

MANAGEMENT

INTEGRATION

MULTICULTURAL GEMS HIDDEN IN THE RANKS

Westernised Asian and Asianised Western executives can play critical roles and bring distinctive skills to the company

Yves Doz and Hong Hae-jung

A recent survey of management talent in Asia observed "Westernised" Asians and, to a lesser extent, "Asianised" Westerners occupied most senior executive positions in multinational companies in Asia. But beyond the experience of living in different countries, what do these profiles bring?

Many of them are multicultural and most can play five critical roles in how they work and the distinctive skills they bring:

- Making creative associations and drawing analogies between geographical markets, allowing them to develop global products and build global brands while remaining sensitive to local market differences;

- Interpreting complex knowledge – which is tacit, collective and culture-dependent, hence impossible to simply "explain" – across cultures and contexts;

- Anticipating cross-cultural conflicts, and addressing them, a critical contribution to the effectiveness of global teams;

- Integrating new team members from different cultures into teams that quickly develop their own norms of interaction and a strong "in or out" identity that make joining the team once it has been in existence for a while particularly difficult; and

- Mediating the relationship between global teams with a high level of cultural diversity among their members and the senior executives they report to, or their interaction with local subsidiary staff they collaborate with, who are often monocultural.

As international companies in



Illustration: Martin Megino

Asia increasingly need to balance subtle forces of globalisation and localisation at the same time, and to transcend the conflicts they may create, these multicultural skills are increasingly important to succeed in the region.

Underlying all these skills is intercultural cognitive integration (one's ability to simultaneously hold and apply several culturally different schemas and thus to think as a member of one culture or another depending on

need and context, or to think simultaneously as member of several cultures) as the key to creative, adaptive and leadership skills fostering their career success and that of the companies they work for.

The paradox we observe, though, is that despite the rather obvious benefits their unique skills bring, multicultural managers often languish unrecognised in the ranks and files of their employers. International human re-

sources practices have not always caught up with the potential multicultural managers offer. Beyond simply lagging behind good practice, there are deeper reasons for this.

First, multicultural executives are not a universal panacea: not all are equally skilled at integrating across cultures. Personality plays a role: being extroverted, assertive and sociable contributes to effective multiculturalism. A balance of identification

strength between cultures is also a required condition for effective bridging, and the stronger the various cultural identities, the better. If in the self-image of a multicultural person one cultural identity "wins" to the detriment of the others, the person cannot be effective as a multicultural executive.

Second, how one truly becomes multicultural is not entirely clear, and not easily captured in the simple demographic indicators still often used in recruiting and promotion decisions. Some individuals are visibly multicultural by ethnic background and early childhood experiences, but that does not guarantee they will be well integrated in a balanced fashion in their multiple cultures.

Can one become multicultural through expatriate assignments in a multinational company, or just by living and working in multiple countries and cultures? This obviously helps, but just "being there" is not enough.

Studying and working abroad as an adult, immigration, or an international marriage may provide the quality of interaction required, but becoming multicultural takes time and effort as several cultures need to be internalised. One needs to have strong interaction with people belonging to the local culture, an active learning drive, and become embedded in the local culture.

Expatriate "villages" will not suffice. Just learning the behavioural adjustments is not enough, one needs to delve into

Multicultural skills are increasingly important to succeed in the region

understanding the underlying "whys", or the meanings, not just the manifestations of culture. This is slow, difficult learning, and may be a big challenge for the rapidly internationalising Chinese firms such as Lenovo, Huawei, ZTE and Haier, as it has been earlier for Japanese and Korean ones.

Some invest massively in developing corporate universities but accelerated training will never be a full substitute for patient experience accumulation when it comes to acquiring multicultural skills.

Furthermore, not all Asian cultures start in the same place. Some, like India, are composite countries, multicultural in their own right (that partly explains the outstanding success of Indian executives in many Western companies, and not just in local roles in India), others, such as Japan and Korea, are culturally very homogeneous and strongly monocultural.

Third, not all organisational contexts are equally propitious for multiculturals to play effective

roles. Organisational culture, human resource management policies and cultural value conflicts in the organisation reduce or enhance a multicultural's willingness and ability to be effective.

Being appreciated and trusted by colleagues and peers is also a must but colleagues may zero in on one of their cultures and make the development, or maintenance, of balanced integration skills harder, and multicultural managers' roles less effective. To achieve this, companies need to be beyond an internationalisation threshold, where they start to overcome their ethnocentric culture (the first Western managers recruited by Korean companies seldom fared well).

The operational link between human resources policies and the opportunities offered by multicultural managers as "hidden gems" remains largely to be built, and more research is needed on these issues. Multicultural managers at firms such as L'Oréal have emerged from the growing pool of "international talent" over the past decade, bringing their experience and insights into "new markets". It hasn't taken long for their colleagues to become aware of their unique skills, and of their usefulness.

Bur for every company that recognises the opportunity offered by multicultural managers, how many still miss it entirely? Yves Doz is the Solway chaired professor of Technological Innovation at Insead and Hong Hae-jung assistant professor, Rouen Business School, in France

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MEDIA

News Corp Australian chief quits amid review

Departure of company veteran seen as political decision before elections in September

Bloomberg in Sydney

News Corp's Australia chief, Kim Williams, resigned from the company as *New York Post* editor-in-chief Col Allan reviews its newspapers in the country amid pre-election clashes with Prime Minister Kevin Rudd.

Williams, a near-20-year veteran of the company, would be replaced by Julian Clarke, the company head by Rupert Murdoch said in a regulatory statement yesterday.

Clarke retired in 2007 as chairman of the *Herald* and *Weekly Times*, a News Corp unit that publishes the country's biggest-selling newspaper, Melbourne's *Herald Sun*.

Allan would be "providing extra editorial leadership" to News Corp's Australian papers for two to three months, according to an internal e-mail from group chief executive Robert Thomson.

Murdoch was seeking to "get rid of" Australia's government in a September 7 election, Rudd



Kim Williams (left) and his successor Julian Clarke.

It certainly appears to be a very political decision

ANGUS GLUSKIE, FUND MANAGER

said this week after Sydney's best-selling *Daily Telegraph* urged readers to "kick this mob out" in a front-page editorial on Monday.

"It certainly appears to be a

very political decision," said Angus Gluskie, the managing director of White Funds Management. "It certainly seems as though Murdoch wants a particular viewpoint expressed, and that's got a number of issues. It's right at the heart of the independence of the press."

Williams felt "now is the right moment to leave", Thomson said in yesterday's statement announcing his departure.

Stephen Browning, a spokesman for News Corp Australia, declined to comment further on the reasons for his departure.

Clarke "is an experienced executive with a unique understanding of our company's culture", Murdoch said in a separate statement. He had "the immense energy and clarity of vision necessary to drive our properties forward at this challenging time".

News Corp Australia runs newspapers including the *Herald Sun*, *The Daily Telegraph* and the country's sole national general-interest broadsheet, *The Australian*. It also has a 50 per cent stake in pay-television company Foxtel alongside Telstra, giving it what Australia's antitrust regulator calls a near-monopoly on subscription television.