



Globally Smart People Skills

Introduction

It's been a while since I was here last. I thought it might be a good idea to look at some cross-cultural business and leadership issues and decided to share with you a book that I find very insightful.

“Working GlobeSmart – 12 People Skills for Doing Business Across Borders” by Ernest Gundling, published by Davies-Black Publishing.

This book was given to me by a good friend and associate, Frank Lee. Frank has more than 25 years of experience in cross-cultural leadership and organizational development (thanks Frank, I love the book).

Do you suffer from ...

As a consultant I am constantly asking my clients *“where does it hurt?”* So maybe it's a good idea to first set the stage with a few related questions like:

- Do you wonder sometimes why you don't get good feedback from your foreign counterparts when discussing an issue?
- Why is it that your foreign colleagues don't report bad news in a timely fashion and you seem to be the last person to find it out?
- What is the missing ingredient in having your multicultural team rise to a challenge and seek new responsibilities?
- How can you build the necessary trust and credibility for successful business negotiations?

If you are happy with all your answers for the above questions, then please turn the page and read the next article in this publication; if not satisfied with some of your answers, then read on ...

Business Case – Safety Reporting Problem

Recently I became involved with the senior management team of a large multinational company in the manufacturing industry. They have been experiencing a fairly serious problem with increasing levels of workplace fatalities in China. This trend is going against the worldwide decline in fatal injuries in the workplace.

An environmental health and safety study showed an interesting fact; that there is a direct relationship between the number of less serious injuries, accidents and incidents and the total number of fatalities. In other words, the more minor injuries that were reported, the more fatalities you could expect. However, this was not the case in China. China has the fewest number of less serious accidents reported, but by far the greatest number of fatalities.

Why the difference in the relationship of minor injuries to fatalities in China?

After further investigation, some interesting cultural influences pointed to a reluctance in reporting on less serious safety problems. This lack of proactive identification of potentially unsafe conditions in turn preempted any possible corrective action in accident prevention. That undoubtedly led to increased fatalities – because nothing was done about unsafe conditions until too late.



This was baffling the company who was proud to conduct carry out almost every traditional safety related activity in trying to create a healthy culture of workplace safety. Some managers had a false sense of security because of their “excellent” record of fewer minor safety problems.

The company found that most accidents occurred when people interfaced with machinery. These “blue collar” workers have closely knit relationships with teammates. Inside and outside of work, these workers tend to have tight social networks where they depend on each other for security and friendship. If minor safety problems or accidents were reported, their team bonus could be reduced. Everyone on the team counts on the bonus – it is an integral part of their compensation and they have come to depend on it.

Therefore, there was a negative reward for reporting minor injuries and accidents. It could mean that if someone reported it, the entire work team could lose their bonus. Nobody in the work team wanted to be the person responsible for causing their colleagues and friends to lose their bonus. They would be labeled “whistle blower” and then be outcast from their social group. So less serious injuries were not reported.

There were of course other factors leading to the lack of reporting, but this was the most significant. The company had used the exact same safety reporting policy and procedures as in many other countries and never experienced this problem of lack of reporting anywhere else before.

The elements related to gaps in localizing the safety reporting policy included:

- Cooperation and group goals
- Loyalty to friends
- Group affiliation as a way of determining identity
- Placing the team before individuals
- Conformity to social norms

The original policy from headquarters simply did not account for the cultural differences of the local workplace.

However, after learning how protective the Chinese teams were of their bonuses, the company decided to change the bonus system so that it focused on proactive prevention. They changed the system so that the negative reward was linked to “non-reporting” and positive reward was linked to prevention efforts which could counter any reduction in bonus resulting from an accident.

Working GlobeSmart

To be a successful business leader in the global environment you need to be strong in relationship building, effective communication and the ability to foster cooperation across organizational lines across cultures.

12 Key Global People Skills



Gundling's book focuses on 12 key people skills, which are totally relevant to doing business and practicing leadership and management in China.

Interpersonal Skills

1) Establishing Credibility

If we want our foreign counterparts to take us seriously and develop trust, we need to seem "credible" to them. Are we "for real"?

2) Giving and Receiving Feedback

Useful feedback can be delivered either directly or indirectly. There is no one feedback style that is necessarily more effective than all the others as long as the partners are consciously applying the same pattern.

3) Obtaining Information

The skill of obtaining information helps us to grasp organizational capabilities, project management issues, or market opportunities. Most important, it enables foreign managers to understand what the employees contribute.

4) Evaluating People

Once the process of relationship building has begun and credibility has been established, we must try to make fair and accurate assessment of employees in a new location.



Group Skills

5) Building Global Teamwork

The performance of multicultural teams often falls short of company and team member expectations. But, when multicultural teamwork is cultivated in a conscious way that balances both performance outcomes and team member relationships, the creative potential exists for results that far exceed those of a single-culture group.

6) Training and Development

Training and development objectives are relatively universal: organizations want to disseminate selected knowledge, attitudes, and skills that will make their employees more effective in their jobs. But learning styles and instructional methods are both deeply influenced by culture.

7) Selling

Among all the different occupations, sales is probably the most resistant to globalization. Unlike the employees of a multinational firm, who must adapt to some degree to their employer's way of doing business, customers ultimately retain the power to spend money in their own way.

8) Negotiating

Cross-cultural negotiations tend to be intense and demanding – not only because of the high stakes. De the number of stakeholders with potentially conflicting interests involved, participants are most likely to have difficulty in overcoming cultural and national differences.

Organizational Skills

9) Strategic Planning

Strategic Planning as a global people skill means having a management team that can systematically question basic assumptions while entertaining multiple perspectives suited to the requirements of various markets.

10) Transferring Knowledge

A key aspect of knowledge transfer is creating “pull”, or demand for the knowledge to be transmitted. If employees have a strong desire to incorporate new skills or information and are active agents in seeking it out, the likelihood is greater the transfer will be successful.

11) Innovating

To succeed at innovating, teams must successfully generate of ideas, turn these ideas into substantive products, services or workplace improvements and culminate with their implementation or commercialization.

12) Managing Change

Global companies must embrace change in order to build and sustain competitive advantage. Tremendous momentum is required to move new changes forward. Organizations need to build global change management skills. This involves partnerships with colleagues abroad who can help to see the initiatives through from conception to completion.



Localizing it All

In my experience in China, many multinational leaders and managers face a unique challenge. Most of us expats do not have plans to live in China until retirement. No matter how you portray it, we are temporary. How much credibility can a temporary leader have? How loyal will employees be to a temporary boss?

The less “temporary” we seem, the easier leading local teams becomes. We need to spend extra effort in getting our global people skills right. This includes becoming part of the team (instead of a figure head who directs the team from the outside) – that means building real relationships with the teams we lead.

Gundling’s book is a great reference. It offers insight and suggests guidelines for developing your own global people skills.

Until next time ... good business to you.

PROFILE

Paul von Wittgenstein is the General Manager of CanadAsia Management Development Ltd. (CAMD). CAMD is a top quality corporate training, management consulting and executive coaching company. Paul has over nine years relevant experience in China delivering customized learning solutions that have the desired impact to business. CAMD’s programs are designed to meet each customer’s team performance improvement needs. Our approach is very practical and provides real value to client organizations. CAMD uses action learning methods in team-based project environments that were created for multinational organizations in China. Our specialties include cross-cultural programs in professional business communication skills, interpersonal skills, effective team leadership and management development. At CAMD we provide leadership for all levels and we believe that “*Challenge is the Path to Success*”. Training is simply a process, but learning is the desired result you are paying for. So stop buying training ... and start investing in learning instead.

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