MULTICULTURALISM CONFLICT MANAGEMENT

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PROLOGUE

Due to globalization wave across the countries during 1990's and due to saturation of the market at their respective domestic places, most of the developed countries of the world have become the central place of the Trans-national Corporations (TNCs) or more popularly, the Multi-national Corporations (MNCs). The country having the most number of such TNCs or MNCs is the United States. There are also some industrially-developed countries of the European Community and other Asian countries like Japan and Korea which have generated many such corporations operating throughout the world. India and China being the countries with the two largest markets of the world are these the prime target of these corporates along with many other countries of the world. This spreading of businesses from an original base in one country necessitates establishment of business houses in other countries, becoming competitors to the indigenous business houses of such countries and most inevitably operating in an environment having a different culture in most of the related aspects. Naturally, multiculturalism management has become the need of the day to all these MNCs or TNCs. Again, there are some countries like India which has significant diversity over her different parts which is likely to be faced by a MNC which wants to spread its business over all parts of such a country. Therefore, multiculturalism management is managing diversity in the process of creating an organisational culture that enables all employees to realise their full potential.This diversity includes the co-existence of people from many cultural backgrounds within an organisation created from cultural factors such as ethnicity, race, colour, gender, physical ability, sexual orientation, age and other similar factors (Kundu 1999).

Two recent examples of conflict can be cited from the Indian context as have been creations of multiculturalism mis-management at these cases. The top brass of Korean multinational, L.G. Electronics issued instructions to Delhi headquarters that the women employees would wear skirts. This resulted into fierce resistance from the Indian employees. Again at Samsung Electronics, a top level Indian executive walked out of the job as his Korean boss used to bypass his orders and undermine his authority (Kundu 1999).

Culture and Multiculturalism

At this point it would be prudent to define what is meant by culture. Culture is the "patterned ways of thinking, feeling and reacting" and "the total life way of a people, the social legacy the individual acquires from his group" (Kluckhohn 1964). It is hard enough to operate an organisation in one language and one culture. Actually there are many primary conditions which affect the operations of the MNCs in a single culture. The social, legal, ethical, political and economic conditions vary significantly from one country to another. These conditions also affect directly the organisational culture in addition to the effect of human cultural diversity. Managing

multiculturalism has always been looked upon as a special problem of managing diverse human culture emanating from a particular country to another country but it may include, in a broader sense, the management of the whole organisational culture influenced and formed by various other conditions as well. Specially social conditions have a direct impact on human culture of any particular country. Some nations may be educationally and socially advanced; other nations are not so advanced. Some nations may still be under political dictatorship; others are more democratic. Some nations may be scientifically advanced; others may be full of many superstitions. A MNC or TNC has to operate in all such countries under all peculiar conditions. Naturally, a MNC or TNC holds an international organisational behaviour which is a conglomeration of country-wise organisational culture after due adjustment with every such culture.

Cross Country Difference in Individual Work Values and Attitudes

An analysis of industrialised nations shows that most of these can be classified and grouped into some socio-cultural clusters. The Anglo-American cluster includes the United States, the United Kingdom, Canada, Australia, etc.; the Nordic group includes Norway, England, Denmark, Sweden, etc.; the Latin European group includes Portugal, Spain, Italy, France, Belgium, etc.; the Latin American culster has Peru, Mexico, Argentina, Chile, Venezuela, etc.; the Pacific Rim cluster includes Japan, China, Hong Kong, Taiwan and Korea; while the Central European group includes Germany, Austria, Switzerland, etc. Some nations like India, Brazil, etc. have their own peculiarity in socio-cultural features and can not be clustered with any group (Ronen 1977).

Due to the socio-cultural features, an average employee (of whatever cadre he may be) of U.S. origin differs significantly in general human outlook, employee work values and attitudes from an average employee of Japan or from an average Indian employee. From the review of various articles of Employee Work Values and Attitudes across many countries, a comparative analysis of the said socio-cultural features among an average American, Japanese and Indian employee can be made. The socio-cultural features have been compared from fifteen points of consideration in Figure 1. These points are individualism, superstition, adaptability, time orientation, innovativeness, diligence, time consciousness, discipline, self-respect, religion-orientation, caste-orientation, sexual-orientation, gender discrimination, education and dependence on own language.

All these socio-cultural features result into individual differences which are bound to affect necessary communication between a manager of any country of origin and other persons at his place of work in any foreign country. Due to recent over-spreading of business mainly of the world-famous US and European MNCs (more recently, even of some Korean MNCs) in the Indian and Chinese territories, this multi-cultural individual differences have become more significant as the foreign national managers of these MNCs and the top brass of these MNCs have wide variation in different cultural dimensions and socio-cultural factors from their Indian and Chinese counterparts and subordinates and also persons of other countries, where these MNCs have their branches.

Common Barriers to Cultural Adaptation leading to multi-cultural conflict

The problem of multi-culturalism is normally faced by the persons of managerial level and by the top brass (they being the common bosses at headquarters) because the MNCs often employ persons of the originating country to the business houses in other countries where these persons have to interact with the persons of supervisory and operating level and even with some of the colleagues at the managerial level and most importantly with the workers, who have been appointed from the country of business. The managers who are sent from the originating country of operation

Points of consideration	U.S.	Japan	India
Individualism	High	Low	Moderate
Superstition	Low	Moderate	Varies from section to section
Adaptability	High	Moderate	Moderate
Time orientation	Short-term	Long-term	Long-term
Innovativeness	Moderate	High	Moderate
Diligence	Moderate	High	Low
Time consciousness	High	High	Low
Discipline	High	High	Moderate
Self-respect	Moderate	High	High
Religion-orientation	Moderate	Moderate	Moderate
Caste-orientation	Low	Low	High
Sexual-orientation	Free	Conservative	Conservative
Gender-discrimination	Low	High	Moderate
Education	Occupational	Occupational	General
Dependence on own language	High	High	Low

Figure 1: Comparative General Human Outlook Among U.S., Japan and India

are known as expatriate managers. These expatriate managers may find several obstacles to a smooth adaptation to a new culture. An early requirement for overcoming such obstacles is to acquire cultural awareness of the multiple ways in which cultures differ (language, religion, food, personal space and social behaviours) (Newstorm 1998).

Now let us discuss the common barriers or inhibiting forces to cultural adapation which may ultimately result in multi-cultural conflict, which, in turn, results into organisational conflict (as shown in Figure 2). Lack of attention to these factors has resulted in costly failures for expatriates too; the rate varies from a low of 18 per cent of those sent to London, to 36 per cent in Tokyo, to 68 per cent in Saudi Arabia (Bonvillian 1994).

Individual differences: These are the differences among individuals growing from socio-cultural factors, individual work values and attitudes, which have been discussed in the third part of this write-up.

Parochialism: Due to an existing social system of a particular country, the people of that country always see a situation (which is emerging in any other country having a different social system) around them from their own perspective. This is known as parochialism, which is bound to affect effective communication.

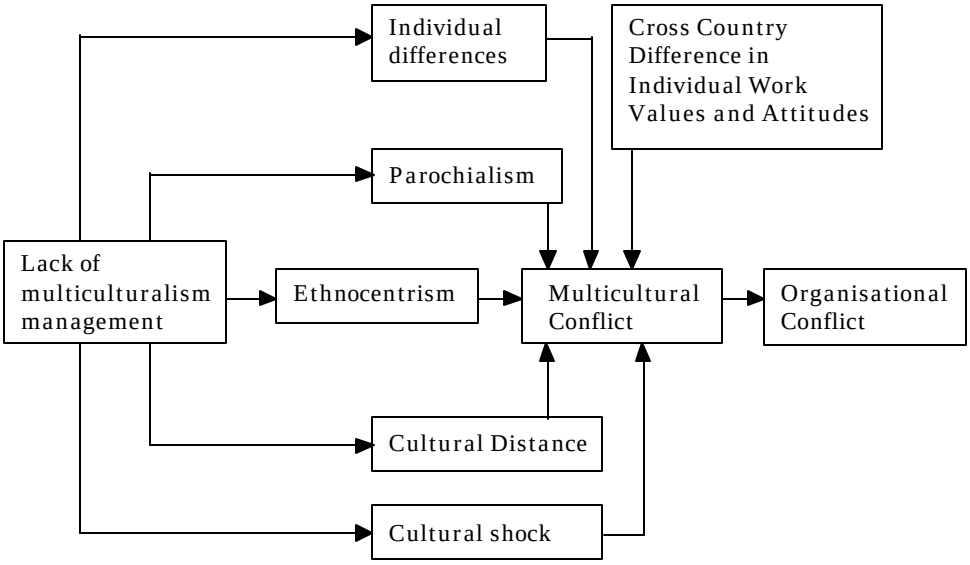

Figure 2: How lack of multiculturalism management leads to organisational conflict

Ethnocentrism: It may be defined as the "unconscious tendency to interpret or to judge all other groups and situations according to the categories and values of our own culture" (Ruhly 1976). It is deceptive precisely because members of any culture perceive their own hehaviour as logical, since that behaviour works for them. Conflict due to misunderstanding in cross-cultural communication, however, may affect even enlightened communicators as these persons may not necessarily eliminate their own ethnocentrism (Borisoff 1989).

Cultural Distance: It is the amount of difference between any two social systems and may vary significantly from the people of one country to those of a different country. The problems of parochialism and ethnocentrism will be magnified if there is a wide cultural distance.

Cultural Shock: When moving to new job locations, a mixture of confusion, insecurity and anxiety caused by a strange new environment is often felt by various degrees by the employees which results into cultural shock to them.

How Supporting Forces could be used to Overcome Inhibiting Force in Bringing up Cultural Adaptation

In MNCs, cultural adaptation is must for the expatriate managers. The inhibiting forces always act as barriers to cultural adaptation. But there are some supporting forces like careful selection, compatible assignments, pre-departure training, orientation and support in the new country, preparation for re-entry, etc., management through encashment of which forces can help to overcome the inhibiting forces as shown in Figure 3. This is how multiculturalism management acts.

Careful selection: Language problem and other ethnocentric problems can be overcome by careful selection of expatriate managers. Potential expatriates might be screened beforehand to determine who will best suite where.

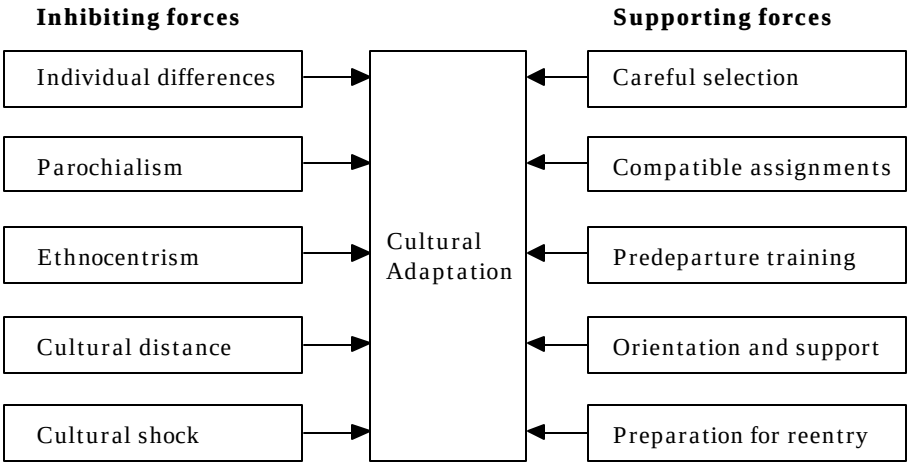

Figure 3: How multiculturalism management leads to cultural adaptation

Compatible Assignment: For less cultural shock to the expatriates and for better adjustment in any foreign country, compatible assignment of them is necessary. Assignment of employee of any country to a different country belonging to the same socio-cultural cluster, e.g., assigning a Japanese manager to China or a British manager to U.S.A. is this compatible assignment.

Pre-departure Training: Training of employees on geography, customs, culture, political environment, social system etc. of any other country where these employees will be expatriated is known as pre-departure training, which is also a very effective supporting force in bringing out cultural adaptation.

Orientation and Support in the New Country: If a special effort can be employed by the concern to support the expatriates in the new countries in matters related to housing, transportation, shopping etc. through its wide network and local connection, it also becomes very helpful to them.

Preparation for Re-entry: Overseas managers often report difficulty with insufficient decision-making authority and diminished responsibility after re-entry. So repatriation policies and programmes to support such managers are necessary for overcoming the fear and agony they have to bear in other countries.

Conclusion

To avoid multicultural conflicts that a MNC is most likely to face in the overseas countries, multiculturalism conflict management is necessary by the top brass of that corporation by exercising the supporting forces to overcome the inhibiting forces which affect the expatriate managers badly. The sensitivity to cultural differences and an understanding of the dimensions of communication, motivation and leadership, can go a long way toward making a manager transnationally competent (Luthans 1995). Thus in the TNCs or MNCs, the managers have to learn about many cultures, adapt to living in many foreign cultures, imrove corss-cultural interaction skills, understand the local problems with an automatic comparison of the same with the international problems, try to learn and accept the positive approaches of each culture and most importantly, try to become a visionary so as to become a transnational competent manager by overcoming the multicultural conflicts.

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