

LEADING IN THE AGE OF CULTURAL DIVERSITY

Challenges & Recommendations



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Table of Content

01

Acknowledgements
(page 1)

02

About the Authors
(page 2)

03

Executive
Summary
(page 3)

04

Challenges &
Recommendations
(pages 4 - 11)

05

The Most Important
Advice
(pages 12 - 13)

06

The Relevance of
Intercultural
Training Today
(pages 14 -17)

07

Final Thoughts &
Future Outlook
(page 18)

08

References
(page 19)

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Together, we can build a more culturally-inclusive world.



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Executive Summary

The current age of globalisation and an interconnected world has changed our lives dramatically in the past decade. Supply chains are being reassembled, lowering the cost of goods. Additionally, dissemination of information that was once limited to a geographic location, now travels across the world in an instant. With businesses increasingly expanding beyond their country of origin, it has become imperative to engage with people from other cultures effectively. Thus, the multicultural team is becoming ubiquitous in multinational organisations.

Since much of the current intercultural research looks into leaders who are based in the western developed nations, we were keen to explore and identify the significant challenges faced by Asian-based leaders. This paper aims to address issues related to building, managing and leading multicultural teams and propose specific recommendations for bridging cultural gaps.

For our research, we conducted semi-structured interviews with leaders that are based in Asia (n>30). These leaders are a mix of mid-level to executive-level leaders from across 16 industries, from 13 nationalities and based in Singapore, India, Hong Kong and Malaysia. Over 50% of our interviewees are in the Technology and Financial Services sector. Collectively, our leaders have more than 360 years of experience in leading multicultural teams.

These leaders influence over 19668 employees globally. Their employees come from over 40 nationalities with the majority from Southeast Asian countries. Other nationalities include the rest of Asia Pacific, followed by Europe, Africa, Middle-East and the Americas (North and South).

In our semi-structured interview, we asked five questions around the challenges, solutions, advice, relevance and resistance with regards to intercultural training. From the analysis, we have identified key themes for each question.

With regards to the challenges faced by leaders, three themes were most pronounced.

These involved communication gaps, adapting leadership styles and dealing with stereotypes. The leaders, at times, suggested solutions to these challenges based on their unique context. Details of these can be found in the chapter on Challenges & Recommendations.

We also carefully examined the leaders' responses to spot essential advice relevant to building, managing and leading multicultural teams. Two striking themes emerged in the dataset, which is to listen and to learn. Details can be found in the Advice chapter.

Subsequently, we wanted to explore the relevance of intercultural training. From our dataset, more than half of our leaders believed that intercultural training remains relevant today. However, intercultural training needs to evolve by ensuring that it is technologically accessible and remains relevant to the intended audience.

While many of our interviewees agreed that intercultural training is important, we looked into the possible reasons why leaders and teams tend to avoid seeking professional support. The top three themes that emerged were that intercultural challenges are not a priority area, a lack of awareness and resistance to change.

Our research demonstrates that there is relevance and need to upskill global teams in the management of intercultural aspects. Our results suggest that skills related to cross-cultural communication, adaptability and cultural awareness are most in need. With the development of these skills, leaders and their multicultural teams will be better equipped to listen, learn, collaborate and perform effectively as a cohesive team.

As Kofi Annan once said: "People of different religions and cultures live side-by-side in almost every part of the world, and most of us have overlapping identities which unite us in very different groups. We can love what we are, without hating what- and who we are not. We can thrive in our own tradition, even as we learn from others, and come to respect their teachings."

Challenges & Recommendations

The first question that we asked the leaders is: **“What do you think are the main challenges in building, managing and leading multicultural teams?”** More specifically, we asked the interviewees to share with us examples and stories where they faced personal struggles relating to cultural differences at work. We then followed up with how they went about addressing or solving these challenges. Three most common challenges and proposed recommendations were identified in this paper.

Challenge 1: Communication - Can You Understand Me?

Communication has always played an essential part of doing business anywhere, whether operating in a monocultural or multicultural setting. However, there is little doubt that the complexity level of communication increases when working across cultures. As one of the leaders described it,

“I would say that the main one (challenge) is to make sure that what we communicate is what people understand. And what people communicate is what we understand. Because how we communicate, how we spread the message, how we understand the message, may be different from one culture to another.”

Research shows that multicultural teams are more prone to encounter communication-related challenges. These include language barriers, ineffective communication and differences in communication styles (Adler & Gundersen 2008).

Based on our interviews’ findings, communication gaps are perceived as one of the most significant challenges when leading in a multicultural environment.

Another leader, who co-founded a Singapore - based company in 2015, openly shared with us:

“The cultural language is very different. So basically, the challenge and the difficulty were that there is nobody to complete your thoughts, there is nobody to complete what you are saying.”

CHALLENGES	RECOMMENDATIONS
Communication - Can You Understand Me?	<ul style="list-style-type: none">• Develop Deep Understanding• Encourage Open Communication
Leadership - The Clash of Expectations	<ul style="list-style-type: none">• Adapt Your Leadership Style• Build a Strong Corporate Culture
Stereotypes - Placing People in Cultural Boxes	<ul style="list-style-type: none">• Focus on Individuals• Promote an Inclusive Organisation

The challenge of understanding each other is not new. And it usually begins with language barriers. As people don't speak a common language across Asia, they settled on English primarily due to it being the language of global commerce and international tourism. However, the nuances of English and how it is consumed across culturally diverse Asia varies a great deal – all the jokes and the micro, meaningful things often get 'lost in translation'.

Even when we understand the language, the cultural meaning behind the words and its interpretations may be different, as shared by a leader from a technology company:

"In Singapore I've learned that I'll do my best means it's never going to happen... there's no one who can do it. I will at least try. That's what that means... It does not mean yes."

Another example shared by a leader from the IT industry was her story of providing a "soft target" to her team. A "soft target" is an aspirational or stretch objective and is not the highest priority target to be achieved. But as soon as the leader used the word "target", the Korean team interpreted this as obligatory regardless if it is realistic or not. Therefore, they endeavour to use all means necessary to achieve the "soft target", or otherwise interpret this as a personal failure.

Other significant sources of misunderstandings, conflicts and tensions in multicultural teams are attributed to differences in the levels of Directness or Indirectness when delivering a message. What we choose to say, or not to say, is highly influenced by our cultural background. Direct cultures usually teach us to say things as they are or otherwise known as "call a spade a spade". Indirect cultures guide us not to do so and avoid unpleasant issues or confrontation. As one of the HR leaders shared with us:

"The obstacle to overcome when you manage a diverse team is this notion that some people are more direct, to the point that it causes friction with the people who are less direct...I had to spend unnecessary time and effort to be the peacemaker of this team."

"I took every single team member for two hours and a half in the room... And at the end of the long meeting, I remember I couldn't understand anything."

A common source of frustration for western leaders in Asia is when counterparts say 'yes', and appear to be agreeable but only later finding out that nothing gets done and that there was never any real intention to do anything. The western leader is often left perplexed and without a clear understanding of what the real obstacles are:

"I would say that the sort of hardest thing to get used to is what we in Western cultures are called passive aggressiveness. I suppose in a lot of Eastern cultures, they will call it just politeness in the sense that they're not disagreeing, but they don't actually agree with you either."

These communication barriers are most apparent when leaders need to deal with the establishment of a new team. Another leader shared the importance of understanding the team communication codes before breaking them without knowing:

"I took every single team member for two hours and a half in the room...And at the end of the long meeting, I remember I couldn't understand anything. They didn't go into detail. They didn't share with me how they were feeling. And the hardest question I had asked was, "Are you happy in your job today?" No one answered that question."

Communication gaps are often very costly and can quickly morph into trust issues that seriously damage relationships within the team. The good news is that this type of mistrust usually takes its roots in culture-related misunderstandings as opposed to any concrete dislikes (Adler & Gundersen 2008).

Recommendation: Develop Deep Understanding

Being aware of the diverse communication styles across cultures is the first and primary milestone when leading multicultural teams. Many leaders shared that awareness of your team members' style, as well as your style as a leader, is essential. It is the foundation required to minimise misunderstandings and optimise collaboration.

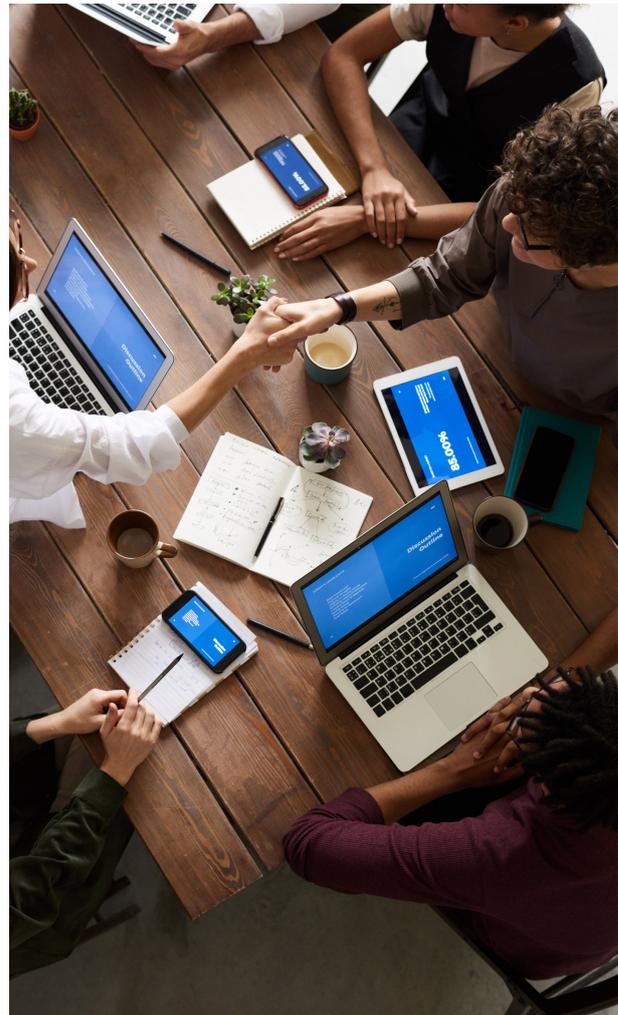
Besides, research on multicultural teams reveal that surface-level knowledge of cultural aspects such as ethnicity, race or nationality of people is not sufficient. Focusing on deeper-level elements of culture such as differences in value systems and perceptions can positively contribute to improving understanding, minimising judgements and leading to effective communication (Stahl, Mäkelä, Zander, & Maznevski, 2010).

For example, understanding why certain cultures avoid saying "no", even when disagreements exist, can help direct communicators not only accept it but even embrace it by learning to read between the lines instead of solely focusing on direct messages. And on the other side, understanding why different cultures value directness in their communication style should help the non-direct communicators to avoid perceiving it as a threat or a personal attack.

Some of the leaders noted that truly understanding cultures takes time, so having a person in the team who can properly relate to and explain the local culture is particularly useful in bridging communication gaps.

Recommendation: Encourage Open Communication

As cultural knowledge grows, paradoxically, it could lead to less sharing within culturally-diverse teams. This is primarily due to increased self-awareness and caution exercised by team members concerned that they may be misinterpreted or say the wrong thing.



Hence, the leaders' commitment to promote open communication despite the differences is crucial. The leaders proposed some specific strategies to encourage an inclusive and transparent communication style. For example, the majority of leaders said that it's important to invest in relationships by scheduling regular one-on-one conversations with all members of the team. They also mentioned that leaders should request feedback from the teams as a tool to improve performance and to better understand the annoyances and preferences of each member.

Other suggestions included ensuring transparency and objectivity in setting tasks and measuring performance. Defining the team's cultural norms is also essential to create and maintain alignment on "how we are going to work together". Some used the term 'Lead by example' to set the tone for interactions in the group and to ensure all participants contribute and are heard in team meetings.

Challenge 2: Leadership - The Clash of Expectations

In today's world, there is a high demand for leaders who can seamlessly navigate through intercultural hazards. However, that is not a skill or quality that naturally exists in most leaders and is not an easy one to develop either. Since different societies hold different values and belief systems in respect of leadership styles, gaps in expectations of how people want to manage and be managed are inevitable.

Many of the leaders we interviewed describe expectation gaps as the most challenging to overcome. It requires them to "put aside" their past experiences, what they have learned back in their home cultures and be open to adopt new ways of leading their teams. Our conversations with the leaders surfaced three principle gaps.

The first gap we identified is about **the level of respect and formality** the team is expected to show their supervisors, which can be starkly different across cultures. One of the leaders shared that when he was promoted into a senior role, the team completely changed their approach towards him, even though his mannerism remained the same. Coming from an egalitarian background, he felt uncomfortable that the same people he worked with previously, were now addressing him formally. They avoid approaching him as per before.

The level of respect to authority can also influence meeting dynamics. Some leaders expect their team to voice an opinion and openly disagree with them at times. In many other cultures, this is considered as unacceptable conduct and disrespectful behaviour. One of the leaders shared with us his first experience managing a research and development team based in Singapore:

"I found early on that my presence doesn't help the process, meaning that as long as I was in the room, people tended to be quiet. The reaction was "can", meaning we can implement whatever you want, just tell us. There was no argument, there was no feedback."

"As long as I was in the room, people tended to be quiet. The reaction was "can", meaning we can implement whatever you want, just tell us."

Another leader who moved from Argentina to Paris shared with us the opposite experience. She was astounded to see a junior technician openly disagreeing with his boss publicly, and no one seems bothered by it, except her.

When operating in a hierarchical culture, a participative leader that is frequently consulting with subordinates runs the risk of being perceived as lacking competence or leadership skills. The team may mistake a participative style as not having the right capabilities to make decisions or lead the team successfully. When people lose confidence in their boss' ability to lead, it has a profound impact on their performance too.

The second gap we identified is **the extent of guidance** expected from the leaders on what and how things should be done. Certain cultures expect the leader to provide clear and prescriptive instructions. In contrast, a general outline is usually sufficient in other cultures.

One of the Technology leaders presumed that some employees require unambiguous and specific instructions. In his view, that enables them to minimise risk exposures and avoid discretionary steps where mistakes can arise. Research on risk-appetite and cultures indicates that companies in collectivistic and hierarchical societies, as a general rule, tend to take lower risks (Mihet, 2013).

Whereas leaders who give out a general outline only, perceive this as providing an opportunity for learning, creativity and growth whilst avoiding micromanagement of staff (seen as a negative). The team, on the other hand, may perceive it as there is not enough attention, due care, or support by the leader and sufficient detail to complete the

task, which may hinder their performance and engagement levels.

The third gap we identified is about **escalation (or not) to your boss** when problems arise. As one of the leaders shared with us:

“In Korea, people do not tend to escalate things until it gets very, very bad. And so, when a problem arrives at you as a leader, it’s not one that could be easily resolved, because it’s already blown out of control.”

This leader also shared his opinion in respect of the root cause of this phenomenon, attributing it to the face-saving centric culture of Japan and Korea:

“So, if you bring a problem that you cannot resolve yourself, it reflects a lack of capability on your side. Therefore, people do not want to raise things. They want to try to resolve everything they can themselves but very often find themselves in a position where they can’t do that.”

Another leader from the agriculture industry shared a different perspective on why employees choose not to approach her when facing problems:

“I came back to Thailand four years ago... they explained to me a concept which is ‘I don’t want to annoy you because you must be very busy.’ ‘So I will not even ask you a question because I will disturb you. I’m being embarrassed.’ There is a word in Thai for that.”

Interestingly, in other cultures, raising problems to your boss is very common and seen in a positive light demonstrating that the employee is responsible and exercises due care in their job. When the boss is unaware of serious problems that arise, it has the potential to severely handicap the team performance as well as give rise to mistrust in the team.



Recommendation: Adapt Your Leadership Style

Being able to flex and adapt your leadership style when leading a multicultural team has been described by most leaders as a critical success factor. The transition into an accomplished global leader involves the ability to, at least temporarily, leave behind the natural (and often subconscious) behaviours and thinking patterns associated with your home culture and heritage. One of the leaders we interviewed find an interesting way to describe it:

"You cannot expect the culture to change around you... so, Monday mornings I'm Korean. Monday afternoons I'm Indian. Tuesday mornings I'm Japanese. Tuesday afternoon I'm Australian. And you need to flip your mentality. You need to flip everything, from how you ask questions, how you ask people to do things, how you give directions, how you coach and lead. And you literally have to be multipolar in terms of gratitude, and switch your mindset every part of the day."

Another leader from a large technology company described a similar concept that she chose to name as "situational leadership muscle". This leader recognised that when she joined a team of people from diverse backgrounds, it required her to adapt her leadership style depending on the situation and the cultural background of team members (as well as taking into consideration their gender, age, and experiences). The reason she chose to describe that skill as a muscle is because, like a muscle, it needs to be both developed and practised regularly. This leader was cognizant that sometimes she will get it right and other times not but leaders, in her view, must always try things out and evolve the way they manage people.

"Monday mornings, I'm Korean. Monday afternoons, I'm Indian. Tuesday mornings, I'm Japanese. Tuesday afternoon, I'm Australian."

Recommendation: Build a Strong Corporate Culture

Apart from effective management of team differences, the leaders identified building a strong corporate culture as a critical enabler in overcoming cultural differences in the team. However, establishing a clearly defined company-wide culture has several limitations.

Firstly, if everyone is expected to conform too rigidly to certain behaviours, it runs the risk of hindering the diversity and inclusion objectives of the organisation. Secondly, the corporate culture of the firm is likely to be highly influenced by the national culture of the founders. So important aspects such as leadership principles, communication styles, and HR policies may be aligned to the founders' culture but not necessarily to the local employees' needs. (Khan and Panarina, 2017)

One way to overcome this limitation, as shared by a top leader from the hospitality industry, is to unite everyone. Not by diminishing the differences, but by allowing people to share who they are. Leaders need to establish an all-encompassing culture that helps everyone to move beyond the differences, and in the same direction:

"Overarching culture is what unifies in an organisation, all the diversity. So, one does not need to be afraid of diversity and differences. But one must create the structures, the platforms, the channels, where people can come together to share and interpret the narrative together. They have to own the narrative. They have to share the narrative. They define it, describe it, explain it, so everybody has one common narrative. My work is to shift the perspective from culture to context, from context to identify the core values, and from that core to look at what is common."

Hence, the discussion of whether the corporate culture should prevail over national culture might not be relevant here. The key is not to choose between the two, but to find creative ways to align the corporate culture with the local norms. Thus, if the local operations' and headquarters' culture are identical, a company is only global by name.

Challenge 3: Stereotypes - Placing People in Cultural Boxes

The third challenge mentioned by leaders relates to the human tendency to fit people into “cultural boxes”. Stereotyping is practised by most people and often used to simplify our social world and cognitive processing when meeting new people. Stereotyping may be positive or negative and can be associated with any membership, such as nationality, religion, gender, race, or age.

By using stereotypes, people tend to automatically badge all members of a cultural group with fixed, preconceived, and oversimplified characteristics without regards to individual differences. It can also manifest in prejudice (known as unconscious bias), racism or even outright discrimination. One of the leaders commented on stereotyping:

“A lot of times we think we know people from different cultures, but it's really clouded by stereotyping. You have a couple of good experiences. You think a certain way. If you have a couple of unpleasant experiences, you tend to lump a certain culture or certain nationality all into the same profile. And I think that's the unconscious bias that all of us have. That is, I suppose in a way difficult for anyone to totally eradicate.”

Stereotypes are potent and may even be self-fulfilling. Sometimes people personate the stereotype since they believe it is socially desired. One of the leaders related a story on a Korean lady in her team who always appeared enthusiastic, very bubbly and filled with effervescence. She always seemed up for a party or socialising after work for drinks. The water cooler chat in the office was that she was behaving like a “typical Korean”. But when the leader probed further on a one-on-one talk with her, she shared that she would much rather be home spending time with her children. It became apparent that the work culture in Korea influenced her to behave in that way, and thus she conformed to the stereotype and what she believed were expected norms.



Another type of stereotype, as mentioned by some leaders, relates to the perception of being a foreign leader. In certain cultures, non-local leaders are automatically perceived as “outsiders” who do not understand the local environment. One leader from a multinational IT company shared his perspective:

“Many times, you are perceived as the foreigner that doesn't know much and comes to tell them what to do and knows nothing about how things work in Japan. And this perception may be true right, but still a perception, by the Japanese, that they need to protect themselves from you, from your ignorance about Japan. The multinational gave you the authority to make decisions. And you don't know enough.”

Another leader, also with a technology background, spoke about the challenge of building trust as a foreigner. Sometimes, being a foreigner places you in a position of distrust. This manifests in doubting, not believing or lacking confidence in the leader since he or she does not have the right context and understanding of the local markets and culture.

Recommendation: Focus on Individuals

One way to break up the stereotype barrier is to focus on Individuals. Working with people, on an individual basis, has been suggested by most leaders as it helps not only to break-down stereotypes but also to foster understanding and build stronger relationships with each member of the team.

A leader from an American multinational technology company shared her observation that a cookie-cutter approach doesn't work in tackling stereotypes. It requires identifying opportunities and tailor individual solutions depending on the circumstances and team dynamics.

Furthermore, research on unconscious bias shows that increased contact within a diverse team tends to promote understanding and empathy within the group. This also appears to be an effective technique to avoid reinforcing, as well as breaking, stereotypes (Dobbin, Frank, and Kalev, 2018).

Recommendation: Promote an Inclusive Organisation

Many leaders agreed that accepting both individual differences, as well as cultural differences, is an essential part of promoting an inclusive organisation. It was also acknowledged as the basic foundation organisations must have to thrive in a culturally diverse world. In practice though, despite much progress, it still seems to be very much at its infancy as one leader, a co-founder of a hospitality group, highlighted:

“This COVID pandemic shows, there's still so much discrimination, misunderstanding, misconceptions and stereotypes prevailing. So, it is really quite disheartening for me, that we have gone through decades of what we call modernisation, development and globalisation. Yet our mind is not globalised. Physically, we have moved and explored the world. Flights have become faster, cheaper, but our mind, our spirit, and our hearts have not globalised. And we don't have that sort of a global mindset that accepts and welcomes differences.”

She has also shared her view on what it takes to develop an inclusive mindset, and we choose to end this section by quoting her words:

“All my lessons point out that language, cultures, colours, religions, different experiences are not the reasons for not managing differences. It's just a matter of the heart. The willingness and the openness to accept others, not to be afraid of the other, always wanting to build that bridge to the other, to understand where they come from and to cross halfway to stand together on that bridge to see the world.”



The Leaders' Advice

We asked the interviewees about the most important advice that they will give to others relating to building, managing or leading multicultural teams. The question is: "If you could give one piece of advice to help people work more effectively in a culturally diverse environment - what would that be?". Two striking themes appeared, which is to listen and to learn.

Listen

"Listening is about being present, not just about being quiet." (Krista Tippett)

Listening habits are varied across cultures. The ability to listen might be an easy task for certain cultures but a challenging one for others. According to the Lewis Model (2006), reactive cultures, such as China and Japan, are known as the world's best listeners. They have a natural tendency to concentrate on what is said and to listen attentively to the end without interrupting.

While listening may seem like a passive activity, according to psychologists, listening involves complex processes of thinking, feeling and behaving. Listening involves our attention, the ability to understand concepts as well as in receiving and interpreting messages.

Listening also involves our emotions and motivations. While most of us can hear sounds, the act of listening is a personal choice. From the behavioural perspective, we can tell if one is listening from the listener's response in verbal and non-verbal feedback.

A business leader in the Food Tech industry shared her frustrations when she first arrived in Singapore from the US and how listening has helped her successfully adapt to the new culture:

"When it came to Singapore, I had to be very patient. I took one week to read and look. One week to listen and look. And then one week to read more and listen more and look more because I got completely confused. I've never been in an environment where I have to adapt myself so much. I have to learn so much from other people.

I was very frustrated, and I was very impatient. And I think it's a great learning experience. I had to listen, to look, to understand where I could step, and how I could communicate, and how I would not offend people or actually get some answers that I wanted to get. So listen, look and be patient, and be willing to change but that I mean, it comes with listening."

Listening can be tricky. Our interviewees recognise the importance of listening, especially in a culturally diverse environment. Here is a sampling of advice offered:

- Listen, look and be patient.
- Listen and practice every day.
- Don't be afraid of silence.
- Listen carefully more than usual, especially for language nuances.
- Listen beyond words.
- Listen to yourself. Trust your intuition.
- Let team members share more than you do.
- Try to understand where they are coming from, how they feel, what motivates them, what drives them, and their vision of success.

Learn

“The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn.” (Alvin Toffler)

One of the most significant themes that surfaced from this question is the need for leaders to learn continually. Just like listening, learning is a complex emotional, cognitive and behavioural process.

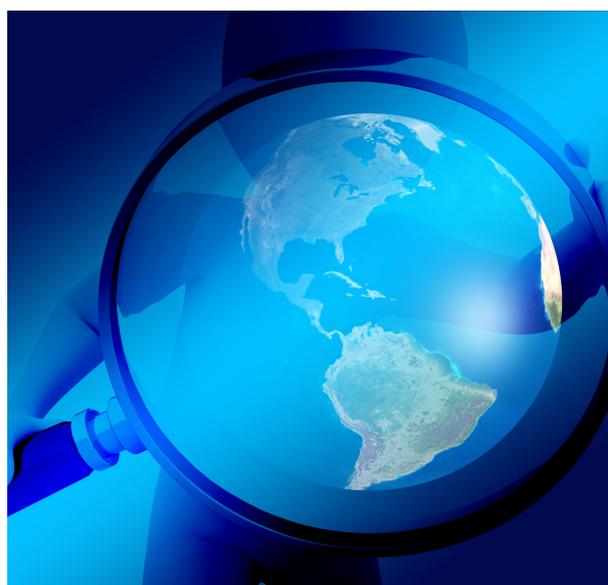
When we learn, we acquire more than new understanding and knowledge. Learning also involves developing and refining skills, behaviours, values, attitudes and preferences. However, in an age where change is the only constant, the ability to unlearn and relearn is just as important.

Fortunately, the interviewees recognized the need for a guide and that they do not need to learn on their own. An American Technology Director based in Singapore, shared his experience in searching for the right guide in his cultural adventure:

“I made a natural move, which was I had one angmoh* on my team. He was a very typical Englishman living in Singapore, with a semi-colonial kind of attitude. And unfortunately, I thought that this would be great. He will be my guide. That was a mistake because he was heavily biased. He had a lot of misconceptions.

But then, I had two more (guides) over the years, who knew the local culture and felt comfortable giving me advice. That's really important. If you have a team that is full of Indians, and if you can find an Indian who speaks your language culturally, they can guide you. That's great! If you have a team full of Germans, and if a German can give you tips on how to deal with and manage Germans. That's worth seeking out.”

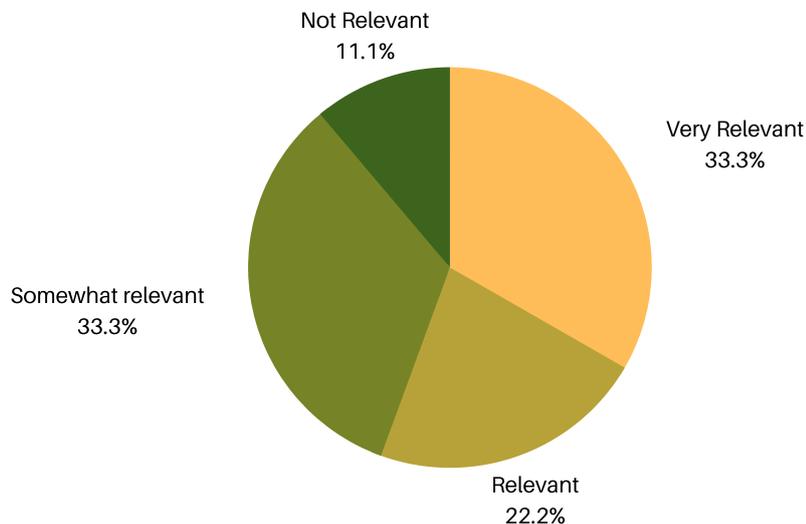
*angmoh literally means "red-haired" and originates from the Chinese dialect, Hokkien. The word is used to refer to white people and sometimes used as a racial slur.



While learning is a natural ability, our interviewees provided some great insight around learning in a culturally diverse environment. Here is a sampling of advice from our interviewees:

- Never assume you know another culture.
- Pick the right people who will be your yardsticks and your guide.
- Ask for advice from people who know the culture before delivering messages.
- Learn the culture of your people such as their habits, food preference and many more. Don't be ignorant. Show that you understand.
- Do not rush into conclusion.
- If someone's behaviour surprises you, try to understand the deep cultural meaning of it.
- See challenges in situations as good because you will know more and develop yourself more.
- You're on a learning journey.

Relevance of Intercultural Training Today



The leaders were asked about their opinion on the relevancy of intercultural training today. We assumed that intercultural training remains relevant today, especially since working with people from different cultures or countries becomes more common than ever before.

We found that 55% of leaders believe that intercultural training is either very relevant or relevant in today's world. Here are some of the reasons cited:

- Intercultural training will help to raise cultural and diversity awareness.
- Programs help to reduce or avoid stereotypes.
- Intercultural programs help audiences to alleviate the fear of making mistakes.
- Intercultural training will help to speed up the learning curve and approach diversity with a learning mindset.

Interestingly, 33% of leaders believe that intercultural training is somewhat relevant. When probed further, leaders who indicate somewhat relevant say that intercultural training needs to be pertinent and compatible with the audience's context.

Here are some adjustments suggested:

- Intercultural training needs to link to the company's culture and personality preferences.
- Programs should be more focused on integrating people and building teams rather than on individuals alone.
- Methods of delivery should be enabled by technology, such as e-learning, online courses, and that facilitate anytime, anywhere learning.

There were 12% of leaders who believe that intercultural training is not relevant. Some of the reasons provided are:

- Intercultural programs encourage stereotyping.
- The training is high-level, theoretical and sometimes seen as cliched and historic.
- The training is not pragmatic, practical or helpful enough.
- The intercultural frameworks do not fit everyone.

From our dataset, it seems that more than half of our leaders believe that intercultural training remains relevant today. However, intercultural training programs need to evolve to fit with the changing times. The most significant areas that intercultural training programs need to evolve include leveraging technology and customised, practical content to the intended audience.

In his article, Arjan Verdooren (2014) argues that knowledge about other cultures can be helpful to create familiarity with a culture or society at large, but is not always fruitful in direct interactions. Instead of just teaching people about the differences between cultures, an investment should be made in those competencies, strategies and approaches that help people deal with differences in general.

While many of our interviewees agree that intercultural training is relevant, we took the opportunity to enquire about the possible reasons for not seeking help when faced with a challenge in building, managing or leading a multicultural team.

We asked: **"What might be the reason/s that prevents teams/companies from seeking support on these challenges?"**

We hoped that this would reveal the reasons for resistance towards intercultural training. The top three emerging themes are elaborated in the next part.

The main reasons for not seeking support include:

- Addressing multicultural challenges is not a priority
- Lack of awareness
- Resistance to change

Addressing Multicultural Challenges Is Not a Priority

The central theme that arose from this question was that addressing multicultural challenges is not a priority for the company. The reasons mentioned by our interviewees include:

- The companies and its leaders underestimate the challenges a multicultural team may face.
- Companies believe that team leaders are responsible for managing and resolving these challenges.

Challenges of a multicultural team, if persist, may become part and parcel of the team culture. The risk is that people may become desensitised and therefore normalise behaviours that demoralise and erode the team spirit. As such, leaders may simply accept these issues will exist and remain unresolved. Consequently, underrate the severity and impact of these challenges on team performance.

Interviewees have also mentioned that companies that believe they hired the right people or possess strong leadership should have the capabilities to manage and resolve these challenges. A Regional Technical Director shared the following example:

"The leader of the India office has a role in managing all of the non-Indian executives who come through the country, on behalf of the team. And therefore, it's how you, as a leader, manage stakeholders that are above you to minimise the cultural impact on the business. I think that's why a lot of companies say Koreans lead Korea, Indians lead Indians, etc. It's more of how do you become the umbrella for your team, rather than how do you manage the rain."

The interviewee indicated a hiring strategy that has proven working in many companies, which is to promote local leaders that have the intercultural and global competencies to manage multicultural stakeholders.

When multicultural challenges are undermined and responsibilities deferred to the local leader, time and money is not allocated to provide adequate professional support.

However, the business world is continually changing. According to the International Organisation for Migration (2019), an average of 2 to 3 percent of the global population migrate abroad every year since 2000. As of 2019, it is estimated that there are 272 million international migrants or approximately 3.5 percent of the world's population.

The IOM report indicates that intercultural exchange not only happens at the leadership level, but throughout all levels of the organisation. Companies and businesses will need to prepare their workforce to engage with an increasingly diverse world.

Lack of Awareness

The second central theme that appeared is the lack of awareness that the challenges faced by multicultural teams can be due to cultural differences. Lack of awareness is not easy to remedy. When there is a blindspot, and no one else can see it, it will continuously remain blind to all. As one of the leaders, a Regional Head of Talent and Diversity, quipped: "You don't know what you don't know."

However, interviewees suggested that having a third party, such as the human resources, organisational development or change management teams, can help identify those blindspots through diagnostics. With the diagnosis, those teams will be tasked to provide the relevant support and services. There is also the opinion that if a high profile team becomes dysfunctional, a training program will not help to remedy the situation. Instead, the company will need to look into it in a crisis management mode.

The lack of awareness could also stem from the lack of appreciation of the complexities of working internationally. As businesses expand globally, the company's structure may become ever so complicated. The Global Talent Manager in the chemical industry observed that,

"The vast majority of multinational companies are multinational in capital, not in an organisation. You have only the MD of the country that works with corporate. Everybody else reports to this MD. They are a local branch of an enormous corporation. But they are local branches. They may be called multinational, but they're not at all. It's very different from a truly cosmopolitan, multicentric, international company."

When such complexities are not appreciated or given attention, any challenges related to cultural differences are downplayed. Simply put, the company does not acknowledge what is needed to overcome the obstacles.

Resistance to Change

The third primary reason for not seeking support is a resistance to change. Change can be difficult to process mentally. Psychologists have long known that changing one's mind or the minds of others is an uphill battle and marred with cognitive biases. Biases such as motivated reasoning, confirmation bias, affect heuristics, self-affirmation, and many others will continue to become the barrier in changing behaviour for the better (Ropeik 2010).

Our interviewees have observed that individual leaders view that past successes mean their methods can be replicable in other situations with similar results. With steadfast confidence and conviction, leaders insist that others adapt to their approach, sometimes to the point of becoming dominant. Because the business world is continuously changing, the right answers today could be the wrong answer tomorrow. A solution that may work today will be irrelevant tomorrow.

Another possible reason for the resistance to change is that people are in denial or embarrassed when facing multicultural challenges. When the challenge seems monumental and overwhelming, some choose not to face the truth because facing reality means you need to deal with it. As a Director of an IT company simply puts it, "No one wants to admit bias."



Final Thoughts & Future Outlook



The overall objective of this research is to explore and develop a more nuanced understanding of team dynamics that commonly occur in multicultural settings with specific focus on challenges faced by Asian-based leaders. Whilst interactions within the team were considered, the emphasis was placed on the role leaders play in navigating cultural diversity and its importance in enabling employee engagement and team success.

This paper's findings suggest that cultural dynamics are neither static nor straightforward. Clearly, a good starting point is understanding the cultural profile of individuals and how that influences their actions and behaviours. However, moving beyond cultural differences is also essential, given broader intricacies that play out in teams dynamics. For example, equally considering the individuality and the broad spectrum existing within each culture. These are essential ingredients that are necessary in avoiding false presumptions and the common practice of tagging people in a cultural box.

Moreover, since many individuals today hold more than one cultural profile, dealing with extrinsic diversity that only exists between individuals is not sufficient. We are also well-advised to explore the internal diversity that takes place within the individual. According to David C. Thomas (2016), understanding the value of a multicultural mind is a significant step in creating organisations that work for and bring out the best in everyone. He extensively addressed this topic in his recent book 'The Multicultural Mind': "The most important issues for multiculturals may not be the conflict that exists between groups but the conflict among the values, attitudes, beliefs, and assumptions about appropriate behaviour that exist within themselves."

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