When a major international software developer needed to produce a new product quickly, the project manager assembled a team of employees from India and the United States. From the start the team members could not agree on a delivery date for the product. The Americans thought the work could be done in two to three weeks; the Indians predicted it would take two to three months. As time went on, the Indian team members proved reluctant to report setbacks in the production process, which the American team members would find out about only when work was due to be passed to them. Such conflicts, of course, may affect any team, but in this case they arose from cultural differences. As tensions mounted, conflict over delivery dates and feedback became personal, disrupting team members’ communication about even mundane issues. The project manager decided he had to intervene—with the result that both the American and the Indian team members came to rely on him for direction regarding minute operational details that the team should have been able to handle itself. The manager became so bogged down by quotidian issues that the project careened hopelessly off even the most pessimistic schedule—and the team never learned to work together effectively.

Multicultural teams often generate frustrating management dilemmas. Cultural differences can create substantial obstacles to effective teamwork—but these may be subtle and difficult to recognize until significant damage has already been done. As in the case above, which the manager involved told us about, managers may create more problems than they resolve by intervening. The challenge in managing multicultural teams effectively is to recognize underlying cultural causes of conflict, and to intervene in ways that both get the team back on track and empower its members to deal with future challenges themselves.

We interviewed managers and members of multicultural teams from all over the world. These interviews, combined with our deep research on dispute resolution and teamwork, led us to conclude that the wrong kind of managerial intervention may sideline valuable members who should be participating or, worse, create resistance, resulting in poor team performance. We’re not talking here about respecting differing national standards for doing business, such as accounting practices. We’re referring to day-to-day working problems among team members that can keep multicultural teams from realizing the very gains they were set up to harvest, such as knowledge of different product markets, culturally sensitive customer service, and 24-hour work rotations.

The good news is that cultural challenges are manageable if managers and team members choose the right strategy and avoid imposing single-culture-based approaches on multicultural situations.

The Challenges

People tend to assume that challenges on multicultural teams arise from differing styles of communication. But this is only one of the four categories that, according to our research, can create barriers to a team’s ultimate success. These categories are direct versus indirect communication; trouble with accents and fluency; differing attitudes toward hierarchy and authority; and conflicting norms for decision making.

Direct versus indirect communication.

Communication in Western cultures is typically direct and explicit. The meaning is on the surface, and a listener doesn’t have to know much about the context or the speaker to interpret it. This is not true in many other cultures, where meaning is embedded in the way the message is presented. For example, Western negotiators get crucial information about the other party’s preferences and priorities by asking direct questions, such as “Do you prefer option A or option B?” In cultures that use indirect communication, negotiators may have to infer preferences and priorities from changes—or the lack of them—in the other party’s settlement proposal. In cross-
cultural negotiations, the non-Westerner can understand the direct communications of the Westerner, but the Westerner has difficulty understanding the indirect communications of the non-Westerner.

An American manager who was leading a project to build an interface for a U.S. and Japanese customer-data system explained the problems her team was having this way: “In Japan, they want to talk and discuss. Then we take a break and they talk within the organization. They want to make sure that there’s harmony in the rest of the organization. One of the hardest lessons for me was when I thought they were saying yes but they just meant ‘I’m listening to you.’”

The differences between direct and indirect communication can cause serious damage to relationships when team projects run into problems. When the American manager quoted above discovered that several flaws in the system would significantly disrupt company operations, she pointed this out in an e-mail to her American boss and the Japanese team members. Her boss appreciated the direct warnings; her Japanese colleagues were embarrassed, because she had violated their norms for uncovering and discussing problems. Their reaction was to provide her with less access to the people and information she needed to monitor progress. They would probably have responded better if she had pointed out the problems indirectly—for example, by asking them what would happen if a certain part of the system was not functioning properly, even though she knew full well that it was malfunctioning and also what the implications were.

Managing the pitfalls and challenges of intercultural communication

Here are a few avenues that managers who want to promote international spirit within their troops may wish to explore:

* Improve and Internationalize Communication in the Early Stages

Media communication also needs to be adapted. "We were about to make an alliance with a Japanese engineering firm and decided to exchange our presentation brochures by fax. We were totally astonished to discover that they presented their mission as '...committing to contribute to the well-being and development of humanity.' Convincing our president that such ideas could be expressed in Japan without being members of a sect was quite a feat!"

* Only by building a truly multicultural communication team will such pitfalls be avoided.

Companies now have to answer calls for tender everywhere on the planet. Presenting a project on the other side of the world, before an audience of local leaders, international sponsors and international consulting firms, is a complete communication exercise where price, and the elegance of the technical solution, are not sufficient. Different people need to be convinced differently. It is not a matter of using the arguments we think are good, but rather of using the ones they are prepared to listen to. And this cannot be improvised. Many groups now substantially prepare their presentation teams with the help of intercultural communication specialists and natives of the countries concerned.

* Coach International Project Teams

An almost systematic consequence of complex international organizations is the appearance of transverse projects, gathering people from various cultures around one mission. International project management integrates nearly all management dimensions: Goal setting, resource allocation, time management, role clarification, leadership, defining procedures (or operating modes), result assessment - all are affected by cultural differences.

"We launched into transverse projects with great enthusiasm," remembers the head of a chemical group, "but we were totally unprepared, and cultural issues literally killed these projects in the egg."
*Increase Negotiation Skills at all Levels*

Whether commercial, political, internal or external, negotiation has become the key word of international business. However, negotiation is a notion that seldom holds the same meaning within different cultural groups. Is negotiating defending a position and sticking to it (a traditional French view); is it looking for an agreement, even if sometimes detrimental to content (a more British attitude); or is it getting to know one another and aiming for harmony in execution (Japan)? In any case, it is certain that two groups who negotiate without agreeing on the finality of what is bringing them together have very little chance of reaching a satisfactory agreement.

*Intercultural Management Training - A Start*

Many international organizations are already including specific intercultural modules in their training plans. Business schools also have come to understand the importance of cultural issues and include specific courses on the subject.

This approach remains insufficient. Many of these courses are too general and do not meet the needs of managers who want answers to their particular expectations. Therefore, courses must be tailored, their designs based on audits that reveal the true situation and the real problems faced by management.

*Maintaining Balance*

The manager of a multinational computer firm told us recently: "I'm Italian. But when I go with my Swedish colleague to sell systems to the Italian administration, I feel much closer to him than to the civil servants of my own country. That being said, back in our company, I do feel better with Italians!" A balance to be maintained.

Acceptance of methods and practices at a worldwide level, and the progressive development of truly international company cultures are the challenges for groups if they want to survive and win globally. Specific corporate culture still remains the best communication platform for these new multinational towers of Babel.