a leading supplier of equipment for mobile, fixed, broadband and IP-based networks. Nokia, using qualified staff of workers of different nationalities, has about 139 thousand people around the world, providing substantial sales of their goods to markets all over the world.

Implementation of the principle of diversity in cross-system management provides certain advantages in the management of the company: developing intercultural competence, increase creativity in solving problems through the use of multiple perspectives, improving

productivity in international projects on the integration of international experts and local knowledge and, ultimately, increasing the company's reputation as an international entity of the global market.

Lower levels of cultural diversity in German companies compared with U.S., confirms the thesis that German companies seem to be more result-oriented in their policies and strategies of the companies and rank second.

Business culture is a system of formal and informal rules and norms of behavior, customs, traditions, individual and group interests, the behavior of employees, management style, etc. National business culture includes the norms and traditions of business ethics, norms and rules of business etiquette and protocol. It always reflects the norms, values and rules peculiar to a given national culture.

National business and corporate culture closely interact. Cultural differences are found in all areas of organizational activity, so managers need to develop a tactic of doing things and their own behavior, so out of respect, mind-change and culturally sensitive local people to achieve success in every country and business communication was mutually beneficial. Because people who belong to different cultures can work in the same organization, have a common ultimate goal, but different views on ways and methods of interaction during its achievements.

The task of international managers is to promote successful communication: prioritize, rational approaches to control the behavior of employees and direct it according to the principles of international cooperation. Managers should provide a clear interaction between all departments, branches, people in each working group and between them, build linkages with external organizations infrastructure. In addition, they should facilitate the implementation of plans, not only within individual markets, but also in the global economic

space. In the interaction, interpenetration of different markets management must be sensitive to the collision, interaction and interpenetration of different cultures.

S. Robinson identifies three main approaches to the role of cultural factors in international business and according to them - the conceptual directions crosscultural research:

Universalist approach is based on the fact that all people are more or less the same, basic processes common to all. Culture determines only how they manifest, which will take shape. Therefore, all culture as basically the same and can not significantly affect the efficiency of doing business. Universalist approach focuses on shared similar features of management in different countries.

Economic-cluster approach recognizes differences of national cultures, but does not recognize the importance of taking them into account when conducting international business. Explains the presence of similarities and differences in national systems management achieved level of economic development. It is believed that the managers of international companies should analyze primarily economic rather than cultural aspects of doing business in different countries.

Cultural cluster approach is based on the recognition multifaceted impact of national culture on management and business necessity considering this influence and take advantage of inter-cultural interaction to improve the efficiency of international activities of the company.

Business cultures, depending on their attitude to time divided into monotime and politime cultures.

For members monotime cultures (Scandinavia, England, Germany, USA, etc.). Important attitudes in business is consistency and focus on one case. By the time this is taken

seriously. Precision and punctuality are regarded as a virtue and a mandatory attribute of a serious businessman. Simultaneously address several issues considered inability to organize.

Representatives politime cultures (Asian, Latin American, Arab countries, Southern Europe, and Spain and Portugal), however, believe it is normal to engage simultaneously in several cases. That is because there are always changes in the schedule of work seen here generally calm.

Representatives monotime cultures (except the desire to do no more than one case per unit of time) usually are extremely punctuality. Its slogan "Time is money -." Missing a business meeting is usually perceived as a violation of business protocol. The negotiations immediately felt the desire to focus on the essentials.

Politime cultures relate to time freely. Delay of 10-20 minutes per meeting is often part of the protocol, and sometimes can be seen as a statement of the significance of the situation who was late, if he has serious business.

References

Cross-Culture Management Definition. Available from:

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