How a multicultural HR strategy can unite a global team

Why does culture matter?

If you have offices in multiple countries or plan to expand internationally, your HR strategy is the key to uniting your organization across borders. One of the cornerstones of your strategy should be building or maintaining a company culture that remains consistent yet also takes into account the nuances of local culture in all the locations where you do business.

That's because in today's competitive marketplace, a strong company culture is no longer a nice-to-have; it's a must-have. It will help you attract and retain the talent you need in your target countries and maximize employee contributions to your organization.

For your company culture to be successful, it must incorporate the values and practices that your leadership team believes in and embodies. It must also feel welcoming to a diverse group of employees, no matter their nationality, language, religion, gender or cultural touchpoint.

The aim is a company united in spirit and dedicated to the same goal. To do that you have to make new hires feel like an integral part of your organization, no matter where in the world they work.

"A strong company culture attracts better talent and, more importantly, retains that talent. When people feel like they belong to an organization, they're more likely to stick around for the long term. That means lower turnover, fewer new hires to deal with, and better chemistry among your team."

Forbes[1]

1 https://www.forbes.com/sites/larryalton/2017/02/17/why-corporate-culture-is-becoming-even-more-important/#6995781b69da

Articulating your culture

What is company culture? If your mission describes the "why" of your organization, culture describes the "how." How does your team collaborate? How are decisions made? How is performance evaluated? How do you communicate?

Conducting a culture audit is one way to find out if the culture you have is the culture you need. Survey your employees across locations about what it's like to work for your organization. They may describe it as results-oriented or creatively driven, collaborative or externally motivated—or all about the bottom line—and results may vary depending on where in the world employees are located.

If what you hear isn't what you expected, think about how you define, communicate and embody the culture you want to foster. Where is it written down? How do you share it with new employees? Does the leadership team live and breathe your values? What about your staff?

If you need to tweak your existing culture to better support a workforce that's spread across multiple countries, a culture audit can also tell you what's working where and why, and what's not.

What matters to you?

Here are 12 attributes you can use to define the company culture you want to build.[2]

Respect & fairness

Accountability

Trust & integrity

Learning opportunities

Adaptability

Meaning & purpose
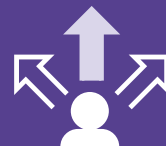
Results orientation

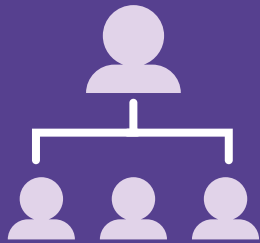Communication

Teamwork

Decision–making

Employee engagement

Goals & strategies

What kind of organization do you want to be?

Here are four organizational structures, as defined by Robert E. Quinn and Kim S. Cameron from the University of Michigan at Ann Arbor.[3]

Hierarchy

A traditional top-down organization with multiple layers of management between leadership and employees.

PRO: It's clear who makes decisions and how
CON: Slow moving
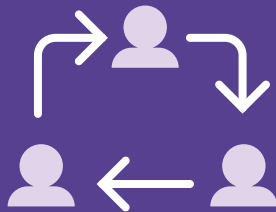**EXAMPLE:** Most government agencies

Market

A results-driven structure that organizes itself like a free market and values competitiveness and productivity.

PRO: Strong business orientation
CON: Disconnected and cutthroat
EXAMPLE: Amazon

Clan

Like a family, focused on shared values and "we-ness."

PRO: Cohesive and collaborative
CON: Groupthink can decrease creativity
EXAMPLE: Zappos

Adhocracy

Driven by product innovation.

PRO: Risk-tolerant, creative and dynamic
CON: Failure-prone, given the orientation around product trends

3 https://zodml.org/sites/default/files/Diagnosing_and_Changing_Organizational_Culture_Based_on_t
he_Competing_Values_Framework_%28The_Jossey-Bass_Business_%26_Management_Series%2
9.pdf

Defining your values

Values are the starting point for any culture, whether you have one office in one country or 100 offices around the globe. They're what you stand for and believe in. They determine how you make decisions, interact with customers and partners, and organize yourself as a team. They also help you and potential employees decide if you're a mutually good fit. Ultimately, they determine what kind of culture you create.

When everyone in your global organization understands what the guiding principles are, you're more likely to meet your goals, whether they're growing in size, increasing profits, disrupting your industry or designing world-changing products and services.

Different cultures value different qualities, and when you think about what your values are, consider how they will be received and reflected in all your locations and target markets. Is boldness offensive? Can everyone embrace a willingness to take risks and fail? How important is work-life balance?

Here are a few examples of core values.

Boldness · Honesty · Passion · Fun · Customer experience · Balance · Collaboration · Innovation · Quality · Simplicity · Courage · Courtesy · Willingness to fail · Empathy · Craftsmanship · Sincerity

According to the Society for Human Resource Management, research shows that national culture has a greater influence on employee behavior than company culture.[4]

5 https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/understandinganddevelopi

Building your global HR strategy

It all starts here: with each new offer of employment. How do you decide whom you hire and how do you introduce them to your company's mission, values and culture?

In order to hire people who will thrive in your organization, you need to know who's the right fit for helping you meet your goals. Bringing the wrong person on board costs time and money since an early departure means recruiting for that position a second time. A new hire can also disrupt the dynamics at play—which may not always be a bad thing. If a team is static or not making progress, an infusion of new perspectives and ideas from the right candidate can be the boost your organization needs.

Academic and professional credentials, skills and experience matter, but you should balance those qualifications with finding someone who can effectively contribute to both the local team and the broader organization. Someone who prefers to work alone will struggle in a team-based environment, and someone who is afraid to fail will hold back an organization that prizes innovation.

The bottom line: Soft skills and personality traits are as important as hard skills and experience.

Integrating local culture into your strategy

Here are a few ways you can successfully blend local culture with the culture of your organization.

Holidays

Of course local offices will observe local holidays, but the rest of your organization needs to take them into consideration as well. During Chinese New Year, your Beijing office will close for an entire week. That means building that time off into launch schedules and managing expectations for customers.

Benefits

Besides ensuring that your benefits packages meet local legal requirements, be mindful of how cultural norms might change what you offer from market to market. A Fortune-100 company offered housing allowances based on family size not rank. As a result, lower-ranking employees with big families got bigger allowances—and nicer houses—than those who outranked them in the organizational hierarchy. It made sense to the American HR department, but in hierarchical markets like Hong Kong, Thailand and Taiwan, it ruffled egos and sent confusing messages to the team about who held more authority.[5]

Educating your team

A strong culture can have a point-of-view, but must also understand, respect and incorporate local norms. This means everything from how you communicate to which processes you use where. Minimize clashes and miscommunication by educating your team about diverse cultural norms and help everyone find a happy medium.

5 https://hbr.org/2016/10/adapting-your-organizational-processes-to-a-new-culture

Communicating across borders

Cross-cultural communication can be tricky. Even when two parties are speaking the same language, their words, expressions and manner can still differ— and meaning can get lost in translation.

In France and Israel, strenuous disagreement is common and neither unprofessional nor impolite. In Brazil, however, one might voice disagreement more gently, saying, "I partially agree," instead of something more direct.

In many Asian cultures, silence is considered an important part of any conversation and shows that you are listening carefully. In the U.S., people often compete to speak, quickly filling any silence, which can prevent overseas counterparts from weighing in.

In Russia, sending business-like emails without a personal gree To U.S.-based organizations, being succinct is considered a virt that people are busy and respects their time.

Having someone on your staff who is equally familiar with two or who can act as a cultural interpreter can help everyone understar cross-cultural communication.

When people are aware of cultural differences and can comm they can also collaborate more effectively.

"Future-oriented cultures like those from the U.S. want to hear about the potential benefits of a product, while past-oriented audiences from places like India or China recognize credibility through past achievements. "

Berlitz[6]

6 https://www.berlitz.com/blog/examples-of-cultural-differences-in-communication

The importance of face-to-face interactions

James Borg, a recognized authority on body language, says that only 7% of communication comes down to the words we use. The remaining 93% is conveyed through body language, gestures, intonation and facial expressions.[7]

It's easy, then, to understand the value of face-to-face interactions in nearly any situation. It's especially important when language and business etiquette might differ.

In India, there's a strong emphasis on face-to-face communications, and Chinese businesspeople prefer to get to know someone before doing business together. As a result, dining together is an important part of the process.

Face-to-face meetings are also a good way to

It's w

"In many Western countries, eye contact is seen as a way to build trust and show honesty and integrity. However, in some Middle Eastern cultures, eye contact is considered rude and too forward. "

Bizfluent[8]

7 https://www.starmedical.co.uk/blog/industry/the-advantages-and-disadvantages-of-face-to-face-communication
8 https://bizfluent.com/about-6710853-importance-cross-cultural-communication-business.html

Employee recognition in every region

Peer-to-peer recognition programs are a good way to encourage relationship building, as are team awards. You can also call out teams who find creative ways to collaborate across time zones.

Happy employees are 12% more productive than unsatisfied ones.[9]

9 https://warwick.ac.uk/newsandevents/pressreleases/new_study_shows/

Traditions and celebrations

One way to invest in your culture (and your employees) is by creating traditions that happen year after year.

Employee mentoring

Whether a manager is mentoring a junior hire or you're focused on students in the community, a mentoring program is a great way to share skills and encourage people who don't necessarily work together to get to know each other. Plus, sharing skills helps streamline and up-level your...

Ways to bring people together

Giving a reward for a job well done can also encourage team-building if you recognize multiple people at once with an event.

Destination meetings · Catered lunches · Company-wide events · Family fun · Happy hours · Team retreats · Boss for a day · Leadership training and seminars · Interoffice competitions

A strong culture builds a strong company, here and abroad

Whether you're hiring in the United States, the European Union, Asia or South America, you'll need more than a competitive employment package to persuade people to join your organization. Creating a strong culture is the key to convincing talent that your organization is the right one for them, and after they're onboard, maximizing their loyalty and their performance.

The Gallup organization underscores the importance of culture with this equation:[10]

$$\text{Per-person productivity} = \text{Talent} \times \left(\text{Relationship} + \text{Right expectation} + \text{Recog...} \right)$$

Your culture—that combination of strong relationships between leaders and ... clear organizational objectives and employee recognition programs—will ult... enhance productivity.

10 https://www.gallup.com/cliftonstrengths/en/251324/varsity-management-formula-maximizing-potential.aspx

Paying attention to employee engagement is even more critical when your team is stretched across different countries. The more vital your global team feels they are to your company, the better they'll perform. And engaged employees don't just make for great morale; they also translate into more satisfied customers.

"There's an almost point-to-point correlation between the level of employee engagement in a particularbusiness unit... and that unit's composite performance (custo mer loyalty, profitability, productivity, turnover, safety, absenteeism, shrinkage, quality)."

Forbes[11]

If selling upper management on the benefits of a happy and productive workforce is an uphill battle, remind them that productivity gains deliver financial savings. When it comes to recruiting costs, Forbes estimates that it costs 30%-50% of an entry-level employee's annual salary to replace them, 150% of a mid-level employee's salary, and 400% or more to replace a high-level employee or one with specialized skills.[12] Engaged employees also take fewer sick days and file fewer workers' comp claims.[13]

When you expand abroad, an HR strategy that focuses on building a thriving and inclusive culture can make a dispersed workforce feel like they are a vital part of the company and increase their ability to help you achieve your business goals.

11 https://www.forbes.com/sites/erikaandersen/2014/11/21/how-great-employees-can-save-your-company/#6b8de56762fb
12 https://www.tinypulse.com/blog/sk-employee-retention-saves-companies-money
13 https://inside.6q.io/employee-engagement-strategies-save-thousands-of-dollars/

Helping your international team thrive

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