

Case Study – EARP Level Three

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Dominic Tidey – [dominic@eura-relocation.com](mailto:dominic@eura-relocation.com)

**Title: The Intercultural Board**

There are many challenges facing managers working in a global economy. As Europe has expanded and the capitalist model of free trade has become the dominant socio-economic culture worldwide, so it has become increasingly likely that we will work in multi cultural teams. One consequence of working in this new way is the importance now placed within corporate structures on intercultural understanding and training. Where people are thrown together from different cultures in order to achieve a common goal, so the way they work will be dictated by their innate cultural understanding. So it is a knowledge of the cultural differences that exist between people, that will lead to greater productivity in multi cultural teams. In this case study, I will look at the dimensions that underpin intercultural understanding and how they impact on my working life within a multicultural team.

I work as Operations Manager for the European Relocation Association (EuRA) and the European Academy of Relocation Professionals (EARP).

EuRA was formed in 1998 in response to a growing need for a unifying body to represent and standardise the provision of corporate relocation services in Europe. The relocation industry grew up in the United States from 1950 onwards, where it was recognised that with the burgeoning post war economy, so ever greater numbers of people were being moved by their employers to other parts of the country, in some cases, thousands of miles away. The issues that faced these “domestic expats” moving to a new community, were soon noted, and specific local companies began to offer packages to companies to assist with the transition, namely in these early days, home search services, school search services and area orientation. The same companies who moved people domestically soon began to move key staff internationally as the US began to dominate global trade in the 1960’s, but there were

very few companies outside the US offering relocation services, and the rate of failure of international assignees (that is, those employees posted overseas who left the host country before the end of the assignment) was very high. Of course, all over the world, governments had been moving people around the globe for hundreds of years, as a result of territorial expansion or in the name of diplomacy, but the individuals moved in these circumstances were by and large, not integrating with a local culture or workforce, but transferring their own values and living standards. The great difference for the corporate world, was the absolute necessity of forming and maintaining a local workforce in new territories, once the company had started operations there. It is this emphasis that meant that the globally mobile employee had to have at least a basic understanding of the culture and lifestyle of the country they were moving to, and this is where the first relocation service providers found their niche. The first service providers in Europe were in London, quickly followed by Paris and Frankfurt.

Today EuRA represents over 250 companies offering relocation services in Europe and another 50 worldwide. EuRA is a non-profit making company, run by a Council elected from and by the members. By its nature as a democratic organisation, the council is elected from four pre-determined regions; North, including Scandinavia and the UK; South, including Spain, Portugal, Italy and France; Central including Germany, Austria, Czech Republic and Hungary and Benelux, including Belgium, Netherlands and Luxembourg. Two Council Members are elected from each region to serve a three year term, and the activities of the Council are split into interest groups, including training, conferences, memberships and marketing. An executive, the President's Group, consisting of the President, the Vice-President, The Chief Executive and the Operations Manager have overall responsibility for the implementation of projects generated by the interest groups.

My role as Operations Manager (see Appendix A) is varied, but is primarily involved with carrying out the wishes of the council in many diverse areas, including publishing, IT and systems development, conference and training logistics and as a liaison function between

Council Members and the President's Group. As a result, an important function of my role is maintaining relationships with diverse groups of people from different commercial and cultural backgrounds, and it is here that a firm grasp of the principles of intercultural understanding and multi cultural team working becomes so important.

The purpose of this case study is twofold. Firstly, it is important to examine the theories that underpin the academic and research fields of intercultural studies. In this section I will also look at the working styles of different cultures as this applies to the make up of the current Council. Secondly I will look at the communication and meeting styles of the Council and how the work undertaken is influenced by the impact of culture. I hope to draw conclusions as to how knowledge of intercultural issues is essential in working in multi-cultural teams and how this knowledge can lead to dispute management and increased productivity.

Culture has many definitions. To find definitions within academic literature, it is important to refer to the field of sociology. One definition is:

*"By culture sociologists mean the beliefs of the society and their symbolic representation through its creative activities...Culture can best be discussed by distinguishing between beliefs, which are the content of the culture, and creative activities, which express this content in actions or objects". Fulcher and Scott 1999*

A simpler definition, more widely referred to in corporate understanding of culture is:

*"Culture is everything that people have, think and do as members of their society" Gary P Ferraro 1994*

However culture is defined, its' impact on us as individuals is profound, and shapes who we are and how we interact. Of course by the nature of individuality, any generic definitions of culture will be flawed, but the research into cultural understanding works on generalities, not specifics in order to provide a framework for understanding the way different cultures work.

One of the most respected researchers in this field is Professor Geert Hofstede, founder of the Institute for Research on Intercultural Cooperation. He prefers to define culture as it

impacts on the individual and he captures the concept with the phrase, "*Software of the mind*" (Hofstede 1991).

Hofstede undertook one of the most influential studies into cultural difference with "Project Hermes", an evaluation of employee value systems based on 117,000 questionnaires sent to the employees of IBM across the globe in the early 1970's. As a result of this study, Hofstede categorised national cultures in terms of four dimensions;

- Individualism versus collectivism
- Large power distance versus small power distance
- Strong uncertainty avoidance versus weak uncertainty avoidance
- Masculinity versus femininity (Hofstede 1994)

Individualism versus collectivism is how people define themselves as individuals or as part of a wider collective, such as a company, group or sub group. People from northern European countries see themselves defined as individuals and rarely look to be defined by their belonging to a wider group, whereas southern European people like to be defined according to a collective, be it a sub group, (such as in Spain the fierce adherence to regional areas such as Catalonia and Basque) or a family.

Power distances refer to the distances that exist within the society in terms of the inequality of its people. Again, northern European countries tend to have smaller power differences than say, France and Spain. Globally, the US is a large power distance society, with its primary goal being the acquisition of wealth, whereas Japan, is a low power difference country, with an overlying rigid structure of recognising and acting upon an individuals position within a group.

Uncertainty avoidance, at first glance seems like risk avoidance, but it is different. Risk avoidance refers to how willing individuals will be to taking risks, the US being a very good example of a very low risk avoidance culture. Uncertainty avoidance refers to the ease with

which the people of a culture accept those things they cannot control. The Germans for example, are a very high uncertainty avoidance culture; German people leave nothing to chance. The lowest uncertainty avoidance culture is Denmark, where regulation is mistrusted and uncertainty (for example in the law) is tolerated with new solutions being put forward in response to new situations, whereas a high avoidance culture will have a predetermined law for everything. High avoidance cultures make very good markets for insurance companies!

Masculinity versus femininity refers to the social attitudes of the people, and is typified by consumer societies at the end of the masculine scale, and slower, more value based societies at the feminine end of the scale. Thus the US, Britain and Germany are masculine consumer cultures, where Spain, Scandinavia and India would be perceived as feminine cultures, more concerned with personal relationships and quality of life than with the acquisition of wealth.

Two further dimensions were added by Michael Bond, a psychologist, who identified short term orientation versus long term orientation and high context versus low context cultures (Bond 1997). Long versus short term orientation is similar in essence to the polychromic and monochromic definitions of time management by Dr Edward T Hall, an American anthropologist (Hall 1990). Those cultures who are comfortable doing many things in a day with no given plan or structure are polychromic, whereas those cultures more comfortable with a structured, task orientated style of working are defined as monochromic. These styles have a great deal of impact on the way that people from opposing chromic cultures will work successfully together. Spanish and Italian people are highly adept polychromic workers, whereas Germans and Britons are rigidly monochromic. This makes the Germans and the British highly schedule dependant and the Latins, schedule independent, or put another way, more likely to be late for a meeting!

One further dimension was added by Dr Hall. High context versus low context cultures. This dimension refers to the communication styles of the culture. High context cultures are those with a very high level of pre existing understanding between individuals, usually as a result of

extensive and close information networks, such as large extended families and friendships, and of living in close proximity to this extended group. This fosters an unspoken understanding of how to behave and interact. Low context cultures by contrast, have more fractured social networks and a lower degree of intimacy between individuals. The result is how communication differs. High context cultures have less need to enter into lengthy explanations of tasks, as it is taken that there will be a mutual understanding of the task and the goal. Japan is a high context culture, with a very unified society that places great emphasis on social conformity. The US, with a very high emphasis on individuality is a low context culture. In Europe, Germany is an example of a low context culture, with Spain and Italy examples of high context cultures.

In the next section I will examine how these six dimensions impact upon the work of a multi cultural team, with specific reference to the EuRA Council.

The impact of the first dimension, individualism versus collectivism can be seen in the working of the interest groups of the Council. Two previously committee driven roles within the council, membership and training, have been transformed into Liaison roles, held by an individual and not by a group. The reason for this was because of how the previous groups had worked. Because the individuals in the training and membership groups had very different feelings about acting as a collective as a result of the groups' make up being northern and southern European, differences of opinion often resulted from their inability to form a consensus. This could result in bad feeling within the group, and as will be seen in examination of the later dimensions, sub groups being formed among individuals with similar individual or collective mindsets.

The second dimension, power distance, affects the hierarchy of the council. German and French business people place a strong emphasis on their position within their company and social group. This can have the result of these individuals seeking out others of a similar status to themselves, and this has resulted in powerful allegiances between people from

similar backgrounds. As the membership of EuRA is made up from very different types of company, so the council can be made up from individuals who are very senior within a multinational corporation or who own long established, market leading companies. On the other hand, the council also contains people who run smaller companies competing with other small companies. They may also, in some instances, be suppliers to another council member from a larger company. This creates tensions where the individuals have opposing or similar views of power distance. An individual from a country where hierarchy is paramount, may feel awkward being intimate with someone of lower social status who does not perceive power distance in this way. Again, this can result in a council member feeling shunned by another, and has often resulted in sub groups being formed, detracting from the unified structure that can get results.

Uncertainty avoidance is less of an issue between individuals, but may colour the way the group thinks about a certain course of action. Currently the council has a majority of northern Europeans, and as a result is cautious about making dramatic changes to the constitution of EuRA, whereas council members from low uncertainty avoidance cultures such as Spain or Italy, have brave ideas, that may not get the agreement of the current council, but which will surface again, as the constituents of the council change.

Masculinity versus femininity also colours the way individuals interact and therefore, where friendships and allegiances are formed. Council members from the masculine consumer cultures of Germany and the UK will almost always adopt a strongly capitalist view, encouraging the association into new ventures, holding a clear view of expansion as a necessity. Individuals from more feminine welfare biased cultures have a more cautious view of the association representing the membership first and foremost, and wishing to see the group act in unison towards this goal.

The style and type of meetings are affected by the last two dimensions. Individuals from polychronic, southern European cultures are adept at multi-tasking and often don't dissociate

their normal working life from a council meeting, and will continue to read emails and take telephone calls. To individuals from monochromic northern cultures, this can be seen as rude and disruptive, as to them the meeting has been scheduled as time out of normal working life in order for the objectives of the agenda to be discussed and carried out. Individuals from monochromic cultures expect meetings to start and end on time, and again can feel very frustrated by polychromics, who are less schedule orientated.

The issue of high and low context culture is one of the most fundamental aspects to impact on the understanding of the group of one another. Spain and Italy exist as high context cultures, with much of their communication taken from mutually understood information. To low context cultures, this can be seen as secretive at worst, or obstructive at best, as ideas are often put across as the only way forward. However, once explanations are forthcoming, the northern Europeans will happily accept a new idea. This also impacts on the understanding of business methods. It may be entirely understood within Italy that working practices dictate the necessity of building relationships; therefore lunch is more important for group unity than a well organised and structured meeting. To a northern European, it is simply a refuelling stop, and will often take place as part of the meeting with the work continuing.

The overwhelming impact of these cultural factors on any multi national board, is the impact they have on how and with whom, members will form friendships and allegiances. More importantly they will often dictate, who will not form a friendship, or in a worst-case scenario, a working relationship of any kind. It is vitally important that the chair of any meeting is aware of this, and is able to help explain that the differences that divide, are merely cultural and not personal. In a different situation, such as on vacation, people from opposing cultures will often delight in the differences that set them apart, but within a working environment, the same differences are more likely to frustrate.

All cultural theory is just that; a theory. Made up from examinations of stereotypes and trends, cultural theory cannot explain the range and breadth of human interaction, but it can go a long way towards mitigating the consequences of misunderstanding.

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### **Appendix A**

#### **Job Description**

##### **Overview:**

The role of Operations Manager covers eight main areas:

- General Office Administration Duties
- Memberships
- Training
- Travel Arrangements
- Conferences
- IT
- General DTP
- Board Liaison
- Publications and articles

##### **General Office Administrative Duties:**

- Dealing with telephone enquiries from members, the public and the media
- Dealing with email enquiries from members, the public and the media
- Purchasing of stationery, IT software and hardware and overseeing the development of systems
- Overseeing the ongoing development and maintenance of the EURA website
- [Line Manager for the roles of Membership Co-ordinator and administrator including supervision of appraisals, training, holidays and flexi-time.](#)

**Memberships:**

- Supervising the Membership Co-ordinator and intervening when issues arise regarding disciplinary procedures or complex applications

**Training:**

- Liaising with the Training Group to structure training programmes
- Liaising with venues for regional and centralised training programmes
- Drawing up module outlines and liaising with the speakers on the content of modules
- Coordinating the receipt of materials from speakers
- Assembling delegate packs for training programmes
- Supervising the [EARP points management system for EuRA members](#)
- Supervising the EuRA seminar evaluation system
- Assisting Training Group members with EARP policy issues

**Travel:**

- Where possible, coordinating travel arrangements for Board members, staff, trainers and speakers for meetings, conferences and [specifically](#) training programmes
- Booking venues and accommodation for meetings, conferences and [specifically](#) training programmes

**Conferences:**

- Active role as part of the conference committee
- All DTP design and layout for initial publicity material
- Marketing of the conference through the EuRA Conference bulletin programme in email Front Page format
- Coordinating the uploading of all information to the website
- Liaising with the print setters and printers to publish and distribute this material
- Designing and maintaining the systems to insure accurate recording of bookings and responses to delegates following booking
- Management of bookings, training points and accurate marketing lists through Association Management
- Coordinating the assembly of personalised members conference packs
- Ensuring the dispatch of all conference material to the venue
- Coordinating the check-in for the annual conference
- Liaising with venues
- Liaising with sponsors and collating sponsor material for conference delegate packs
- Design, layout and distribution of final conference material including sponsor packs
- Troubleshooting individual delegate queries during the conference

**IT:**

- Management, design and updating of all database systems including membership applications, seminar and conference bookings, members records, committee records
- Ongoing development of the database system, Association Management
- Training staff members in developments to the Association Management system
- Overseeing implementation of upgrades to Association Management from Filemaker
- Maintenance and updating of email address systems and groupings to ensure accurate delivery of all EURA PR material to members and others who have approached the association

- Coordinating upgrades and changes to IT systems
- System maintenance, system protection, upkeep of the security systems, virus protection software, preventing spam throughout all of the IT; office based systems, remote systems, portable systems and telecoms, server access and security
- Liaising with Designtec IT over developments to the website
- Design, layout and copy where necessary for EuRA Bulletin and The EuRApean in Front Page email format
- Maintenance of the office network systems and liaising with Ulric IT
- Maintenance and coordination of remote access to systems and Association Management

#### **General DTP:**

- Design, layout and updating of all office generated material including:
  - Membership packs, applications and publicity material
  - Seminar programmes, publicity material, delegate lists and badges
  - Conference programmes, publicity and sponsorship materials, delegate lists, marketing materials, badges etc.
  - Design, layout and updating of questionnaires and brochures

#### **Board Liaison:**

- Attending full Board meetings
- Attending Training and Conference Committee meetings
- Editing Board and committee meeting minutes
- Distribution of minutes following meetings
- Assembling Board and committee members packs with all relevant information prior to meetings
- Liaising with Board members to get final approval of changes to layouts of publicity material, newsletters, membership procedures, conference material etc where necessary
- Coordinating conference calls for committees when requested to do so

#### **Publications and Articles**

- Responsible for writing and updating all copy for the Guide to the UK
- Writing articles for publications when required to do so