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## Accepted and strong organisational culture in multinational corporations

**Abstract** *The magnitude of organisational culture, whose significant role is reflected in multicultural entities, particularly multinational corporations (MNCs), is widely discussed in the field literature. Nevertheless, implementing corporate culture into foreign units of such entities encounters exceptional obstacles. Therefore, the aim of this article is to identify the barriers to and the determinants of building an accepted and strong corporate culture. The deliberations are based on the literature review and the empirical findings from the author's research. The empirical part of this article presents the local perspective, namely the viewpoints of managers in foreign subsidiaries of MNCs operating on the Polish market.*

**Keywords:** organisational (corporate) culture, foreign subsidiaries, multinational corporation(s) (MNC(s)), cultural barriers

### Introduction

There is a meaningful interest among scholars and practitioners in defining and understanding organisational culture along with identifying its role in managing companies [see e.g. Alvesson M., 2002; Czerska M., 2003; Sikorski Cz., 2006; Sułkowski Ł., 2002]. Yet, some researchers clustered around the Critical Management Studies stream claim that the interest in organisational culture reflects a pseudoscientific trend and fashion [Sułkowski Ł., 2012, p. 92]. Nevertheless, organisational culture as a subtle mechanism of exercising power and directing people plays a crucial role in a company's goals achievement. Therefore, organisational culture is perceived as "the Panopticon, controlling organisations and instilling systems of self-control in their members." [Sułkowski Ł., 2012, p. 93]

The role of organisational culture as the Panopticon seems to be even more significant in multinational organisations, namely Multinational Corporations

(MNCs) that need to create a consistent culture which combines all divergent subcultures in each country of their operations. What are the challenges in building an accepted and strong organisational culture within MNCs? How to build such a culture? This paper tries to address these questions, basing on the literature review and then the empirical findings of the author.

There is a sound literature on different aspects of organisational culture and its role in MNCs<sup>1</sup>. Nevertheless, the researchers have been primarily focused on the headquarters' point of view. What is missing in such research is a multinational subsidiary's perspective on this issue<sup>2</sup>. Therefore, the author tries to fill the gap identified above with some empirical insights.

### Literature review

Scheffknecht emphasises [2007, p. 74] that MNCs have to establish a common organisational culture to ensure collaboration around the world and, as a result, to utilise their competitive advantages. At the same time, developing a homogenous culture within a multicultural company such as a MNC is a tremendous challenge. Nevertheless, in contrast to national cultures that are rooted in values and therefore "are given facts for organisation management" [Hofstede G., 2012], organisational cultures derive from practices which make them, to some degree, manageable [Hofstede G., 2012]. It is assumed that MNCs' managers are able to develop an accepted and strong corporate culture if they understand the barriers to and the determinants of this process. Yet, managing corporate culture in the international business setting poses a serious challenge, making some researchers doubtful in its feasibility and efficacy [Welch D.E., Welch L.S., 2006, pp. 19, 25].

Cultural diversity in MNCs may result in cultural distance embedded barriers whereas a cultural gap fosters organisational barriers [Rozkwitalska M., 2010, p. 38-39] to the establishment of a unified organisational culture.

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<sup>1</sup> For example, Lau and Ngo were interested in how a home country's culture affects a foreign subsidiary's organisational culture and then is reflected in the employees' satisfaction and commitment [Lau Ch-M., Ngo H-Y., 1996]; Taylor *et al.* focused on the impact of organisational culture on employee commitment in MNCs [Taylor S. *et al.*, 2008]; Hajro and Pudelko analysed the links between MNCs' organisational culture and multinational teams' performance [Hajro A., Pudelko M., 2009]; Michailova and Minbaeva tried to investigate the link between certain components of organisational culture in MNCs and cross-border knowledge sharing [Michailova S., Minbaeva D.B., 2012].

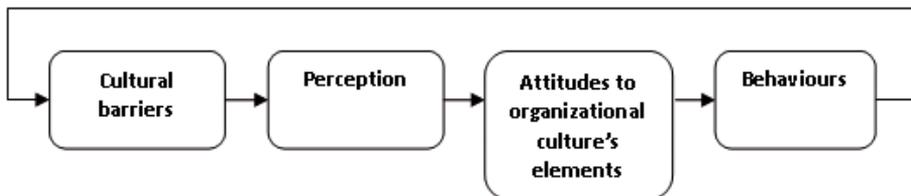
<sup>2</sup> The examples of a multinational subsidiary's perspective in analysing organisational culture of MNCs can be found in the work of Boojihawon *et al.* who scrutinised entrepreneurial culture in foreign subsidiaries of MNCs [Boojihawon D.K. *et al.*, 2007] and, to some extent, in the article of Taylor *et al.* who analysed how affiliates' subcultures foster employee commitment [Taylor S. *et al.*, 2008].

National culture bonded barriers as well as other cultural barriers<sup>3</sup> affect the perception of individuals within a MNC, which later influences their attitudes to the elements of a given company culture. The attitudes are then reflected in the behaviours of organisational members (see Figure 1.)<sup>4</sup>.

The relationship between corporate culture and cultural barriers in MNCs is highly complex. For example, a cultural gap between a MNC's headquarters and its subsidiaries creates a barrier to mutual interactions by affecting the perception of, and consequently, the attitudes to the MNC's culture's elements. At the same time, a MNC's culture influences the employees' attitudes that can later impact on the specific behaviours, e.g. commitment to the organisational goals [Taylor S. *et al.*, 2008, p. 519]. Moreover, organisational culture is shaped by the national culture [Lau Ch-M., Ngo H-Y., 1996, p. 473], which may indicate that the values embedded in national cultures of foreign subsidiaries and their organisational subcultures accompanied by the values of a MNC's culture may produce tension [Berson Y. *et al.*, 2004, p. 1].

The implementation of corporate culture in multinational subsidiaries poses another challenge to MNCs along with the integration of many diverse subcultures, especially when mergers and acquisitions were used by a MNC to enter foreign markets [Stahl G.K., Voigt A., 2008].<sup>5</sup>

**Figure 1.** Cultural Barriers, Organisational Culture and Behaviours



Source: adapted from [Rozkwitalska M., 2013]

Corporate culture can be perceived as one of the factors of a MNC's cultural effectiveness [Rozkwitalska M., 2011, p. 114], i.e. "an ability to reach business objectives in a culturally diversified international environment" [Rozkwitalska M., 2009, p. 97]. However, the role of organisational culture changes along with the models of MNCs. Shared common values are crucial in the global organisational model of MNCs and the role of company culture

<sup>3</sup> For the definition and classification of cultural barriers see [Rozkwitalska M., 2010, pp. 27-29; Rozkwitalska M., 2011, chapter 2].

<sup>4</sup> The elements of organisational culture direct human behaviour. See [Glińska-Noweś A., 2007, p. 140].

<sup>5</sup> See also the empirical finding section of this article.

is here significant. In the transnational model of MNCs some modifications and differentiations of the common values are allowed, yet the culture is of vital importance in managing the whole company [Nohira N., Ghoshal S., 1997, pp. 185, 188; McFarlin D.B., Sweeney P.H. 2006, p. 328]. Such organisational culture should additionally support a continuous learning process, create mutual trust among MNCs' members and value and respect cultural diversity and ambiguity. The core values are immensely crucial in this model. They should represent the internal integrity and be manifested in behaviours and artefacts, while the other elements of organisational culture can be flexibly adjusted if required by circumstances [Jacob N., 2003, pp. 92, 115-116].

According to the hybridisation approach to organisational culture, there are various cultures functioning within the same frames of MNCs, therefore a MNC is by definition the third space, where different cultures penetrate one another to create a new hybridised form of corporate culture. The hybridisation process begins when a MNC tries to impose its culture on its multinational subsidiaries. Then "the local managers review and appraise the MNCs' management practices, protect practices of their own management culture (those they regard highly) and only then adopt MNCs' practices to produce new hybrid forms of management that are almost like the corporations' but not the same" [Shimoni B., 2001, p. 33]. This hybridisation process is of crucial importance when a MNC attempts to develop an accepted corporate culture. It later involves an adaptation of the corporate values and practices to the local environment's needs. The acceptance can be further strengthened if the participative workshops with an external consultant are used to discuss and then implement the new managerial values and practices among the local staff [Shimoni B., 2001, pp. 34-35]. Such hybridisation is absolutely essential since the managers in multinational subsidiaries may reveal a unique attitude towards a MNC. This is the attitude of ambivalence, which combines a general positive view of the MNC with discontent caused by the necessity to adopt the elements of a new culture that are considered inferior [Shimoni B., 2001, p. 36]. Moreover, Shimoni claims [2001, p. 39] that hybridisation facilitates not only the imposition of a MNC's culture on the foreign subsidiaries but above all, the appropriate integration of cultures within a MNC. What is more, the hybridised culture is, at least potentially, more effective.

The field literature often suggests that a strong organisational culture is beneficial to the management of a company [e.g. Sørensen J.B., 2002, p. 70; Chatman J.A., Cha S.E., 2003, pp. 20-34]. Nonetheless, Welch and Welch [2006, p. 15] indicate that imposing on a foreign subsidiary a MNC strong culture may produce negative consequences or at best mixed outcomes. Such a situation occurs when the environment is changing and demands a more

responsive approach. They further infer that since MNCs “operate in varied and increasingly unpredictable environments (...), promoting a strong culture across their global operations may have negative consequences” due to fostering rigidity in lieu of required flexibility [Welch D.E., Welch L.S, 2006, p. 18]. Thus, a strong culture can be effective only in a long run and only when it promotes innovation, risk taking behaviours and a change [Chatman J.A., Cha S.E., 2003, pp. 20–34]. However, what should be pointed out here is the fact that such a culture is also expected to foster tolerance to differences, deviant behaviours, and counter cultures within a company [Welch D.E., Welch L.S., 1997, pp. 677–685].

The literature review in this section allows for some concluding remarks concerning corporate culture in MNCs. First of all, MNCs need a unified organisational culture, yet not the same as the homogeneous one. Secondly, corporate culture is rather a manageable construct, therefore managers may strive for the development of the desired values and norms within the whole company. A MNC’s culture is affected by multinational subsidiaries’ subcultures and many national cultures of its operation. This fact creates certain barriers to establishing a unified corporate culture. Thirdly, a MNC’s culture contributes to its goals achievement as a cultural effectiveness factor, despite the fact that its role depends on the organisational model of a MNC. Finally, although it remains questionable whether a MNC’s culture should be strong, it is indubitable that a MNC’s culture is to be accepted. MNCs need a strong culture only if it is flexible enough to cope with their changing environment. It means that MNCs should value a continuous learning process that facilitates their ability to be responsive, while the acceptance of a MNC’s culture may be achieved via the hybridisation process.

The empirical findings of the next section are also to contribute to a better understanding of what makes an accepted and strong corporate culture of a MNC. A local subsidiary’s point of view is emphasised there.

### **Empirical findings**

This section provides the empirical findings from the qualitative research conducted in multinational subsidiaries of MNCs operating in Poland at the end of the year 2009<sup>6</sup>, concerning corporate culture<sup>7</sup>. Although the research provides some insight into the issue of managing MNCs’ culture, it is worth mentioning that the results obtained from this study cannot be generalised

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<sup>6</sup> Details of the research project can be found in: [Rozkwitalska M., 2010, pp. 39–41].

<sup>7</sup> The research project was broader in its scope and focused on cultural barriers to functioning of MNCs from the viewpoint of their multinational subsidiaries. See [Rozkwitalska M., 2010, pp. 39–41].

mainly due to the chosen method applied to select the sample and a qualitative type of conducted research<sup>8</sup>.

The research disclosed that company culture is among major areas of concern in multinational subsidiaries where cultural barriers may occur with relatively high frequency<sup>9</sup>. The research also revealed the following barriers to the development of an accepted and strong corporate culture [Rozkwitalska M., 2013, chapter 2, Table 2.2; Rozkwitalska M., 2011, pp. 169, 259-261]:

- Local employees sometimes have a sceptical attitude to the new customs promoted in organisational culture. This fact results in their reluctant and unwilling approach to accept a MNC's habits and behaviours. For instance, the Poles were sceptical about introducing a lunch break, open space offices, political correctness in communication, the employee evaluation process, the performance feedback, the suggestion box, some company events, etc.
- Due to the local specific of multinational subsidiaries, implementing corporate symbols may appear unreasonable or even costly. Therefore, the subsidiaries' employees' resistance may arise.
- If implementation of corporate culture is not sufficiently assisted with trainings, the local staff would not like to understand or accept the new corporate culture.
- Subsidiaries' employees are suspicious if they observe that the actual actions contradict the declarations. In consequence, they question the authenticity of the promoted culture and all the effort aimed at implementing it is perceived as, so-called, "window dressing" behaviour.
- Multinational subsidiaries sometimes contest whether the promoted values are universal enough to be put into daily operation.
- MNCs' headquarters use the cultural dominance approach to implement a corporate culture.

The empirical findings allowed drawing some propositions on how to build an accepted and strong corporate culture in MNCs from the viewpoint of the local subsidiaries. These propositions include [Rozkwitalska M., 2011, p. 196]:

- a careful and appropriate selection of the employees in multinational subsidiaries,
- a necessity to ensure that each element of a MNC's culture is attractive to the local staff; this can be better facilitated if the local employees are involved in the process of a MNC's culture implementation,

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<sup>8</sup> The non-probabilistic sample consisted of 48 MNCs' subsidiaries. The information was obtained via semi-structured interviews from the local staff, in most cases they were top and middle level managers. See [Rozkwitalska M., 2010, pp. 39–41].

<sup>9</sup> The other areas included: communication, human resource practices and interpersonal relationships. See [Rozkwitalska M., 2010, p. 50]

- being open to cultural differences as an attitude of a MNC's staff that should be strengthened by cross-cultural trainings,
- the pursuit of consistency between the actual actions and the declared values and norms.

Table 1 portrays some examples regarding the propositions mentioned above as reported by the interviewees.

**Table 1.** Enablers in development and implementation of accepted and strong corporate culture – the examples from the research findings

<b>A careful and appropriate selection of the employees in multinational subsidiaries fosters the development of an accepted and strong corporate culture</b>
The implementation of corporate culture in an Anglo-Saxon MNC's subsidiary in Poland is a good evidence of how an appropriate recruitment process can facilitate the development of an accepted and strong corporate culture. In this subsidiary the selection process of the employees was well-deliberated. A perfect candidate was a college graduate, with a suitable personality traits and potential for the future development. Since the MNC had a strong reputation on the world market, the motivational package was competitive and abundant, and the job position's tasks challenging, the company recruiters could choose from a wide pool of talented applicants. HRM policy was aimed at continuous attracting fresh people with new skills, which, at the same time, allowed the more experienced staff quitting the company freely. Such a policy had an economic reason because younger employees possessed skills which the older ones lacked and they were less expensive. The trainings directed to instil the company culture were very effective since the young people' minds were easy to mould. Due to the fact that they had not had any prior work experience, they also did not have any habits that could be harmful or contradict the MNC's values and norms.
<b>The attractiveness of the elements of a MNC's corporate culture and the appropriate methods used to implement them promotes the development of an accepted and strong corporate culture</b>
The process of implementation of corporate culture in a Danish MNC proves that the attractiveness of the elements of the company culture and the right method used in the whole process were of vital importance in this case. For example, in a Polish subsidiary of the Danish MNC the employees were allowed to establish clubs where they could pursue their hobbies. These clubs were financially supported by the company. Another example concerns the reconstruction of the company's offices in the open space style, which was implemented with the involvement of the subsidiary's staff. First of all, they were asked in anonymous questionnaires about their fears regarding the planned changes in the design. Their opinions were included in the design project, which was also assisted by the local employees. After the reconstruction, a team for open space was established, which was comprised of the representatives of each open office's employees. They met once a week to discuss the issues concerning the employees' complaints with regards to working in open space and to propose solutions. Additionally, at the staff's special request, the meeting rooms for working groups were set up in a separate and closed area of the subsidiary's building.

<b>The openness to cultural differences has a positive impact on the development of an accepted and strong corporate culture</b>
The example comes from a subsidiary of a Danish MNC. The headquarters of this MNC, in order to implement the company culture, decided to assign a team composed of the representative of each department and the organisational level. The team was responsible, among other issues, for translating the company's values from English (the functional language of the MNC) into Polish. The team was granted considerable autonomy to ensure that the values would be communicated properly to the employees, understood by them and accepted in accordance with the guidelines. For instance, when the team tried to translate 'freedom' into Polish they were afraid that, due to the cultural differences, this value could miss its precise meaning if translated literally. Thus, they decided to use the word 'independence', which was aimed at communicating the ability to make decisions and execute their realisation – being responsible for oneself.
The consistency between the actual actions and the declared values and norms contributes to the development of an accepted and strong corporate culture
In subsidiaries of Swedish MNCs the employees appreciated that there was consistency between the actual actions and the declared values and norms, especially in the treatment of the local staff. This contributed to the acceptance of the MNCs and their corporate cultures.

Source: adapted from [Rozkwitalska M., 2011, pp. 270-271].

Human Resource Management (HRM) practices seem to be a matter of importance in the process of establishing an accepted and strong corporate culture. Therefore, HRM practices should [Rozkwitalska M., 2013, chapter 2, Table 2.2]:

- allow to attract and maintain both the employees and managers who have well-developed cultural competences,
- facilitate transfer of cross-cultural knowledge, which means creating this type of knowledge within a MNC's each subsystem,
- provide trainings that develop cultural competences in a MNC's system, including communication skills,
- promote the international careers of multinational subsidiaries' employees.

Nevertheless, HRM practices can be a source of cultural barriers, especially if they present an ethnocentric mindset of a MNC [Kopp R., 194, pp. 581-599].

## Conclusions

Due to cultural distance, organisational barriers and individual characteristics of employees, the development of an accepted and strong corporate culture in MNCs poses a huge challenge. Taking into account the deliberations provided in both the theoretical and empirical sections of this article, it is worth emphasising that MNCs should continue their pursuit of

establishing culture that will find acceptance among the whole local staff. The hybridisation process that allows local responsiveness, an active involvement of the subsidiaries' employees, appropriate HRM practices, the authenticity of the headquarters in a way of action as well as the attractiveness of the elements of organisational culture - they all should facilitate acceptance of a MNC culture. Furthermore, MNCs should be able to modify their corporate culture to cope with changes in their external and internal environment.

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## Emergent character of interpersonal relationships in organizational structures of capital groups

**Abstract** *The paper presents an analysis of interpersonal relationships in organizational systems of capital groups, treated as an effect of personal union. Emergent character of this type of relationships was shown through imitation, trust and cooperation of undertakings forming a capital group. Examples of model and concept references of the above mentioned factors were pointed out, on the base of the theory and practice of organization and management. A synthetic characteristic of the influence of these factors on the character of the discussed intraorganizational relations was made.*

**Keywords:** interpersonal relationships, capital group, emergence, imitation, trust, cooperation

### Introduction

Interpersonal relationships in capital groups appear in organizational structures of capital groups. They result from performing functions by the same persons in supervisory boards and boards of directors in at least two different companies being a part of the same capital group, which is an indicator that management of the dominating company tries to strengthen its control over dependent companies [Trocki 2004, p. 51]. Therefore the source of this type of relationships is personal union. Interpersonal relationships can be vertical, when the same persons perform functions in governing bodies of the dominant company and the subsidiary, or they can be horizontal when the same people are employed as members of supervisory boards or boards of directors of different subsidiaries. Appearing of interpersonal relationships among undertakings of a capital group can be perceived as a result of the influence of various conditions influencing the processes of forming of such relationships or, independently of intentions of the decision makers, as their

emergence from social processes occurring in an organizational system of the group. Interpersonal relationships are an example of inter-organizational relationships which should be considered, as W.Czakon stresses, in specific time periods, specific environment conditions, through the perspective of three features characteristic for them, that is exchange, engagement and mutuality. Organizational relationships, according to the above mentioned author, come into being primarily as a result of imitation (mimetism), trust and organizational cooperation [Czakon 2007, p. 151].

The aim of this paper is analysis and presentation of each of the above mentioned factors.

### **I. Imitation as a factor of emerging interpersonal relationships in capital groups**

Imitation as a factor of emerging interpersonal relationships in capital groups is based first of all on two types of imitation processes, that is an institutional process and compulsory process and to a lesser degree on a competitive process. The competitive process, as one of the three processes of imitation presented in literature of the subject, plays relatively smaller role in creation of interpersonal relationships in capital groups. It can be taken into account as a factor influencing creation of this type of relationships in such capital groups as international joint venture or strategic alliances, where partners are perceived as competitors. These processes lead to isomorphisms, that is creation of similar forms of relations in the social environment of companies constituting a capital group.

Institutional isomorphism consists in spreading among members of the group of managing practices, work standards, attitudes and values whose generator is the main undertaking of this group in terms of formal status or professionalism of management. It can, in the author's opinion, influence standardization of behaviour of both managers and employees of companies constituting the capital group and lead to unification of activities in the area of operational management of these companies. Examples of institutional isomorphism are processes of acquisition and mergers of companies, especially international. Results of empirical studies show that benchmarks in these processes are often operational management systems and cultural patterns functioning in the corporation of the new owner, being the acquiring subject or in the leading company in the merger. The carriers of these modern standards are expatriates, that is representatives of the new owner (parent company) delegated to work in supervisory boards and boards of directors of the acquired

companies, situated abroad, in order to control and represent its interests.<sup>1</sup> Cultural context of acquisition or merger, considered here as a method of creating capital groups, has a strong influence on the course, character and scope of such imitation [Olie 1990, p.206-315].

Institutional isomorphism in capital groups is accompanied by „compulsory” isomorphism, which is a result of imitation of behaviour of decision-makers representing the dominant undertaking by managers from subsidiaries. Such imitation is favoured by the presence of representatives of the dominant company in supervisory boards or boards of directors of these companies, and their active participation in the work of these bodies, that is personal union, which leads to creation of interpersonal relationships inside the capital group. If these people have well-developed managerial competence and their work is based on professional and business ethics, this type of organizational solution is beneficial for the group. It creates favourable conditions for professionalization of management in the whole capital group and propagation of desirable values and cultural standards, thus enhancing its competitive potential. It also leads to competitive isomorphism, that is spreading of best management practices, work standards, values and standards shaping rational and beneficial for the whole capital group behaviours and attitudes of managers and employees of companies constituting the group. Furthermore it favours organizational learning by these subjects from the leader of management practices, that is the dominant company.

## **2. Trust as an element of building organizational personal relationships**

Trust, next to transparency, is increasingly considered to be a very precious value. A lot of organizations suffer from lack or scarcity of trust, which is confirmed by empirical studies of business relations.<sup>2</sup> In management sciences trust, as an element of building relations inside a company, is interpreted as mutual belief that none of the parties will take advantage of the weaknesses of another party [Sabel 1993, p. 1133]. It is perceived as a multidimensional category, in personality, calculative, institutional, perceptive and cumulative

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<sup>1</sup> More about it in: J.Child D. Faulkner, R. Pitkethly, *The Management of International Acquisitions*, Oxford University Press, New York 2000, p.34; S. Cartwright, C.L.Cooper, J.Jordan, *Managerial Preferences in International Merger and Acquisition Partner*, [in] W.D.Hussey (ed.), *The Strategic Decision Challenge*, John Wiley & Sons, Chichester 1998; Cz. Zając, *Spółeczne i organizacyjne problemy przejęć i fuzji przedsiębiorstw*, Wydawnictwo Akademii Ekonomicznej we Wrocławiu, Wrocław 2006, p.134-136.

<sup>2</sup> See: J.M.Podolny, *The Buck Stops and Starts at Business School*, „Harvard Business Review” 2009, No 87 (6), p.62-67.

dimensions. More thorough analysis of each of the above dimensions, within boundaries determined by the internal organizational structure of the capital group, lets us treat them as a factor very important for creation of interpersonal relationships and character of such relationships.

Personality dimension of trust in the organizational system of a capital group is determined by cultural factors, first of all values, norms and beliefs shared by all or at least majority of workers and managers of companies constituting this group. Thus, this dimension is connected with subjective character of trust. The above mentioned cultural factors also create a base for building inter-organizational trust. Therefore trust, understood as a combination of trust between people and trust between organizations, is an additional factor strongly supporting application of reliable procedures, management practices, structural and operational solutions of the dominant company by subordinate companies. Very important for building of this credibility are expertise and attitudes of managers - participants of personal union.

Calculative dimension of trust is based on calculation of benefits and costs of building a trust relation by members of an organization. This dimension of trust referred to members of a capital group leads to the conclusion that at the stage of making a decision about creating a group of enterprises, the decision-makers decide that it is better to achieve benefits by cooperation than by competition. Calculation of benefits and costs that is being discussed, should apply to all partners - members of the capital group. Useful methodological basis for such a calculation is the theory of games. Application of two key elements of this theory, that is payment schemes, understood as quantitative reflection of benefits resulting from cooperative or opportunistic attitude, and preferences of the decision-maker, understood as the order of decision variants obtained by taking into account the criterion of its maximum benefit, enable identification of behaviour of all players - members of a group.<sup>3</sup> It also enables defining conditions in which rationally operating managers of companies - members of the group, will be oriented to cooperation. These conditions include such shaping of the payment scheme which guarantees advantage of benefits resulting from cooperation over alternatively considered benefits from potential competition and ensuring repeatability of the game.<sup>4</sup> Fulfilling the latter condition guarantees a long-term character of the capital group.

In agreement with the theory of games, mutual trust between members

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<sup>3</sup> Here we refer to Nash's concept of equilibrium which is based on the assumption that strategies of all participants of the game are best reactions to each other, more about it can be found in M. Malawski, A. Wieczorek, H. Sosnowska, *Konkurencja i kooperacja. Teoria gier w ekonomii i naukach społecznych*. PWN, Warszawa 2004, p.30.

<sup>4</sup> See: W. Czakon, A. Borczuch, *Trwałość sieci gospodarczych w świetle teorii gier*, „Przegląd Organizacji” 2005, no 3, p.18-21.

of the capital group is also manifested in each member's care of their own reputation, maintaining symmetry of behaviour and a possibility to sanction behaviour contrary to common goals of the capital group. Therefore predicting future behaviour of partners is based on the estimated (calculated) scope of mutually given trust. The basis for such trust may be reputation of partners. Good reputation, seen as a source of trust, is considered by some authors to be a necessary condition for emerging of inter-organizational relationships [Ariano, Torre de la, Ring 2001, p. 110]. In accordance with the views that can be found in literature of the subject, positive reputation should be understood as information about actual fulfilling of obligations taken on in the past by the partners [Dolinger, Golden, Santon 1997, p. 127], precious resource of the company enabling its being competitive [Barney, Hansen 1994, p. 17-190], and also critical factor of its success [Blomqvist, Stahle 2004]. A possibility of mutual predicting of behaviour of the capital group members and possibility to interpret their goals, which are determined by the status of individual members in the group and the character of capital and other than personal relationships existing between them, determine institutional dimension of trust. What is also important for developing trust in this dimension, is transparency of the organizational and structural system of the capital group and organizational order determined by its architecture.

In the opinion of the author of this paper, a model solution, correctly reflecting the essence of internal relations existing in „architectural systems” of capital groups, is J.Sydow's model of inter-organizational trust. It includes six characteristics referring to cooperating organizations – members of the network and relations between these organizations: frequency and openness of communication, multiplicativity of network relations, open collection of relations, relation balance between autonomy and dependence (subordination), number and uniformity of organizations in the network and the structure of intraorganizational area [Sydow 2000, p. 48-52].

Mutual perceiving of partners as units cooperating with the view to realize goals of the capital group as a whole and operating in their own interest, common cultural values and standards, constitute the perceptive dimension of trust, and knowledge about partners possessed by members of the group combined with their ability to fulfill their own obligations, constitute its cumulative dimension. Trust considered in the last two dimensions is an important factor of internal integration and an element of strong sense of identity with the capital group by its members [Kordel 2002, p. 83-88].

### **3. Intraorganizational cooperation as a source of interpersonal relationships in organizational structures of capital groups**

Intraorganizational cooperation is the third important source of emerging of interpersonal relationships in their structures. In literature of the subject we find stressed the importance of repeatability of bilateral and multilateral transactions between enterprises for enrichment of their mutual relations by mutual engagement, faithfulness to partners and habit. It leads to transformation of this kind of relation into inter-organizational relationships [Nooteboom, Jong, Vossen, Helper, Sako 2000, p. 118].

Nevertheless, engagement of each of the subordinate companies in the process of cooperation within a group is also oriented to fulfilling of their own organizational interests, achieved by realization of goals of the group as a whole. Interests of the group are guarded by the dominant company. This engagement, first considered as unilateral engagement, consequently leads to engagement of partners. A result of such mutual engagement of parties is emergence of inter-organizational relationships between them as well as building of the climate of trust, openness and mutual loyalty. It increases probability of repeatability of activities of group members taken in the interest of the whole group. Further possibilities and prospects of their cooperation reveal as well. Thus there appears a basis for emergence of interpersonal relationships inside a group of enterprises, being an important element holding together the organizational and social tissue of this group. In such a „soft” approach to cooperation of economic subjects within a capital group, interpersonal relationships, treated as its architectural element, are then a result of various social and organizational processes taking place inside it. These processes have characteristics typical for network systems of enterprises. The most important of these characteristics include mimetism, which means mutual „infecting” of the group members, perceived also in the context of their learning from cooperating units and „conditioning” resulting from the status of a specific unit, determining the scope of its decision autonomy, possibility to make choices and the scope and strength of its influence on other members of the group. „Conditionong” also leads to limitation of rationality of decisions and business activities of each of the subordinate undertakings. A positive result of such interpersonal relationships is growth of credibility of the participants of economic and organizational cooperation withing the capital group and enhancing their sense of identity and identification with the group.

## Conclusion

The conducted analysis shows that imitation, trust and intra-organizational cooperation are important sources of emergence of interpersonal relationships in structural systems of capital groups. Each of these factors is multidimensional and has different influence on creation of this type of relationships. It is worth stressing that apart from organizational reasons, the scope of interpersonal relationships in capital groups is also determined by personality features of the key decision-makers employed in management bodies of both the dominant and the subordinate companies, as well as cultural norms and values observed by them. The latter play an important role in creating of interpersonal relationships in international capital groups.

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## The specificity of public organisation cultures

**Abstract:** *The aim of the paper was to enhance understanding of the specificity of culture within public organizations. The paper analyzed different typologies of public organization cultures. Then it proposes a new typology based on the main public management models and discusses chosen issues of ethics within public organizations. Provided investigations showed that the essence of the specific culture of public organizations can be explained well by analysing it in the context of various models of public management. Regardless of the specific characteristics of a given public organization, the contemporary culture of public organizations is distinguished by: the law as the primary basis of decision-making, a higher degree of formalization, greater stability-orientation, the presence of a certain degree of autonomy for internal purposes, and sensitivity to the ethical aspects of basic assumptions, norms, attitudes and organizational behavior.*

**Keywords:** *organizational culture, public organizations, models of public management*

### Introduction

At present, increasing attention is being paid to the organizational culture in public organizations in countries that have initiated the introduction of changes to meet contemporary challenges. Furthermore, greater interest in understanding the concept of public organization culture can be observed among academic researchers and practitioners.

From a management perspective, a lack of comprehension of the organizational culture of public organizations is of concern because research

on new models of public management indicates that culture is central to the change process and to the achievement of strategic goals.

The aim of this paper is to enhance understanding of the specificity of culture within public organizations and to provide a clearer overall picture of the phenomenon. The paper analyzes different typologies of public organization cultures. Then it proposes a new typology based on the main public management models and discusses chosen issues of ethics within public organizations.

## **I. Understanding public organization cultures**

The cultural specificity of public organizations - generally understood as the set of dominant values and norms of behavior with their origins in basic assumptions - results from the nature of these organizations, which provide citizens with public goods and services. Citizens benefit in the form of indivisible consumption available to more than one person. They also often require collective action.

Public organizations can be defined as organizations providing services to achieve superior purposes, which are of primary importance to the community of citizens. The basic eligibility criterion for whether a particular action is a public service is whether it serves the public interest.

Public organizations [Kozuch B., 2011] have been developed to meet the public interest, and are institutions operating in various spheres of public life (e.g. politics, government, science and education, health, etc.) and in the economy at the national and regional level. Furthermore, they have a role in given economic communities of countries (as well as the level of the state) as a form of political organization of society and political bloc of countries.

The approach to distinctive characteristics of public organizations changes over time, depending on the dominant model. In particular, these differences are clearly seen in the case of Weber's model, also called the internal process model [Parkey R., Bradley L., 2000, p. 125-141] and the new public management model (NPM) and public governance.

The occurrence of a relationship between the level of organizational publicness and a variety of features of public organizations can be used to identify the organizational culture in the context of public management.

Understanding organizational culture in public management has a direct impact on the following situations [Claver E., Llopis J., Gasco J.L., Molina H., Conca F.J., 1999, p. 456]:

1. predicting whether the introduction of new technologies will be accepted satisfactorily;
2. laying down guidelines for the usage of information;

3. ensuring cohesion amongst members of the public body;
4. reducing the risk in projects where a specific public body intervenes alongside with other public or private organizations;
5. allowing an increase in satisfaction in services used by citizens.

Thus, the specificity of public organization culture is determined by distinguishing the main features of these organizations and the changing expectations of society, which is reflected in the models of public management and typologies of public organization cultures.

## 2. Typologies of public organization cultures

Defining organizational culture creates many problems. Definitions of this notion vary depending on whether it refers to activities or relates to the way of thinking, e.g. to the transmission of meanings, which may be standard in operation. Organizational culture can be equated with the entire organization or be treated as its target. It may therefore be one of the features of the organization, but, on the other hand, the organization itself may also be thought of as a culture.

Definitions of organizational culture vary and reflect different emphases depending on the concept adopted by their respective authors. For example, it can be assumed that organizational culture is a set of values that help its members understand the organization and what it stands for, how it works and what it considers important. Culture is a concept that defies objective measurement or observation. However, it plays an important role in shaping attitudes and behaviors as a basis of the internal environment of the organization. [Deal T.A., Kennedy A.A.; 1982; Pettigrew A.M.; 1997; Hofstede G.; 1980, Robbins 2004; Schein E., 1992; *Martins N., 1987; Langfield-Smith 1995; Bate P., 1999; Cameron K.S., Quinn R. E., 2003; Sikorski C., 2006; Sułkowski Ł. 2002; Konecki K., 2002; Czerska M., 2003; Siemiński M., 2008, Jonczyk J., 2011].*

Discussions have led to culture being recognized as part of the organization due to the fact that it allows exploration of the relationship between cultural patterns of its members and between subsystems or characteristics of organizations, such as technology, structural solutions, management methods, the efficiency of the organization, etc.

Research on organizational cultures is usually carried out in enterprises. Attempts to study the culture of public organizations are present in the foreign literature [Schraeder M., Tears R.S., Jordan M.H., 2005; Parkey R., Bradley L., 2000, s. 125-141; Claver E., Llopis J., Gasco J.L., Molina H., Conca F.J., 1999; Zammuto R.F., Krakower J.Y., 1991; Schutten M., 2012; O'Donnell O, Boyle R. 2008). In Poland, these issues are covered extremely rarely, and in a fragmentary fashion [Kozuch B., 2009; Jonczyk J., 2011].

The culture of public organizations is usually considered taking into account both public management and cultural trends. There are also cases [Ramachandran S. D., Chong S.C., Ismail H., 2011] of research into the culture by directly relating organizational culture achievements to public organizations. The first approach involves typologies related only to public organizations, and other typologies developed with private firms in mind are matched with the reality of public organizations. The rationale for the second approach may be to make comparisons between organizations from different sectors, mainly business and public.

An example of a characteristic typology for the first approach is one encompassing four models of organizational culture of public administration [Claver E., Llopis J., Gasco J.L., Molina H., Conca F.J., 1999, pp. 457-458; Sinclair A., 1991, p. 457-458]:

1. A cultural control model based on the existence of only one culture, based on dominance.
2. A subculture model in which the basic hypothesis is that public administration has
  - a number of different, independent subcultures, depending on the growing incorporation of professionals and specialists sharing common features, which differ from those of others.
3. A professionals' multicultural model that recognizes the existence of subcultures, but they are grouped under a strong, homogeneous culture common to all public agencies.
4. A public interest culture model based on the existence of a common culture with orientation towards public service as its main feature.

An interesting approach to culture in the public sector is a typology based on the structure of competing values related to needs, focusing on the internal or external environment or flexible or rigid control (Quinn, Rohrbaugh, 1983; Schein, E. H. 1985; Zammuto, Krakower 1991; Zammuto R.F., Krakower J.Y., 1999; Denison D.R., Spreizer G.M., 1991; Parkey R., Bradley L., 2000). This creates a matrix of public organization culture based on a competing values model, which includes four types of cultures: hierarchical, efficiency, development, and group culture.

In light of the achievements of public management and cultural trends in management sciences, a three piece typology based on the major models of public management can be put forward, namely:

1. bureaucratic culture based on the old model of public administration;
2. culture of organizational changes derived from the model of New Public Management;
3. collaboration culture related to models of Public Governance and Public Service.

The first model is well illustrated by M. Weber's concept of the bureaucratic organization. His positive characteristics as a model of a bureaucratic institution of government apparatus include: a formal system of rules and procedures, impersonal relations in the organization, work division, a hierarchical organizational structure, a formalized system of staffing and promotion of employees and the legal nature of the power of managers. Over time, however, values of bureaucratic organizations have faded away and negative characteristics have appeared, such as disability, stability and autonomy. Thus, contemporary culture is characterized by excessive bureaucratic conformism and authoritarianism of management staff, passivity, routine, lack of new ideas and lack of interest in change. This culture is characterized by the following features [Claver E., Llopis J., Gasco J.L., Molina H., Conca F.J., 1999, pp. 459]:

1. An authoritarian management style and a high degree of control;
2. Poor one-way communication, usually top-down;
3. Individuals' preference for stability, limited scope for initiative, and orientation towards obeying orders;
4. Repetitive and centralized decision-making process;
5. Reluctance to start innovative processes;
6. High degrees of conformity;
7. Highly reluctant to change existing beliefs.

The New Public Management model and the associated culture is characterized by the dominance of organizational change as a form of economic efficiency. The public interest is articulated by citizens with the help of public managers. It includes shared values and aggregate interests of the members' society. Organizations are focused primarily on recipients of public goods and public services. The conducting of public affairs is a form of triggering possibilities inherent in the market mechanism. The objectives are achieved through the creation of mechanisms and structures that go beyond the boundaries of the public sector. A mechanism of achieving the objectives whereby special attention is paid to the use of modern management methods and techniques to support the process of change is applied.

In a culture of organizational change, the following factors are considered to be the most important: public entrepreneurship, decentralization and downsizing, a relatively high degree of freedom in achieving entrepreneurial goals, clearly defined external accountability to the recipients of goods and services, an assessment of concrete results, the prevalence of institutional control over functional control. The model of public governance and public service and their inter-organizational collaboration culture are characterized by understanding the organization as a pattern of communication and interaction within the framework of the existing groups.

The public interest includes the shared values of members of society. There is decentralization of governance and public participation in accordance with the concept of public governance. It can be called an even more advanced response to a preference for economic methods in the management of public organizations, but taking too little account of political and social contexts. This model focuses on the internal organization of the public sector and constituent institutions as well as external relations. There is an emphasis here on networking and managing public relations.

The network consists of the central, regional and local authorities, community groups and political interest groups as well as social and business organizations. Public interest is created in the process of public governance as a public value shared by the members of the network, and the conditions for its realization are negotiated with partners and stakeholders. Public management in this model is mainly based on the creation of a coalition of public, private and voluntary agencies to meet the agreed requirements. The public interest is understood as the result of social dialogue around shared values. These actions are aimed at citizens.

The organizational culture corresponding to this model is typically:

1. focus on citizens and other stakeholders, both internal and external;
2. theories and concepts of democracy, of concepts of the development of the public sphere and the knowledge economy as the fundamental assumptions of the model;
3. public service as the main role of public organizations in order to help with negotiation and mediation with citizens and social groups, and also the creation of public value;
4. multifaceted responsibility of public organizations, taking into account the law, national values, political norms, professional standards, and the interests of citizens;
5. sharing of knowledge;
6. strong focus on inter-organizational collaboration.

Observation of cultures of public organizations in Poland allows us to formulate the opinion that in the practice of public sector organizations it is difficult to identify one pure model in units of public administration. The presented considerations lead to the conclusion that in the light of the theoretical findings and expressed expectations of external stakeholders, inter-organizational collaborative culture is paramount.

### **3. Ethical aspects of the culture of public organizations**

In practice, in the functioning of many public organizations, attitudes and organizational behaviors are observed that moral judgments can only be

negative: low-value services, the use of blackmail and threats, delays in the implementation of tasks, and corruption. Ethical behavior in the organization can be seen from several perspectives. [Kuc B.R., Moczydlowska J.M., 2009, pp. 381-382] The first one relates to the ethical aspects of vocational activity of public managers whose duty is to make decisions and act in accordance with the requirements of ethics.

This includes creating a safe working environment, proper division and organization of work, and the use of incentive systems that trigger motivation, initiative and efficiency, while ensuring a fair wage. The second perspective includes the ethical aspects of the work of employees, such as honesty, loyalty, focus on cooperation, manners in dealing with other members of the organization and the public. The third perspective refers to dealing with representatives of environmental organizations (mainly citizens and other organizations). Organizational procedures making up the culture can significantly affect the strengthening of ethical or unethical behavior of managers and employees. Factors conducive to unethical behavior are in the mind of employees: workload, financial problems of the employees, efforts to reconcile work with other needs (e.g. family), and personality disorders. Factors provoking unethical behavior are related to such attributes of the organization as a defective communication system within the organization, deficiencies in management, strong pressure for results, an organizational culture that promotes excessive competition and insufficient resources. [Kuc B.R., Moczydlowska J.M., 2009, pp. 383-385]

Changing the behavior of public managers is often difficult because of resistance to innovation. In order to create conditions for the implementation of modern management methods in public administration offices, old systems and structures first need to be overcome. One of the aforementioned conditions is to attract highly skilled staff who are focused on innovation and creativity. This requires an appropriate level of remuneration, conditions for development, entitlement to act and legal protection. [Czaputowicz J., 2008, p.268] Creating (training) modern, all-round officers, guided by ethical standards and values recognized by the organization is one of the basic conditions for carrying out effective reforms in public administration. Administrative employees must accurately interpret existing laws and legal norms, know the rules of rational finance, and possess the ability to enter into a dialogue with the public. [Przybyszewski R., 2009, p. 144]

For modernization of the public administration, the issue of human resources management is very important [Bak D., 2005]. Observation of what is happening in practice leads to the conclusion that there are a number of shortcomings in this field, which indicates irregularities associated with non-compliance with requirements for the organization of open competitions for the recruitment and competition for official positions in local government.

More specifically, the main problem in this respect is the low level of formalization of HR processes, which is reflected in the lack of or non-compliance with certain rules of conduct. All this adversely affects the efficiency of the offices, where decision-makers often make decisions based on staffing rather than substantive criteria.

Employing staff in the absence of clear rules and principles of human resource management is due to a chaotic culture, resulting in a lack of values recognized by employees, especially those related to professional ethics. Under the conditions of the new challenges facing public organizations, the new type of culture should move towards a pro-effective ethos, permitting a worker's identification with his/her workplace and specific objectives of the mission, especially regarding the quality of services. [Kuc B.R., Moczyłowska J.M., 2009, p. 351-352]

The close relationship of organizational culture is closely dependent on the way of exercising power, and accepted standards and principles. This affects relationships with employees, customers, partners, competitors, and the superior – subordinate relationship.

Organizational culture also shapes the attitudes of staff (re communication, motivation and social issues), and triggers the creative imagination, encourages intellectual independence and mobility, and also builds a spirit of cooperation and kindness.

Modern public organizations' operating conditions require consistent implementation of ethical infrastructure that includes: processes, mechanisms, institutions and conditions, incentives to behave professionally and in accordance with high standards, and the introduction of regulations restricting unwanted behavior. [Kulesza M., Niziołek M., 2010, p. 133; Bogucka I., Pietrzykowski T., 2010, p. 114-115; Perzanowska M., Rekawek-Pachwicz M., 2010]

Ethical infrastructures are diverse and encompass legal standards, codes of ethics and regulations of institutions working together with provisions allowing their enforcement, and also embrace objective methods of recruitment. The basic condition for the success of public ethics in the organization is political will. This underpins the dialogue with the public and facilitates the creation and use of appropriate procedures. Factors shaping the ethical infrastructure can be classified as follows: [Kudrycka B., Debicki M., 2000, p. 47]

- laws and codes of ethics regulating the conduct of public affairs,
- bodies responsible for the development of ethical actions in public life,
- transparency of public action,
- public officials' responsibility for unethical actions.

Ethical Codes are of utmost importance in Anglo-Saxon countries, because there is no codified administrative procedure. The earliest widely used codes of ethics were in the United States. In the U.S. the highest authority in the field public officers' ethics is the Office of Government Ethics. Ethics commissions or committees are appointed in each of the states. In the UK, the first significant ethical codification of a set of principles was developed in 1994 by the Commission for Standards of Public Life (the Nolan Committee). It put forward seven ethical principles: impartiality, independence, objectivity, accountability, openness, honesty and leadership. [Kulesza M., Niziolek M., 2010, p. 136]

In 1996, the British Administrative Code was introduced in the UK. It defines officials' and ministers' accountability to the community. British local government organizations create their own codes of ethics. In Canada, the standards of behavior of public officials are defined in several documents. Accepted standards include the following: procedures for the recruitment, hiring and promotion of employees, using public property, second jobs, and the relationship between the public and private sectors.

Polish regulations generally do not differ from international standards. However, practice has not kept pace with the postulated ethical actions of officials and public organizations. Ethics are rarely taken into account by researchers of the culture of public organizations in Poland.

#### **4. Conclusion**

The research reported in this paper has examined organizational culture in public organizations, looking at both traditional and new approaches to this field.

The essence of the specific culture of public organizations can be explained well by analysing it in the context of various models of public management. These include the internal components of the organization, relationships seen in the context of bureaucracy, the model of new public management and organizational culture change, as well as the model of public governance and public service, and also the inter-organizational culture of cooperation.

In various public organizations, the organizational culture usually has a tendency to undergo further changes caused by ambient pressure. Regardless of the specific characteristics of a given public organization, generally speaking the contemporary culture of public organizations (viewed in comparison to business and non-governmental organizations) is currently distinguished by: the law as the primary basis of decision-making, a higher degree of formalization, greater stability-orientation, the presence of a certain degree of autonomy for internal purposes, and

sensitivity to the ethical aspects of basic assumptions, norms, attitudes and organizational behavior.

Opportunities for improvement should be sought primarily through a more detailed study of cultures, including interrelations between the fundamental assumptions and the distinctive characteristics of the major models of public management and identifiable standards, organizational attitudes and behaviors.

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## Culture in management from the perspective of cultural discourse in the social sciences

**Abstract:** *The development of the cultural concept of organization and management is a part of a broader thought concerning the study of culture in the social sciences and humanities. There are numerous complex relations between management and other sciences such as sociology, social psychology etc. The subject of the article is the historical analysis of a cultural trend in management in relation to changes in the theory of culture.*

**Key words:** *historia nurtu kulturowego, kultura w zarządzaniu, kultura organizacyjna, porównawcze badania kultury*

### Introduction

The development of the cultural concept of organization and management is a part of a broader thought concerning the study of culture in the social sciences and humanities. There are numerous complex relations between management and other sciences examining culture. Organisation researchers draw from the works of sociology, cultural anthropology, social psychology, history, development economics and behavioural economics, cultural studies, linguistics and many other disciplines. At the same time, representatives of other scientific disciplines make use of the ideas and research located within the cultural discourse in management. The subject of the article is the historical analysis of a cultural trend in management in relation to changes in the theory of culture.

## Concept of culture in science

Reflection on culture dates back to the 18th century, when the Romantic philosophers began to deal with civilisation's development, ideas of national cultures and the dichotomy between culture and science. A catalyst for the development of the concept of culture was the controversial philosophy of J.J. Rousseau, who criticised the Enlightenment ideas of civilisation, glorifying the natural state. Representatives of German and British Romanticism, such as J. G. Herder, W. von Humboldt and A. Bastian, undertook polemics with Rousseau. Bastian proposed understanding culture as the 'psychic unity of mankind', gathering universal ideas (*Elementargedanken*), which within national cultures are accompanied by local ludic ideas (*Völkergedanken*) [Bastian 2009]. M. Arnold defined culture with the categories of civilisation order, juxtaposing it with anarchy, which was a reference to *Leviathan* by T. Hobbes [Matthew 1993]. In the second half of the 19th century, the Social Darwinism approach dominated the view on culture. The philosophy of H. Spencer and F. Galton, and L. H. Morgan's ideas of cultural evolution and religion evolution presented a distorted image of cultural development, from primitive to sophisticated forms, an example of which was supposed to be enlightened white Europeans being members of the power elite [Raymond 2000, p. 186-199]. In the 20th century, the cultural thread became the core problem of the social sciences and humanities, which is still relevant at the beginning of the 21st century.

## First cultural trends in management

The cultural issues were not significant to management at the first stages of development back then. Representatives of the schools of scientific management and administration did not examine culture and did not theorise about it. In fact, both F. W. Taylor and H. Fayol assumed only some general cultural assumptions that, according to critics, consisted in consolidating the social structure and order (*status quo*) built around the new power-wielding class – technocratic managers (supervisors, directors) [Monin, Barry, Monin 2003, p. 377-401]. This was related to the 19th-century concept of elite culture, which today is often subject to critical, not always balanced judgements [Locke 1982, p.14-24]. F.W. Taylor began his *Principles of Scientific Management* with a patriotic call for undertaking work on 'national effectiveness', indirectly linking the categories of management to the national community and its cultural values [Taylor 1911]. H. Fayol moved even further towards variables related to culture, including *esprit de corps*, among his management rules; this 'team spirit' was supposed to be a source of harmony and cooperation. It seems

that the *esprit de corps* concept might be considered as a pioneer concept of organisational culture, or a pre-cultural concept in management [Fayol 1917].

Interest in cultural processes increased with the school of social relations, the originator of which is commonly believed to be E. Mayo. Using the results of the famous Hawthorne experiment, Mayo noted meaning in management: a workers' team, understood as a group based on a social bond, feedback between subordinates and superiors, effective and individual leadership [Sonnenfeld 1985, p. 125], sensitivity to the employees' emotions and soft skills training [Dubrin 2007, p. 2]. What links Mayo's and Roethlisberger's concepts to the cultural current is the attention to values within a social group and the social nature of the process of management. In the Hawthorne experiment, workers adjusted their pace of work and involvement less to individual reward systems, and more to the mutual social relations, values and norms they believed in. Mayo also noticed that management is not a purely technical process (social engineering), but mostly one of social and psychological influence. This was criticism of a hard school of scientific management, which marginalised the social sphere of organisations [Anteby, Khurana: [www.library.hbs.edu](http://www.library.hbs.edu) (28.07.2012)]. However, the school of social relations also included more compromises. H. S. Dennison developed a concept of relating managerial control, drawn from scientific management, to the workers' needs and social group dynamics, which is a subject of the school of social relations [Kyle, Dennison, Mayo 2006, p. 177-199]. Ideas similar to organisational culture also appeared in the interwar period in the works of the psychologists and sociologists un-related to the school of social relations, such as K. Lewin, R. Lippitt and R.K. White (social climate) [Lewin, Lippitt, White 1939, p. 271-301], which indicates that this was the time when the issue reached the point where more in-depth analyses could be carried out.

### **Paradigms and schools**

Before the Second World War, the maturation process of cultural issues in management took place in a context of the quick development of the functionalist and interpretative theory of culture. Due to tragic historical experiences of the 20th century, the simplified and racist 19th century vision of culture in the form of Social Darwinism was rejected. Cultural anthropology was derived from universalist perspectives in culture research, but gradually reached cultural relativism. A similar process, sometimes called a 'linguistic breakthrough' or the Sapir-Whorf hypothesis, took place in linguistics and sociology [Sapir 2002]. The other epistemological axis of analysis remained the

issue of cultural universalism. Some researchers, mostly from the school of F. Boas, and then R. Benedict and M. Mead, were in favour of the particularism approach, which worked in accordance with the assumptions of symbolic interactionism, proving that cultures form 'wholes' as such (*gestalt*<sup>1</sup>) and cannot be generalised in research [Boas 1940, Mead 1928, p. 298, Benedict 1934]. The line of cultural universalists was also developed by functionalist, and then structuralist schools looking for the universals of culture. The most important representatives of structural functionalism were B. Malinowski, A.R. Radcliffe-Brown and E.E. Evans-Pritchard [Malinowski, Hill, Carolina

1944; Radcliffe-Brown 1952; Evans-Pritchard 1940]. Thus, already before the Second World War, two opposing epistemological perspectives had formed within the social sciences: interpretivism, postulating cultural relativism and particularism, and functional structuralism, based on cultural universalism and realism. This opposition was maintained in the following decades in the form of the opposition between structuralism [Levi-Strauss 1958, Parsons 1st edition, p. 120] and post-structuralism [Barthes 1967, Lacan 1977, Foucault 1975]. At the turn of the 1960s and the 1970s, the dominant paradigms in cultural anthropology were the interpretative-symbolic and post-structuralist approaches reflected in the words of C. Geertz, who said that people are entangled in webs of meaning that are of their own making, and examining culture is an interpretative science, consisting in looking for meanings [Geertz 1973, p. 5]. In the understanding of culture, relativism and particularism take the form of post-structuralism, and then postmodernism, which is expressed in the development of cultural studies. In the 1970s, thanks to S. Hall [Hall, Walton 1972] and R. Williams [Williams 1981; Williams 2005], a neo-Marxist critical current of cultural research crystallises, using the assumptions of radical structuralism. It makes use of the intellectual base of the Frankfurt School, P. Bourdieu's sociology, radical feminism and the neo-Marxism of A. Gramsci and L. Althusser, developing a method of critical cultural studies which analyses culture in an involved way as a source of inequality, violence and a method of preserving the unjust *status quo* [Bourdieu 1965].

One of the key sources of the development of the culture theory was an increase in the significance of intercultural contacts related to the development of communication techniques, and then to the progressing globalisation process. Many organisations which function in an international context met specific problems of intercultural management. A great cultural challenge of the second half of the 20th century was also decolonisation and globalisation. This is why,

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<sup>1</sup> A term drawn from gestalt psychology meaning 'the whole' – D. Hothersall, *History of Psychology*, McGraw Hill, chapter seven, 2004

comparative intercultural research began to quickly develop as early as in the 1930s, serving the pragmatic of reducing communication problems and conflicts in intercultural communication. One pioneer of intercultural research was G. P. Murdock, who conducted the first comparative statistical studies of cultural behaviour [Murdock 1967]. The key figure in the development of a pragmatic current in intercultural research was E. T. Hall, who gained intercultural competence through consulting work for the American administration [Hall 1959]. The concepts of cultural dimensions and disparities [Hall 1976] became the subject of other research, leading to projects which were fundamental to the cultural current in management, conducted by G. Hofstede and other researchers assuming the cross-cultural perspective [Hofstede 1994].

### **Theory of culture in management**

The birth of organisational culture theory as such took place after the Second World War. E. Jacques used this expression mostly in relation to the analysis of a workplace atmosphere (organisational climate) [Jaques 1951]. In the 1950s and the 1960s, there was little research into culture in management, and it was treated as a marginal issue. The main current of research was connected with the relationships between culture and change [Adams 1951, pp. 185-189; Davis 1967, p. 3-21], organisation development [Gouldner 1960, p. 468-490; Bidwell 1957, p. 163-181], leadership [Bordua, Reiss, Command, 1966, p. 68-76; Argyris, 1954] and human resources management [Friedlander, Margulies 1969, Adams 1951, p. 185-189]. For example, A. Bavelas, analysing organisational change, also referred it to 'organisation-specific culture' which is distinguished by, among others, rituals which influence the process of adaptation of new employees [Bavelas 1948, p. 48-52]. Thus, for two decades, cultural issues in management developed in two currents: on the one hand, a functionalist and narrowed understanding of culture as organisational climate [Argyris 1958, p. 501-520], and on the other, a comparative research into cultures developed [Oberg 1963, p. 129-143; Hall, Whyte, p. 5-12]. Already at this stage, epistemological reflection on management appeared, leading to a diagnosis of multiplicity and incoherence within the theory of culture and organisation [Roberts 1970, p. 327-350].

Starting in the 1970s, comparative intercultural research developed, a large part of which was related to managerial problems. There was an especially rapid increase in the number of publications after 1980 – the year of publication of G. Hofstede's first book containing results of comparative research into cultures, which were widely implemented by management everywhere [Hofstede 1980]. A number of intercultural comparative projects appeared, exploring different

aspects of organisation, starting from the relations between culture and effectiveness, through leadership, to change management. The pragmatic current of intercultural management initiated by E. T. Hall resulted in a number of methods improving competence and training programmes [Fiedler, Terence, Harry 1971; Gudykunst, Hammer, Wiseman 1977, pp. 99–110]. Apart from the scientific work, there were also more and more business guides taking intercultural issues into consideration [Van Zandt 1970]. The whole comparative research model is based on functionalist assumptions and makes use of standardised and representative survey methods. Also today, it is a very important current of cultural research, both in management and other social sciences. The most significant researchers include G. Hofstede, A. Trompenaars and C. Hampden-Turner, R. House and R. Inglehart [Hofstede 1984; Hampden-Turner, A. Trompenaars 1998; House, Hanges, Ruiz-Quintanilla 1997, p. 215–254; Inglehart 1997]. At the moment, issues concerning globalisation and multiculturalism are key to the current of comparative intercultural research.

At the beginning of the 1980s, the concept of organisational culture also became more important. This was probably a result of a number of elements, related both to the logics of the development of cultural discourse in management as such, and to external factors. A rapid increase in interest in comparative intercultural studies drew the attention of numerous management researchers and practitioners to the increasing role of intercultural communication. As a result of globalisation and the opening of a number of economies that previously tended to be autarkic, managers became commonly interested in cultural issues. G. Hofstede believes that one of the reasons for the explosion of the issues related to organisational culture is the confrontation between American and Japanese models of conducting business and all the intercultural problems this entails [Hofstede 1986, p. 253–257]. An important experience for American business was their shock at how competitive Japanese products are on the American market. The Japanese, although their management models are radically different, being based on collectivism which is the opposite of the American belief in individualism, achieve spectacular success in business. Thus, the myth of American management understood as *one best way* was debunked and substituted by the awareness that organisation is culture-conditioned. Another reason is the increase in the popularity of cultural research within the social sciences and humanities, related to new, sometimes completely different perspectives on the understanding of culture (like postmodernism and socio-biology). The theory of organisation and management witnessed slow exhaustion of the possibility of applying a systemic perspective, which at first did not even include culture as a sub-system [Sułkowski 2001]. At first, many management specialists thought that culture would be a remedy to the

problems of theory and practice of management. Research and publications which assumed a broad, functionalist understanding of organisational culture became very popular among both theoreticians and practitioners. A large number of authors use the approach to organisational culture as an internal variable including, for example, E. Schein, C. Handy, T. Deal and A. Kennedy, P. Bate, A. Pettigrew [Deal, Kennedy 1982; Handy 1999], as well as the key representative of the current of comparative intercultural research – G. Hofstede. Some of Hofstede's concepts of organisational culture, such as 'the iceberg' [Selfridge, Sokolik 1975, p. 46-61; French, Bell 1979] or 'the onion model', became so popular that they spread to broad public opinion thanks to popular literature [Hofstede 1994]. The peak of their popularity was a bestseller by T. Peters and P. Waterman, which placed the values of organisation in the centre of the proposed '7S model' [Peters, Waterman 1982]. The dominant functionalist approach to culture assumed that it can be changed with the use of organisational techniques. This optimistic approach to the issue of cultural changes was verified by practice, with many experiences of the programmes of culture transformation often leading to surprising results. Culture, later also in the opinion of some researchers whose starting point was functionalism, turned out to be too amorphous and poorly known to become the basis for the development of a management theory understood in neopositivist terms.

### **Alternative paradigms of culture in management**

A reflection of the increasing scepticism concerning the functionalist perspective on culture was the development of interpretative-symbolic perspective. Researchers such as G. Morgan, G. Burrell and L. Smircich proposed viewing organisation from the perspective of culture understood interpretatively [Smircich 1983, pp. 339-59; Morgan 2006]. This approach used the output of the symbolical interactionism paradigm in sociology, cultural anthropology and other social sciences to describe the phenomenon of organisational culture. This meant focusing on understood anthropologically, individual and un-generalised case studies, which were supposed to grasp the meaning of organisation. Researchers using the concepts related to the interpretative current of understanding culture are: L. Smircich [Smircich 1983, pp. 339-59], N. Brunsson, J. Van Maanen, M. Pacanowsky, G. Morgan, M.J. Hatch, I.L. Mangham, M.A. Overington, C. Eden, C. Ouellet, P. Cossette [Ouellet, Cossette 1999]. With time, the interpretative current became very diversified in its interests, incorporating the works of organisation researchers who previously had not focused on the theory of culture in management, such as K. Weick [Daft, Weick 1984, pp. 284-295].

Another cultural current, which appeared in management as a result of inspirations from the humanities, was postmodernism. Postmodernists extensively criticised functionalist, universalist and objectivist perspectives on culture, proposing instead the concept of a non-fundamentalist discourse based on methodological anarchy. The flagship postmodernist ideas, such as deconstruction, simulacra and meta-narrations became very popular. Some authors also used popular metaphors of organisational culture, such as theatre, root and Panopticon [Deleuze, Guattari 1972; Foucault 1995]. Following the precursors of postmodernism and postmodern philosophers, such as M. Foucault, P. Feyerabend, R. Rorty, and J.F. Lyotard, attempts at objectivist research into culture were criticised, and the ideas of cultural imperialism of modern science were raised. Postmodernism is an anti-methodological orientation, and rare attempts at using postmodern methods included deconstruction and glossing, both being more essay-writing than scientific work. Some authors who were previously interested in non-fundamentalist and anti-functionalist approaches to organisational culture became postmodernists, including S. Clegg, G. Burrell, R. Cooper, B. Czarniawska-Jorges, M. Kostera, M.J. Hatch P. Engholm, D.M. Boje, R.P., Jr, Gephart, T.J. Thatchenkery [Engholm 2001, Boje, Gephart Jr, Thatchenkery 1996, Welge, Holtbrugge 1999, p. 305-322, Burrell, Cooper 1998, p. 91-112]. Moreover, many researchers and practitioners used metaphors and other concepts set in postmodernism. From the point of view of management science as a whole, postmodernism did not become a significant current. However, it is worth noting its presence in the cultural current of management. In management, postmodernism is often confused with the interpretative approach and the critical current, while differences between them are very important and concern both epistemological and methodological spheres. More about the differences between non-functionalist paradigms in cultural research can be found in the following chapters. Radical postmodernism was heavily (and in most cases justly) criticised by the academic environment due to its irrationality, epistemological relativism, lack of strict scientific discipline and conceptual vagueness [Chomsky on Post-Modernism, <http://www.cscs.umich.edu/~crshalizi/chomsky-on-postmodernism.html>, 10.08.2012; Sokal, Bricmont, 1998]. As a result, postmodernism slowly withered in science, including the cultural discourse. Some researchers believe that a loss of significance in the case of postmodernism also means an increase in the significance of realistic approaches to culture in management [Reed 2005, p. 1621-1644].

The most recent current of research into cultural processes in organisation is the critical perspective (Critical Management Studies – CMS), although it has its roots deep in the past. By the 19th century, K. Marx had already described the

exploitation of workers in capitalist factories and bourgeois culture built on this basis. CMS representatives draw from neo-Marxism, the works of the Frankfurt School and radical feminism. G. Morgan, in his images of organisation, describes a metaphor of organisation interpreted as a 'mental prison', quoting a number of currents that are critical of the dominant business culture: opposition to dehumanisation, a lack of responsibility, exploitation of poor countries by rich ones, a lack of corporate social responsibility, wasteful exploitation of natural resources and destruction of ecosystems [Morgan 2006]. According to the representatives of the critical current, all these problems of the exploratory culture of modern business are system-conditioned and are not individual cases. Culture, in the understanding of the radical current, is a power-wielding tool. The first author who undertook the issue of organisational culture from the critical perspective in 1993 was M. Willmott, who described organisational culture as a kind of ideology, false awareness, psychomanipulation and social engineering, the aim of which is to maintain the *status quo* in the form of workers' exploitation [Willmott 1993, p. 515-552]. The following years saw publications by M. Alvesson, D. Knights, J. Brewis, J. Gavin, A. Prasad, which elaborated on the critical view of culture in management [Alvesson, Willmott 1996; Knights, Willmott 1987, p. 40-63].

## Summary

Culture management is an important issue and at the same time open all the time, both in terms of theory and practice. The essence of the problem is related to the importance of the organization as a whole. Culture is a universal medium in which people operate, and in which organizations are immersed. It is the basis of all processes: communication, governance and evaluation, in the world of people and organizations. Culture also remains open and ambiguous phenomenon.

Cultural theory in management sciences is a reflection of cultural theory in science in general. Therefore, all the considerations of organizational culture or cross-cultural comparative research organization should be conducted in the context of cultural discourse in the social sciences and humanities.

Shaping the organizational culture brings axiological aspects, aesthetic and praxeological. It is evaluative activities, carrying ethical and moral content. Building identity of organizations around specific values carries implications for all stakeholders. The key is to answer questions about the development the values and norms taking into account social responsibility, sustainable development orientation and the personal treatment of employees and other stakeholders.

Axiology of organizational culture is associated with the implementation of the idea of “good” and the aesthetics focuses on art and the idea of “beauty”. Aesthetics is the key to understanding the culture, which is also activity related to the creation of beautiful or its antithesis. It is difficult, therefore, to state that the organizational culture which is the derivative of culture would be completely devoid of aesthetic ideals. Aesthetic topics, though still marginal in management, are more likely to occur precisely in relation to organizational culture. Anthropology of organizations becomes increasingly a canvas representing a kind of documentary texts that create an organizational literature. Creating organizational stories and role plays and performances is used in the diagnosis of culture [Brown, Denning, Groh, Prusak 2005; Rosen 1991, p. 1-24].

Praxeology of organizational culture is focused on the analysis of organizational culture from the viewpoint of the efficiency of the function. It is linked to the practical nature of the problem, which may differ the study of organizational culture from the analysis of culture in general. Cultural studies do not need to be oriented praxeologically, culture and research, at least those which are the subject of management studies should.

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## HR challenges in China

**Abstract** *The fast pace of growth and change in China brings with it unique challenges among others for the Human Resources (HR) function. To keep up with rising business demands, the HR function in China has begun undergoing a transformation of its own. The aim of the article is to identify and analyze the main challenges for the Human Resources function faced by foreign companies operating in China.*

**Keywords:** *HR in China, management in China, TNCs in China, Cross-cultural management in China*

### Introduction

Fueled by a period of explosive growth, China has successfully transformed its role in the global economy. Today, China has expanded beyond manufacturing and emerged as an important player in the information age, adding software, hardware and service solutions to its well-honed manufacturing capabilities. It is hard to pick a country that has successfully undergone such a radical transformation in such a short period of time. However, the fast pace of growth and change brings with it unique challenges among others for the Human Resources (HR) function. To keep up with rising business demands, the HR function in China has begun undergoing a transformation of its own.

### Human Resources

“Technology, a global economy and a shrinking work force are among factors that have converged to push HR managers to the forefront. And while no one really knows what lies ahead for business in the 21st century, futurists say one thing is certain – human resource executives will play a vital role in helping companies compete.” (Calandra, 2000). HR executives are asked to look ahead

and project what things need to be taken care of to enable their company to compete effectively. They will be making suggestions regarding compensation planning, recruiting and retention strategies, training programs and a number of other strategies and programs in an attempt to beat competition. To enable them to do it effectively, it is critical that information regarding current trends be immediately available for analysis and forecasting.

Human resources are one of the most important factors in economic and social development, and are playing an increasingly important role in China's modernization. Nevertheless, one of the main problems is certainly the experience within the HR industry. Relatively new to China and it makes it difficult to find qualified, experienced and professional people suitable to full fill the roles of HR professionals. MNCs by selection and evaluation of candidates within the field can certainly improve the quality business on that matter. In the new century, China has made a major decision to rejuvenate the nation through human resources development, aiming to train millions of high-quality workers, millions of professionals and a large group of top-notch innovative personnel.

### **Management Style**

It is recognised that the recruitment, development, and retention of competent and high-performing Chinese professionals and managers is a challenge and a problem for foreign firms operating in China (Child, 1991, 1994; Osland & Cavusgil, 1996). Surveys indicate that the management of human resources tends to be quite a big challenge for Western companies in China (Southworth, 1996). One of the essential questions facing multinational corporations in China is whether they should implement their global human resource management policies or, whether they should rather adapt the management of their human resources to the Chinese culture and local HRM practices. In China, modern management has been understood more as a body of quantitative techniques than as a way of thinking and acting. (Borgonjon & Vanhonacker, 1992; Nyaw, 1995)

Another perspective worth considering is the staff - their needs may be quite different from that of the management group wants. Even if the HR manager can act like a business/strategic partner, does it meet employees needs? Thus, another challenge HR faces is to serve as the interpretor and 'bridge' between local staff and regional/global HQ and to be able to move swiftly and adeptly between these 2 roles.

The Western and Chinese HRM models differ in several ways. The modern Western notion of HRM views employees as a valuable resource to be effectively

managed. It attaches great importance to systematic recruitment and selection, training and development, close attention to motivation through personal involvement and participation in work and its organizations, appraisal and progression procedures and incentive schemes. (Child, 1994: 157). This concept is seldom found in Chinese companies (Warner, 1993, 1995; Child, 1994). Furthermore, whereas the main role of the HRM function in Western companies is to provide service to the management, in Chinese organizations it tends to be geared towards maintenance of control (Child, 1994)“.

### **Trade Unions**

Trade unions, and the governing party play an important part in how employers interact with their staff. Employers are legally obliged to consult with unions whenever large-scale changes are being considered. The formulation and amendment of certain policies, retrenchments, and changes to standard working hours all require union-level talks.

### **Talent shortage**

The biggest Challenge faced by MNCs operating in China is still finding and hiring highly professional people, particularly in middle management level. Jonathon Taylor, HR Director for Coca Cola China, says finding good professional-level talents is a constant pressure. “The war for talent is consistent across all industries”. “We’re still looking for five to ten years’ international experience (for senior positions) - that’s the biggest derailleur.” ([www.hrmasia.com/country-reports/still-burning-bright-hr-challenges-in-china/36462/](http://www.hrmasia.com/country-reports/still-burning-bright-hr-challenges-in-china/36462/))

“Multinationals are clearly emphasizing the significance of localizing their organizations in China, but the talent management challenges are formidable. Top local talent is scarce but critical. Chinese companies, rather than multinationals, are becoming more attractive places to work. In addition, China’s “cultural distance” from the home countries of many multinationals operating in the country is great. Several multinationals have left China because they could not navigate these issues successfully. For the multinationals that remain, talent management -- specifically recruiting, developing and retaining top local talent in China’s large, complex and rapidly growing economy -- has been over the past decade, and will undoubtedly continue to be, a major focus for success.” (Nie, Xin, 2009, p. 113)

Compensation costs for leader have been soaring recently but the quality of managers and leaders are not enhanced responsively. The reason is that in the last years Chinese economy has been growing so fast; there was no way

to find enough qualified leaders. Many of them, because the lack of a better option, were promoted less prepared. Now those leaders are now in their 40s, with not much business acumen, customer focus and people development awareness. True talents who are professional, visionary, people and customer oriented are scarce.

MNCs in China need a specific type of talented employee. The profile looks as follows the young, upwardly mobile Chinese professional with advanced technical skills and a solid understanding of international management techniques. They are also expected to possess strong foreign language skills, initiatives, and strategic mindset. However, MNCs have extreme difficulties in finding these people. The supply of this type of employee is small in the market, since China just has a short history of market-oriented economy to foster them. Second, the market competition for such talent is fierce.

The Chinese universities and colleges have traditionally focused too much on students' "academic skills which motivated students mostly to strive for high scores in exams. However, such education failed to cultivate students' creativity, willingness to risk-taking, leadership, teamwork and other "soft" qualities and skills that most MNCs would require in the real business world. As a result, although the number of graduate students rises consecutively every year, MNCs have not seen a corresponding increasing pool of qualified talent.

Studies indicate that managerial training programmes are rarely given to locals. The particular shortages mentioned most often are lack of creativity, aptitude for risk-taking, and of an ability to manage other people. Most severe talent shortages include:

- Leadership/ Profit & Loss Experience
- Project management skills
- Marketing
- Sales
- Specialized technical skills

### **Staff retention**

Another important factor worth mentioning is the high-turnover rates. Economic growth and new government policies provided more options and for that reason, some companies have to pay more and offer better conditions to recruit and retain workers. The lack of employee culture has an impact on them leaving their employer, even for a small increase in salary, and working for another company. Promoting from within the company, setting clear and achievable goals for employees at all levels, and having a mentor programme are all initiatives that can increase the levels of employee's morale and motivation.

Retention is much cheaper than recruitment. Finding a way to retain staff would lead to higher levels of service as employees become more knowledgeable and experienced over time. MNCs are battling to provide effective retention packages including diverse health related insurance types and housing support. Table 1 illustrates effective retention tools for Chinese workers.

**Table 1** Effective retention tools.

<b>Effective Retention Tools</b>	<b>Year of Service</b>
Training, Education Reimbursement, Career Development, Housing Benefits	Up to 5 years
Exposure to Senior Management, Training, Career Development, Housing Benefits	5 – 10 years
Retirement Benefits, Medical Benefits, Work/Life Balance, Long term incentives, External Recognition	Over 10 years

*Source: Hewitt Associates, <http://www.aon.com/human-capital-consulting/default.jsp> (06.09.2012)*

## Law

In China, nothing is certain. The law is constantly changing, not to mention the changes in the local environment, business and administration. Many local authorities have a policy of openly discriminating visitors to protect their labour market from the competitors. Short-lived legal institutions connected to the supremacy of the party results in a clear weakness of the law and lack of respect in society.

## Performance appraisal

In Western companies, performance appraisals are typically focused around an annual interview between the individual and his or her superior, sometimes with HRM people taking part (Sparrow & Hiltrop, 1994). In Chinese enterprises, the person in question usually does an annual written self-assessment. The opinions of colleagues, subordinates, and the superior are seen as important. One-to-one interviews with the boss are quite uncommon (Easterby-Smith et al., 1995).

## Communication

Taking into consideration the fact that Chinese culture is influenced by two philosophies namely Confucianism and Buddhism it indicates that the Chinese are calm people that value the harmony and the family life. In Chinese society interpersonal behaviour pattern is based on hierarchically structured network of social relations - guanxi. They are created by doing and repaying favours within social connections and used to influence people and benefit from established relationships. Guanxi may also be of importance within organizations in the sense that good personal relationships can promote a more open and frank communication between managers and their subordinate and colleagues. Another important factor is the fact that Chinese workers seldom ask for any favours and if they do, it is done quite indirectly. By doing so they narrow managers' knowledge of what they may want or need. It is also hard to motivate them as they don't accept complements or commendations. They also do not talk much about their emotions and feelings and they aren't always allowed to have their say. Depending on the position occupied in the organisation Chinese employees can only express opinions that positions they hold. Chinese style of communicating and making conversations is different from how other countries do that. Chinese hardly ever use expressions that may seem offensive or unpleasant for the person they talk to as it could lead to conflicts. They almost never show their dissatisfaction and always avoid saying negative words by speaking indirectly. The concept of saving one's face is deeply embedded in Chinese culture and for many MNCs it's not fully understood. Being modest and constant apologising makes it easy to keep face, in a way it makes up for all the personal imperfections. Their everyday and business communication often involves mentioning their partner's accomplishments, treating them with the appropriate etiquettes such as gifts giving as well as frequent apologizing.

## Summary

The growth of China as one of the world's most powerful nations presents very unique opportunities for MNCs. Role of culture in management gains in importance (Sułkowski, 2002). Companies that understand cultural nuances, hire the appropriate professionals, are flexible and can create a sort of a cultural fusion without changing the core values will be successful. The specificity of Chinese labour market poses key challenge for the success of the MNCs business operations in China. Main of them are the shortage of top talents with an international experience, the current labour and legal restrictions for

recruitment and retention policy implementation. MNCs have to face those challenges to attract, recruit and retain their talents, adapt the related policies to the local institutional environment.

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## The Shaping of Intercultural Communication Through Business Relations

**Abstract:** *Globalization and rapid changes in the operating environment of contemporary organizations have led to fundamental changes in their functioning and development. The number of interactions initiated by businesses continues to increase. Companies are increasingly likely to initiate business contacts with partners on international markets. Business activities are no longer confined within national borders. Market actors enjoy full freedom of developing and entering new markets. The success of those measures is largely determined by effective intercultural communication. This article analyzes the existing views about the effect of organizational culture, national culture and communicative competencies on the development of an intercultural communication model. This problem will be discussed based on international research findings, and it will be exemplified by business communication standards observed in Japan.*

**Keywords:** *communication, national culture, organizational culture, business relations, communicative competencies*

### Introduction

Organizations have to establish strong relations with culturally distinct partners to maintain their global competitive advantage. In order to build such bonds effectively, companies have to improve their intercultural communication skills. International communication is a complex process which has to be managed effectively to foster an understanding of global business relations. Those relations are characterized by a diversity of forms and distinctive features. New business structures such as clusters and co-opetitive models are excellent examples of different approaches to business organization and operating principles. In both models, companies simultaneously cooperate and compete with their market rivals to achieve competitive advantage. Although

those interactions seem to be contradictory, they deliver a wide range of benefits for both parties, including access to a partner's resources which, through synergistic effects, supports the development of global competitive advantage, acquisition of new skills and competencies, the opportunity to venture into new markets, including international markets, reduced transaction costs and risk, greater innovation capability and, consequently, improved performance and profit generation [Romaniuk K., 2012, pp. 75-86]. These are only some of the advantages of a co-opetitive business model. EU programs encourage businesses and organizations to enter into various forms of cooperation involving clusters and co-opetitive models, both nationally and internationally.

Business interactions in the global arena require considerable effort on the partners' behalf as regards intercultural and national communication. In the last 20 years, researchers have attached growing significance to the effect of culture on business principles, values, communication styles and practice. They observed that cultural diversity which accompanies globalization applies to all aspects of international business [Frey-Ridgway S., 1997, pp.12-23]. For this reason, this article analyzes the existing views about the effect of organizational culture, national culture and communicative competencies on the development of an intercultural communication model. This problem will be discussed in view of international research findings, and it will be exemplified by business communication standards in Japan.

### **Nature of intercultural communication**

Although intercultural communication research dates back to the period marking the end of World War II and the creation of the United Nations Organization in 1945, the term was first used in the 1950s by E. T. Hall in his book *The Silent Language* [Otten M, Geppert J., 2009, p. 3]. With the advance of globalization, intercultural communication seems a highly pertinent issue in the contemporary world.

The term is rooted in social psychology, international relations, linguistics, anthropology and rhetoric, but it can also be exemplified by practical applications, including intercultural training, teaching of English to foreigners and international consulting, etc. [Gudykunst W.B., 1985, p. 99].

Intercultural communication is often defined as "communicative relationships between people or groups originating from various cultural environments" [Baldwin J.R., Hunt S.K., 2002, pp. 272-286, Barnet G., Lee M., 2002, pp. 275-290]. The above definition is highly generalized, and it fails to describe the specific features of such relations or the course of their development in view of cultural differences separating the partners. A more

precise definition of intercultural communication was proposed Porter, Samovar and Jain who described it as “producing, transmitting and interpreting symbols through verbal and nonverbal channels between people with different national cultures” [1981, p. 177]. This definition addresses the problem more broadly by recognizing that communication is a process. This approach implies the need for a discussion about the sender and the recipient, communication channels, interpretation which is consistent with the sender’s intentions which, in turn, are determined by his or her ability to encode the message (symbols), etc. In the communication process, errors can be easily made in each of the above categories. This can be illustrated with a German phrase used by President John F. Kennedy during a speech delivered in West Berlin. Kennedy probably made an error by saying “Heute, ich bin ein Berliner” which can be translated as “Today, I am a jelly doughnut”. The American president meant to say “I am a Berliner” or “I am a person born in West Berlin”, but the term “Berliner” is used colloquially to denote a jelly doughnut in various parts of Germany. Another example is Chevrolet’s promotional message for a compact car in Latin America. Chevrolet used the phrase “No Va” which literally means “doesn’t work” in Spanish [Jandt F.E., 2001, p.2]. These examples illustrate that the cultural context in which both partners operate has to be thoroughly understood for business relations to flourish.

An interesting definition of intercultural communication was proposed by Knapp and Knapp-Potthaff who made a reference to the place in which partners introduce into their relationship a specific (from the point of view of their membership in a social and cultural group) knowledge that is of key significance for “normal” verbal and nonverbal interpersonal relations, regarded as indispensable features of the communication process [1987]. The above definition is closely related to the general concept of culture. A similar approach was adopted by J. Allwood who saw culture as a crucial determinant of intercultural communication. His definition of the term focuses on communication, a process of sharing information and knowledge, as well as the level of awareness in interactions between people representing various cultures. According to Allwood, cultural differences result from nationality as well as from participation in culturally diverse activities [1985].

The presented approaches to the concept of intercultural communication and a review of published sources support the formulation of several conclusions. Firstly, the cited definitions share certain elements. All authors stand in agreement on the rudimentary components used to build their definitions, namely culture and communication as a process. Secondly, the authors were also in agreement as regards the nature of intercultural communication which is based on relationships between culturally distinct partners. Thirdly,

many researchers did not define the concept of intercultural communication, instead, they focused on factors which determine this process. Those factors will be reviewed in successive parts of this article [see also: Spinks N., Wells B., 1997, pp.287-292, Harvey M.G., Griffith D.A., 2002, pp. 445-476]. Fourthly, intercultural communication is an interdisciplinary concept that draws upon multiple fields of study.

### **Determinants of intercultural communication. A proposed model**

In the light of the reviewed studies, there are two principal aspects determining intercultural communication: cultural factors and communicative competencies. The former deals with the extensive concept of culture in general, with hundreds of definitions being proposed in literature. For the needs of this article, the author will first differentiate between two types of culture and will then proceed to describe their nature in detail.

The success of long-term business relations is determined by every partner's willingness to invest in the development of effective communication. Without efforts to learn about each other's culture, the exchange of information and knowledge will be limited, and the sender and the recipient will be unable to fully benefit from their relationship. The cultural framework should be analyzed from the point of view of a nation as well as an organization. National culture encompasses values, beliefs and tenets which define the life style of social groups and populations by relying on fundamental concepts that had been conveyed to individuals in early stages of development [Griffith D.A., Harvey M.G., 2001, pp. 87-103]. National culture is not only rooted in daily life, but it also shapes the way reality is perceived by a social group, it describes mutual relationships, the roles played by individuals, their mutual obligations and duties to an organization. Factors such as social customs, space, friendship, cohesion, time, social class systems, religion, gender, ethical norms, individualism and society's attitude towards those values, which vary extensively across national cultures, play a key role in shaping effective intercultural communication [Wells B., Spinks N., 1994, pp. 302-309].

Although national culture has a direct bearing on an organization, the culture of an organization is manifested by the cultural standards of its members, its principles, operational process and procedures. National culture has an unavoidable influence on organizational culture. Members of an organization transfer their own cultural standards to corporate ground, thus participating in the process of cultural modification. Organizational culture is perceived as a set of shared values, behaviors and beliefs that foster an understanding of a company's operating principles and norms shaping the behavior of its employees

[Griffith D.A., 2002, p. 257]. It amalgamates the culture of a nation with that of the communities present in the organizational environment. Interactions between both cultures may improve or limit communication effectiveness, therefore, they should be regarded as key elements in international business relations.

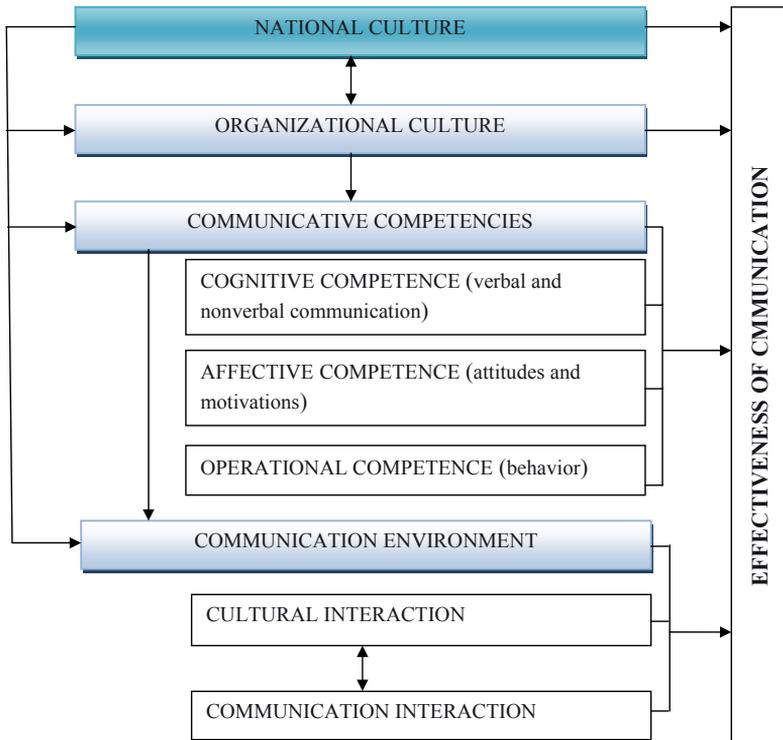
The second determinant of intercultural communication are communicative competencies. They can be defined as a set of communication skills and knowledge which contribute to the establishment of effective communication with business partners representing diverse national and organizational cultures [Cui G.S., Van den Berg S., Jiang Y., 1998, pp. 69-85].

Y.Y. Kim identifies the following types of communicative competencies: cognitive, affective and operational [1991, in: Griffith D.A., 2002, p. 258-261]. Cognitive competence is the ability to understand the meaning of verbal and nonverbal language. It relies on psychological concepts rooted in an individual's internal system of values which affects his or her ability to interpret information obtained from others in the communication process. Affective competence makes a reference to human emotions and esthetic tendencies. The existing concepts, unconscious attitudes and motivations determine the way we interpret information obtained from people representing various cultures. Operational competence is the ability to flexibly respond to a communicated message.

Communicative competencies are based on a cross-cultural understanding of communication processes between business partners. No two national and organizational cultures are identical, which is why specific communication and cultural protocols have to be negotiated to further the development of a shared communication environment for all partners. Casmir notes that communication protocols, appropriateness of strategies, monitoring and communication feedback mechanisms are all dynamically adjusted for successful communication to occur, thus suggesting not only communication interaction, but also cultural interaction [1999, pp. 91-116]. Communication interaction is the hybridization of communication protocols between partners and, consequently, the development of a new set of communication standards. By deploying clear methods of conveying messages, such efforts facilitate mutual understanding between partners. In practice, cooperating organizations could develop a specific set of concepts, a sort of a unique dictionary. Cultural interaction involves an adjustment of cooperating organizations' cultural protocols and the development of new, shared norms that could significantly differ from the standards applicable in a given organization or society. This approach laid the foundations for collaboration between Japanese businesses and American contractors.

Cultural determinants and communicative competencies directly influence the effectiveness of intercultural communication in the process of intensifying business relations. Mutual interactions between the two factors are illustrated by the proposed model (Fig. 1).

**Fig. 1.** Model of intercultural communication



Source: own study.

National culture determines all elements shown in Figure 1, and it plays a key role in the development of intercultural relations. Firstly, it affects organizational culture by influencing the way an organization's members perceive the appropriate social norms, values and principles of conduct. It creates a unique organizational climate which is manifested through interpersonal relations, individual behavior, patterns of thought and action that contribute to the achievement of formal goals in a corporation. Secondly, it conditions communicative competencies by defining methods of verbal and nonverbal communication, influencing the attitudes and motivation of an organization's

members, their behavior and ability to respond flexibly to the received messages. Thirdly, it impacts the communication environment, becoming an integral part of new cultural and communication protocols.

The dominant role of cultural determinants in intercultural communication and business relations reflects a high demand for information that would enable an organization to achieve success in a varied business environment.

### **Intercultural communication and business relations in Japan**

In Japan, business relations and organizational culture are deeply embedded in the cultural context which differs considerably from the Western model, and it is largely determined by religion – Shintoism and Buddhism. For many Japanese, business communication that does not adhere to Japanese cultural standards may be an uncomfortable, unpleasant or even a frightening experience. There are several reasons for the above. Japan was a politically isolated country in the 17<sup>th</sup> century, and it moved into the modern era with a system of rules of social behavior that was based on feudal and familial principles. Owing to internal transportation problems, different parts of the country remained separated, and inhabitants of Japanese regions found it difficult to communicate even in late 19<sup>th</sup> century [Bennett, J. W., McKnight, R. K., 1966].

Japanese is rarely spoken outside of the country, therefore business communication with Japanese contractors takes place mainly in English. This can give rise to misunderstandings and errors in the decision-making process, and partners from culturally distinct parts of the globe may experience frustration due to their inability to develop a shared understanding of the discussed issues. The services of an interpreter are usually required during negotiations to overcome those problems.

J. Eto observed that Japanese are very shy in contacts with foreigners due to a fear of failure in communication conducted in the English language. According to Eto, the Japanese are one of the most homogenous people in the world who assume that one's own perceptions do not differ from those of other Japanese, whereas Westerners generally believe that others naturally have feelings of their own. The Japanese are able to read other people's feelings from their facial expression, eyes and body language [1977, p. 45].

Japan's unique communication style, cultural and social values and linguistic factors are rooted in vertical collectivism, namely the belief that the interests of a group are superior to those of an individual. In a vertically structured society, individuals see themselves as part (or an aspect) of a larger group, and they accept the fact that inequalities may exist within the group. In-group orientation means that an individual from the group may assume the role of a

carer who is willing to collaborate with others without expecting gratification, and separation from the group causes a feeling of anxiety. By contrast, out-group orientation applies to a group where one individual is responsible for the distribution of power, but performs this task in an unjust or unfair way. This leads to a conflict between an individual and other group members [Peltokorpi V., 2007, p. 71]. A. Rao and K. Hashimoto conducted research in the area of intercultural communication to observe that despite significant cultural and linguistic limitations, the Japanese rely on various strategies to increase the frequency of and deepen their unique methods of intercultural communication and management, such as creating coalitions, demonstrating kindness, resorting to reason or using pressure [1996, pp. 443-466].

### **Conclusions**

On a globalizing market, business success is no longer determined by the ability to skillfully formulate product and marketing offers, but by an in-depth understanding of the partner's unique cultural environment. Dynamic growth of companies which strive to reinforce their competitive advantage requires a novel approach to management, including on new markets. Corporations face new challenges. They are forced to search for contractors outside their country of origin, geographical region or political structure, such as the European Union. Businesses have to expand into new, sometimes exotic territories. Investors show a growing interest in South Asia or the Far East, including India and China, as well as countries torn by internal conflict, among them Iraq or Afghanistan. Their economies are culturally diverse, and intercultural communication plays a vital role in establishing successful business relations on distant markets. There are many gray areas in our knowledge of intercultural communication, and in addition to cognitive research in the area, the issue should be explored from a strategic point of view. Further work is needed to deepen our understanding of the mechanisms that condition the effectiveness of intercultural communication.

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## The teaching of leadership - ways to create leaders in selected universities in the world

**Abstract:** *The article is a diagnosis and analysis of MBA programs in the sphere of shaping the future organizational leaders. The article presents outcomes obtained from records located on the website of each university. The purpose of the research is to compare school expectations with activity of educated managers. The material to verify the effectiveness of existing training programs (at this stage of research) is information about successful leadership careers of graduates presented on the website of each university.*

**Keywords:** *MBA programmes, organizational leadership, teaching of leadership*

### Introduction

The article is an attempt to compare existing programs for educating future organizational leaders implemented in selected universities all over the world. The assessment of the effectuality is in two different levels: 1. relation to theories describing human capabilities for learning in general and learning process of qualifications (competencies) of leadership and 2. confrontation with the future success of graduates, which present their universities.

Considerations on this subject should start with a question posed in antiquity. Do people become a leaders according to the way proposed by Xenophon? Formation of the necessary knowledge for efficient leadership people can be done by using the teachings of a “communication between experience and practice on the one hand and the principles and theory of the other.” According to Xenophon, Socratic discussions could be useful in this matter [J. Adair, 2000, pp.51-53].

With reference to the above maxim, it is important to ask two basic questions: how effective are styles of theory learning, which are used in modern

universities? And whether there are mentors, who are called by students authorities in their domain?

### **Opportunities to learn leadership – a review of concepts of psychology and human resource management**

Learning, in psychology is “an unobservable process, leading to changes in behavior. It comes into existence on the basis of an individual experience. This is possible, because of the existence of memory, the ability to store traces of this experiment” [Z. Wlodarski, 1998, Vol. 1]. “The experience of individuals is formed by gradually accumulated and developed data, reached mainly through their own activity” [J. Strelau, 2008, Vol. 2]. Students, if one takes the ancient meaning of the term – are trying to pay for the acquisition of knowledge. Success of the education of students is therefore based on individual activities in the acquisition of knowledge and skills. The acquiring knowledge is a complex process of formal education or generalize their own life experiences. This process requires organizing and analyzing the assimilated information and efficiency in reaching categorized resources in the right situation. Another important issue in the field of learning is the acquisition of skills. According to J. Anderson, it is ongoing, involves the gradual transformation of declarative knowledge into procedural, thereby eliminating the requirement of obtaining information from long-term memory and keeping it in the short-term memory [J. Strelau, 2008, pp. 127-128]. Achieving the desired effect – an effective leader - it seems only possible with a high level of engagement of both student and teacher.

It's easier to learn some information if it is obtained from a person who is an authority (in some domain of education or in the practical application of knowledge – the mentor is actively working in the business world, as a successful leader). One of the fundamental changes taking place in a pluralistic society is to move away from the authorities (in their absolutist sense) in the direction of increased rationality in decision-making [A. Giddens, 1999, pp. 503-505]. In today's world, authority must be earned, among others, by increasing your own credibility. According to J. M. Kouzes and B. Z. Posner [2010] before people decide to follow someone, they must first make sure that this person is worthy of their trust. They want to be sure that this person is truthful, ethical and well-founded.

In a changing world, there are very different proposals for students support than there was a few decades ago. The last two generations have no mention of their mentors inspiring them to ask questions, express concerns and improve of knowledge and skills. Whether mentors existed in the “old style”, perhaps

students don't need them anymore, because expectations of young people have changed. Instead, there is mentoring and coaching. The first term is sometimes defined as "to provide individual assistance to another person in a non-linear transformation of knowledge, work or thinking [D. Megginsin, D. Clutterbuch, 1995, p. 13]. The second term is sometimes defined as "a person, who helps in strengthening and improving actions through reflection on how to use specific skills and / or knowledge" [S. Thorpe, J. Clifford, 2006, p 17]. Mentoring in this approach seems to be showing the more active in inspiring development and coaching in stimulating the query and questioning extracting of human potential.

P. Honey and A. Mumford's the study learning styles provide useful, practical classification to identify different ways of learning. They distinguished: activist – learning through experience and experimentation, become active in new challenges, the type of reflex – gathering information, analyzing it and taking decisions by observing current events; theorist – guided by logic, rules, basic models and principles, systemic thinking and rejecting items, which don't fit in the rational framework, pragmatist – performing in testing ideas, techniques and tools in practice [M. Willams 2009, by P. Honey and A. Mumford, 1982].

B. S. Bloom [1964] divides the areas and levels of learning. According to him learning can be divided into three distinct areas (domains) which are classified into different levels. Each of these levels are a higher and more sophisticated type of learning. They are: the area of cognitive (knowledge), the area of affective (attitude), the area of psychomotor (skills). In the field of knowledge dealing with learning of intellectual implemented at these levels: knowledge, reasoning, application, analysis, synthesis and evaluation. Area attitudes is a process based on emotions, usually associated with the area of cognitive, implemented at these levels: perception, reaction, valuing, organization and characterization. Area "skills" focuses on the development of physical skills: competence (how to use skills), efficiency (is characterized by minimizing effort), mastery (expert level allows one to create new methods of operation).

Another approach to learning used in the teaching of the so-called "New style" (supported by coaching and mentoring) is a competence theory – according to which learning is a complex process involving four steps in the transition from unconscious incompetence to unconscious competence [S. Thorpe, J. Clifford, 2006, pp. 27-28]. This theory seems to be very close to, how he was supposed to have performed in his life, as a philosopher of the ancient world - Socrates, who claimed that the highest level of knowledge is the consciousness of self-ignorance and the desire to learn by asking questions – later called the Socratic method.

Teaching leadership in higher education is the result of the belief that it can identify behavior, which intensifies successful leadership. This action seemed

to be much simpler than the interference with individual personality traits, if not able to determine at least one set of abilities (traits), which guarantee great impact on people. Studies of optimal leadership behavior conducted over many years examined in terms of behavioral, structural, transactional and transformational approaches, theories of leadership categorization, social identity and the concept significant effect of gender roles [B. Kozusznik, 2005, pp. 107-121]. The dynamically changing world of the second half of the twentieth century was the impetus for creating models to take into account the new requirements relations supervisor – subordinate. Theoretical solutions, which were the result from research in organizations (V. Vroom [1960], R. Blake and J. Mouton [1969], P. Hersey and K. Blanchard [1977], F. Fiedler [1978], Vroom and Yetton [1973] R. House [1996]) began to be implemented into managers training programs. The tools created in the framework of these models are still used (in Poland) in academic education and the development of employees (in training, assessment centers, development centers). The most recent results show that individuals that achieve successful leadership must be flexible and adapt to existing conditions or skillfully shaped them (in response to social and cultural expectations), according to the range and power to influence subordinates [B. Kozusznik, 2005, pp. 107-121]. Theories built on the basis of various studies carried out in the business world since the 30s of the twentieth century shows that the most successful leaders are able to combine the efficiency and ethics of relation with subordinates and other stakeholders of the leadership. The above-presented theories show that learning of leadership can begin within academic education, but it is possible for students to increase the level of knowledge and leadership skills by different teaching methods, for example: discussions inspiring classes and lessons rich in case studies and workshop activities.

According to D. Kolb [1979], it is worth remembering that learning is a process of non-linear but cyclical – which is a form of adaptive method of coping, proceed in stages: action – checking, figuring out – coming to a conclusion – changing behavior. The learning cycle of D. Kolb is used in Leadership Development Program in EDHEC. This school in order to boost the learning of leadership and achieve better results in the changing business world implemented a solution, which takes into account cultural contexts [D. Megginsin, D. Clutterbuck, B. Harvey, P. Stokes, R. Garrett-Harris, 2008, pp. 112-122]. In EDHEC the curriculum was developed. The traditional elements – focusing on expert combined with an induction program – which forms the foundation for personal growth and learning. The school faculty assumed that leadership can't be learned, but only developed by strengthening the necessary skills. Referring to the definition of J. March [J. G. March, T. Weir,

2003] in EDHEC acknowledged that the leader is also a plumber (because of the capabilities needed for effective action – complementary skills, ensuring the operation, an initiative to allow the transfer of responsibilities, performance standards, quality control and discretion allowing continuous adjustment of a motor driving system) and a poet (because giving meaning to the action taken, change the mundane into something special, discovering meaning, defines the purpose of life, words are forging a vision, and inspiration is transmitted more through personal and collective fulfillment than power and coercion, full of humility, able to provide an open mind, well-established personal values and self-confidence, respect and willing to take a risk – the poet transcends and overcomes terrifying limitations). The endeavor to develop leadership competences processing in teams of learners, who are the encouraging context for the development by reflection and conversation. Manager of learning in EDHEC behaves like a mentor, coach or facilitator [R. Rosinski, 2003], who while coordinating students uses the method of Socratic. Development towards leadership in this model is the use of learning conversations taking conversational dialogue form tailored to the individual abilities of each student subjected to that training.

Proposals for innovative programs of different schools of business<sup>1</sup> is discussed below.

### **Creating leaders - different routes implemented in selected universities in Europe, America, Asia and the rest of the world**

Comparative analysis of organizational leadership training methods were based on programs of business schools in the U.S., Europe, Asia and other countries in the world. The summary of organizational leadership training programs with the division of the goal and training methods shown in Table no.1.

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<sup>1</sup> Several rankings selected the top 5 business schools in the U.S., Asia (one from each country), Europe (one from each country), and the rest of the world (one from each country). A total of 20 schools in the field of business education. In the various rankings of universities, there are strong differences resulting from both the methodology of the research, as well as bias, discretion relating to the persons conducting the study. It was decided to carry out research based on the Financial Times Ranking of Business Schools [online] Available: <http://rankings.ft.com/businessschoolrankings/global-mba-rankings-2012/> Other rankings included in the study can be found at: <http://rankings.ft.com/businessschoolrankings/european-business-school-rankings-2011;> [www.topuniversities.com](http://www.topuniversities.com). [16 Aug 2012].

**Table 1** Comparative analysis of the organizational leadership training programs in selected business schools in the world

The name of the school and education program	Goal	Methods of education
Stanford Graduate School of Business The Innovative CIO: Leadership, Innovation, and Global Change <sup>2</sup>	Information on the tools to leverage leaders for competitive advantage for their respective firms.	Design thinking, which is an ideation process that combines creative and analytical skills with collaboration across disciplines to solve problems. The ability to observe and understand the needs of stakeholders reduce bureaucratic processes by using critical tools for CIOs. Discussions with professors, venture capitalists and successful startup executives is a thought-provoking environment.
Harvard Business School Program for Leadership Development Accelerating the Careers of High-Potential Leaders <sup>3</sup>	Advanced decision-making and execution skills for multifaceted leaders. Responsibility of company leadership .	The Learning Model – cross-functional approach to general management, innovative teaching methodologies, and residential learning environment that promotes teamwork and collaboration. In-depth education that goes beyond frameworks and theories, build leadership skills. Case studies offer multiple levels of learning and practical business. Build a network of friendships and business contacts that lasts a lifetime.
Wharton University of Pennsylvania Executive Education Leading and Managing People <sup>4</sup>	Effective decision-making processes, power and influence, recasting mindsets, managing relations for greater impact.	Active-learning approach blends interactive lectures with hands-on experiences that put principles into practice. Faculty challenge students to examine their management objectives and leadership style and explain why many of the current methods won't get the results they need.

<sup>2</sup> The Innovative CIO: Leadership, Innovation, and Global Change [Online], Available: <http://www.gsb.stanford.edu/exed/cio/> [16 Aug 2012].

<sup>3</sup> Program for Leadership Development Accelerating the Careers of High-Potential Leaders [Online], Available: <http://www.exed.hbs.edu/programs/pld/Pages/learning.aspx>. [16 Aug 2012].

<sup>4</sup> Leading and Managing People, [Online], Available: <http://executiveeducation.wharton.upenn.edu/open-enrollment/leadership-development-programs/leading-managing-people-program.cfm> [16 Aug 2012].

Columbia Business School Executive Education General Management Program <sup>5</sup>	Skills in the process mindset, decision making, talent development, strategy development and implementation.	The field's preeminent experts lead participants through interactive (real-world) simulations, role-playing, dynamic discussions, and lectures to provide the tools needed to transform participants into superior cross-functional leaders. Students actively practice the skills essential to effective leadership such as questioning, listening, integrating, and communicating, and receive feedback on how to make improvements.
MIT Sloan Management MIT Sloan Fellows Program in Innovation and Global Leadership <sup>6</sup>	To prepare an elite group of global mid-career managers to magnify their impact as leaders (build knowledge, confidence, critical leadership skills).	Core courses, electives, team projects, and frank discussions with global leaders, work with some of the world's greatest industry experts on the issues that shape the marketplace, collaborate with peers from two dozen nations to reach a greater understanding of leadership and global business. The most important method is action learning, which changes perspective and experience of global leadership by working on real-world projects.
London Business School Sloan Masters in Leadership and Strategy <sup>7</sup>	A transformational opportunity for established senior executives looking to move into positions of organizational leadership.	Lecturers have an academic and real-world experience as consultants and directors for major organizations. The connection between cutting-edge research, real-life experience and class interaction delivers a powerful learning experience. Students can gain inspiration from influential and powerful people in business and politics, utilize the extensive global networks of contacts, friends and future colleagues from the School's alumni database.
HEC Paris MBA Full-time option <sup>8</sup>	Learn a leadership, which is a transformative process through practical experience and experiential learning initiatives.	The case-study method as the most effective way to critically analyze real-life business situations and bring to light challenging management issues. Other methods: team work, practical application, guest speaker lectures and conferences (business leaders from a wide spectrum of industries and department), e-learning with a data-base connection.

<sup>5</sup> General Management Program, [Online], Available: <http://www8.gsb.columbia.edu/execed/connected/general-management>. [16 Aug 2012].

<sup>6</sup> MIT Sloan Fellows Program in Innovation and Global Leadership, [Online], Available: <http://mitsloan.mit.edu/fellows/>. [16 Aug 2012].

<sup>7</sup> Sloan Masters in Leadership and Strategy, [Online], Available: <http://www.london.edu/programmes/sloanmastersinleadershipandstrategy/alumniprofiles.html>. [16 Aug 2012].

<sup>8</sup> MBA Full-time option, [Online], Available: <http://www.mba.hec.edu/Explore-the-program/Full-time-option>. [16 Aug 2012].

IE Business School Global MBA <sup>9</sup>	Learning by a Core Period (global outlook and a broad perspective) and a Specialized Module.	Case method of real problems that may arise in any type of company. Other methods: teamwork, interactive learning (multimedia tools: simulators, interactive graphics, videos and podcasts, as well as completely interactive case studies and technical notes. The innovative use of media supports different learning styles and makes content easier to absorb).
IMD Business School MBA Program <sup>10</sup>	Understanding leaders dilemmas (responsibility, self-awareness; identify of strengths).	High intensity outdoor leadership group work and team-building exercises provide an effective method for leadership development: perform under pressure, enhance the capacity to lead responsibly by understanding the rational and emotional factors at work in groups. Learning Method using action learning .Other methods: real learning – case studies, real world projects, participation in selected executive programs, world-class networking, teamwork, sessions with a psychoanalyst, individual career counselor and the evaluation process.
Rotterdam School of Management Erasmus University Advanced Management and Leadership Programme <sup>11</sup>	Understanding that leadership requires the ability to navigate both the complicated and the complex.	Learn the skills of innovation, high-performing teams, and orchestrating organizational change. Methods: a one-on-one coaching conversation, pre-work, such as completing an assessment, reading articles, and/or writing a reflection paper presentations, workshops, real-life assignments and tools (journal entries, movies, articles, games, etc.). Concepts and theories are presented only if they are relevant to today's world of business.
Insead Asia Campus MBA Programme <sup>12</sup>	Using work of students to inform their learning and using their learning to improve their performance at work.	Interactive learning (of “participant” instead of student – one role of the faculty is to tap such experience and to encourage exchange of best practices and collective learning. Active debate among participants with the faculty. Practical learning, but grounded in theory: case studies, reconciling the unique features of a firm's particular issue with the more generalizable concepts. Multiple formats (short videos, small group presentations, role playing, case debates, simulations and lectures).

<sup>9</sup> Global MBA, [Online], Available: <http://www.ie.edu/business-school/degrees/mbas-and-executive-mbas>. [16 Aug 2012].

<sup>10</sup> MBA Program, [Online], Available: [http://www.imd.org/programs/mba/programstructure/learning\\_methods.cfm](http://www.imd.org/programs/mba/programstructure/learning_methods.cfm). [16 Aug 2012].

<sup>11</sup> Advanced Management and Leadership Programme, [Online], Available: <http://www.rsm.nl/executive-education-organisational-development/open-programmes/programmes/rsm-advanced-management-and-leadership-programme/programme-structure/>. [16 Aug 2012].

<sup>12</sup> MBA Programme, [Online], Available: [http://mba.insead.edu/campuses/asia\\_campus.cfm](http://mba.insead.edu/campuses/asia_campus.cfm). [16 Aug 2012].

HKUST Business School Full-time MBA <sup>13</sup>	Training global leaders who can speak their minds and work well with others in a wide range of cultural contexts (e.g. Chinese).	Lectures comprise only 30% of course delivery, with the remainder taken up by discussions, seminars, case analysis, simulation, individual and group projects, and presentations. Methods: case-based interactive learning, using real-life business cases from within Greater China and the rest of the world. Methods of assessment can include class participation, individual assignments, group projects and presentations, quizzes, and exams.
Indian Institute of Management Post Graduate Programme <sup>14</sup>	Developing young men and women into competent professional managers any sector leaders. Values: integrity, honesty and fairness.	Case study (supplemented with guest lectures, seminars, games, role plays, industrial visits and group exercises). The case method is used to implement theoretical concepts to real-life situations. Group work (is a major component of most courses. The groups are formed in a manner such that students get to work with people from different educational, professional and cultural backgrounds).
Sung Kyun Kwan University Graduate School of Business MBA Program <sup>15</sup>	Draws from the accumulated experiences and teaching philosophies of faculty.	Class-room theory with case studies to analyze and solve the world's current business issues; guest speakers series who are experts and leaders in their fields; summer internships in local and international companies; one semester abroad to broaden their learning experience; multicultural experience.
HULT International Business School One-Year MBA Leap Method <sup>16</sup>	Integration among traditional faculty, career services, and corporate executives.	Theory and business fundamentals learning with thought-provoking debate which exposes students from disparate backgrounds to new perspectives. Work with experts, discuss the realities of solving problems in the fast-paced environment. A real-world situation – small teams with a mentor (typically a consultant or senior executive).

<sup>13</sup> Full-time MBA, [Online], Available: <http://mba.ust.hk/ftmba/alumni/overview.htm>. [16 Aug 2012].

<sup>14</sup> Post Graduate Programme, [Online], Available: <http://www.iimahd.ernet.in/>. [16 Aug 2012].

<sup>15</sup> MBA Program, [Online], Available: [http://gsb.skku.edu/2008\\_home/program/01\\_01\\_introduction.htm](http://gsb.skku.edu/2008_home/program/01_01_introduction.htm). [16 Aug 2012]

<sup>16</sup> One-Year MBA, Leap Method, [Online], Available: <http://www.hult.edu/en/programs/mba/academics/hult-leap-method/>. [16 Aug 2012].

Australian Graduate School of Management (AGSM) Management Master of Business and Technology <sup>17</sup>	A way with the intellectual tools to manage and take up leadership roles that keep pace with the dynamic world.	Critical thinking and problem solving, communication, teamwork and leadership (graduates have to be able to display collaborative skills in teamwork and a capacity for leadership), social, ethical and global perspectives, in-depth engagement with relevant disciplinary knowledge, professional skills (plan and manage study and workloads to achieve self-direction, and personal and professional goals).
Rotman School of Management University of Toronto Rotman's Interactive , Thinking Program <sup>18</sup>	Answer the question: how successful leaders react when faced with complex problems that seem to have no right answer?	Learn constructively face the tensions of opposing models, and generate a creative resolution of the tension in the form of a new model that contains elements of the individual models, but is superior to each. Develop the ability to assess and balance conflicting ideas, business models, or strategies to generate new ways of doing things.
Coppead Full-Time Master in Business Administration Program <sup>19</sup>	Form high level professionals capable of understanding and performing effectively in the global economic environment.	Lectures, team works, decision-making based on the most up-to-date concepts and techniques, case-based discussion complemented with simulations, business games, field studies and participation in consulting projects, one semester in partner schools abroad".
Graduate School of Business University of Cape Town MBA Programme <sup>20</sup>	Addressing the functional areas of business, new streams of learning around communication and leadership.	The holistic approach to learning (interactive classroom environment, the program faculty – students networking opportunities) includes: lectures, discussions, role-playing, audio-visual presentations, individual and group presentations and guest lectures. Practical experience is gained through engagement with real businesses (individual and group) learning opportunities. Exist support mechanisms for students and lectures.

<sup>17</sup> MBT, [Online], Available: <http://www.asb.unsw.edu.au/schools/management/programsandcourses/Pages/postgraduatecourseworkprograms.aspx>. [16 Aug 2012].

<sup>18</sup> Rotman's Interactive Thinking Program, [Online], Available: [http://ep.rotman.utoronto.ca/success\\_stories/](http://ep.rotman.utoronto.ca/success_stories/). [16 Aug 2012].

<sup>19</sup> Full-Time Master in Business Administration Program, [Online], Available: [http://www2.coppead.ufrj.br/eng/index.php?option=com\\_content&task=view&id=21&Itemid=61](http://www2.coppead.ufrj.br/eng/index.php?option=com_content&task=view&id=21&Itemid=61). [16 Aug 2012].

<sup>20</sup> MBA Programme, [Online], Available: <http://www.gsb.uct.ac.za/s.asp?p=104>. [16 Aug 2012].

INCAE Business School Center for Women's Leadership Master Program <sup>21</sup>	Men and women have equally opportunities to become leaders. Prepare women leaders for the challenges they will face.	Lectures and case studies: Negotiation and Persuasion Techniques, Building Networks, Managing Work-Life Conflict, Assertiveness Training, Gender Differences in Communication Styles, Career Planning and Coaching, Stress Management. Private and public sector support – a bridge between scholarly findings and professional best practices.
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Source: own study based on school sites (referenced in the table)

### **The effectuality of programs - successful graduates in the business world**

Implemented programs aimed at young people and experienced managers are executed in different number of hours, depending on the level and expectations of participants (from a few weeks specialist courses to full-time two-year management studies). Tailored to individual needs programs are designed to shape the future organizational leaders and in accordance with information presented by the universities (included in the study), results in a very high percentage of people achieving success in managerial positions after graduation. It is no wonder – after all, these are the world's best business schools. The analysis, to some extent, concerns the information presented by the university on the Internet. Some of them – successful graduates statistics, broken down by sector and level of government – are impressive, but without information on the actual activities undertaken in selected positions. The careers of graduates are more specifically described in the articles, linked with the website of each university included in the study.

Popularity of analyzed courses due to several key factors. First of all – past successes of alumni inspired future students to achieve a successful individual career in the business world. Secondly – these schools offer programs, which are flexibly adapted to the changing organizational world. Thirdly – according to the latest research results – presented in this article, selected universities argue that they teach complex educated leaders, prepared to make informed decisions in a variety of social, cultural, economic and market conditions (not trained craftsmen – people programmed to perform rehearsed in college patterns of action, but a person having creative, active and integrated thinking,

<sup>21</sup> Master Program, [Online], Available: <http://www.incae.edu/en/research-and-knowledge/methodology.php>. [16 Aug 2012].

which encourages current and strategic actions). Fourth – great strength and competitiveness of the investigated business schools are their graduates because the feedback from them, which is the basis for updating the curricula, they collaborate with the university in organizing internships for students, support their school – essentially, financially and morally - confirming that the capital of relation is the most important resource of all individuals, who are successful in leadership.

An interesting solution – supported by the current research – is set in Central America program for women. This program is using contemporary knowledge shows that women are more predestined to build positive, lasting relationships with co-workers, because of roles acquired from childhood (sexual and social roles). Innovation of this program consist in specific education and promote careers in a world where the dominance of man is much more noticeable than in Europe or North America.

The success of the analyzed programs is based primarily on the novel, multi-path approach of nonlinear training includes advice of scientists and experts, the conditions for gaining practical skills in individual and team activities, and stimulants to “doubt”, asking questions, important in process of philosophize – being marginal importance in the process of business education in Poland. This multilevel education programs best business schools in the world builds (in the students) confidence, ease of communication and networking, awareness of the dominant role of human capital in the organization and relational capital in the business environment and protect against making mistakes in his or her role of the organizational leader.

## **Conclusion**

Graduates of the best universities in the world do not have problems with finding a job. Analysis of school sites and press releases on-line shows that some of them archives success in leading people in the biggest organizations in the world. Programs in the field of leadership are prepared for young people (even with no experience in the business), and executive managers, who want to keep up with the dynamics of strong growth in the twenty-first century – changing from managers to organizational leaders even in late middle-aged.

The analyzed universities using the knowledge of leadership gathered for many years by researchers from the fields of psychology, management, economics, sociology, or in a more detailed form in the area of human resources management. Moreover, these institutions are strong academic centers, resulting in the current study, strongly supported by public and private funds. The results of the study are used to modify the curricula, teaching methods,

the development of novel tools based on knowledge of new development trends and the latest technologies and information.

Analysis of websites, including descriptions of alumni careers and forums of graduate shows two main factors distinguishing the best university students from schools that “results in a mediocre university degree”. First, the pride of attending the school, the awareness of a significant impact of education on further professional and personal life. Secondly, the belief that belonging to a group of persons “doomed to success” is the basis for keeping in touch after graduation. Schools take care about informing the public of the success of their graduates. They present information about the successes on their websites.

The question remains open: are the described graduates organizational leaders or despite different training programs – using the latest teaching methods – in accordance with development of humanities and social sciences – are excellent, but only managers. Some universities are convinced that appropriately selected training programs and specific relationship of academic staff and students makes it possible to shape not only young people, but also experienced managers to be effective organizational leaders. These activities are successful because managers learning in these schools of business believe in transition and observe the changes of styles of directing after they finish the leadership program.

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## Human Resource Management in the Nearshoring Company – case study

**Abstract:** *One of the primary reasons for outsourcing investments outside the home country is to reduce labor costs. The relatively low labor costs in Poland are an incentive to locate production plants here also by investors from countries that are geographically and culturally close, thereby on the basis of nearshoring. One example of such an investment is the German steel processing company, which opened a plant in Poland. Case study shows that in the Polish plant human resource management is economic, calculating, and quantitative, thereby dominate the so-called a hard approach. Employees be given the opportunity to go to the parent company located in West Germany. As a result, they have the opportunity to compare the working conditions in both plants. This comparison shows that the company uses a different standard, offering much better conditions in human resource management in the plant in Germany.*

*The purpose of this paper is to present convergences and divergences in the policies and practices of human resource management in the presented nearshoring company. Implementation of this purpose is linked to the analysis and assessment of the situation in the area of human resource management. The primary research method is the uncategorized direct interview conducted with employees of the company.*

**Keywords:** *nearshore, nearshoring company, human resource management, cultural dimensions*

### Introduction

Globalization is a significant factor influencing both organizations and individuals today. Business, as well as other activities, has become a truly international activity. Therefore, the critical challenge for organizations in the twenty-first century is the need to operate across national borders [Brewster Ch., Sparrow P. and Harris H., 2005, p. 494].

There are many drivers of internationalization of business, such as: trade agreement, search for new markets and reduced costs, rapid and extensive global communication, rapid development and transfer of new technology, improving global education, increased travel and migration, knowledge sharing, e-commerce, and homogenization of culture and consumer demand [Briscoe D., Schuler R. and Tarique I., 2012, pp. 12-14]. These drivers are creating new global realities for organizations, both for small and large one.

The opening of markets and the appearance of competitive foreign companies and their products in virtually every marketplace places intense pressure on every enterprise to develop the capacity to operate at lower costs and with greater speed, quality, customer service, and innovation, both at home and abroad [Briscoe D., Schuler R. and Tarique I., 2012, p. 17]. Lowering costs by moving to locations with lower wages is clearly a primary draw for outsourcing business activities. Some companies outsource to countries that are very close – geographically, economically, and institutionally – while others outsource to more distant and distinct locations.

The purpose of this paper is to present convergences and divergences in the policies and practices of human resource management in the presented nearshoring company. Implementation of this purpose is linked to the analysis and assessment of the situation in the area of human resource management (HRM). The analysis takes into account hard and soft model of HRM and cultural dimensions described by the project GLOBE. The primary research method is the uncategorized direct interview conducted with employees of the company.

### **Nearshoring Practices**

In today's business world many organizations outsource some activities from the home country to host countries. Such decisions are connected with many factors, one of them is the distance which can be based on cultural, geographic, administrative, and economic dimensions. Hahn, Bunyaratavej and Doh [2011, p. 358] described the differences in outsourcing practices outside the home country by using geographic and economic dimension. There are two types: nearshoring and offshoring. Nearshoring is described as the relocation of work from the home country to a geographically proximal host country which has a strong economic integration agreement with the home country. Offshoring is described as the relocation of work from the home country to a non-proximate host country or to one without a strong economic integration agreement with the home country.

**Table 1.** Constructs shaping the definition of nearshore

Construct	% of Texts using this Construct	Characteristic of the Nearshore Destination
Geographic	59%	Physically closer and takes less travel time to reach
Temporal	31%	Some time zone overlap
Cultural	41%	Similar cultural characteristics such as way of life, or way of doing business
Linguistic	47%	Share linguistic similarities such as adopting English as the language of business, or sharing the same native language
Political/ Economic	28%	Political alignment or economic grouping
Historical	11%	Shares some historical perspectives such as colonial history, diaspora linkages

Source: [Carmel E. and Abbott P., 2007, p. 44].

Carmel and Abbott [2007, pp. 40-46] reviewed 150 texts relevant to nearshore in order to investigate the understanding of the concept of nearshoring. Table 1 presented dimensions of nearshoring construct, such as: geographic, temporal, cultural, linguistic, political/economic, and historical. This analyze shows that the distance can be viewed multidimensional and that some dimensions may be measured. Carmel and Abbott [2007, p. 44] defined nearshoring as „sourcing service work to a foreign, lower-wage country that is relatively close in distance or time zone (or both). The customer expects to benefit from one or more of the following constructs of proximity: geographic, temporal, cultural, linguistic, economic, political, and historical linkages.”

The dimensions of nearshoring are often traded off with costs and risks of doing business in a specific destination. Foreign investors face a wide range of risks when doing business abroad. Such risks prompt investors to pay greater attention to the management and control of investment risks. As the reduction of offshoring investments risk, Kvedaraviciene [2008] described the nearshore advantages (see table 2).

**Table 2.** Offshore risks and offsetting nearshore advantages

Offshore risk	Nearshore advantage
Increased management complexity	Easier to manage by arranging frequent meeting; have frequent flights, being in the same time zone, having the same cultural background
Reduced effectiveness due to communication difficulties	Same cultural background, history, no accent difficulties make communication much easier

Lower quality of output	Proximity client country, tighter control due to close distance maintains high quality standards
Lack of direct control over resources	Sufficient control due to close distance
Uncertain financial payback	Initial business plan is valid as there are no hidden costs to the project
Information confidentiality related issues	No leaking information facts, intolerance to piracy supported by government
Lack of proximity to staff	Complex problems can be solved face to face due to close location. Cultural background is the similar, what allows misinterpretations to occur less frequently
Short duration resources hardly available	Resources available for short duration projects
Lower productivity	Productivity the same/very close to country of origin
Unfavourable public opinion	More favourable in public eyes to outsource to nearshore than to offshore
Complex and uncertain general environment: legal, political, infrastructure	Stable political situation, established regulations, favourable infrastructure

Source: [Kvedaraviciene G., 2008, p. 566].

Nearshore can be used both for manufacturing and services. For manufacturing, there are obvious benefits associated with outsourcing to such nearby countries because of reduced transportation costs and the related ability to capitalize on faster turnaround times in a conventional supply chain involving physical delivery via trucks, rail or ships. Services location choices between nearshoring and offshoring depending on whether the company outsources relatively higher versus relatively lower skill services [Hahn E.D., Bunyaratavej K. and Doh J.P., 2011, p. 358].

### **Human Resource Management and Cultural Influences**

The literature on HRM is rich in many approaches, which presented main assumptions of HRM concept. Gableta [2003, pp. 166-174] by analyzing these approaches, has identified the core of HRM concept, which manifests:

- high rank, which is given the people in the business units,
- formulating a vision or mission of the company, which combines with leadership,
- relationships between the overall business strategy and personnel strategy,
- importance of organizational culture in the company and in its relations with the overall and personnel strategy.

Many researchers of HRM distinguish the two concepts of HRM approach: hard and soft model. The hard model is focused on effective management of human resources. The dominant criterion in the framework of this management is to minimize the cost. At the same time labor resources should be used in a full and productive way. In the soft model employees are treated in a subjective way. It is realized by a particular approach to the implementation of the HR function - selection, training, promotions, and payment. Taking care of employees is aimed at increasing their involvement and identification with the company [Rybak M., 2000, pp. 13-27].

Nearshoring company as the others companies which move activities to foreign countries have to deal with internationalization of business activities and processes, including HRM. The effectiveness of HRM is associated with an ability to assess the extent to which an enterprise should apply similar practices in different countries and to what extent to adapt them to local conditions. „Typically, the headquarters either applies its parent company HRM policies and practices directly to its foreign subsidiaries, or it tries to merge its HRM policies and practices with those that are common in the host countries. However, it is common that a local HR manager will handle HR in the subsidiary, even if he or she is primarily responsible for implementing centralized HRM policies and practices” [Briscoe D., Schuler R. and Tarique I., 2012, p. 17].

In defining the principles of HRM should be taken into account the additional factor: cultural influences. This factor also decides about convergence and divergence in the HRM practices. Every aspect of international business and international HRM are impacted by national and organizational culture. This is true for the HR management of international assignees as well as for HR management of local workforce. Research report by the Society for Human Resource Management suggests that the situations in which particular cultural influences on HRM are important include: recruiting and hiring practices, building business relationships, the role and use of multiple languages and communication, perceptions of organizational justice (such as fairness in treatment, quality of treatment, and fairness of outcomes), decision-making, performance evaluations and feedback, management and leadership development, development of global mindset, and varying perspectives on careers across cultures [Briscoe, Schuler and Tarique, 2012, pp. 130-131]. Hiltrop distinguishes the following areas of HRM, which can affect the culture of the state: definition of an effective manager, direct giving feedback, readiness to undertake the task of international, pay systems and diverse concepts of social justice, and approach to organizational structure and strategic growth [Armstrong M., 2011, p. 147]. Lee sees cultural influences on the following areas: selection and training, performance evaluation, motivation, remuneration,

allowances, labor relations, empowerment, and career development [Lee Y., 2011, pp. 38-40].

The same policies will not produce the same effects in different cultural areas. There are many research project that cluster countries according to similar cultural profiles. One of such project is the project GLOBE<sup>1</sup> in which investigators spanning the world are examining the interrelationships between societal culture, organizational culture, and organizational leadership [House R.J., Javidan M. and Dorfman P.W., 2001, p. 491].

**Table 3.** Cultural dimension in Germanic and Eastern Europe Clusters

Cultural Dimension		Germanic Europe	Eastern Europe
Uncertainty Avoidance	high-level	<b>X</b>	
	mid-level		
	low-level		X
Power Distance	high-level		
	mid-level	<b>X</b>	<b>X</b>
	low-level		
Institutional Collectivism	high-level		
	mid-level		<b>X</b>
	low-level	<b>X</b>	
In-group Collectivism	high-level		<b>X</b>
	mid-level		
	low-level	<b>X</b>	
Gender Egalitarianism	high-level		<b>X</b>
	mid-level	<b>X</b>	
	low-level		
Assertiveness	high-level	<b>X</b>	<b>X</b>
	mid-level		
	low-level		

<sup>1</sup> GLOBE (Global Leadership and Organizational Behavior Effectiveness) is a major long-term multiphase, multimethod research project to study cross-cultural leadership differences and similarities among countries. This project was able to empirically verify ten culture cluster from the 62-culture samples. These culture clusters were identified as: Latin America, Anglo, Latin Europe, Nordic Europe, Germanic Europe, Confucian Asia, Sub-Sahara Africa, Middle east, Southern Asia, and Eastern Europe.

Future Orientation	high-level	<b>X</b>	
	mid-level		
	low-level		X
Performance Orientation	high-level	<b>X</b>	
	mid-level		
	low-level		X
Humane Orientation	high-level		
	mid-level		<b>X</b>
	low-level	<b>X</b>	

Source: own work based on [Javidan M., Dorfman P.W., Sully de Luque M. and House R.J., 2006, p. 71].

In this project culture is defined as “shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives and are transmitted across age generations” [House R.J., Javidan M. and Dorfman P.W., 2001, p. 495]. This project try to describe, understand, and predict the impact of specific cultural variables on leadership and organizational processes. There were separated ten cultural clusters. These cluster were investigated by using nine cultural dimensions: uncertainty avoidance, power distance, institutional collectivism, in-group collectivism, gender egalitarianism, assertiveness, future orientation, performance orientation, humane orientation<sup>2</sup> [House R.J., Javidan M., Hanges P. and Dorfman P.W., 2002, pp. 5-6].

The most significant for the purpose of this paper are the two clusters: Germanic Europe including Germany and Eastern Europe including Poland. Table 3 shows that there are both similarities and differences between two near countries: Germany and Poland.

The main similarities are connected with power distance and assertiveness. There are also some differences such as: German culture as opposed to Polish culture is characterized by high-level of the following dimensions: uncertainty avoidance, future orientation, and performance orientation. On the other hand, Polish culture in compare to German culture is characterized by higher level of in-group collectivism, institutional collectivism, in-group collectivism, gender egalitarianism, and humane orientation dimension.

<sup>2</sup> The first six dimensions are dimensions of culture identified by Hofstede (uncertainty avoidance, power distance, social collectivism, in-group collectivism, gender egalitarianism, and assertiveness). The dimension: future orientation is from Kluckhohn and Strodtbeck's framework. The dimension: future orientation is similar to McClelland concept of need for achievement. And the dimension: humane orientation is similar to need for affiliation.

These cultural dimensions characterized the leadership style, the way of leading people in the ten different clusters. Because the leadership in organization always refers to the people, the presented in table 3 levels of cultural dimensions should influence on the ways of HRM in following countries.

### **Case study**

The method of uncategorized direct interview was used in the research. Interviews were conducted with two present and two former employees of the Polish company. Information about the capital group available online was also used. Opinions about the company available on the portal [www.gowork.pl](http://www.gowork.pl) were analyzed, the Internet users describe their experience of working for the specific company there. Selected information was moreover given by the former manager employed by the German company.

The owners of the German enterprise for the first time invested in Poland in 1997 establishing a production company in the form of a limited liability company. The board of the company comprises till today two persons being at the same time the board members of the German company. In Poland the current company activity is run by a Pole who is fluent in German. The company activity profile is convergent with the German company profile – the plant produces metal products as part of stainless steel processing. For 3 years there has been a second limited liability company. The location and board of the newly formed company is identical as the first one. The formal scope of activity is different though – the company is supposed to conduct real estate management.

As part of the case study staff management practices were identified within such sub-functions as: the selection of employees and the forms of their employment; professional development; shifting staff, including promotion and lay-offs; motivating, including remuneration; shaping working conditions; self-management. What is more, selected symptoms of the company's organizational culture were identified.

In the field of HRM the standards are set by the German company. It is reflected in the basic assumptions of staff politics as well as in creating specific staff management practices. In the German company a post regarding coordinating the cooperation with the Polish company was set up. Constant connection is held with the use of tele-information services. As a rule once a month the representatives of the German company conduct a direct inspection at the Polish company site. Most often the delegation consists of a coordinator with a subordinate employee and an information technician.

Within the selection of employees and forms of employment a difference can be pointed out in the used practices depending on the period of the company's development. In the first phase only the setters of digital machines running the shift were employed on the basis of an employment contract. The other employees handling machines were employed based on civil-law agreements. Women were employed for the positions of quality control. In their case a common practice was the unregistered employment. Women worked illegally for a few months before it was decided to sign a fixed term employment contract with them. According to the respondents, it comprised a specific trial probation period. In the analyzed period the basic recruitment technique was employing recommended people. The used selection techniques were and are till today very easy – a non-structured job interview and a basic analysis of a CV.

In the later period a system of cooperation with vocational schools was implemented, enabling internship practices in the plant. It was indicated that currently it is the basic source of personnel recruitment. Young people are initially employed based on mandate contracts. Representatives of the German company influence directly personnel decisions regarding manning the managerial posts. External recruitment is preferred. The post of the president of the company was changed 3 times and was always connected with external employee sourcing and employment of a person directly appointed by the German board.

The company does not use any training, apart from the obligatory ones regarding workplace safety. Some form of development is delegating employees to work for the German company. Then they have an opportunity to acquire the skills of more modern machine handling and to improve language skills.

In the field of shifting respondents' opinions indicate the following situation. There are quite limited possibilities of promotion in the company. The organization structure is flat and the managerial posts are mainly given through external recruitment. Lay-offs are quite common, personnel fluctuation is high. Many employees quit in the initial employment period, when they realize that the working and payment conditions do not fulfill their expectations. In spite of all that many young people decide to start their cooperation with the company in order to earn their valuable first experience. One of the Internet users stated: „*CNC operator looks good in your CV*”. The biggest single employment reduction was conducted in 2009 and it was connected with the economic crisis and the decrease of orders in the German company which influenced directly the situation in the Polish company. As the respondents state, the necessity to downsize and enter the procedure of group lay-offs became at the same time an opportunity which the management used to get rid of inconvenient people. It was connected above all with employees' claims, the attempt to set

up a labor union, the questioning of the management's attitude towards their employees.

As part of motivating staff a very limited range of tools is used. Basic wages are low. There is no bonus system. However, there is a possibility to have a better earning by working overtime, including weekends. What is more, there is also a possibility to work abroad for the German company. As far as finances are concerned it is an attractive solution for employees. They get their due payment in Poland and for the work done in the German company they are remunerated as if they were on a business trip. Respondents indicated that monthly it can be as much as a five times higher income. The criteria for employee selection to work abroad are often unclear and decisions made regarding the delegations are the cause of conflicts among employees.

From the non-material point of view compulsion tools dominate, incentives and persuasion are used in a limited way. As one of the respondents indicated, one could very often hear that *„if you don't like it in the company, you can quit”*. Such an opinion is confirmed by Internet users who share their work experience in the analyzed company.

Material work conditions are quite hard. At the work posts while handling machines there are no ventilating fans. The used goods of production, among others coolants, smell unpleasantly. The production hall is badly adapted for more difficult weather conditions, especially when it is very hot or very cold outside. It should be pointed out though that these conditions will improve in connection with the modernization of the machinery. This process takes place under close supervision of a German company coordinator.

The working time of production employees is organized in the system of three shifts from Monday to Friday. Additionally the company works one shift (from 6 a.m. to 2 p.m.) on Saturdays and Sundays. For the employees it means the possibility to enlarge the income. Depending on their individual abilities they can use it all the time, because the company does not apply any limited number of overtime that is binding in the Polish labor law. Officially the company does not practically show any overtime. What makes it possible is a mechanism which uses the connection with another Polish company set up by the German board. The established company employs workers of the company temporarily, based on mandate contracts and delegates them to do tasks at the company premises.<sup>3</sup> The mechanism is shown in figure 1.

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<sup>3</sup> The formally proven target of the company's activity does not show the real reasons for its functioning.

**Figure 1.** A diagram of connections with the task contractors in the analyzed company



Source: own study.

This way a specific person on the one hand functions in the company as an employee, working 40 hours a week, and on the other hand as an outsourcing contractor supplying low-paid services through the medium of the enterprise. In practice employees do exactly the same tasks in one company, however with a longer working time. The described mechanism of using mixed forms of employment – contract and other and employing some people part-time in the assisting company made it possible to limit the officially registered number of regular employments and avoid simultaneously the obligation to run a fringe benefit fund in the company.

Inside the company the mechanisms of employee representation do not exist. Once there was an attempt to establish the company's union organization. In spite of many declarations of joining the organization, after the management's preventive actions, almost all employees withdrew, and the final number of those willing to join was too small in relation with the requirements demanded by legal regulations. The actions undertaken by the management were described by the respondents as intimidation, though they did not exclude that some employees may have been encouraged with some specific benefits to withdraw from the initiative.

Lack of trust towards employees is a strongly stressed feature of organizational culture of the company. Low wages and limited possibilities of development result in employee demotivation and tendency to take harmful actions against the company. The respondents agreed that employees cheat in their timesheets, work without commitment and even steal. This in turn influences the management to take measures, they persuade employees to snitch, they introduce better and better timesheet systems and invigilate workers.

The picture presented in the respondents' opinions allows for a description of the attitude towards HRM used in the company as the so-called hard HRM. The cost factor is taken into consideration here to a high degree and the tendency towards using atypical forms of employment with the simultaneous debasement of the meaning of employees' interests is high. The main idea is above all that the company has the needed number of contractors at a specific place and time, at the lowest possible cost.

An attempt was made to confront the indicated state of affairs with the situation concerning HRM in the German company. The German company is a big family enterprise whose history goes back a few decades and is located in western Germany. The characteristic feature of creating employment in the company is relying on production workers from immigrant groups. As respondents indicate, Germans of Turkish origin dominate among production workers, the second largest group comprise Germans of Russian origin. Moreover, Albanians and Arabians are employed in regular posts. Native Germans in production posts are exceptions. The proportions change along with the higher levels of hierarchy. Workers of Turkish origin take specific direct line managerial posts, but a higher managerial personnel comprises only native Germans. A direct production personnel is completed with Polish company employees, especially in the period of greater demand for personnel.

The company employs more than 30% of women, which taken into consideration the company's activity profile is a high percentage. According to respondents, such a structure of employment is connected with the realization of the demand to maintain low cost of work. Immigrant group workers and women have lower expectations towards payment. Remuneration in the company is lower than the average in this region of Germany. However, the company compensates employees their low wages with an expanded benefits package. Employees are paid among others in connection with the obligatory holidays and holiday travels. Sports center passes are available. The company organizes bonding events. Special privileges apply to parents. The company runs a highly valued company's kindergarten. Young children's parents may organize their working time in a flexible way. Mainly mothers use this privilege who deciding to go back to work after having a child may among others gradually prolong their working time. A respectively more expanded fringe benefits package is available for the managers, for example in connection with the possibility to use company cars. An extra element of connection with the company is its help in finding a place to live. The company offers the possibility to rent an apartment in places owned by the company owners' family and also to get a bank loan for one's own apartment. The material working conditions are also good. Production takes place in modern halls with the use of mainly new machines. Direct-production posts are equipped with ventilating fans.

The described practices comprise an attractive solution for employed workers. It results among others in low fluctuation. It can be observed that the company intentionally shapes staff politics in such a way that the taken actions were attractive for a specific group from the local labor market.

Interviews conducted with respondents allowed for showing in what way Polish lease employees are treated in the German company. They are mainly accepted for direct-production positions. The company guarantees free accommodation for Poles. Initially the working time of lease employees was organized in the same way as traditional employees'. However, later negative changes for the Poles took place, connected with prolonging of their working time. For instance, Polish women working at the quality control worked 12 hours daily. As respondents indicated, it was physically tiring and apart from that it left a feeling of unfair treatment. At the parallel posts work was performed for 8 hours.

A specific situation was created by the cooperation with Germans of Turkish origin. As respondents stated, there was a clash with a foreign culture and it was connected mainly with negative consequences. Above all, from the beginning Poles were considered a threat for regular employees. They were afraid that the company would aim for lowering the cost of work through increasing the scope of use of the cheaper work potential from Poland. There were also language barriers. It made the cooperation difficult and - as respondents indicated unanimously - it lowered the effectiveness of work. Respondents stated that they did not form colleague relationships with the employees of Turkish origin, while such relationships were formed for example with the Germans of Russian origin. Conflicts happened resulting from a mutual misunderstanding of informal rules.

The relationships with the managers were described differently. On the one hand positive examples were given. German managers got engaged in difficult situations and helped Polish employees regarding creating their relationships with other employees. They also responded when permanent employees tried to use the Poles by delegating the performance of harder tasks. On the other hand, situations were indicated when they could feel they were worse category workers. One of the respondents described a situation when a company board member showed a business partner around the production hall and by pointing to the working Polish women he used an expression describing cheap workforce in a pejorative way. Lack of respect was noticeable in respondents' opinions. It is worth observing that men who described the trips to Germany as a well-paid task to be done put up with the situation easier. Women's opinion is that a bad atmosphere and the feeling of being exploited were more troublesome for them, especially in connection with the longing for the family.

The data which the authors disposed about the situation in the German company is incomplete. Nevertheless, based on it can be stated that the staff politics model realized there, as well as the practices used in HRM, do not indicate the model of hard HRM. Many practices were exposed showing the care for the employed, taking their needs and interests into consideration, paying attention to the balance between their personal and professional lives. These are the features clearly differentiating between the staff politics used in the German company from the one used in the Polish company.

Furthermore, a surprising observation was made that lease employees from the Polish subsidiary company were treated in a different way in the company. Similarly as in Poland the practices used towards them are characteristic for hard HRM, also in Germany maximum use of their work potential was the aim.

## **Conclusion**

Analyzing the presented case, it should be kept in mind the imperfections of the research method, including the selection of respondents. Two of the respondents were former employees of the Polish company. Their opinions about the situation in the company were generally worse than opinion currently employed persons. Analyzed opinions on the web portal were almost exclusively negative reference. It seems that people which are unhappy because of work are more willing to externalize their emotions in this way, while those satisfied with the work may not feel the need to describe the situation in the company on the website. This can cause that the study did not disclose some of the positive characteristics of HRM in this nearshoring company.

Obtained by the authors data (mainly in the area of HRM) may suggest that the primary benefit of taking nearshoring investment in Poland is chiefly a cost reduction of the activity. This is particularly evident in the majority, described in the work, practices of HRM. In this case, less relevant conditions, which characterized nearshoring projects, seem to be: cultural similarities, linguistic communication, political or historical aspects.

Validated seems to be the general conclusion that the German company in its nearshoring investment in Poland is used hard HRM. It is characterized by a cost effective and objective approach to employees, resulting in the use of practices detrimental to employees, often on the borderline of the law. This method of treatment of Polish workers is also used during their stay in the German company. The approach to HRM in the German company has, in turn, many of the characteristics of soft model, which manifests itself in the creation of the employees good working conditions, the use of comprehensive package of social benefits, as well as the preference for long-term employment.

In most dimensions of HRM in the analyzed companies there were significant differences.

The resulting divergences may be the result of cultural differences that exist between countries. Although the nearshoring investment assumed cultural similarities with the country in which the company is established, the presented parts of the GLOBE study results indicate that in spite of the geographical proximity of Germany and Poland, they belong to different cultural clusters. These clusters have both similarities and differences according to the cultural dimensions, which should influence on the way of managing people.

Attempt to relate the received data to the cultural dimensions described by the GLOBE shows that differences between Poland and Germany are confirmed but not in all areas. The situation which exists between HRM practices do not in fact indicate a higher level of humane orientation dimension of the plant in Poland, both in terms of the relationship between employees and the relationships between employees and managers. In addition, dimensions of institutional collectivism and intra-group collectivism, which in the GLOBE are considered to be higher for Polish culture does not seem to reflect these values in the studied company.

The presented example may indicate that the company undertaking the investment in another country may in units of similar activities carried out different HRM policies. These differences may be the result of different cultures, but in the case of shoring investments indicated differences may be due to the one of the main reasons for taking such activity, it means the costs reduction.

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Edyta Janus

Wyższa Szkoła Zarządzania Ochroną Pracy w Katowicach

## Japanese management practices and attitudes of employees of companies with Japanese capital operating in Poland.

**Abstract:** *There is no doubt that Japanese companies are characterized by specific organizational culture and management practices. One might ask to what an extent Polish employees of companies with Japanese capital adapt to the promoted practices. I will attempt to give answer to this question, based on the results of the research conducted with employees in four selected manufacturing companies. The important criterion is the size of the company, which affects the efficiency of generating desired patterns among employees. The adaptation level of workers to these patterns can be observed at the level of employee attitudes that express a partial or full identification with current company practices.*

*This paper aims to answer the question to what an extend Polish workers employed companies with Japanese capital, present on Polish market, adapt to the practices implemented in these organisations. The data used come from a PhD dissertation, and was collected within the time from October 2008 to May 2009 and reverified in 2011.*

**Keywords:** management, attitude, *internalization, organizational culture*, small companies, large companies

### Introduction

When discussing Japanese culture, the notion of collectivism (both national culture collectivism and organisational collectivism) comes to the fore.

Collectivism, or in other words communionship, is the belief that the group interest is of more importance than the interest of an individual. The manifestations of communionship are the following [Sułkowski 2004: 147]:

- 1) common interest as the principle value
- 2) the importance of social group cooperation
- 3) the importance of the sense of community

- 4) group cooperation and unity orientation
- 5) formation of a group working cult

'The constitution of collectivism in an organization is a progressively accumulative process rather than accomplished at one stroke' [Ke 2009]. Collective organisations are group-oriented and the workplace becomes the source of strong, group identification. The relationships between workers are to be harmonious, conflicts are to be avoided while the private worker life is closely linked to his/her professional life. Group management is an inseparable element of collectivism management. Group forms of working are highly emphasized.

A specific form of collectivism is grupism. In literature, grupism is mainly presented in the context of Far East collective cultures (mainly Japan and Korea). In Poland, the term grupism may be found in the works of Krzysztof Konecki [1994], who describes and analyses the group model of use to comprehend the social phenomenon in Japan in a macro and micro scale. Generally speaking, grupism involves the domination of the group over the individual. 'It is not the sacrifice for the group but being convinced that one's benefit equals to the interest of the group and the company' [Iwata 1982: 39-40]. Group participation processes and acting for the benefit of the company are the consequence of the legitimized order on a social and organisational level. Collective practices are an inseparable component of organisation functioning and the element of the 'programmed mind'<sup>1</sup>

According to the author, it is possible to observe the phenomenon of grupism in companies with Japanese capital that operate in Poland. Obviously, Polish grupism is not identical to Japanese grupism as it does not originate from Polish national culture, of which familistic relations are more characteristic strengthened by citizens opposition of national collectivism from communism times. Thus, grupism would be a specific reaction of Polish workers to collectivistic, Japanese practices which are the part of organisational culture and are implemented systematically on workers. Therefore, grupism may be a coherent and consistent element of human resources management. The definition of grupism, accepted by the author, assumes that grupism is a high level of internalisation of collectivistic features by workers, resulting from ritual practices and originating from the company organisational culture. With reference to the terminology introduced by Max Weber, grupism is viewed as an ideal organisation type of practices, whose characteristics are defined in Japanese management and refer to companies with Japanese capital present in Poland.

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<sup>1</sup> The term introduced by Hofstede to describe the functioning of individuals in a given culture.



In the research the organisational culture implementation model has been accepted that comprises the following interconnected elements: symbols, rituals, values, norms and attitudes.

The differences between Polish and Japanese culture are presented in a circular graph so that the differences can be still more apparent. Moreover, it is possible to describe Japanese collectivism standard characteristics and make a comparison with Polish organisational culture features. The differences are presented on the figure below. In the context of this paper, of great importance are the 2 circles - the inner one, presenting the Japanese collective culture and the outer one, explaining the understanding of grupism as a specific ideal type.

Human resources management in collective cultures concentrates on interpersonal relation quality and work organisation. As Jacek Miroński [2004: 33] notices, the examples used when Japanese companies are being described come from the examination and research of large Japanese companies which does not necessarily mean that these descriptions are appropriate for all situations present in companies in Japan. It is worth noticing that the paper describing Japanese company culture, assumes the standard concept as the point of comparison.

When considering the standard Japanese collectivism characteristics one may attempt to systematize them.

As far as values are concerned, the typical values are: being the part of the group and acting for the benefit of the company. According to Waters, 'in an average Japanese company the development of mutual trust as well as sharing responsibility are the key factors to be encouraged. The team as a whole must be stronger than the total strength of all individuals [1995: 49, my translation].

Symbols help to create organisational culture as they emphasize the equality among the organisation members [Waters 1995: 50]. Identical clothes are to facilitate the formalized relationships between workers and supervisors. The same clothes help to increase the sense of belonging to the organisation as the similarity is highlighted. Apart from clothes, another important symbol is the flag of the company.

When discussing norms, of great importance is following the task organisation scheme, organisational loyalty and respecting company rules and regulations. Norms, in Japanese organisational culture, are respected and accepted by workers on both formal and informal level. Kaizen serves as a management strategy. It involves a continuous development and refers to all company workers, directors and managers. Although Kaizen is a technical term, it reflects in the society and culture. Kaizen originator, Masaaki Imai, believes that this method of management may be used anywhere as it is the

company mentality that is of great importance and not any national traits or characteristics. The implementation of kaizen involves the following grupism-related values: cooperation and group forms of working. Work organisation, with reference to production, can be expressed by the following phrase: *just in time*. Production is closely linked to kaban idea, which acts as a group egoism reducer enabling to eliminate the hierarchical structure and coordinate group mechanisms.

Rituals are the next culture element. The ritual model is one way of analysing Japanese society and is correlated with the organisation functioning. Konecki [1995: 123] distinguishes 6 main ritual types. It is worth to emphasize the exceptional role of integration rituals, designed to provide the sense of stability and harmony for the members of the organisation and ensure the sense of belonging to the working community. These rituals comprise activities performed both, inside and outside the workplace including spending free time together after work. Generally, the common characteristic of Japanese organisation rituals is the possibility to save face by workers (new ones as well as already employed). 'Face' is a positive social value, (...) a person saves face if his/her actions corresponds to his/her inner coherent person image proved by other interaction participants' [Konecki 1994: 42, my translation].

The last culture element is the attitude presented by a worker. The desired attitude is of grupism character, i.e.: the concentration on the group and mutual trust reinforcement as well as workers bond forming. Collective identification involves the workers' perception of themselves as 'We'. In case any undesired attitude is present, 'a nail that stands out is hammered back' [Waters 1995: 50, my translation].

When discussing Japanese organisation culture one may refer to a specific scheme. Similarly, the same can be done with Polish organisation culture. As it is not the subject matter of this paper, the author focuses solely on the standard characteristics of Japanese collectivism and is in the search of the grupism manifestations in the context of organisations present in Poland.

With reference to organisational culture components, there can be attitudes expressing different grupism adaptation levels: a coherent attitude (the closest to the ideal type) and a mixed attitude. The attitude is understood here as a stable and learned tendency to judge events, people or ideas in a positive or negative way [Zimbardo 2004: 734]. With reference to its components it is possible to describe people's emotions and feelings associated with the attitude object (emotional component), beliefs related to the attitude object (cognitive aspect) and actions taken with regard to the attitude object (behavioural aspect) [Aronson, Wilson, Aekert 1997: 314]. Thus, the attitude becomes the indicator of the organisation culture implementation success.

Detailed criteria are presented in the table below.

**Table 1** Attitude type of worker and the adaptation level with reference to grupism requirements .

Criteria	Consistent attitude	<b>Mixed attitude</b>
<b>Organisational norms attitude</b>	known, accepted, internalized	known, partially accepted, obeyed
<b>Workers' attitude with reference to their autonomy and individual position</b>	'We' category, deindividuation	'the category of 'I' as a part of the group
<b>Attitude with reference to organisational rituals</b>	rituals are accepted and are of special importance for workers	rituals are accepted and are of moderate importance for workers
<b>The attitude with reference to values present in a company</b>	recognized	declared
<b>Following work discipline and procedure routines</b>	high	average
<b>The attitude towards company policy attitude – organisational loyalty</b>	high, unconditional acceptance of all management actions performed inside and outside the company	conditional acceptance – the accepting the company functioning inside the organisation and expressing one's dissatisfaction outside the company

Source: private findings

## Research sample

The research sample involves 4 production companies with Japanese capital. The tested subjects were chosen intentionally. They specialize in production for automotive industry. Selection criteria, apart from the capital, was the size of the company. It has been assumed that grupism manifests differently in a large and a small company. The research involved 2 small companies (the number of employers: 40-70) and 2 large companies (with over 250 people employed). The companies have been present on Polish market at least since 2007.

The material presented in this papers includes:

- 151 surveys (71 and 80 from small and large companies respectively)

14 interviews with managers (7 + 7)

30 interviews with production workers(18 + 12)

35 internet forum entries added by the workers of the tested companies (15 + 20)

### **Groupism sources and organisation practices**

When searching for grupism sources (considered as a specific organisational order), the main focus was the aspect of managers' deliberate promoting practices and introducing values. The key question was to what an extend grupism was present in the tested companies.

The respondents from the companies with Japanese capital (large and small) showed that the fundamental task when creating a company in Poland was the an attempt to transfer the management model as well as values and behaviours present in the original company.

So that this transfer is possible, in each tested company there were at least two workers (small companies) and over a dozen of workers(large companies) who had been trained in the original companies in Japan. The trainings were necessary to familiarize workers with the secrets of production techniques. However, as some respondents state, the visits allowed to feel the atmosphere and relations present in the company.

As far as managers are concerned it is necessary that the standards to be transferred are implemented in the greatest possible number and in a complete form.

**Table 2** Standards to be transferred to companies present in Poland (according to the managers)

Importance according to the number a given standard was designated	Standard name
1.	<b>Japanese management model</b> - Group forms of work organisation - KAIZEN, TQM - Emphasis the bond with a company
2.	Prioritisation of work, emphasis on the internalisation of norms

3.	<p><b>Group-oriented (workers' attitude to their autonomy)</b></p> <ul style="list-style-type: none"> <li>- stressing the importance of the group and the sense of belonging to the group via communication in terms 'We' and the group forms of work</li> <li>-obligatory participation and speaking during meetings as well as participation in integrative meetings very often of a family character.</li> </ul>
4.	<p><b>Transferring the mission, values and symbols present in the original company</b></p> <ul style="list-style-type: none"> <li>- emphasis on the mission, values and their active implementation by managers,</li> <li>- both, the flag of Japan as well as the flag of a company is located outside the building</li> <li>- uniforms identical to uniforms worn in the original company</li> </ul>
5.	<p><b>'Japonization' of attitudes</b></p> <ul style="list-style-type: none"> <li>- personnel wear identical uniforms</li> <li>- work is performed in silence</li> <li>- cleaning the factory (small companies – no cleaning company hired, workers clean the whole company; large companies – a worker is responsible for cleaning only his or her workplace)</li> </ul>
6.	The importance of good atmosphere in the company
7.	<p><b>Stressing the uniqueness of the company and motivating to organisational loyalty.</b></p>
8. (small companies)	Gifts exchange and the participation of company members in one's private life

source: private findings

Differences can be found between small and large companies in relation to the strictness of rules implementation from the original companies. The rule to clean the company by workers has been altered in large companies. Workers opposed to the introduction of the cleaning rule and protested against the obligation to clean the company by themselves. The managers accepted the demand and limited the cleaning of the company to shareable areas and leaving one's workplace clean and tidy. Another difference involves obligatory speaking during the teams meetings - large company managers decided that there is not always enough time for this rule to be followed.

The phenomenon of exchanging gifts between workers and managers is not present in large companies (in contrast to small companies where it is a common behaviour to invite the members of the company for family events). It is hard to say, if it is done purposely. As far as the author is concerned, it results from a spontaneous behaviour of workers.

As the survey results show, the efforts to implement the standards are noticeable by workers. With reference to the tested companies, no considerable difference concerning this issue has been found.

### Grupism - limiting organisational culture

One of the signs of a limiting character being the part of the organisational culture is the necessity to follow the work discipline and procedure routines by workers. No considerable differences have been found related to informing about the company regulations once the worker is employed.

There are no discrepancies when it comes to the knowledge level on punishing measures for not following the regulations by the worker. In all company types over 90% of the workers know what kind of punishing measures would be applied in the event of failure to comply with the company regulations. The worker were asked about the rules, they would not accept if it was not necessary. The respondents answers are presented in the table below.

**Table 3** Rules that would not be accepted if not demanded

Company type		Rules that would not be accepted					Total
		No data	YES	RATHER YES	RATHER NO	NO	
little	No.	0	3	5	13	50	71
	%	0	4.2	7.0	18.3	70.4	100.0
large	No.	7	12	15	13	33	80
	%	8.8	15.0	18.8	16.3	41.3	100.0

source: private findings

In small companies, there are rules that are accepted and would be accepted even if not pressured by the supervisors. In large companies several respondents state that they respect some rules out of necessity.

### Values and rituals

The division of values into declared and accepted used in this paper has been taken from Ossowski, who apart from those two values distinguishes also sensed values. Declared values are those that are explicitly expresses by workers in direct communication (S. Ossowski 2000). Declared values are also accepted values if workers express them implicitly on the internet, where workers can feel anonymous and may express one's true point of view on companies practices.

If actions for the company interest are regarded as valuable - its consequence is mutual aid and behaviour that helps to keep a good name of an organisation. It is related to organisational loyalty which ought to be present inside and outside of the organisation.

Firstly, the workers were tested to what an extend they declare following the values related to the common interest. One of the questions in the survey inquired if the worker would give help to other member of the company if such help was needed. This issue correspond to the behaviour contributing to the interest of the company. The answers are presented in the table below.

**Table 4** Consent to provide help to the member of the company.

Company type		Would you provide help to your co-worker?		Total
		no	yes	
little	No.	0	71	71
	%	0	100.0	100.0
large	No.	1	79	80
	%	1.3	98.8	100.0

source: private findings

The results has been juxtaposed with data provided by production workers interviews, who were asked about their assessment on their work contributing to the common interest in the organisation, e.g.: achieving the goals of the company by means of cooperation in the group identified not only with the working community but the company as a whole. All respondents from small companies stated that acting with regard to the common interest is of importance. The respondents declared that the company was important for them and the values present (stressing quality, collaboration and working for the interest of the whole company) were considered as top priority. In 12 large companies 8 respondent out of 12 stated that the values present in the company were important and followed by workers. There were also four people who stated that the values present in the company are impractical and two of them claimed that the values are not necessary in the company.

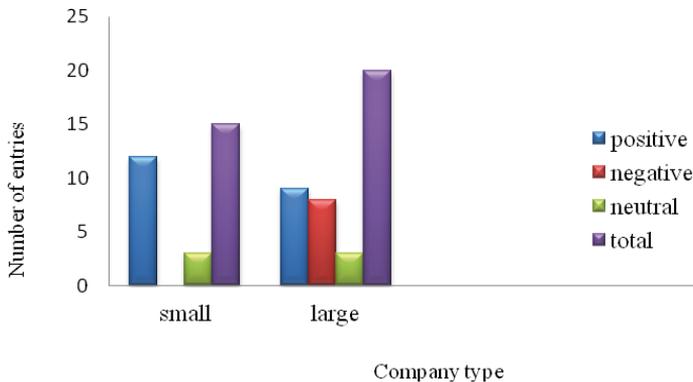
As presented, the majority of the tested people declared following the values. Respondents' declaration were checked to what an extend they correspond to the anonymous entries on the internet.

35 entries were analysed: 15 entries were added by the employers from small Japanese companies and 20 were made by the employers from large Japanese companies.

The entries were preliminarily divided into positive, negative and neutral feedback. The latter included no assessment implication and discussed such information as the number of employers or the company profile.

**Figure 1** Entries and its assessing character added on internet forums by the workers employed by the companies with Japanese capital.

The data listed according to the number of entries in a given category.



source: private findings

The highest number of entries was noted with reference to small companies - no negative entry was added. The entries discussed mainly the clear rules present in the company, good atmosphere in teams or the fact that workers can influence the functioning of the company. The authors boasted the high quality parts produced by the company. The majority of entries started with the expression: 'in our company...', which corresponds to 'We' category self-description. The workers answered the questions from people interested in working in the company, describing the company operative regulations expressing one's acceptance and summarizing them as 'the right' ones.

The entries in large companies concentrate mainly on the atmosphere in the working teams. Entries with a negative feedback relate to the company operative regulations described as: 'labour camp regulations'. Criticism and dissatisfaction with general working conditions regulations or participation in the rituals of the organisation are a dominant element in the internet discussions. As one of the worker noted on the internet: 'With each month everything is getting worse and worse, each time something new is forbidden, all the time there are some reprimands...' Another worker stated that 'it is impossible to work normally: uniforms, no radio, bare feet... Commanding, banning or consequences.'

The analysis of entries from the internet forums indicates the coherence of expressed values (both explicitly and implicitly) by the workers of small companies with Japanese capital. Consequently, it can be stated that in those types of companies the values are accepted and even deeply felt by the workers.

When it comes to large companies with Japanese capital, there is a noticeable difference between values declared unanonymously (survey) and internet entry opinions. Generally speaking, it can be assumed that the organisation values are of a declared character.

The next question was the following: what does the following of organisation rituals mean to you? So as to answer the question the data gathered from the surveys and interviews were used.

The answers from the workers of small companies clearly present that there exists the acceptance for company rituals - both those taking place at the company premises and outside the company. When asked about the meaning of clearly defined and repetitive activities rooted in the company culture the interviewees answered that 'it is inseparable part of the company reality' and 'rituals are viewed as something natural' or 'participation in the rituals favours the integrity of the company'. The attitude to rituals in large companies is not of a uniform character. The vast majority of workers accept the company rituals: 'it is just an element of the company culture', 'if they exist it means they are necessary'. As far as the meaning of the rituals present in the companies is concerned, they are viewed as duties to be fulfilled. 'The participation and speaking during meetings is important as it saves production-related troubles and facilitates the process of communication' On the other hand, 'if there were no meeting the workers would not insist on their restoration'.

### **Thinking patterns**

It was assumed that one of the elements of grupism is the manifestation of the thinking pattern involving the perception of oneself as a part of a group not an autonomous individual.

When examining the thinking patterns of oneself present among the interviewees, the following main categories were distinguished:

- 1) thinking in terms of 'We'
- 2) thinking in terms of 'I' placing the individual in the working group

The first step was to analyse workers assessment of the relations in the working teams. The answers were the following: small companies: 57,7 % workers characterized the team relations as very good, 31% as good, 9,9 % as average and 1,4 % as unfavourable. Large companies results were the following:

28,7% workers characterized the team relations as very good, 48,8% as good, 16,3% as average and 6,3% as unfavourable.

The next step was to collect the self-descriptions of workers related to the perception of one's workplace. In small companies the workers used the pronoun 'We', which can be viewed as one of the indicators of the presence of a high level of grupism adaptation in the companies. This form of communication is correlated with a grupistic thinking pattern concentrated on the organisational 'We', not considering oneself as an autonomous individual.

The situation in large companies is slightly different as the vast majority of workers describe oneself in terms of 'I' placing oneself the same way within the group indicating similarities to other team members. There are also few answers with the perception of oneself in terms of 'We'.

### **Workers attitudes**

This point tries to characterize the types of attitudes presenting the level of grupism acceptance common among the workers in the tested companies. The analysis conducted is of a general character. Detailed description would require more thorough research. With the data from the previous paragraphs and the considerations on different companies types in mind it was assumed that the following two types of attitudes may be distinguished: an attitude coherent with the grupism culture and a mixed attitude. The proportion of these two attitudes present in the tested companies is not defined - the aim is to indicate which attitude is dominant.

With reference to the chosen criteria of the attitude towards values, norms, work discipline, rituals and workers self-description there are two attitude types (the most common) that can be distinguished in the tested companies.

In small companies with Japanese capital, the most common attitude is the one described as coherent with grupism culture. People with the attitude coherent with grupism culture are characterized by a specific attitude to organisational norms. They not only know and accept the norms but consider them as their own. Thus, it can be stated that the attitude is linked with norm internalisation. The key element of the discussed attitude is the type of self-perception in terms of 'We' reflecting the level of workers deindividuation. People with the attitude coherent with grupism accept the rituals present in the company and consider them as significant so that the identification with the company is sustained. The same applies to the issue of values approved by an individual, which as a consequence leads to the acceptance of these values and their implementation in mind of representative of a discussed attitude. Moreover, the worker displays a high level of compliance with the principles

of procedure and work discipline. Additionally, the company course of action (inside and outside the company) is accepted unconditionally.

The other attitude type, the mixed type, is the most common in large companies. It is very common for workers to be familiarized with company values but accept them partially. They depict oneself frequently in term of 'I' as a part of a group, which indicates a high level of identification with the team. However, it is not marked by a group deindividuation. Presently, the rituals in the company are accepted but are of average importance for the workers. Values are of a declared character which indicates that workers representing this type of attitude are willing to follow them but not necessarily act in the name of these values. The workers with mixed attitude follow work discipline which is the result of formal and obligatory duties acceptance. The organisational loyalty is average with a noticeable lack of coherence between the declared and true actions, involving information circulation in the company.

### **Summary**

The examination of the companies allows to notice different levels of the discussed phenomenon - starting from highly intense in small companies with Japanese capital and an average in large companies. If viewing the phenomenon of grupism as a perfect type of organisational order it can be stated that the closest to the standard type is the phenomenon present in small companies with Japanese capital that were tested. As the research show, even in Polish national culture conditions it is possible to transfer numerous patterns with its source in a different cultural area.

There are certain conditions to be met. Firstly, it is necessary that the rules and norms present in the original company are reflected as faithfully as it is possible. Moreover, Polish workers need to have the sense of being an important part of the whole organisation, in other words that they are absolutely necessary for the company to function efficiently. It turns out that even minor concession made in the interest of workers arouse the senses of having a real impact on the rules present in the company - which very often leads to demands to limit the collectivistic rituals and rules.

The next condition to be fulfilled is the low numbers of workers as it is far easier to stimulate the group processes and use the adaptation potential of every team. The high level of integration of particular members is very common. Grupism-related organisational regulations are ridiculed in large and well-developed organisations. It is the consequence of guaranteed anonymity and the lack of identification which permits the existence of so called 'second outer-organisation cycle'. Numerous symbols and ritual practices strengthen

the sense of identification with the company and the conviction of they are being useful and valuable of all the rituals followers.

The worker adaptation lever to grupism practices can be observed when taking a closer look at work attitudes. The highest level of collectivistic norm internalisation is present in small tested companies, where workers attitude can be described as coherent with the grupism culture. The consequence of losing one's 'I' by an individual and accepting the company operations is workers' thinking and acting in terms of 'We' - which proves the successful implementation of the organisational culture. Collectivistic forms of grupism became an effective regulator especially when the company managers can encourage working team to motivate mutual interpersonal control. The individual may perceive the sense of belonging as gratifying and satisfying. The strong collective identification of people with the attitude coherent with the grupism culture allows to find 'one's place' in the organisational reality.

The mixed attitude is characterized by an average level of adaptation and presents selective acceptance of cultural regulations stressing the collective values introduced by managers. Worker with mixed attitude are flexible in combining the realization of grupism demands of the organisation team managers with the preservation of one's independence. Company workers are familiarized with the company norms, accept them to a certain extend and follow them. They perceive oneself as an integral part of the group without deindividuation as in the small Japanese companies. Grupism with its mixed form maybe the form of a pragmatic and instrumental adaptation to collectivistic practices - a type of game played by the worker with the organisation he is employed in.

The author of this article realizes that describes grupizm only in the context of four of the companies with Japanese capital. This study may be only a prelude to further exploration manifestations of the phenomenon on a larger scale and deepen the discussion on the issue signaled.

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## Linguistic capital in the sector of public administration

**Abstract:** *The concept of linguistic capital coined by Pierre Bourdieu in the 90s of the 20<sup>th</sup> century has become especially relevant for post-modern culture. Considering the effect of globalization and internationalization on organizations it has got a particular value for them as it effectively contributes to personal capital of their workforce and consequently to their intangibles. Although the above statement has been already widely recognized by most managers of global corporations who have rather successfully implemented a proper language policy (e.g. Motorola, Nokia, Ikea, etc.), it still seems to be a serious challenge for the public administration units, especially in their local self-governments - gminas. A lack of both a recognition of the economic and symbolical value of the linguistic capital and consequently a lack of any (or a consistent) language policy in the field, reduces their chances to make use of the whole potential of firstly, their staff's personal capital and secondly, of bridging and bonding capital (Putman 2000). Today these types of capital have gained on importance in gminas due to intensive intercultural interpersonal contacts generated locally and also by means of international and intercultural networks they are part of because of various EU and global co-operation programmes.*

*The aim of the present article is, firstly, to discuss the notion and the value of linguistic capital for an organization and then to research its awareness at the staff of public administration units in gminas by analysing their intercultural communication competence which is a basic communication instrument in realizing many international projects their gmina participates in. Indirectly, the study address also the issue of language policy in gminas as a sine qua non condition of its language capital. The discussion uses the results of the pilot study in the gmina of Myślenice in the Małopolska region.*

**Keywords:** *linguistic capital, post-modern culture, public administration.*

### Introduction

Although not as widely known and used as social or symbolic capital, *linguistic capital*, which constitutes a kind of cultural capital, has been lately recognized

as an important asset of an organization, be it market oriented and focused on generating tangible economic profits or functioning in the public sphere and contributing to the public goods. Its importance stems from communication playing the role of a basic medium for an organization management, especially against a global but culturally and linguistically diversified context. Globalisation resulting in, on the one hand, unification and, on the other, fragmentation of social reality has accounted for an emergence of *linguistic markets* which differently value particular use of language(s) and particular discourse(s) and their producers. They demand new competence, intercultural language competence as they attribute their own price to the languages and discourses which they treat as an instrument of action and power. *Linguistic capital* can be both symbolic and real as it can be easily converted into the economic one, which makes it an important asset of any organization and its strength when competing with other market and social space actors.

Consequently, since Bourdieu, the author of the term, *linguistic capital* has become an object of studies, but mainly in education (cf. Stanton-Salazar, Dornbusch 1995, Sullivan, 2002, Kalmijn, Kraaykamp 1996, Harker, 1990) for the simple reason that all kinds of educational institutions enable potential communicators to develop their communication competence and consequently to provide them with a successful access to the *linguistic market*. Hence they become themselves a source and a resource of a *linguistic capital*. Other areas which are slowly being examined are various aspects of modern societies. Thus Emirbayer and Williams (2005) deal with power relations in the field of social services, particularly homeless shelters. Hage (in: Dolby 2000), in turn, applies the theory of Bourdieu to analyse various manifestations of multiculturalism and racism in Australia. An interesting investigation on the value of electronic media, namely Internet, in creating cultural capital has been carried out by Emmison and Frow in 1998. It should be stressed that many researchers do not address directly *linguistic capital* but cultural capital of which it is a sub-category as the latter is a more encompassing and self-explaining term, especially if they themselves are not linguists.

Considering the growing value of communication in post-modern culture, Bourdieu's concept can be also applied to study other fields and focus, for example, on organisation management, especially how its *linguistic capital* is generated and how, in turn, it contributes to the organisation profits – both material, measured by means of economic factors and non-economic ones, which in most cases determine the former. Still, despite a large number of studies given to communication management within organisations (cf. Schultz, Tannenbaum, Lauterborn, 1993, Słomski, 2007, Winkler, 2008, to mention only a few), the idea of *linguistic capital* seems to be absent from them.

Hence the present article which attempts to find out what is the potential of *linguistic capital* in public administration units, especially the local self-governments, on the level of *gminas*, by researching intercultural communication competence of their staff. Intercultural communication competence constitutes a source of *linguistic capital* and a practical tool with which to generate it on international markets. As *gminas* have become an active participant of international projects they need their *linguistic capital* more than ever before to capitalise on them and thus generate Putman's *bonding* and *bridging capital*. An indirect objective of the study was also to analyse the language policy of *gminas* which is the means to enhance the linguistic resourcefulness of their administrative staff.

The study, which is treated as pilot, has been carried out in the *gmina* of Myślenice in the Małopolska region with a well developed network of international contacts. It was hypothesised that the better developed the intercultural communicative competence of the administration staff directly involved in international and intercultural activities, the more efficient the co-operation.

At least two reasons account for the choice of the area of present studies. Firstly, it can be argued that public administration is still treated as a foster child of public institutions, and consequently it does not use to the fullest the potential it has to improve its performance and enlarge its profits. Its internationalisation illustrates the issue. Due to various European Union programmes promoting co-operation within European and world cities and regions many activities of public administration units cross national and cultural borders in a geographic sense, but the results achieved do not always meet expectations. Secondly, in Poland, despite their visible advantages, many management principles, among them proper language policy, which have been successfully implemented by market organisations still tend to be very slowly adapted by the administration sector. Although *linguistic capital*, as follows from the examples of many transcultural corporations, has become vital for their functioning on the market, public administration does not seem to be sensitive enough to the above issue how to empower their staff and make them more productive in generating it and enhancing the overall capital of the *gmina*.

### **I. Pierre Bourdieu and the concept of linguistic capital**

The term of *linguistic capital* was coined in the 90s of the 20<sup>th</sup> century by Pierre Bourdieu, a French social philosopher whose output includes studies in education, culture, art and language. Michel James Grenfell in his recent book *Bourdieu, language and linguistics* (2011) calls him a 'public intellectual' whose

role can be compared to such great minds of the 20<sup>th</sup> century as Jean-Paul Sartre, Simone de Beauvoir and Michel Foucault. Bourdieu (1990:114) used the concept of *linguistic capital* to define a specific form of embodied *cultural capital* which, in this case is understood as the mastery of and relation to language. It stands for a means of communication and self-presentation acquired from one's surrounding culture and it is generated by a proper use of language in a proper social context – a *habitus*. The *habitus*, roughly speaking, plays the role of a *linguistic market* which assigns specific meanings to particular uses of language. The meanings conveyed depend not only on *content* (what is said) but also on *form*, e.g. the way the message has been packaged by means of linguistic structures (cf. discourse *genres*, e.g. advertisements). The *form*, in turn, stands for *style* which can be defined as different ways of saying the same things by striking the right proportions between a *sociolect* (a social use of language) and *idiolect* (an individual use of language) according to the perceiving subject/addressee/audience/objectives.

Through a use of the legitimate language, that is the language which fits the *linguistic market*, its producer can exercise their social competence which is a marker of their social power and a tool to impose their authority and have things done. The legitimate language which usually is the dominant language has often emerged as such as a result of a historical process, in many cases marked with conflicts as was the case of the colonial context for it. Thus sociologically pertinent differences in language tend to reflect social and economic oppositions and re-translate social and economic differences. On the other hand, language can also level them creating bonds of solidarity and positive relations among its producers.

Let me stress that for Bourdieu capital always refers to social relations within a system of exchange that confers power and status. In the case of *cultural capital* accumulated cultural knowledge acts as a source of power and status differentiating its producers while the differentiating power of *linguistic capital* results from the ability of its source, a discourse producer, to use right words, grammar, register, tone, body language, that is all means of verbal and non-verbal communication so as to speak to the point, in a manner that fits the situation and follows the communication scripts proper to it, and serves to have the communication objectives achieved. The *linguistic market* which functions as a factor structuring social relations and defining them in terms of status, power and action (who can achieve what), assigns a certain value to the types of language and discourses available to the speaker who should choose from their repertoire those ones whose *market price* is the highest.

The *linguistic market* behaves as any other market which consists of various commodities, ideas and abilities and evaluates them using economic relations

within which under specific circumstances certain linguistic capabilities possess a higher currency than others. For Bourdieu two complementary characteristics define a *linguistic market*: on the one hand it is substantial as it refers to well-defined social situation, on the other it is abstract because of the rules that assign a certain value to the language used by its producer, as well as the spread, accumulation and reproduction of *linguistic capital*. Similarly to economic capital which results in class distinction, also all other types of capital serve to classify their producers as either dominated or dominant creating a certain social hierarchy, accepted by some but contested and rejected by others.

In his discussion of language Bourdieu (1990:66-67) uses market oriented terms to draw attention to the practical aspect of language use and its value. In this way he also breaks away from the intellectual tradition of Ferdinand de Saussure and Noam Chomsky. He thus replaces *speaker* with *producer*, *receiver* with *consumer* and *linguistic exchange* with *economic exchange* with the status of a *product*. A *product* is a sign of wealth (*capital and profits*) and authority (*power*) depending on its *price* established by the market.

The philosophical foundations of Bourdieu's *linguistic capital* are shared with Robert Putman's (2000) concept of *soft power* with its locus in culture and its effects visible in tangible manifestations of reality, e.g. in real economic power of nations. *Soft power* serves to generate social capital, the *intangibles*, in two forms, *bonding* and *bridging*, both of which are built by means of interpersonal social relations. Intracultural interpersonal relations account for generating *social bonding capital* (Putman 2000:74) as they work as frames for solidarity and common interests and consequently encourage users of the same culture to collaborate to achieve common aims. Intercultural interpersonal relations are a source of *cultural bridging capital* which is created by the potential of differences among individuals who are able to transgress the challenge of the difference and create new ties to work together. Although Putman does not use the concept of language communication directly, it is implied because communication is a basic dimension of culture and social life as well as their vital medium. A degree of its mastery (communicative competence) determines in most cases social success or failure of any social actor, be it an individual or a group.

Communicative competence, and especially intercultural communicative competence, are practical tools with which to create a potential communicator the ability to act as a resource of *linguistic capital* which, in post-modern societies is deeply rooted in *bonding and bridging capitals* as neither institutions nor individuals can exist on their own and primarily global relations decide about their market position and worth. Let me stress that the link between (intercultural) communicative competence of an institution staff and its capital

is direct and overt in the case of Pierre Bourdieu's *linguistic capital* and implied when Robert Putman's concept of *social capital of bonding and bridging* type are considered. Communicative competence which allows the communicator to use such language and discourses which are more highly priced than others on the *linguistic market* embraces three basic components: 1/knowledge, both linguistic (grammar, semantics, discourse management devices) and paralinguistic (e.g. social, cultural, political), 2/communication and social skills as well as 3/attitudes. Michel Byram (1997:91-103) calls them *saviors* and defines them in the following way: 1/*savoir être* which refers to attitudes of curiosity and openness in contacts with others, 2/*savoirs (knowledge)* of social groups, their products and practices both in the producer's and receiver's culture, 3/*savoir comprendre* which are skills of interpreting and relating, 4/*savoir apprendre/faire* which are skills of discovery and interactions, and 5/*savoir s'engager* which consists of an ability of critical cultural awareness.

As follows from the above concept of (intercultural) communicative competence, it is not merely a communicative and relational tool but an instrument to do things with words (Austin, 1975) and to transform the non-linguistic reality in such a way as to have the aims met. A proper language and multicultural policy promoted by an organization assists its staff in developing (intercultural) communicative competence by making them acquire useful knowledge, master necessary skills and create proper attitudes. Consequently, its workers become resourceful when communicating/co-operating with partners, which has a direct impact on the institution capital.

## **2. Cultural diversity – a challenge for Polish administration units on the level of gminas**

Cultural and language diversity has been taken for granted in the case of global corporations whose managers, as posited by Fons Trompennars (2002:15) have to function at a crisscross of their own culture, the culture of the country where they work and the organisational culture of the company for which they work. Consequently, as if by definition, development of intercultural communicative competence embracing social and communication skills at their top workers has been given much attention and a proper language and multicultural policy has been adopted by most of them (cf. Motorola, Nokia, Ikea). The multicultural aspect of Polish administration units, in particular the ones functioning on the level of *gminas*, is not that obvious although among many of its activities defined by the *Ustawa o samorządzie gminnym (A bill on local self-governments)* from 1990 *gminas* are obliged to co-operate with local communities of other countries. The legal frames for such a co-operation have been also created by

article 172 in the *Constitution of the Polish Republic* which corresponds to the text of article 10 par. 2 and 3 from the *European Chart of Local Self-Government* from 1985. Apart from the new multiculturalism of *gminas* resulting from their partnership with European regions and cities promoted by the policy of the European Union, there are three other areas where cultural diversity is visible. They are: 1/historical migration and ethnic diversification of the *gmina* population, 2/new migrations, 3/economic globalization resulting in branches of global corporations operating in Poland, e.g. Coca Cola in Niepołomice.

Historical migrations have changed the ethnic structure of Poland. Today representatives of nine national minorities and four ethnic minorities live in Polish *gminas* where they are both a chance and a threat for its social, cultural and economic capital. Most often their presence generates only costs such as the costs of education in their own languages, of preservation and development of their own cultural heritage, etc. Their capital potential tends to be ignored as in most cases the local authorities lack knowledge and sensitivity to act properly. New migrations include economic immigrants mainly from the former Soviet Union, China and Vietnam as well as transit immigrants, often from economically underprivileged Asian countries, political refugees from Chechnya, displaced Poles who can come back to Poland within the *Programme Rodak (Compatriot)*, tourists, and professionals from economically more advanced countries (Paszko, 2012). A proper educational policy as well as all kinds of initiatives to integrate the foreigners with local people belong to important tasks of *gmina* administration and if properly put in practice they result in creating a new quality of life for the whole *gmina*.

Many programmes of international co-operation have been put in practice by the European Union resulting mainly in vivid socio-cultural exchanges between European regions 16 of which are in Poland, e.g. the Euro-region Tatrzy. The basic aim of their co-operation is not only to promote their cultural heritage but also to use culture to stimulate creativity and innovativeness of their inhabitants thus positively impacting their economic growth and unemployment rate (Nawrót, 2003). Since 1989 there has been operating the Programme of Twin cities which has turned out to be especially beneficial for small cities and villages. It encourages grass root initiatives, teaches civic virtues and by increasing mobility of average people gives them an opportunity to gain theoretical and practical knowledge as well as some direct experience of the other, to develop communicative competence, relational abilities, know-how, self-recognition, self-esteem, prestige, etc. The role of the *gmina* administration consists in co-ordinating and organizing the exchange, especially in its initial phase by creating and maintaining relations with partner cities, preparing study tours and educational programmes for their partners and for themselves

abroad, encouraging cultural exchange programmes, etc. (Hałas, 2003:16). As they become acquainted with examples of their partners' good practices they get new tools with which to generate their own potential to administer better their *gmina* by assisting the needs of its inhabitants in a more efficient way. Their knowledge and experience empower them, which in turn encourages their self-governance and turns them into a more resourceful contributors generating social and cultural capitals.

It is obvious that globalization needs a proper communication medium and a mastery of intercultural communication competence becomes an unquestionable must. The bigger the *linguistic capital* of the local administration staff, the better the results of their work for the *gmina* as a whole and for its individual inhabitants. Considering the above, *gmina* authorities should be interested in providing their workers, at least those who are directly involved in the process, with opportunities to develop their *linguistic capital*. It is always possible to use a professional interpreter and translator but a multi-level structure of a communication act points out their limited role in the process. Their efficiency is primarily visible on the factual level which consists in exchanging information but they may be less successful on two other levels - creation of interpersonal relations (relational level) and acting (action level). Besides, informal, friendly and private contacts outside the protocol, agendas and meeting rooms when people discuss issues apparently irrelevant to their official visit, often tend to be more advantageous for their participant than formal talks and meetings. It is during the former when all kinds of capital are generated, especially *individual capital* which latter on can be used for the good of the whole community.

### **3. The linguistic capital of the administrative staff in the gmina of Myślenice**

The choice of the *gmina* of Myślenice to carry out the pilot research resulted from its rather strong cultural diversity, both inherited from the past (a Jewish cultural heritage) and consistently created at present. The present facet of the *gmina* multiculturalism has two main aspects economic and cultural. Investments by global corporations such as *Cooper Standard Automotive* or Polish ones which operate on international markets, e.g. *Polplast* mark the economy-powered cultural diversity which is strongly encouraged by the initiatives of the *Myślenice Agency of Economic Development*. Culture-oriented diversity is created by more actors due to a vivid co-operation of Myślenice with three twin cities in Europe (German Ludenscheid, French Tinquieux, Hungarian Csopak) and one - Dahlonga - in the USA, intercultural festivals organized by the Association

“The Myślenice Community”, activities of the “Myślenice Cultural Association”, activities of ethnic minorities on the territory of the *gmina* and 13 immigrants who have officially settled in the area (9 in the city itself and 4 in the *gmina*).

One of the basic questions was how representative is the *gmina* of Myślenice for Polish *gminas* and consequently how should we treat the results of the study. The answer for the first question is positive although Myślenice belongs to relatively rich *gminas* and its close location to Krakow results in many people working there and also spending there their leisure time. As far as its multiculturalism is concerned its manifestations are the same as in other Polish *gminas*. Considering the above, the results of the pilot research can be taken for representing average multicultural tendencies proper to Polish *gminas*.

To identify the *linguistic capital* of the administrative staff of the *gmina* of Myślenice its members were administered a questionnaire and additionally the head of the Unit of the City Promotion who is also a director of the folk dancing and singing ensemble “Ziemia Myślenicka” and the head of the department of citizen’s and social affairs were interviewed. Only 15 workers which is less than 1/3 of the whole staff decided to answer the questions from the questionnaire, which can be explained either by their lack of interest in the area indicating their lack of awareness of the issue and its importance or just their unwillingness to co-operate as they might have been afraid of their inability to give answers. The questionnaire was administered during their working hours so they could not use the argument of being busy. The questions (15 altogether) were grouped in five categories each of which dealt with such vital issue for developing *linguistic capital* as 1/awareness of a *gmina linguistic market* created by various forms of its cultural diversity, 2/recognition of these manifestations as a *gmina* asset and 3/a factor positively influencing the work of public administrators or a barrier, 4/definition of their own sub-competencies of intercultural communicative competence, 5/*gmina* activities assisting its administrative workers in developing their intercultural communicative competence.

Our analysis of the empirical data has allowed us to draw certain conclusions which, in general, point out a very low level of *linguistic capital* of the *gmina* administrative staff. Most of them (61%) see multiculturalism as an active co-existence of and an exchange among cultures which impacts their understanding of a *linguistic market* in their *gmina*. On the other hand, for 38% of the respondents the concept of multiculturalism was limited to ethnic diversity excluding its other manifestations. Additionally it was the Jewish who were always pointed out probably because of close links with a Jewish community in New York and a joint project to restore a Jewish cemetery. The media effect should be also considered as Polish-Jewish relations are give more space in the public discourse than it is with any other ethnic group. The

respondents (43,5%) did not recognize new migrants as factors of their *gmina* cultural diversity. There may be two reasons of such responses: firstly their small number and, secondly, their being married to Poles. Such an understanding of multiculturalism made the administrative workers also claim that most Polish *gminas* are perfectly monocultural.

The results were even more disappointing when the questions were more specific and aimed at defining institutionalized forms of multiculturalism resulting from various forms of *gmina* activities. It is surprising that only as little as 23% of the *gmina* administrative staff were able to identify any multicultural activity initiated by their employer. As for those who were aware of it, 50% indicated intercultural associations and their programmes both in Poland and abroad, 30% mentioned partnership with foreign cities, 20% specified exhibitions, festivals and concerts while 10% referred to the activities of the museum "Dom Grecki" (Greek House). It is surprising that those who are directly involved in them know so little about them. The responses may indicate that the projects realized by the *gmina* either need better promotion or their results are not satisfactory as they do not meet the needs of the *gmina* inhabitants.

When asked to evaluate the effects of multiculturalism on the functioning of their *gmina* and on their own professional competencies, 20% of the respondents claimed that it enriches their local culture, 10% believed that it helps create positive attitudes in the *gmina* inhabitants and 20% considered it as a factor of economic growth. Only one respondent saw the cultural diversity of the *gmina* as a factor facilitating development of intercultural communication competence and for two workers it accounted for better intercultural competencies of the administrative staff. Two workers claimed that multiculturalism is a barrier, mainly communicative, in their work and endangers their routine functioning. As much as 46% of the respondents were not able to give any example of the effects of multicultural co-operation beneficial for the *gmina*, which directly point out their low interest in multicultural initiatives but even more their lack of awareness that it can be a source of capital.

The questions addressed to identify intercultural communication sub-competencies which a worker in the *gmina* administration should master show that a knowledge of a foreign language is the most highly valued but the least well developed (79%). It is followed by curiosity, openness and a positive attitude towards the other, which according to the respondents have been sufficiently mastered by them (85%). They have indicated the following barriers to intercultural communication: prejudice, ethnocentrism, lack of linguistic competence, stereotypes (82%) but while self-evaluating they claimed that their true difficulty is a lack of linguistic competence. This is a

very interesting statement because it points out that a common understanding of verbal communication is devoid of its cultural and social context (*habitus*), the concepts crucial for a successful functioning on the *linguistic market*. Such an approach to intercultural communication was also evidenced by treating a lack of cultural knowledge and a positive evaluation of cultural diversity as peripheral. When directly asked to evaluate their intercultural communicative competence, the respondents were very positive (72%), although they admitted that in direct face-to-face contacts their language skills are not always satisfactory.

In the last group of questions one of the most important postulates was to educate both young people and the administrative staff in multicultural issue (44%) and to promote learning English (58%). As follows from their answers an interpreter is always present during all official meetings, both in Mysłenice and abroad. Their partners, except for Germans, also have a very poor or none command of English, which does not motivate them to start self-learning a language or to attend a language course. During informal meetings they can always manage, because as one of the responded has said “if you are well disposed towards your intrelocator, you can always find a way to be understood. It is true that our relations are very poor and we cannot benefit from them the way we could if we knew the language, but it is always a nice and enriching experience”.

The above sentence is significant as it draws out attention to the fact that even a direct and personal experience of multiculturalism does not really encourage its participants to become more mindful communicators although they tend to be aware that intercultural communication competence would make them capitalize on the value of cultural diversity. Thus their *linguistic capital* tends to be dormant although their wish to get some multicultural education proves that the time for changes has already started.

## Conclusions

A proper understanding of multiculturalism and of the value of its various local manifestations constitutes the biggest challenge for the public administration workers in *gminas* as it determines the concept of *linguistic market* and *linguistic capital*. A complexity of multiculturalism as well as its capital resourcefulness are often ignored or undermined and consequently it may be treated as a barrier to a clerical job. Direct contacts with international partners and participation in joint projects and programmes do not promote a proper understanding of the need to develop intercultural communication competence because communication problems are solved by a professional interpreter and

during informal meetings there is always a chance to say a few words and to use lots of non-verbals to be understood. Polish administrative workers are not motivated to develop their intercultural communication competence by the examples of their colleagues whose command of foreign languages is the same. On the other hand, the same workers can correctly identify barriers to intercultural communication and postulate an intercultural education programmes of which they would like to be recipients. It should be also stressed that despite a rather low *linguistic capital* of the public administration workers in the *gmina* of Myślenice, many international and intercultural projects beneficial for the whole community have been successfully realized. An explanation of the paradox is possible if we admit that the real *linguistic capital* of the *gmina* workers is bigger than the declared one. They often act intuitively according to the situation and definite tasks but when asked to name what they have been doing they often fail reminding us of a Molier's character, Monsieur Jouardin, who did not know that he was speaking prose.

The situation can be improved by providing administrative workers with some course in multiculturalism, its manifestations, values and role in generating social capital as well as economic capital. Some special attention should be given to make them acquainted with the concept of *linguistic capital* and its practical tool – intercultural communication competence. They should be also offered an opportunity to develop this kind of competence. Furthermore, thanks to a consistent motivation system policy they should be encouraged to undertake some efforts to enhance their own resourcefulness on the *linguistic market*. Although only a few workers are directly responsible for intercultural co-operation in the *gmina*, it would be advisable to create *ad hoc* teams involving other workers as well some average citizens when particular projects are realized. In this way more people will know about the projects and the value of multiculturalism, they will also feel responsible and empowered. Finally, it seems that the many initiatives undertaken by various public actors in the field of intercultural relations should be better promoted by *gmina* among its own administrative staff who should be well informed about the work of the whole institution.

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## Effectiveness of Classification Measures in Predicting Achievement in the Israel Defense Forces – Fitness Instruction Trainers Courses as a Case Study

**Abstract:** *Human resources are the most crucial element in the selection of suitable fitness instruction trainers (FIT) and the results of the screening process impact greatly on the entire physical training system in the Israeli army, both in the short-term and the long-term (potential officers, young officers and developing and veteran officers). The aim of the current study is to examine the effectiveness, validity and reliability of the screening process for acceptance to the female fitness instructors training course in the Israel Defense Forces (IDF). The screening process aims to identify those that are most suitable from a large pool of candidates, in order to ensure the highest possible level of candidates and the lowest possible drop-out rate from the training course and subsequent army service. The paper examines the reliability of the classification exam currently administered in the course and its validity in predicting those candidates who will succeed in the course and in their assignments afterwards. The sample is based on a data analysis of nine screening dates over three years (three each year). The evaluation of validity is based on the relationship between the course entrance exam grades (administered a year before enlistment), exam grades at the beginning of the course and additional data relating to success in the field.*

**Keywords** *human resources, Israel Defense Forces*

## **I. Introduction**

Human resources are the most crucial element in the selection of suitable fitness instruction trainers (FIT), and the results of the screening process impact greatly on the entire physical training system in the army. This is evidenced both in the short-term (in the FIT courses and on the bases where the trainers serve) and in the long-term (potential officers, young officers and developing and veteran officers) (Galily, 2007).

This paper examines the validity of the screening process of female candidates for fitness instructor training courses. The goal of the screening process that this paper presents is to identify from a large pool of candidates those most suitable to serve as fitness trainers, with the aim of raising the level of trainers and lowering the drop-out rate both during the course and the subsequent army service.

## **2. Background**

The human element is dynamic and essential to an organization's success. Its contribution is based on the qualities and talents that each individual brings to the organization. Most organizations mainly recruit workers whose personal characteristics and worldview are as close as possible to that of the organization, in order to satisfy the individual's expectations in the work environment and increase his/her productivity and level of functioning. In other words, it is preferable to be classified as "suitable to pilot's course" than to come under the category of "the best become pilots" (Vigoda, 2000; Drory and Vigoda-Gadot, 2010; Vigoda-Gadot and Talmud, 2010).

The effort to recruit talented highly capable workers is central to human resources departments. Complex systems of sorting and screening human resources are developed in the hope of finding the best match for the organization – someone who is talented, educated, possesses initiative and independent thinking, is willing to work hard to further the collective goals of the organization and who will suit the organization, its values and its general corporate culture (Vigoda, 2000). However when the demands of the workplace are higher than the supply of suitable candidates, then screening standards tend to be lowered (Kantrowitz and Winnigert, 2000). Compromises of this sort are common in institutes of higher education throughout the world. In accepting students to academic studies the main emphasis is put on the candidate's ability to succeed academically, while when considering candidates for teaching positions this ability is not sufficient, for in order to be a good teacher one needs such characteristics as self-expression, self-confidence, good

inter-personal relations, leadership and flexibility. Acceptance criteria at most teaching colleges are: matriculation average, results of a psychometric exam and an interview with the acceptance committee (Teichman-Weinberg & Ben-Ari, 2001).

People differ from one another in almost every way. Some things are easy to see and measure, like height and weight, and others, such as skills, intelligence and motivation, cannot be directly observed and are often difficult to measure. Psychologists from the school of individual differences hold that individuals differ in their behavioral and cognitive characteristics to the same extent as they differ in physical characteristics. They also maintain that characteristics are fairly constant over time, and because of this can be measured. It is not possible to measure psychological characteristics directly, but rather through their expression in behavior or verbal reports. There are two ways to match a person to a job on the basis of measuring individual differences: job-centered screening and person-centered screening. The first starts with a defined job, and the goal is to find the best person to fill the position, while the latter starts with a specific person and tries to match him or her to the job for which he or she is most suited (Howell and Dipboye, 1986).

There has been much research on the subject of effective screening in predicting success, for example in sports (Lidor *et al.*, 1996), in the army Barko and Shirom, 1980; Tubiana and Ben-Shakhar, 1987), in teaching (Bloom *et al.*, 1976), teaching studies (Goldberg and Halabi, 1999) and studies in general (Kennet-Cohen *et al.*, 1999).

### **Personnel selection**

The screening process tests performance in situations similar to those that the prospective candidates will be required to handle in their future positions, and also appraises aspects of personality and behavior. Goldberg and Halabi (1999) researched the effectiveness of screening systems in conjunction with instruments that examined cognitive ability and personality traits. The findings show that screening systems which include an assessment center can contribute to correctly predicting success both in academic as well as professional pursuits. A particularly high prediction correlation was found among female students who received a low score from the assessment center. These students received lower grades in their studies compared with other students. In a similar study that checked the prediction ability of the Achva Teachers College acceptance committee (Teichman-Weinberg and Ben-Ami, 2001), it was found there was no correlation between the evaluation of the students' abilities and their subsequent achievements in their studies. In response to these findings a study was conducted among those lecturers who had been on the acceptance committees, and it was found that the prediction failure was most likely due to

an absence of instruments for sufficient knowledge. Another study, conducted at the Gordon Teachers College (Shectman, 1990), found a high correlation between the acceptance committees' evaluation and subsequent grades. This high correlation was attributed to prior training that the evaluators received. Berry and Houston (1993) found higher prediction reliability when evaluators held discussions among themselves than when each worked independently.

Lidor *et al.* (1996) examined the connection between the achievements of young basketball players in a series of tests of motor skills and the opinions of two expert coaches on the general abilities of the young players. The findings showed that it was possible to identify, choose and sort the level of the athletes on the basis of the motor skills tests.

In a study that checked the effectiveness of the classification of a sample of 126 men in the United States Navy (Marcinik *et al.*, 1995 see also Allsopp *et al.* 2003), the results showed low prediction ability for the demands and tasks of submarine duty. A significant number of those who passed the admissions tests were not able to complete on-the-job tasks, especially because the tests did not relate to physical effort, specific groups of muscles and movements necessary to execute the tasks. The admissions tests included 500 yards swimming (14 minutes), push-ups (42 in two minutes), sit-ups (50 in two minutes), chin-ups (six with unlimited time), and a 1.5 mile run (12 minutes, 45 seconds). These were assessed against a battery of on-the-job tests that included carrying a 10 kilogram bag of tools for 60 meters, dolphin kicks for remaining afloat, climbing a four-meter ladder and carrying oxygen canisters for 137 meters. The results showed a clear difference only between those who passed or failed the push-ups and sit-ups in the dolphin kicking ( $0.05 > p$ ), and some of those who passed the screening tests were unable to carry a tool bag (18.5%) or execute the dolphin kicks (25.7%).

### **Screening process for combat troops in the Israel Defense Forces (IDF)**

As stated, this article examines the screening process for female soldiers who wish to be combat fitness instruction trainers (FIT) and to be accepted to the FIT course. The screening process aims at identifying the most suitable prospects from a large pool of candidates. Additional aims are choosing the highest quality candidates and lowering the drop-out rate both from the course and their subsequent service.

The first step in designing an effective screening model is an analysis of the position that needs to be filled (Anastasi, 1964), and then building a screening process that meets the desired profile.<sup>[1]</sup> In a job analysis conducted in the IDF combat fitness department, it was determined that female fitness instruction trainers face many challenges, including instructional, organizational and educational ones. Upon completion of the FIT course and placement in various

bases their primary responsibilities are to be fitness trainers and to give lectures to new recruits, field sergeants, officers and headquarters soldiers. As such it is her job to habitualize them to physical activity, both for their military jobs as well as their general health and well-being. In addition, she is responsible for preparing lesson plans and training programs, for the supervision and follow-up of the programs and soldiers' achievements, as well as for organizing sports days and tests in accordance with the orders regarding number and content of training sessions for each population.

Previous studies conducted by the IDF combat fitness department<sup>[2]</sup> found that the essential skills required for success as a fitness instruction trainer include: professionalism, methodological capabilities, ability to learn and implement, showing respect for professional authority and organizational and command ability. Other necessary outstanding traits are self-confidence, assertiveness, inter-personal relations, motivation and investing effort, ambition, open-mindedness, ability to accept criticism, ability to integrate socially and ability to withstand pressure both academically and on the job. In addition, the job of the fitness instruction trainer demands values such as: credibility and honesty, recognition of the importance of training and personal responsibility. In the screening process assessment of these values and traits are left to the interpretation of the assessors.

The initial stage of the screening process, which is not part of the screening process researched for this paper, takes place prior to enlistment day, when potential candidates for the FIT course are identified. At the same time potential officers are also identified. This process is based on the results of psychometric exams, medical examinations and the draftees' preferences. In every recruitment cycle there is a fixed number of possible candidates from each category/quality group (KABA). After this the FIT course professional<sup>[3]</sup> screening process is divided into four stages: 1) test of basic physical fitness 2) group dynamics exercises 3) personal interview 4) completion of a form evaluating the candidate's traits and a decision on acceptance to the course.

The goal of the screening process is to successfully predict the level of the candidates' preparedness for the FIT course, in order to ensure their success in the course and subsequent work in the field. The candidates who prior to enlisting have passed the initial screening process are sent to a two week basic training, at the end of which it is determined if they will do the twelve week FIT course.

The FIT course includes theoretical material, practical training and development of training skills in preparation for work in the field. At the end of the course the women are integrated into different units throughout the country in accordance with their knowledge, abilities and personal preferences.

In the course of their service they will undergo basic physical fitness exams every six months, and attend two professional courses with written final exams. It should be noted that the women have the option of leaving this job assignment at any stage in their service.

In the wake of changes in the job definition of army fitness trainers, in 1994 changes were made in the structure of the FIT courses and the screening process was adjusted. The goal was to institute a uniform screening process that would maximize the FIT candidates' potential. In 1998 a committee was convened in the organizational department of the combat fitness department responsible for the screening process for FIT courses, which examined the previous process, and consulted with officers and trainers to establish a clearer profile of the desired trainer. The committee members then consulted with people in the IDF department of behavioral sciences to develop the screening process used today.

The opinions and recommendations of the committee were implemented in 1998. The main changes to the screening process were: 1) the creation of clear and structured instruments on which the selector could base his or her recommendations; 2) an annual training day for reservists who serve on the screening committees; 3) The requirement that all reservists serving on screening committees would be former fitness trainers or officers of fitness trainers, or former officers or combat soldiers who have received training from an commanding officer of a FIT course as well as training by the head of the screening; and 4) every screening team must include at least one veteran FIT officer and one reservist.

Despite the systematic planning of the screening procedures, there has been no examination as to whether they do in fact effectively predict achievement in the FIT course and in the field. Accordingly, the goal of this research were to examine the components of the existing screening test their effectiveness, reliability and validity.

This study was divided into two parts: the main part examined the effectiveness in predicting success in the FIT course by comparing achievements on the screening exams (both theoretical and practical) to achievements in the course (theoretical, practical and instructional) and in the course of their service afterwards as trainers (including evaluation reports from their commanding officers in addition to the theoretical and practical exams). The research sample is based on an analysis of data from nine screening dates over three years (three each year). In addition, the reliability between the evaluators was tested during the screening process regarding the grade components and the evaluation of the relevant attributes for the job, based on the analysis of the job, the validity of the type of research tool, the classification profile of

those going on to be officers and the effectiveness of the classification means in predicting the training job after the FIT course (including theoretical and practical exams and the assessment of a commanding officer's assessment).

The screening process for acceptance to FIT courses is based on an assessment center. <sup>[4]</sup>An assessment center is defined as "a comprehensive, standardized procedure in which multiple assessment techniques such as situational exercises and job simulation are used to evaluate individual employees for a variety of manpower decisions" (Thornton and Byham, 1982). At the heart of the assessment center is the role-playing of situations that the candidate would have to deal with on the job. The origin of the term "assessment center" comes from the fact that a group of assessors and assessees come together with the goal of assessing the candidates' potential, promotion or placement in a specific job (Landy and Trumbo, 1980).

The battery of tests in the IDF consists for the most part of group dynamics, simulations, personal interviews and a biographical questionnaire, in order to identify the talents, personality traits and values of the candidate. This screening process is applicable to a wide range of jobs. <sup>[5]</sup> A fitness instructor in addition needs to be physically fit. The validity of the assessment center in predicting success in administrative positions is 0.36 (Casio, 1991). The different tests **[?]** are also more relevant than pencil and paper tests (Landy and Trumbo, 1980). The screening process for FIT courses is composed of four stages: a test of basic physical fitness, group dynamics exercises, personal interview with completion of an assessment form of the candidate's personality traits and a decision of acceptance/rejection to the course.

The physical fitness exam assesses basic physical fitness, includes aerobics and tolerance of the muscles of the hands and stomach, which is significant measure of suitability for the job of fitness instruction trainer. Recent research conducted in combat units found that physical fitness was a predictor of long-term physical ability and was closely related to motivation and unit suitability (Bitterman, 1995). A similar study was conducted in another combat unit and showed that the most highly linked test grade in the screening process to grade at the end of training was the test of physical ability (0.4) (Tzafi, 2000).

Simulation tests seek to replicate the kinds of situations that appear in the field and that candidates will have to deal with in their future jobs. There are two kinds of situation tests: individual exercises where a candidate is questioned alone and group exercises in which a group of candidates are evaluated on how they perform together. Situation tests must be suited and relevant to the job according to the job analysis and express the central activities of the job. The main drawback of situation tests is the exposure to assessors' bias (the halo effect, first impressions and stereotypes) and environmental bias (Anastasi, 1990).

The biographical questionnaire provides a structured framework for the interviewer and acts as a basis for his or her questions. It includes questions about personal background, education, employment, hobbies, personal aspirations and self-image. Many studies have shown biographical information to be a good predictor of job success (e.g., Guion, 1965; Wallace, 1965; Owens, 1976) and some found that the main contributing factors to achievement are heredity and environment (e.g., Jencks, 1972; Bloom *et al.*, 1976). Nevo (1977) also cites biographical questionnaires as effective predictors of success in studies and the army.

In the current screening framework the biographical questionnaire is used as an aid to the personal interview. The interview is conducted to gather information pertaining to the candidate's suitability to a specific job. Responsibility for administering the interview lies with the interviewer through an exchange of information, impressions and opinions between the interviewer and interviewee. Regarding validity, the opinion in the literature is divided. A few studies found reliability and validity in personal interviews (Hunter and Hunter, 1984; Schmitt *et al.*, 1984; Herriot, 1989). Other studies published a number of more positive reports on the contribution of the interview (Mayfield, 1964; Schwab, 1969; Wright, 1969; Harris, 1989). The interview is one of the most important components in IDF screening procedures, and is found to be a valid predictor of many criteria (Reave, 1969); there are almost no screening procedures that don't include an interview (Ben-Shachar and Beller, 1993). In a study conducted by Tubiana and Ben-Shakhar (1982) that focused on screening interviews used in the IDF, there was a medium-high correlation among the background variables of the interviewees (education, Hebrew knowledge and intelligence) that were used as predictors alongside the interview.

Research on the predictive validity of the screening process for combat units against the criteria of success in the unit found that none of the predictors (team building, sociometric and interview) had a clear predictive validity, not even the final weighted nominal grade. An analysis of the reliability of the team building and the interview found reliability coefficients low and medium, respectively (Beeri and Nahum, 1998). Other studies that were conducted in combat units found the prediction formula predicted with definitive correlation to the unit and for command ( $R=0$  for unit, and  $R= 0.34$  for command). The interview was valid and contributed mainly to predicting leadership and thinking ability (Bitterman, 1995). The screening exams were not able to predict training course dropouts (Tzafi, 2000). A similar army study on the ability of screening tests to predict success on the job reported reliability between evaluators with a coefficient of 0.3 on the interview and 0.4 on tests in the field.

### **Population of the current study**

Four hundred and fifty-one women with no army experience who demonstrated potential were candidates for the army FIT course. After being identified by the personnel department of the military general staff, they were invited, presented themselves, and passed a set of screening tests and took the entrance exam for the FIT course.<sup>[6]</sup> There was no uniform experience in instruction or education among them except that they were from the same cohort. This study examined the effectiveness of classification measures in predicting the achievements of candidates in the IDF FIT course, on the basis of the correlation between achievements during the screening process and those in the actual course. In addition, the classification profile of those women who left for officer training was checked, as was the effectiveness of the classification measures in predicting success as trainers after the FIT course.

All information regarding test results prior to the course and achievements during the course and subsequent army service was taken from the soldiers' personal files.<sup>[7]</sup> These data are documented and preserved at every stage of army service. Evaluation reports by the commanding officers were gathered from individual forms filled out by each soldier's commanding officer.

### **3. Research methods**

The research was divided into two main parts. The first part examined the reliability among the evaluators during the screening on the suitability grade component and the evaluation of relevant traits for the job, as determined by the job analysis and structural validity of the research instruments. The second and main part assessed the effectiveness of the classification measures in predicting the candidates' achievements in the FIT course on the basis of the relationship between achievements in the screening process and in the course. The screening profile of those women who left to become officers was checked to determine the effectiveness of the classification measures in predicting success in instruction jobs after FIT course.

#### **Analysis**

The statistic analysis was preformed by SPSS software.<sup>[8]</sup> The level of accuracy that was determined for assumption test is  $P < 0.01$   $P < 0.05$ .

- 1) Testing the hypothesis regarding the reliability of the evaluators in the classification, the teams and the distributions of the successful and unsuccessful categories, is based on the "agreement rate" and the "disagreement rate" in percentages between the other teams in the final grade and every attribute separately. The agreement rate was evaluated in an

additional experiment and evaluated in two manners: in a seven-level scale between the first team and each of the three other teams by a Tau factor of Kendall. In addition, the evaluation was sorted into three categories, and despite the use of the 7 level scale, acceptance and rejection was based on the narrow definition of more than only three categories, as follows: First category: final grade 1-4, a weak candidate and unsuitable; second category: final grade 5, a borderline candidate; third category: final grade 6-7, a suitable candidate. In addition, the option of dividing the evaluation into two categories was evaluated: First category: final grade 1-5, the candidate is unsuitable; second category: final grade 6-7, the candidate is suitable. These compatibilities were tested by the KAPPA for targeting the cut according to the points that state acceptance or non-acceptance to the course.

- 2) The hypothesis regarding the connection between screening components was checked using a Pearson correlation. In this process the relation between the final screening grade and the sub-evaluations of the different traits of the examinee was evaluated, between the final course grade and between its components and between general evaluation of on the job performance and the components of the evaluation questionnaire. Validity of the structure was also examined using factor analysis, in order to attempt to identify the main aspects of the team evaluations and the fitness officers.
- 3) The correlation between the predictive variables in the screening tests and the success variables in the FIT course was examined using a Pearson correlation between the physical fitness exam during the screening and the same exam administered at the start of the FIT course separately, and afterwards, between the screening variables and the course variables. In addition, a comparison was made between the screening averages and the course averages using the t-test for paired variables.
- 4) A comparison of the screening profiles of the course dropouts with those who completed the course was conducted using the t-test regarding each of the test variables. The relationship between predictive variables on the screening tests and predicted variables during command and instruction after the course were examined using the Spearman correlation for profitable variables and Kendall's Tau coefficient for placement variables. The correlation between the forecast variables in the FIT course and the forecasted variables during subsequent performance after the course was examined in the same manner.
- 5) In order to evaluate the potential of the screening test in predicting who will be accepted for officer training a comparison of the profiles of those who went to officers training to those who stayed in the FIT course was conducted using t-tests for each profile component.

## 4. Findings

### Quality of the tests used for prediction and success

Regarding the consistency of the different teams in the screening assessments the degree of agreement among the team that checked all the examinees and the other teams was  $K=0.498$  for those candidates that received a grade of 6 or higher in contrast to those who received 5 or lower and  $K=0.448$  in dividing into three categories, where 5 was a separate category. The degree of agreement on the whole range of results (1-7) was  $t=0.586$ . The degree of agreement between the teams on the sub-evaluations according to categories is clear but low-medium ( $K=0.207 - 0.5104$ ,  $p<0.05$ ). The rate of agreement between the teams regarding acceptance or rejection was partial. The rate of agreement between one team and all the other teams was 76.3%. However, this rate was different regarding each of the other three teams; the highest rate of agreement was between teams one and four (100%), a high rate of agreement was found between teams one and three (85.7%), and the lowest rate of agreement was found between teams one and two (54.3%).

On the question of the validity of the structure of the questionnaire used to summarize assessments at the end of the screening day, clear correlations were found, with most of them high (0.905 – 0.647) between each sub-evaluation. A factor analysis found that most of the difference (81%) can be explained by one general factor. All of the components had a high communality (accepts authority) of 0.661 and higher. There was a high correlation between this measure and the final evaluation of the candidates ( $p=0.951$ ,  $p<0.01$ ).

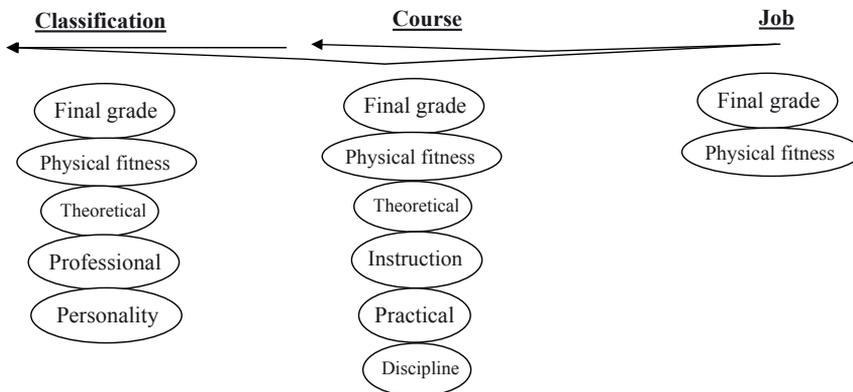
On the question of validity of the structure of the components of the final grade in the FIT course, there was a low correlation. A factor analysis of these components found that only a relatively small part of the difference (38.7%) can be explained by one general factor. The theoretical and practical grades had communalities of 0.59 and 0.50. Likewise, there was a low to medium correlation ( $r=0.694 - 0.153$ ,  $p<0.01$ ) between the final grade in the course and its components.

On the question of validity of the structure of the evaluation questionnaire completed on the job after the course there were clear correlations, mostly medium ( $r=0.730 - 0.407$ ) except for two (0.382 and 0.296). Factor analysis found that after rotation, two factors together explain 70% of the common difference for each sub-evaluation. The first, which accounts for 40.8% of the difference, includes evaluation of the following measures: professional, thorough, level-headed, independent and responsible. The second, which accounts for an additional 30.7% of the difference, includes: disciplined, trustworthy and cooperative. Loyalty and personal example were medium load factors in both

measures. In addition, there were clear and medium correlations between the final grade and the opinion ( $r=0.641 - 0.500, p<0.01$ ) for the measure 1 grade (0.64), whose evaluation includes professional measure, and measure 2 (0.50), whose evaluation includes a personality measure.

Therefore, data analysis of the evaluation questionnaire that summarizes the screening will subsequently be based only on the final grade, data analysis of the course grades will be based on all the components and data analysis of the opinion questionnaire on job performance will be based on only two measures. The model for evaluating predictive validity appears in Figure 1 below.

**Figure 1.** Flow chart of the variables in assessing the data in the current research



### Prediction validity of screening test on success in FIT course

Correlations were examined between the results of the physical fitness test administered during the screening process and results of the same test administered at the beginning of the course, between the predictive variables on the screening tests (the basic physical fitness test, the personal traits grade and the final grade) and the success variables in the FIT course (grades on the practical, theoretical and instruction tests and the final weighted course grade). On the comparison between the two physical fitness exams it was found that only 84% of those who arrived to to take the course passed the entrance test, only 59.3% of those who passed the test had passed it during the screening process, and the other 24.8% had failed the test during the screening process but were given a second chance. Of the 15.9% who failed the entrance test 9.8% had also failed it during the screening process and 6.2% passed it during

the screening process but failed it during the entrance test. A clear medium correlation was found between the grade on the fitness test during screening and the fitness test in the course and the final grade (0.621). The components were: running (0.504) and tolerance of the stomach muscles (0.445). A low but clear correlation was found in the hands muscle tolerance component (0.291).

In reviewing of the differences between the averages significant changes were found in the level of physical fitness from the screening test to the test at the beginning of the course. It was found that grades improved, with differences in the stomach (average improvement of 5.44 sit-ups), hands (average improvement 5.15) and the final grade (2.3 points). There were no clear differences in the running times between the two test dates. Most of the clear correlations between the data from the screening and the final grade in the course were low including the average practical grade. The connection between the components of the theoretical tests, discipline and instruction were low and not clear. There was a medium connection between the grade in the physical fitness test in the course and the overall physical fitness grade in the screening, and low connections from 0.5 with other components of physical fitness or the final screening grade. In checking the differences in the averages of those whose final evaluation was different in the screening, it was found that those with a final grade of 5 and 7 had differences only in the physical fitness test at the beginning (difference of 5.66 points) and end (difference of 4.99 points) of the course. Differences were not always found between final grades 6 and 7, or between final grades 5 and 6. In the grade on the practical component, the average grade of those in category 7 were higher than those in the other two categories.

#### **Profile comparisons between those who finished the FIT course successfully and those who were dismissed or quit during the course, based on the classification tests**

In the comparisons of averages of the screening variables between those who finished and those who quit the FIT course, it was found that the fitness test is the variable that differentiated those who finished from those who didn't. In addition, clear but lower differences were found between those who finished the course and those who had already failed it in the opening exam on the stomach muscle tolerance and in the final classification grade.

#### **Prediction validity of screening test and FIT course on success in instruction jobs after finishing the course**

In examining the correlations between predictive variables in the screening tests and forecast variables on the job instructing after the course, a clear but low correlation was found between overall physical ability on the job and scores

on overall physical fitness (0.321) and running (0.281) in the screening. No clear correlations were found between predictive variables in the screening and the measures of opinion evaluation or the on the job theoretical grade.

When examining the correlations between success variables in the FIT course with forecast variables on the job after the course, the strength of the connections, even the clearest of them, was found to be very low, with the exception of three medium correlations between the theoretical grades (0.332), between the final grades on the physical fitness test (0.479) and between the achievements in running (0.532). No clear correlations were found between the physical fitness variables in the course and the measures of opinion and theoretical grades on the job. Clear and low correlations were found between the measure of personality on the opinion and the theoretical grade (0.188), and between the instruction grade (0.164) and the final grade (0.178) in the course. The measure of professionalism had a clear low correlation only with the discipline grade (0.182) and the final grade (0.136) in the course, and the final grade in the opinion was found to have a clear low correlation with all the course grades except the practical grade.

### **Screening and course profile of those who became officers relative those who did not become officers**

There was a normal distribution to the screening variables. However, due to the small sample for which data were available (only 5 of the 15 went to officers' training), it was not possible to check if the screening predicted who would become an officer.

A comparison of the FIT course averages of the 15 soldiers who went on to officers' training with the rest of the 351 who remained in the FIT course found that the officers were clearly better than the rest in the following: entrance test grade [?] (4.82 points), final test grade [?] (6.79), theoretical grade (6.35 points), practical grade (7.51), instruction grade (3.45 points) and final course grade (5.29 points). There were no clear differences in the discipline grade.

## **5. Discussion**

### **Quality of the tests used for prediction and success**

The findings show that agreement on the final grade was higher when the evaluation range was divided into two categories rather than three or seven. In a similar study that was conducted to predict physical fitness of security personnel (Halfon, 2003), a higher degree of objectivity was found among the evaluators judging combat skills (0.889 – 0.883). Lower values (0.41) were found in a study conducted in an elite army unit on measures of performance in

team building (Tzafi, 2000). It is easier for the screening team and the decision makers to use only two categories, where 1=unsuitable and 2=suitable. Some evidence points to the need to improve the training of the screening teams. Findings showed medium agreement in candidate evaluation on the final grade (0.498) and lower values on the sub-evaluations. It would appear that despite the significant changes in the screening? initiation? process that were put into effect starting in 1998, the agreement among the screening teams in this study was not high, and there may be room for improvement and clarification of the screening process to achieve unification of the critical elements in the candidates skills essential to these tests. In other words, in addition to training days for the reservists that include detailed lectures regarding the screening process and the necessary evaluation methods, it is recommended to hold an additional preliminary meeting on the morning of each screening day to draw conclusions and review the relevant emphasis for that day. A higher reliability coefficient was found when evaluators held discussions among themselves (Berry and Houston, 1993), and therefore it would be worthwhile to continue to hold discussions among the evaluators on the screening teams. In addition, it is recommended to occasionally check the success of the teams, especially those comprised of reservists, in predicting success in the course and on the job, in order to draw systematic conclusions. The screening process needs, on the one hand, to be as comfortable, simple, short and as inexpensive as possible, while on the other hand, it should be as effective in prediction as possible (Wallace, 1965). Research has shown that evaluators have a limited ability to process evaluative information, and the more complex the evaluation task is the greater the cognitive bias, therefore the number of evaluation measures should be kept to a minimum (Nevo and Cohen, 1998).

The study found a medium to high correlation (0.905 – 0.670) between the sub-evaluations on the summary evaluation questionnaire. Anatasi (1990) states that the main drawbacks of situation tests are evaluator bias (halo effect, first impressions, stereotypes), and situation bias, and perhaps the main factor for these findings is the “halo effect”, especially since the evaluator fills out the form only at the end of the screening day. The main difference (81%) was found in one general factor which explains the difference in all the sub-components.

In another study conducted in an elite military unit (Tzafi, 2000) a similar questionnaire was used, which included: technical ability, work under pressure, effort, leadership, team work, learning ability, ability to improvise, physical strength, adaptation to new situations and trustworthiness. The strength of the correlations were 0.01 – 0.83, with the highest correlation found between “working under pressure” and “adaptation to new situations” (0.83) and between “effort” and “team work” (0.82). The central recommendations that

emerged from those findings led to simplifying the questionnaire. In this study it may be that using a single grade would have made the evaluation process simpler. However, it should be considered that these findings were probably the result of teams that weren't sufficiently professional in examining the sub-measures, and instead relied on their general impression of the candidate's personality regarding these aspects without having the ability to make the fine distinctions between the sub-evaluations. The last stage before filling out the summary evaluation questionnaire at the end of screening process is the personal interview (semi-structured) with each candidate. From the evidence collected on the screening days it appears that the evaluators did not always follow this important instruction, which in turn hurt the screening process. Therefore, it is recommended that each file include a set form with detailed questions for the structured part of the interview. It would appear from studies that the more sophisticated and complex the position that an employee aspires to, the better he or she will succeed in instruction and work. Therefore it is recommended to add to the questionnaire a measure of how important the candidate sees the job and how much he or she wants to devote his or her army service to training (on a rating scale).

In checking the validity of the structure of the final grade in the FIT course this study found low correlations, but with clear distinctions between the different components. A small part of the difference was found in one factor (38.7%), and a high correlation (0.839) was found between this factor (the theoretical grade) and the final course grade. In other words, the final grade summarizes this measure. In checking effective job performance prediction there are two different types of criteria that should be considered when determining validity; success in acquiring the necessary knowledge to perform the job and level of actual job performance (Ghiselli, 1956). Examining these criteria requires instruments of validity where the final grade reflects the talents and traits relevant to the job. And though the unique part of the four measures is great their expression in values of communality is relatively low. The significance of this is that each of the components of the grade has a substantial portion of unique difference, and therefore they should be evaluated separately.

A structure validity check of the opinion questionnaire during the instruction period after the course showed medium correlations (0.730 – 0.296) between the questionnaire's components. These findings are similar to those of a previous study in an elite army unit (Tzafi, 2000) with a similar questionnaire which include the following evaluations: leadership, team work, motivation, trustworthiness, ability to work under pressure, adaptability, physical ability, professionalism and suitability to the unit. The correlations ranged from 0.05 to 0.71 where the highest correlation was between adaptability and ability to

work under pressure. Factor analysis found two central measures that together accounted for 70% of the explained differences. One included the evaluations: professionalism, thoroughness, level-headedness, independent, responsible, dedicated, and sets a personal example which describe mainly professional aspects. The second included the evaluations: disciplined, trustworthy, cooperative, dedicated and sets a personal example which describe mainly aspects of personality. Therefore one can rely on these two measures to reflect the main differences that characterize the ten items. One can conclude from this that the officers' evaluation of the instructors was based mainly on the two dimensions of professionalism and personality. The medium correlations (0.500 and 0.641) that were found between the measure of professionalism and the measure of personality to the final grade on the opinion questionnaire indicate that the final grade on the opinion report reflects the weighing of two measures.

#### **Prediction validity of the screening test on success in the FIT course**

Candidates for the FIT course take the same basic physical fitness test twice: once on the screening day and then again, months later, on the first day of the course. There is only low to medium correlation between the results of the two tests, leading to the conclusion that the physical fitness test is not a very good predictor of who will succeed in the course.

A significant number of those who passed the fitness exam on the screening day failed it on the first day of the course. Conversely, a considerable number of those who failed the exam on the screening day passed it on the first day of the course. In addition, there was improvement in the strength components at the start of the course in comparison to the screening day. Bitterman (1995) reports that the physical fitness exam is an important screening tool and predicts physical ability over time, and is closely related to motivation and suitability to the unit. Studies by Lidor *et al.* (1996) found that it is possible to identify, choose and sort athletes on the basis of the results on tests of motor skills. In this study the partial connection and the significant improvement point to the conclusion that it is possible to only partially predict the physical status of the candidates at the start of the course, and then justifies giving candidates who show potential and have high values and are close to the necessary fitness level the opportunity to practice and to re-take the fitness exam at the start of the course. At the end of the screening day, each candidate receives information regarding the importance of passing the entrance exam to the course. A survey of the literature of combat units found that the highest correlation between different screening tests and the final training grade was the measure of physical ability 0.4 (Tzafi, 2000), and that physical fitness test predicts long-term physical ability and is closely connected to motivation and suitability to

the unit (Bitterman, 1995). The findings of this chapter point to the need to place a far greater emphasis on improving achievement prior to the course and even to provide the candidates with personal training programs, giving special attention to those candidates whose grades on the physical fitness test were borderline. This would utilize the months between the screening date and start of the FIT course.

As stated, the main goal of this study was to assess the predictive validity of the screening process for success in the FIT course. There was no significant connection between achievement in the screening tests and grades in theory, practice or discipline in the course. In other words the data from the screening tests predict only the component of physical fitness and the final grade in the course, and even this only partially as seen in the low correlations. Casio (1991) found that the validity of assessment centers in predicting success in mainly administrative positions was about 0.36. The FIT course receives candidates whose final grade in the screening was 7 (highly suitable) and 6 (suitable), and on rare occasions 5 (borderline). From these findings it can be seen that there is no difference between the final screening grades of 5, 6 and 7, and that the highest evaluation of 7 is higher than 5 and 6, but between them the differences are slight. Despite this, in instruction and discipline there were no differences. As was already stated, the first stage in building a job screening framework is job analysis (Anastasi, 1964), then in accordance with the desired profile, designing a screening process. It would appear that this screening process needs additional tests with a higher prediction ability regarding instruction and discipline. According to Bloom *et al.* (1976), a teaching candidate's entrance data have the most influence on achievement and success. But these data did not show significant differences in predicting success in the course, except slightly in physical fitness. Nonetheless, when the evaluating team gave the final screening grade, the difference between grades 5, 6 and 7 was very significant. Similar results were found in Bitterman's (1995) research, which identified the physical fitness test as the greatest contributor to predicting success, in contrast to the other predictors (team building, interview, psychometric), and Tzafi's (2000) research found that physical ability alone had a predictive ability close to that of the entire screening process. In other words, it is certainly possible that the differences between the grades of the candidates who passed the screening were biased by the evaluators' knowledge of their grades on the physical fitness test. In any event, the findings are similar to those found in a survey of the literature conducted by Goldenberg **[or Goldberg?]** and Halabi (1999), according to which there has yet to be found a skills set that can predict success in teaching.

### **A comparison between those who successfully completed the FIT course and those who were rejected or dropped out based on screening tests**

The purpose of the comparison is to determine to what extent the entrance profile to the FIT course can contribute to distinguishing between those who were rejected from or dropped out during the course and the information based on the entrance screening test. The findings show that the final screening grade predicts failure on entering the FIT course. In terms of screening profile, the course dropouts are differentiated from those who finish mainly by their grades on the running component and general physical fitness, but also by the final grade and results of the sit-ups. In a similar study conducted on a security unit (Halfon, 2003), all the averages of the physical fitness components of the group that did not finish training were lower than the averages of the group that finished, and most had been selected to the correct group (72%). Goldberg and Halabi's (1999) research found that the screening framework that includes an assessment center contributes to predicting success both in theoretical studies and practical internships especially in regards to students who received low grades in suitability at the assessment center. On the other hand, Tzafi's (2000) study of an elite combat unit, which included a psychometric exam, field tests and an interview, found that screening tests did not successfully predict drop-out during training. It would appear that the physical fitness component is a significant component in establishing distinctions between different groups.

The goal is not just to draft, choose and assign the best possible trainers, but to increase their quality and reduce the percentage of dropouts during the course and subsequent service, with the lowest possible investment of time and budget. Therefore, in accordance with the results of this research, it would appear that there is justification that the physical fitness component should be the central motif in determining the final screening grade.

### **Prediction validity of the screening process and the FIT course on success as a fitness instruction trainer after the course**

A clear but low correlation was found between overall physical ability as a trainer and screening grades in overall physical ability (0.321) and running (0.281). This research did not find any connection between the screening final grade and the measures of the opinion report and theory grade on the job. Goldberg and Halabi (1999) found a similar clear but low relationship between the assessment center final grade for acceptance to teacher training and subsequent field work – student teaching (0.36), and the grade in the academic course (0.33). Similar research conducted in another academic institution (Teichman-Weinberg and Ben-Ari, 2001), where the acceptance committee did not receive appropriate guidelines, found no connection between the

committee's evaluations and the students' achievements. Higher values were found in research conducted by Braco and Shrum (1980) in the army between work in the field and the final grade of the preparatory stage (0.31), and between the grade in the preparatory stage on professional ability (0.39), and in Tzafi's (2000) research where correlations ranged from 0.02 to 0.41. The lowest correlations were found between the screening field tests and technical ability and trustworthiness, and the highest and clearest were with physical ability (0.41), learning ability (0.36), leadership (0.33) and ability to improvise (0.31). A high correlation was found (0.71) between the final screening grade and the final evaluation at the end of the course. A previous study conducted with a different military unit found low correlations (0.04 – 0.25) between the on the job opinion evaluation and the final screening grade and between the physical fitness test in the screening (0.02 – 0.30) (Bitterman, 1995). It may be concluded that this screening test is a limited predictor of job success.

From an examination of the relationships between the success variables in the FIT course and the predicted variables during the training job after the course, it was found that the strength of the clear connections was for the most part low, with the exception of three medium ones (theory, running and final physical fitness grade), which indicates a close connection between physical fitness and theoretical knowledge in the course and on the job. It can be seen from these findings that the course grades, and particularly the final course grade, predicts job success. It is interesting to note that physical fitness in the course, which has a connection to physical fitness on the job, has no connection to the job evaluation: measures of personality on the evaluation were found to have low correlation with the theoretical grade, the instruction grade and the final course grade; the measure of professionalism had a low correlation only with the grade in discipline and the final evaluation grade had a clear low correlation with all the course grades except the practical grade. It would appear that the professional officers did not connect either physical fitness or professionalism to their evaluations of the fitness instruction trainers.

#### **A comparison of screening and course profile of those who were promoted to be officers with those who were not**

There was a normal distribution to the screening variables. However, due to the small amount of data regarding those who proceeded to officers' training (on only 5 of the 15 who went), it is not possible to check if the screening predicted becoming an officer.

In terms of course profile, those who went to officers' training differed from the others on every grade component in the FIT course, with the exception of discipline. There is no documentation in the literature of this sort of assessment in a military organization.

## 6. Conclusions

The main findings of this research show that the degree of agreement among the evaluators regarding final screening grades is medium and above, but is higher when the evaluation range is two categories instead of three or seven. Likewise, the structure validity of the research instruments for making predictions is medium and higher when: the evaluation questionnaire at the end of the screening is based only on the final grade, the components of the FIT course grade have unique differences and therefore justify evaluating them separately and the evaluation/opinion questionnaire in the course of on the job instruction after the FIT course is based mainly on two measures – professionalism and personality. The data on the screening tests predict only the physical fitness component and the final course grade, and that only partially.

The findings show that:

1. The final screening grade predicts failure to enter the FIT course. In terms of the screening profile, the dropouts are distinguished by the running component and the grade on general physical fitness, but also on the final grade on sit-ups.
2. The screening test is limited in predicting the level of physical fitness on the job as opposed to the course grades, and especially the final course grade which predicts success on the job.
3. Physical fitness in the course, which is found to be connected to physical fitness on the job, has no correlation to the on-the-job evaluation. Due to the small amount of screening data on those who left for officers' training, it is not possible to determine if the screening process predicts acceptance to **[OK?]** officer training.
4. Those who went to officers' training are distinguished from those who did not on all of the components of the grade in the FIT course, excluding the discipline grade. The components of the FIT course grade (excluding the discipline component) can be relied on in determining who will go to officers' training.

### Recommendations based on the research findings

1. Shorten the summary evaluation questionnaire by setting only a final grade by reducing the scale assessments from 1-7 to 1-2 where 1=unsuitable and 2=suitable.
2. Reduce the job evaluation questionnaire from 10 to two measures, and use it periodically mainly to monitor the training sequence. Continue to allow candidates with potential who have high assessments, and who are close to the required level of physical fitness, to practice and to take the physical

fitness exam again at the start of the course, since most of them have a chance of meeting the acceptance requirements. At the end of the screening day it is necessary to place much greater emphasis on the need to improve achievements in preparation for the course, and even to equip **[provide ?]** the candidates with a personal training program, with special attention paid to those candidates with borderline grades in physical fitness. In this way the months between the screening and the course will be put to effective use. Continue to relate to the physical fitness component as the central element in determining the final selection grade.

It is important to remember that candidates that received low grades in the screening were not checked and therefore it is not possible to deduce from these findings about candidates who received grades of 1-4 though it is very probable that they would have had less success.

#### **Additional recommendations based on relevant literature in the research field**

1. It is important to insist that the “half-structured” interview be implemented. In addition to study days for reservists that includes a detailed lecture on the screening process and the required work methods and assessments, it is recommended to have an additional meeting on the morning of each selection day for drawing conclusions and reviewing the relevant emphasis for that day. In addition, it is recommended that periodic checks be conducted on the success of the teams, especially those comprised of reservists, in predicting success in the course and on the job, in order to draw systematic conclusions. The degree of agreement between the different screening teams in this study was not high, and there is room to sharpen and improve the process the critical components of the candidates’ skills that are essential to these tests.
2. While this topic was not examined, but in keeping with the many findings that point to assessor’s bias in light of grades on the physical fitness screening test, it would be worth considering the possibility of keeping these grades confidential. Discussions among the assessors on the screening team should be continued.
3. It is recommended to add the following question to the summary evaluation questionnaire: “How important is this job in your eyes and how willing are you to spend your military service as an instructor?” (On a numerical scale).
4. It is recommended to check the possibility of adding additional instruction elements to the screening process.
5. It is recommended to check the reasons for the low correlation between the physical fitness exam and the job evaluation.

6. When there is a large enough database, it is recommended to check if the screening process predicts officer's training.

These recommendations may improve the screening process and are definitely worthy of future systematic examination, regarding both success in the course and success in the job.

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## Philosophical premises of multi-cultural change in Polish school versus educational practice. Management of cultural diversity or multi-cultural chaos?

**Abstract:** *It's not hard to realize, how composite and complicated is contemporary, global world. Almost every conceptual categories changed their primary meaning and the grounds of the "western" constructional thinking are faltering in their positions guards the colonization social order and conduces the world Europeanization. Modernistic discourse presupposed that school knowledge has got a neutral character, exist out of the history or politics, and lack of the access to it, is equal to the lack of the "civilization". Authors try to show how globalization, mobility and all types of migrations changed the way of breeding, learning and managing of this learning. We also wants show, how many foreigner children are in Polish educational system now, and try to answer the question how should school help them and their parents especially in situation, when, there are not experts engaging multiculturalism, who could teach teachers how have they functioning in multicultural class, and how organize work in various learning environment.*

**Keywords:** *Education, multiculturalism, postmodernism, school, teaching, environment, management*

### Introduction

You don't have to be a philosopher or prominent culture connoisseur to notice how composite, complicated and hard to interpretation and describe is the modern world. Clearly defined conceptual categories, names, truths, values and systems of social organization through the centuries - or at least through decades did a duty as guidelines enabling units to find their place in the world. However they stop to suffice in times, when currents of thoughts, cultural

experiences and ideas for life of more and more mobile societies are mixing very fast like never before.

The grounds of the “western” constructional thinking (fortified by an appropriate constructed educational system) are faltering in their positions to - as Tomasz Szukdlarek [2006, p. 417 in Kwieciński, Z, Śliwerski, B] thinks - guards the colonization social order and conduces the world Europeanization. The assumptions which was made in this spirit and which are connected with the reality, learning or education, based on the catalogue of “only right” truths, so-called metanarrations stop to hold good. From day to day they are substituted by single, alternative truths, systems and ways of activity based on the locality experiences.

Philosophy, and the thinking way about the culture is usually the effect of its time. It represents its power, because- as we read in Adam Sikora’s book [1970, p. 9] - “engaging current and viable topics, it interpenetrates through the colloquial consciousness becoming the integral element of the culture and having an impact on present”.

Globalization, mobility, all types of migrations, from commercially, through these connected with wars or ecological disasters - undoubtedly all of it translates on the way of breeding, learning and managing of this learning.

Until now, education and knowledge were treated as something universal, timeless, something what essentially had to fulfill the rationality standards. Modernistic discourse of education, not even mentioned (because for what?) about the multiculturalism, presupposed- what accentuates Zbyszko Melosik [2006, p. 456 in Kwieciński, Z, Śliwerski, B] - that school knowledge has got a neutral character. It exist out of the history or politics, and lack of the access to it is equal to the lack of the “civilization”. All was clear and lucidly here, the division for what is, and what isn’t education contents - clear, and teacher - omniscient. The need of changes in the curriculum, in the approach for education during the period of multiculturalism and managing of education, which beneficiaries are representatives of various cultures, seems to be in this context not only a nice bow in the diversity direction, but even political and social necessity. How get by with it the Polish school? We will present it in the further part of the text.

### **Change of education thinking - philosophic perspective**

What exactly is the Modernism, which - as we pointed out in the introduction - formed foregoing thinking about institutional education? For the needs of our considerance, face that it is a way of thinking and making a philosophy characteristic for the turn of the 19st and 20st Century. Great social revolutions

and rapid educational and technical progress (characteristic for the mentioned period) couldn't not have an influence on the way of thinking about human and the world. In the social sense, interesting metaphor of the Modernism used (from Detlev Peukert) Bogdan Baran [2003, p. 95], who compared working of the modernism society with the highway: channelized the traffic, confined its speed, indicated the places of turns and entrances, in exchange for the maximal effectiveness.

It is easy to guess what kind of impress on the education was made by the modernistic credence in the possibility of getting to the universal truth about human and the world with simultaneously devaluation of everything what is not in tune of cannon. Unification of views, knowledge, education and mind dominance plus credence, that all people were equipped in the same cognitional contents (and what is an effect of it - they have common criteria of what is good and what wrong, what is beauty and what is ugly, what is moral and what is immoral). Graded science knowledge- as for example in the case of the 19<sup>th</sup> sociology - placed thinking about human in the rigid frames, labeled the appropriate label and lay it off in a peaceful belief, that it was made the next step to moral advance and social justice.

The Modernism didn't die, still being a one of the grounds of modern philosophy. But, in our opinion, in the modern thinking of culture, it loses its importance. It had to lose. We agree, that it began all of technological changes, for which we appreciate the fact, that today we live in a global society. But now the Modernism- as we can say it metaphorically - devours his own tail, just thanks to the global society.

We can't longer say about the only right truths, life styles, styles of thinking and actions, cognitional styles and styles of learning, when society is so composite. Every day, billions of people exchange the information and knowledge by means of international network, every day billions sit in front of TVs watching, listening, experiencing the multiculturalism on various levels. Every days thousands of refugees and emigrants cross the borders of countries to the new homelands, bringing their own beliefs and culture.

All these social changes are the reason of creating the philosophy called postmodernism. This current is not very liked by classical representatives of philosophical thought. It is often said that it isn't even a philosophy, but only the type of conceptual scrapheap, to which in last recent years are putting all staff and by what is everything explained. But postmodernism became- whatever we like it or not- peg to hang thinking and promoting the multiculturalism idea out.

Postmodernistic philosophers such as Jean Francois Lyotard [1997] or Richard Rorty [2003, Zardecka-Nowak, M, p. 15] - accented in their works, that

neither way of thinking nor learning or cognizing the world are not universal, but dependent on the culture, and language- not a mirror, in which reflected the cultural reality, but an active device, which aerated reality and thinking (we think in a particular language, not out of it [2003, Szachaj, A in Potocka, M, A (ed)]). Conferring the unknown value of the things which are local, ethnic, and also granting the right to coexistence of all cultures, accenting the difference as a value- there are things which we appreciate of Postmodernistic thought, which was not miss the education.

In accordance to the postmodernism, the view about school isolated from the external world is crashing. Probably nobody won't ascertain, that the school is not connected with politics, or pop culture. Educationalists realized themselves, that student is not a clear sheet without views and experiences. The school become the area, on which are clashing a various views, thinking currents, confessions and ways of functioning. Postmodernistic philosophy tries to doesn't discredit any of them, school shouldn't discredit them too. It mustn't- like until now- offer to its alumnus "finished product" in the shape of rigid curriculum, but it should help him to find himself in- as we can tell metaphorically- thousands of half-products, seasonings and recipes, how to connect all of it.

### **Official multiculturalism - educational prescripts of the Law and school reality**

Tatars, Ukrainians, Russians, Iraqis, Iranians, Yemenis, Lebanese, Turkish, Syrians, Germans, Italians, French - these are only chosen examples of nationalities of students who attend Polish schools. According to Krystyna Błęszyńska [2010, p. 23] - the author of report called "Foreigner children in Polish educational establishments" - there is no place in the world, from which not even one representative will not sit in our country in front of school desk. It is necessary to take on the board students from interracial families, where at least one parent has got a nationality different than Polish. We have to add- what is mentioned very seldom in the publications devoted to multiculturalism- students with different confession. All of them according to the Polish Law [2001.10.04, regulation issued by the Minister of Education], have got a right for education. Since recently the managing of multiculturalism in polish educational system have finished on this record (and analogical, which prescribes the duty of education to 18 years old). It is easy to bargain that for representatives of other cultures, schools hadn't got a lot of to offer. The system stipulated, that to school will go foreigner or refugee child regardless of his/her acquaintance (rather unfamiliarity) of Polish language. Students only during the performing

in Polish language Mathematics or Nature lessons burnish the acquaintance of Polish language. The assumption, that foreigner will learn “in the meantime” wouldn’t even so bad, if not a few important details, which are known for us from the pedagogical experience. Before admitting a new foreigner child to the Polish school, aren’t performed any of psychological and pedagogical tests, which allow, even in the minimal way to project his education way. Children often are just located in lower classes. If they don’t manage with learning - and it isn’t hard about it if we don’t know the language- teachers either grade them F or just ignore them. They don’t ask, don’t call for the answers, don’t check homework. In effect, foreign child is either “pushed” from class to class until-thankfully of front office and teachers- don’t leave its premises, or contrarily - will spend in it supplementary years, returning the classes.

The next problems are the Polish lessons. As they are holding after lessons, it happen - as we were informed by the representatives from the center for refugees placed under the Warsaw- that children (this case was connected with young Chechens) don’t reach on them. One part of them - because from the “pocket money” which are giving to their parents from Polish authorities they cannot afford for the tickets, the other part of them- because they have to work to help in livelihood of the family, and also the other part, because after lessons there are obligated to take care of their younger sibling.

Education of foreigners doesn’t conduce also the lack of contact with parents, who - what is often accented by teachers - don’t want to or are not able to cooperate. Their only connectors with Polish culture and language sometimes are just children, who even in minimal way overmastered the Polish language. There were some situations, that foreign parents bring them around to the meetings with teachers, and after - for example - beat them in front of the teacher listening about bad results or inappropriate behavior. Others don’t come at all, because refugees centers refund them only transport aimed at looking for a job, and not for school meetings. There are no (and they are not requisite for anybody) specialized programs preventing conflicts or implementing representatives of other cultures to functioning in Polish school.

The modification were expected in connection with performed in 2010 reform of education amending foregoing Act.

“Firstly – as we read in Maria Roman article [2010] - abolished the rule about payments for learning, which until now foreigners who wanted to learn in secondary schools were subject to. Secondly, appeared the record enabling for performing for foreign students remedial classes which level the educational differences or delays in the educational cycle. Thirdly - probably the most important- the novelization effectuated a new institution to the Polish educational system: teacher’s assistant”. According to the prescripts these

persons will support the teacher working during lesson with foreign child, alleviate and prevent presumptive conflicts proceed from cultural differences, do duty as a middleman between school and parents. Lofty idea, effectively applied in many European countries (Ireland, Spain, the Netherlands), in our country existing only on paper. Why? Firstly: employing of the assistant is a “possibility”, not duty. Secondly: the prescripts don’t specify on which rules and conditions can be employ this assistant and in which range of hours may he/she works, and also who will pay his a salary, or even- what criteria should meet the person who will be employed on this position. From these doubts willingly embrace the Boroughs (they maintaining schools), which are looking for savings. In result, the Boroughs either don’t employ these persons at all or every do it on its own rules. For example, in Lublin only in May 2012 authorities made a decision about employing assistants engaging multiculturalism. Two assistances for whole state [2012, Urząd do Spraw Cudzoziemców online].

The problem still is unfortunately new program base, which was implemented together with educational reform, which was mentioned above. Document described what, how and in what range children have to be educated on the particular levels of education. It has been- in author’s [2008, Marciniak, Z] mind- an answer for the modern requirements. Meanwhile, if we talk about multicultural school’s requirements, they are treated cursorily or they are entirely excluded. Programs of many subjects practically were not change, they were only described in a different way by means of educational objectives and skills, which at the end of every educational level should have every student. It is also hard to reject the impression, that multicultural contents, in moments where they were appear at all, became kind of “for decency” put into the program, added in the last moment without deeper reflection. It is concurred even by experts from the governmental Centre for Education Development, which paying attention [2010, Roman, M] on the fact, that subject area of the multiculturalism is treated in a new program base in subsidiary way and it is not implemented on a wide range, and in teacher training it is not (maybe except of pedagogical departments) included at all. In result, there are not experts engaging multiculturalism, who could teach teachers how have they functioning in multicultural class, and also how to teach foreigner’s children, how to organize work in various learning environment and how to help to get on by children, whose educational chances at the beginning are worse than their Polish coevals.

Exploiting British experiences [1996, Cohen, L, Lawrence, M, Morrison, K, pp. 301-302] it is recommended to compile “multicultural curriculum”. The curriculum, in which the choice of contents would reflect the multicultural character of society and derives both from the majority culture and from

ethnic experiences of minority. Because they have a right to their culture will find its reflection in the curriculum. Moreover, if we want to education in the best possible way equips students in necessary in modern world competences and preparing for the adult life in a global world, we can't skip them in the curriculum. Multicultural curriculum should also- according to authors- not only presents facts, but more than everything teach a critical approach to them. It is hard to expect, that student, who to the Polish school came for example from Seychelles, where he learned only about the history of his own country in the context of winning with colonizers, will immediately understand what it is going on with details of the French revolution or face for valuable conquests of geographical discoveries and European colonization [2007, Donnelean, p. 14].

### **To multiculturalism - example of good practices**

It will be dishonestly from our side if we will leave out only on criticism of Polish educational system. Although changes will not advance so fast and capably as we want to be, and problems connected with a lack of staff, desire or money get in the way of multiculturalism development in Polish schools, we are also able to find some positive examples. For example tanks to the funds from the European program called Human Capital a lot of foundations, schools and associations compiled and implemented their own programs of lessons and multicultural classes, combat against prejudices, promoting diversity. An interesting example of multicultural project, which included many activities and was intended to various representatives of educational environment was triennial (2009-2011), realized by Education Office of capital city- Warsaw and analogical institution in English Caerdydd, project called Caerdydd-Warsaw Integration Project. The enterprise funded from the European Union project- Comenius within the program called "Whole life learning"[2006.11.15 regulation issued by European Parliament] was aimed at:

- preparing teachers, school employees and administration for working with foreign children,
- constituting the Parents Supporting Group for foreigners,
- compiling the didactic references, leaflets and packages for teachers, which included practical tips facilitated students integration- foreigners in a new environment,
- support for students of pedagogical majors and young teachers who prepare themselves to work in the multicultural environment.

The scientists from the Academy of Special Education in Warsaw, in conjunction with educationalists and with Education Office, prepared a cycle of nine one-hour trainings for teachers (exemplary topics: integration of

foreign students, problems with the identity of students-foreigners). Published materials, i.a.: “Welcoming package for students and parents” (both in version for primary schools and for middle schools) were translated for five languages: English, Chechen, Russian, Ukrainian and Vietnamese [Careydd – Warsaw Project online].

Any communication – as Marian Golka [2010, pp. 12-13] accentuates – requisite some cultural/lingual competence. Multicultural communication requisite also peculiar translating competence (...) this is a kind of translation based on mutual borrowings and mutual interference of cultures, which create something of a kind of bridge between cultures. This bridge become a peculiar <add value>, so the new culture”.

This and similar projects let (unfortunately to in a whole Poland) for creating this kind of bridge. It remains to have a hope, that the need of its construction, sooner or later will be spotted also by Polish educational authorities.

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## Case Studies in Cultural Communication Patterns in South Africa

**Abstract:** *Based on the Case Study of actual IT workshops conducted for the telecommunication company in South Africa in 2011 and 2012 the observation of cultural, ethnic-based, communication patterns has been performed. As the workshops were conducted in multi-national environment, with most distinct participants being Indian nationals, white South Africans, South Africans from Previously Disadvantaged Individuals, Nigerian and a Portuguese, it has been analyzed which of the already researched communication patterns can be observed. It has been analyzed whether those patterns influence the final workshops outcome. Particular attention was paid to: spoken communication, argumentation and decision-making. The author of the publication is a practitioner in IT consulting and holds an MBA degree from the*

**KeyWords:** *Culture, Communication, National Differences, Decision-making Influence, South African Culture, Indian Culture*

### Summary

The objective of the article is to discuss, based on the real-world case studies:

1. how cultural differences, coming from different ethnic background, affect process of discussing IT-related issues during the workshops, the decision making during those workshops and specifically agreement of action plan
2. whether cultural differences described in the literature, particularly in Hofstede (Hofstede, 1980) and his followers and critics e.g. (Purohit & Simmers, 2006) or (Jackson, 2011) and models defined by (Lewis, 1996) can be observed in the case studies
3. how the issues arising because of cultural differences were overcome in case studies practice
4. and if other factors affecting communication behaviors were more prominent.

## Cases background

The author has conducted series of IT workshops for a major telecommunication services provider in South Africa (thereafter the Client). Author was brought in as a packaged software (Commercial Off-the-Shelf (COTS) software) vendor expert, specifically to cover best practices in software package implementation (designs, business alignment, project practices) and to help Client management reduce implementation risk. The workshops were conducted with Client personnel, either directly employed or contracted, representing IT division and business and with System Integrator personnel, who were responsible for the implementation. Objectives of the workshops were:

1. To review proposed software requirements and designs. This review may result in changing the scope of the project, design and even in overturning the decisions previously approved by the Client and System Integrator
2. To agree the new solution design
3. To agree action plan related to implementation resulting from design decisions

According to the one of the classic Systems Development Life Cycle definition (SDLC) as defined for example in ITL Bulletin (CRSC, 2009) the workshops belonged to the Initiation, Development / Acquisition and Implementation Phases of the Client program.

The workshops were conducted during the following periods:

- September 2011
- October 2011
- November – December 2011
- January – February 2012
- May 2012
- June 2012
- August 2012

## Cases studies objectives

The above workshops formed basis for observation of communication effectiveness (as defined in) in the multi-cultural environment. In Renata Winkler *Zarządzanie komunikacją w organizacjach zróżnicowanych kulturowo* pp. 180-183 [Winkler, 2008], a summary of factors influencing communication effectiveness, the socio-cultural model is cited as one of the potential influencers of communication. The workshops in which author participated provided good opportunity for observation of possible ethnic cultural communication patterns (robustly discussed in Richard D. Lewis "When Cultures Collide" [Lewis,

1996]) as the representatives of the following nations / ethnic backgrounds were participating in the workshops:

1. South Africans of white Afrikaans origin, representing client<sup>1</sup>
2. South Africans from previously disadvantaged individuals (*PDI* or historically disadvantaged individuals, as defined in *Broad-based Black Economy Empowerment Act* [South Africa Government, The Presidency, 2003]), which in the cases discussed were South African citizens of black origins, representing client<sup>2</sup>
3. Nigerian nationals, representing client<sup>3</sup>
4. Ethnic Indians, representing System Integrator<sup>4</sup>
5. Ethnic Portuguese representing software vendor<sup>5</sup>
6. Polish national being article author, so not included in the case studies.

### **National / ethnic communication patterns background**

Already in the 60's E.T. Hall in his work *The Hidden Dimensions* [Hall, 1966] introduced the proxemics, the study of the human use of space within the context of culture. In particular he analyzed a different need for intimate space i.e. distance from the other person during the conversation, which varies by countries, e.g. with US distance being twice that of European, which may result in withdrawal during the conversation or otherwise lead to communication failures in cross-cultural context. That work turned research attention to national influence on communication behavior.

In 1980's Hofstede in his work [Hofstede, 1980] suggested that national background may change people's attitude to work, which in turn may affect rationale for decision-making process. In that primary work he indentified 4 dimensions:

1. Power Distance – the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. Thus the low power distance will allow for more democratic decision making (rather than leader decision-making).
2. Individualism versus collectivism – the degree to which individuals are integrated into groups, where collectivism makes them feel loyal to the group (and stand by group decisions).
3. Masculinity versus femininity – the distribution of emotional roles between

<sup>1</sup> Between 2 to 8 participants in every workshop

<sup>2</sup> Between 1 to 3 participants in every workshop

<sup>3</sup> Between 1 to 3 participants in every workshop

<sup>4</sup> Between 3 to 10 participants in every workshop

<sup>5</sup> One Portuguese

the genders, which in practice means either more emphasis on assertiveness and competitiveness versus more on relationship and quality of life.

4. Uncertainty Avoidance – is the degree to which society feels comfortable with uncertainty and ambiguity. The high degree of Uncertainty Avoidance makes people to follow rigid rules and not tolerate unorthodox ideas.

In late 1980's Michael Bond research in Asia made Hofstede [Hofstede & Bond, 1988] to include fifth dimension:

5. Long-term versus short-term orientation, where societies with a short-term orientation generally exhibit great respect for tradition, and focus on quick results, whereas long-term orientation helps people to believe that truth depends on condition, adapt tradition to new situation and show perseverance in achieving results.

And in 2001 publication together with Minkov [Hofstede, Hofstede, & Minkov, 2010] also sixth dimension was added:

6. Indulgence versus restraint – where indulgent society allows for more gratification, enjoyment of life and “having fun”, and restraint will follow more strict social norms.

There was significant research both supporting and criticizing Hofstede and other model introduced such as GLOBE commenced by Robert House in 1991 and published most comprehensive research results in 2004 [House, Hanges, Javidan, Dorfman, & Gupta, 2004]. The critical review of both researches can be summarized for example by [Tung & Verbeke, 2010]. The comprehensive review of research in question would require significantly larger publication and it is not author objective, however in the present article I leverage selected research related to African nationals and Indians [Purohit & Simmers, 2006], [Jackson, 2011] and national characteristics from [Lewis, 1996] where his classification into linear-active, multi-active and reactive, together with different attitudes to time and leader role can provide good insight into decision-making and commitment influences and data-orientation, dialogue-orientation and listening orientation give some insight into the discussion process itself (design review part of the workshops).

As the cases were limited to behavior observation during the workshops and here we have behaviors related to presenting an existing view or solution, disputing the view, reaching an agreement and committing to action, only some characteristics, easily observable, are taken into account. From the Hofstede dimensions [Hofstede, 2012]:

**Table 1.** Hofstede dimension scores for nationals included in the case studies [Hofstede, 2012]

<b>Dimension</b>	<b>White South African<sup>6</sup></b>	<b>Indian</b>	<b>Portuguese</b>	<b>Nigerian</b>	<b>South African PDI (black)<sup>7</sup></b>
Uncertainty Avoidance	49	40	104	55	52
Power Distance	49	77	63	80	64
Long-term versus Short-term orientation	Not available, predicted around 30 <sup>8</sup>	61	30	16	25
Individualism versus collectivism	65	48	27	30	27

Taking into account the separate Hofstede-based research [Jackson, 2011] who points first to difficulties in classifying culture behavior in post-colonial societies such as South Africa, but importantly from this case study perspective, questions the classical view on African leadership perception arguing that it traditional leadership was more based on consensus and having more regard because of value placed on such consensus rather than direct authority; [Darley & Charles, 2008] who emphasized the team interdependence aspects of African culture and emphasis on collaboration and promotion of long-term relationship; [Purohit & Simmers, 2006] who looked in more details on India and Nigeria nationals from the perspective of conflict management which showed quite significant differences in conflict management modes between the two nations – with Nigerians having exceptionally low preference for compromise and a „win-lose” approach to conflict settlement, the above may translate to the following expected behaviors:

**Table 2 -** Summary of expected communication behaviors for nationals included in the case studies [own analysis]

<b>Trait</b>	<b>White South African</b>	<b>Indian</b>	<b>Portuguese</b>	<b>Nigerian</b>	<b>South African PDI (black)</b>
Acceptance of leader and his / her decision	Lowest in the group	Very high	High	Very high	High to Medium

<sup>6</sup> The South African score presented by Hofstede was assumed to represent white Afrikaans, as that has close resemblance to Anglo cultures

<sup>7</sup> The scores for black South Africans were interpreted from East Africa scores

<sup>8</sup> Based on scores for Australia, New Zealand and the UK, may be higher if we take into account that the Netherlands have score of 44

<b>Trait</b>	<b>White South African</b>	<b>Indian</b>	<b>Portuguese</b>	<b>Nigerian</b>	<b>South African PDI (black)</b>
Adherence to group opinion	Low	Medium	High	High	High
Adherence to rules and potentially previous decisions	Medium	Lowest	Highest	Medium	Medium
Impatience for quick results, adherence to timeline	Medium	Low	Medium	High	High

From Globe Research (House, Hanges, Javidan, Dorfman, & Gupta, 2004), the results showed somehow more aligned scores:

**Table 3.** Summary of GLOBE research results for selected dimensions for nationals included in the case studies [House, Hanges, Javidan, Dorfman, & Gupta, 2004]

<b>Cultural attributes</b>	<b>White South African</b>	<b>Indian</b>	<b>Portuguese</b>	<b>Nigerian</b>	<b>South African PDI (black)</b>
Uncertainty Avoidance	4.06	4.02	3.96	4.11	4.64
Performance Orientation	4.07	4.11	3.76	3.79	4.72
Assertiveness	4.49	3.7	3.75	4.53	4.43
Future Orientation	4.08	3.6	3.77	3.95	4.66
Power Distance	5.10	5.29	5.50	5.53	4.31

It should be noted that comparing with Hofstede, we may expect much less regard for leader decision in South African black. At the same time the expectations to performance and immediacy of results are very different between South African blacks and Nigerian, when according to Hofstede they should be closely aligned, similar to GLOBE results for South African black.

From Lewis [Lewis, 1996]:

We may expect White South African to be close to linear-active (5 on Lewis scale), whereas Portuguese will be multi-active (14) and Indians (17) and Africans (18) the most multi-active *p.33* [Lewis, 1996]. That will make White South African to be focused on schedules, deliverables and task at hand whereas multi-active people will not leave conversation unfinished and may attempt several tasks at time.

On dialogue orientation the Portuguese will be most dialogue-oriented, similar to Africans and Indians, but White South African are expected to be data-oriented, so they like to make decision based on facts, backed by evidence *p. 50* [Lewis, 1996].

On view of time White South African are expected to follow linear view of time with time schedules being more absolute, Portuguese will look at time as being event or even personality-dependent whereas Indian and African may follow cyclical view of time, which may mean that even if they turn up for meeting on time their perception of future time commitment is much more fluid (*when God made time, he made plenty of it, p.58* [Lewis, 1996]).

From leadership approaches leadership from the perspective of White South African will be more ad-hoc, with person perceived as most suitable to task making decision, though some hierarchy is expected. Africans are tending to autocracy and Indians theoretically are driven by consensus, tough internal leader role will not be undermined. Portuguese is expected to follow informal links to enact his *decision pp. 108-109* [Lewis, 1996].

It should be noted that there is a relatively little research into PDI communication characteristics. The early (i.e. just after *Broad-based Black Economy Empowerment Act*) research paper on racial background and gender differences in decision-making and leadership qualities [Littrell & Nkomo, 2005] have found that: blacks are more people-driven whereas whites are more results-driven and the white are significantly more future-oriented than blacks. They also found more difference in behavior in colored males, especially them less inclined to follow the leader in decision.

That is quite consistent with recent general findings about Africans from survey geared for marketing research purposes [Darley & Charles, 2008], where there was a high degree of consistency among East and West African ethnical groups, and that is likely to extend to South Africa, especially given high migration into South Africa from other countries. However we should be likely aware that among educated black South Africans there may a big change in values since 1994 election, which essentially changed the balance of power in the society, probably on the biggest still successful social change and 1998 Employment Equity Act [South Africa Government Department of Labour, 1998] which transferred that to workplace. Drawing parallel to page 27 in Lewis *When Cultures Collide* [Lewis, 1996] the PDI people may be more inclined to behaviors where in the arguments they support party perceived as weaker to show their resistance to authority. Interestingly enough Kock in his study of team in security sector in Bloemfontein area have found no significant ethnic differences in team members behavior [Kock, 2003] and their attitude to leader – but that may come from similar attitude in White South Africans.

**Observed communication and decision-making patterns**

The workshops objectives were to: review designs already prepared by System Integrator, including some decisions already approved and formalized by the client; agree new designs or design changes, especially to influence client business to reduce requirements and make it more easy to implement, but at the same time to turn the project from technically-focused to business-benefits-focused; reach commitment by System Integrator to deliver agreed solution in specified timeframe, also some of the workshops were related to following the delivery progress and design changes needed to correct errors or faster the implementation.

The following table summarizes observed behaviors from the perspective of those stipulated in literature research and their influence on workshops conduct:

**Table 4.** Summary of communication behaviors observed in the case studies and their relation to the literature predicted ethnic communication patterns [own analysis]

Workshop subject	<b>Nation / observed behavior</b>	<b>Congruence with literature</b>	<b>Business consequence</b>
Design review	Portuguese / Keen to overturn past decisions if those are deemed inappropriate to business circumstances	No	As this was a objective of the design review such attitude supported communication
Design review	White South African / Seeking detailed information and proof from other clients that already taken decision is incorrect	Yes	Though it required more preparatory work such attitude provided objective way of judging the design
Design review	White South African /Ready to challenge management for previous decisions	Yes	Made it easy to challenge decision as those are deemed by them to be based on the subject rather than internal politics and who made the decision
Design review	Indian / Reluctant to discuss previous decisions	Partly	The biggest challenge to overcome as all past decisions are taken as closed, even if they imply unrealistic timeline and inappropriate design

Workshop subject	<b>Nation / observed behavior</b>	<b>Congruence with literature</b>	<b>Business consequence</b>
Design review	Indian / Hiding behind the leader in discussions	Yes	The competences of relatively large team and their different experiences are not used as no-one in Indian group is ready to challenge their leader statement
Design review	South African PDI and Nigerian / Worried about impact on delivery if solution discussions were re-opened. What will be the time impact?	Yes	Such short-term focus on one hand provides firm reference for decisions, on the other hand it can undermine better design for the sake of „not wasting time”
Solution agreement	South African / Requiring to create comprehensive documentation to support decisions	Yes	Meeting preparation takes more time and discussions are more thorough than initially expected
Solution agreement	Indian / Hiding behind the leader leaving him to do all discussion	Yes	Similarly to design review, this stalls group members creativity and potentially good designs are not even considered
Solution agreement	Indian / Finding excuses for no decision in the meeting. Trying to come up with decision on their own and then present it to the group as commonly agreed	Yes	There is difficult to reach conclusion on the meeting as in fact Indian want to have a separate preparatory meeting before they voice their opinion in public. It is then difficult to change their decision taken in such offline manner.
Solution agreement	Nigerian / Freely exploring all possibilities and engaging in endless discussions about options	Partial	It gives on one hand opportunity to find better, previously not considered, solution, but at the same time leads to endless discussions without agreement as all views are accepted.

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Workshop subject	<b>Nation / observed behavior</b>	<b>Congruence with literature</b>	<b>Business consequence</b>
Solution agreement	Portuguese / Forcing decision making when the discussion drags on	No	Keeping workshops focus and timeline, basis for discussion efficiency
Action plan agreement	Indian / Agreeing verbally to unrealistic timeline and undeliverable functionality when said so by the client	Yes	Probably the most risky behavior, as people may interpret their nodding and agreement as commitment to deliver, whereas it is by Indians loosely interpreted as „in the ideal world we may do it one day, but at the moment we will just deliver what we think is appropriate without telling you”
Action plan agreement	White South African/ Requesting detailed implementation plan	Yes	Keeping the structure at the implementation planning. The risk is that there may be lot of effort spent on preparing variants of the plan where implementation scope and plan is not yet agreed
Action plan agreement	South African PDI / Requesting specification of business benefits	Yes	Good for internal selling of the agreed solution and implementation timeline, though not always possible
Action plan agreement	South African PDI / Requesting management approval	Yes	Acting as broker of the solution in internal hierarchy facilitating decision-making
Action plan agreement	Portuguese / Seeking consensus and buy-in among all group members for the agreed decision	Yes	Quite necessary given Indian tendency to over commit if not asked appropriate questions

The list above is by no means exhaustive as the article objective is not to perform a detailed research, but to use real world cases to present some of business issues arising because of cultural communication differences.

## **Overcoming cultural differences**

The author and Portuguese participant objectives in business workshops were to: overturn designs which were incorrect or not according to vendor software standards; achieve design decisions that support fast and visible results for client business and at the same time reduce project risk; make sure that System Integrator delivers the designed software capabilities in agreed time. Therefore in the cases the following techniques were used to remove communication blocks arising from cultural differences:

In design review:

- Bring new facts and evidence from third parties for White South African to help them understand need for design changes.
- Use White South African to question past decisions, especially those taken at higher management levels.
- Prepare Indian off-line for potential contestation of their previous design to help them avoid losing face in public and prevent entrenching in past opinions.
- But at the same time surprise and forcing individual members of Indian team to state their opinion without consulting team leader was used to split their group coherence and to unlock more honest communication.

In solution design agreement:

- Use South African black and Nigerians position and openness, for consensus building behind the scenes and to be able to convince Indians about the desired design.
- Use arguments related to results visibility to create arguments for black African nationals to support desired design.
- Bring additional experts that would create more factual and experience-based arguments for White South African.

In action plan agreement:

- Use long-term benefits perspective for Indian System Integrator to help them agree to plans which may have temporary negative impact on their business (more work, less profit from the contract). The Indians were inclined to forfeit short term profit if that was helping them to build long-term relationship with the client.
- Let Indian arrive at timeline and commitment by themselves, rather than asking them to agree to predefined plan. In that way the plan became their group decision and is voiced by their leader. Such arrangement makes the decision and their obligations very binding in their eyes.
- Make White South African responsible for detailed plan following as that suited their analytical view.

- Use black South Africans as agents to ensure higher management support
  - they considered that important and put lot of effort into management agreement.

### **Beyond ethnic influence**

From a limited observation in the cases the biggest cultural influencing factor was Indian attitude to time and commitment, where specific group behavior was required to actually make binding decisions in the workshop and assure that System Integrator will stand by his commitment.

Second was the African nationals and Indian drive to look for group consensus, rather than use expert opinions, which influenced time to reach agreement on design.

Third was Indian tendency to stand by their leader and his past decisions, making it difficult to overturn previous design decisions. Further White South African needed quite heavy factual and data backup for such changes.

However, beyond ethnic cultural background there may be more cultural explanations for observed behavior differences:

1. Company culture – big international companies influence people behavior at work and communication patterns (as stipulated in Renata Winkler *Zarządzanie komunikacją w organizacjach zróżnicowanych kulturowo* p. 177 [Winkler, 2008]) in the cases example Indian nationals were coming from a single, large Indian System Integrator and their behaviors were also quite characteristic for System Integrator: reluctance to overturn past decision as it undermines company authority and can have negative commercial influence or reluctance to commit to delivery as it can have negative commercial influence. Similarly the Portuguese national was coming from “Big Five” company and his individualism and assertiveness were in quite stark contrast to expected Portuguese behavior, but in line with expected “Big Five” employee.
2. Role – the workshop participants played business roles, which in turn influenced their behavior and communication pattern. For example from two black South Africans one person was representing the management, second more expert IT resource (IT Architect). Quite predictably the management representative showed higher resistance to overturn already taken decisions, need to assess risk in proposed designs and much higher pressure to define deadlines and delivery commitments. Similar behavior split was observed between White South African representing management and IT experts.
3. Gender –though the sample was very small (there were only 4 females in the

groups: one black South African, two White South African and one Indian) there were significant communication traits observed: stronger opinions, need for more factual argumentation, quick decision-making and strict adherence to timeliness. It would be interesting to research the background for those behaviors separately, but it is beyond this article scope.

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