Defining the best practices and guidelines for building successful multicultural teams

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ABSTRACT

“When in Rome do as the Romans do” – this hundreds years old proverb is still very actual today. Even more, nowadays you don’t even have to go to Rome to feel cultural differences. The communication technology have changed the world economy, thousands of people work now for multinational companies, interacting daily not just with a culture, but possibly with as much as 5 or 6 different ones. Some teams even work in different geographical locations communicating exclusively by electronic means.

Today’s managers just have to deal with culture whether they like it or not, but the whole employee-manager relationship may be turned upside down on another side of the globe. So what should we do and what do we do about it? How do we manage effectively? These are the questions that this study aims to answer at.

The main research objects of this study are rather small software engineering teams and companies that are working in cross-cultural environment, but do have little or no special company policies and other formal ways to manage cultural differences. Yet we found out that managers develop their own understanding of cultural issues and are practicing different methods to deal with them.

Keywords: cultural differences, multinational teams, cross-cultural management.
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1 INTRODUCTION

1.1 Background and Motivation

Due to the globalization trends today’s world becomes more and more interconnected. Expanding international trade and immigration brings us to a situation when more and more people with diverse ethnical and cultural backgrounds have to work together in the same teams. Multicultural teams have to be innovative and productive in order to be able to face fierce competition existing in business environment. Such a situation brings new challenges to the management science and the need for research in the cross-cultural management is growing. Software engineering industry is also highly affected by globalization trends and we see the increasing number of multicultural software engineering teams.

The recent advances in communication technology also made it possible to organize software development processes using virtual, cross-border teams. Today it is possible that people would never actually meet face-to-face and still would work in the same team on the same task. Such a working environment emphasizes the challenge of managing the cultural differences to a greater scale. In one of the joint software development projects performed by Swedish Blekinge Institute of Technology and Finnish Oulu University the lack of awareness of the cultural differences became an inhibitor to the project success (Johansson et al., 1999). For example it often happened that Finnish team didn’t get enough information from the Swedish team in order to continue with the project. However instead of explicitly asking for information Finnish team chose not to make “aggressive” requests and to delay the project until Swedish team sends the information. Such a behavior can be explained by the conflict-avoidance culture specific to Nordic countries (Hofstede, 2001).

Situations like this one are common to the projects involving cross-cultural cooperation. Cross-cultural managers are continuously challenged with the questions: How can the leadership be carried out with respect to high diversity and individuality of team-members while keeping the team cohesive and effective? How can the commitment culture be built in the highly heterogeneous teams? Any answers and solutions to these questions have to be empirically tested and this is where the research results would be welcome.

1.2 Research Goals

1.2.1 Research goals and objectives

Present study aims to investigate the role cultural differences play inside software development teams. The goals of the research are therefore directed towards determining both positive and negative sides of multicultural team activity as well as identifying ways and methods through which team could overcome possible difficulties and make use of potential opportunities, arising from its cultural diversity.

For achieving the above mentioned goals, the following objectives are set to this study:

- Investigate what role the cultural differences play on a team activities.
- Investigate the impact of cultural differences on the performance of the team.
- Identify what managerial practices are proved to be effective when used in multinational environment
- Investigate the usage of such practices in software engineering multicultural teams.

1.2.2 Research Questions

The following research questions are posed in this study:
What role do the cultural differences play in the team activity?
Are project managers in IT industry aware of the role cultural differences play in team activities?
Does cultural diversity affect the managerial techniques practiced in IT industry?
What managerial techniques were found to benefit the culturally-diverse team?

1.2.3 Expected outcomes

The expected outcomes of the present study would be a set of managerial practices that were found to be effective in multinational environment.

1.3 Report Structure

The thesis is structured as follows. The next chapters introduce the reader to the basic notions and theories of culture studies domain. Chapter 3 gives a closer look to the cultural phenomenon within a multicultural team. It discusses advantages as well as disadvantages of having culturally different people inside a team, along with an overview of empirical studies regarding multicultural team performance. The 4th chapter attempts at identifying and describing those managerial practices, methods, or strategies that proved to be effective when applied in a multinational environment. Chapters 5 and 6 lay the foundation to our empirical study, listing hypotheses and study methods. The 7th part is devoted to description and analysis of case studies and finally we end up with our conclusions summarizing experiences and giving our suggestions in the area.

1.4 Summary

This chapter represents the framework of our research. The background information for the study is given, explaining why was the topic chosen for research, research goals and questions are formulated. The goals of the present research consist of determining the role cultural differences play in the multicultural teams and eliciting a set of managerial practices that were found to be effective in the multinational environment.
2 DEFINITIONS. WHAT IS CULTURE?

The phenomenon of culture doesn’t have a single definition. The definitions may vary depending on the field of study and personal perspectives of the researcher. Some researchers have defined culture as a “Multitude of hidden scripts that people use to guide their behaviors” (Duarte & Snyder, 2001). Others consider it to be: “the patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups; the essential core of culture consists of traditional ideas and especially their attached values” (Clyde Kluckhohn) (Hofstede, 2001). In his famous “Culture’s consequences” Geert Hofstede treats culture as the “collective programming of the mind that distinguishes the members of one group or category of people from another”.

In what most of the researches seem to agree upon is that culture can be characterized by two components: visible and a hidden one (Turner, 2003), (Duarte & Snyder, 2001). The visible component is usually described as a set of practices and behaviors which are open to an external observer and which derive and result from the hidden layer of the culture, which consists of values, symbols, heroes of the particular community. Such model implies that culture cannot be understood without the meticulous study of the hidden component; that is without studying history, symbols or heroes of the particular community.

The culture is formed as a result of a variety of factors, such as: history, geography, economy, technology, urbanization and so on. Being preserved by the institutions and societal norms of the community, the culture is not a subject to fast changes. Changes that affect culture are usually coming from the outside in form of forces of nature or forces of humans (economical changes, scientific discoveries) (Hofstede, 2001).

2.1 Definition of Culture

The definition of culture that is suggested by us and that will be used throughout this study describes the culture as: “An integrated system of human beliefs, values and behavioral patterns that are shared by a group of people and which, to a certain extent, determines their actions and attitudes”. This definition, although being rather general suits the purpose of this study, because it can be used to describe different types of culture, such as national, organizational, functional, etc. This study mainly concentrates on examining the effects of national culture on the interactions inside a team; however it will also consider the impact of organizational or professional cultures – that is why we suggest a definition of culture, as one describing all.

2.2 Types of Culture

As the culture represents a particular characteristic that develops within a group of people over a period of time - it means that any person over his lifetime becomes a part of a multitude of cultures: family culture, school culture, professional culture, national culture, etc. Each time a person becomes a part of a certain community he brings along a load of own beliefs and values gained throughout of his life. By bringing in his own culture a person contributes to the formation of a new culture and to the changing of his own.

As our research focuses on the influence of culture on the software development teams we are particularly interested in those types of culture that are responsible for influencing behavioral patterns of team members. There are a number of types of culture that can affect multinational teams:
- National culture
All of the above listed cultures have a certain influence on teams, however some cultures have a stronger effect on how team members work together and interact, others a less strong one. The on-going research focuses on multicultural software teams and therefore will mainly concentrate on examining the effects of national culture on the team processes. However we shall be referring to other types of culture throughout our study, when a more global picture of behavioral patterns or value models shall be required. That is why, though the main focus of our work is placed on studying the aspects of national culture we feel that it is important to mention how organizational and functional culture influence behavior of the individuals. In the subsequent sections we present the overview of the studies in the field of national, organizational and functional cultures.

2.2.1 National Culture

The studies of national culture encounter many years. Philosophers of the 18th century such as Kant or Montesquieu have been studying the questions of the national character. In the early 20th century the German scientist Wilhelm Wundt has presented a comparative analysis across countries of language, myths, morals, religion and law examined from a psychological point of view (Hofstede, 2001). Yet these studies were lacking sufficient empirical data to support their theories.

2.2.1.1 Hofstede cultural dimensions

Several big researches were conducted in the second half of the 20th century targeting cultural dimensions. In 1967, Geert Hofstede has performed a study of the IBM employees worldwide. The aim of the study was discerning the patterns of national behavior. From his studies, that included more than 50 nations he derived four basic dimensions of culture:
- power distance
- uncertainty avoidance
- individualism-collectivism
- masculinity-femininity

Later on with the help of Michael Bond another dimension was added:
- long term-short term orientation.

Hofstede’s work became very popular and served as the reference basis for many subsequent cultural studies. Below we will briefly describe Hofstede’s and Bond’s cultural dimensions.

Power Distance

Power distance coefficient represents a degree to which inequity among people is expected and accepted by the members of population. In the organizations belonging to high PDI (power distance index) countries, subordinates expect their managers make the decisions on their own, without consulting team members. Questioning the manager’s authority is perceived highly negatively and upward communication is neither expected nor encouraged (Hofstede, 2001). The ways leaders influence their subordinates may as well be quite tough, e.g. applying sanctions or invoking higher authority. In the organizations belonging to low PDI countries the ways of influencing the subordinates usually involves friendly reasoning or bargaining. High PDI organization structure is characterized by a more centralized decision making, tall organizational pyramid, large proportion of the supervisory personnel. The ideal boss is perceived as a reasonable autocrat, his image is very close to that of a father. Managers rely on formal rules, rather than on personal experience and subordinates (Hofstede, 2001). The countries scored with a high Power Distance Index are:
Mexico, Brazil, France, Belgium, Korea(south), Japan. Countries with a low Power Distance Index are: Austria, Norway, Sweden, Germany, Great Britain, New Zealand.

Uncertainty Avoidance

Uncertainty avoidance dimension can be defined as a degree to which members of a specific society feel uncomfortable with uncertainty about the future. This quality resides in any human being and is usually coped with by technology, religion, law. Still in some societies it is experienced to a greater extent than in others, due to various reasons, such as historical background, economy or political situation. While nations cope with uncertainty using law, religion and technology, organizations try to cope with it by employing technology, rules and rituals, thus making the activity within a company more predictable (Hofstede, 2001). Communities, characterized by a high UAI (uncertainty avoidance index) can be differentiated from those with a low UAI by a stronger orientation towards rules, i.e. the rules are supposed to be followed sometimes even in detriment of the personal opinion. High UAI side would also be characterized by a higher resistance to change, suspicion of foreigners, higher work stress, tendency to stay with the same employer, etc (Hofstede, 2001). Countries with a high UAI side are: Greece, Portugal, France, Belgium. Countries with a low UAI are: Sweden, Great Britain, Ireland, United States.

Individualism and Collectivism

This is the third dimension of the national culture and can be defined as the degree to which people prefer to act as individuals rather than in teams. Cultures with high individualism have rather loose ties between people, the need for privacy is considered important. Children are encouraged to take care of themselves as soon as possible and parents expect to live apart from their children in their old age. In the high collective societies the needs of a group are often placed before the needs those of the individual. It subsequently implies stronger family ties; in such societies there are fewer divorces, family protects children in exchange for a life-long loyalty. The same attitude is taken at work. The relationship between employer and employee resembles family relationship, where protection is offered in exchange for fidelity. In hiring process the potential employee is looked upon not only as a skilled professional but also as a member of a certain group.

In an individualistic society, the individual is first of all assessed as a professional and the relationship between employer and employee is viewed more as a business transaction, with quite loose tights and less moral obligations.

Countries that scored the highest on IDV (individualism index) were United States, Australia, Great Britain, Canada, Netherlands, New Zealand and Italy. Countries scored the lowest on IDV were Guatemala, Ecuador, Colombia, Venezuela, Indonesia, Pakistan, Peru, Taiwan.

Several studies have also shown that IDV is positively correlated with national wealth, the fact that may support the assumption that an increase in wealth may lead to an increase in individualism (Hofstede, 2001).

Masculinity and Femininity

This dimension describes the extent to which a masculine orientation: concerned with earnings, signs of visible success, possessions has a priority over more caring, or feminine orientation which includes nurturing, cooperation and sharing (Duarte & Snyder, 2001).

Countries with higher MAS (masculinity-femininity index) are Japan, Austria, Italy, Mexico, Germany, and United States. Countries rated higher on a feminine dimension include Thailand, East Africa, Norway and Sweden.

Long Term versus Short Term Orientation

Values of the long term culture include persistence, perseverance, personal adaptability and thrift. In the short-term oriented culture quick results, or investment returns are valued. Most of the Asian countries are scored high in the long term orientation; European countries
are more short term oriented with English speaking countries having the highest short term orientation.

2.2.1.2 Inglehart dimensions

In the early 80’s another study program, entitled the World Values Survey was carried out. It was performed in 4 rounds and the third round took place in 1990, covering 60,000 respondents across 43 societies, representing about 70% of the world population. In 1997 Inglehart (Inglehart, 1997) had analyzed and summarized the findings of the survey, deriving 2 key cultural dimensions, labeled:
- well-being versus survival
- secular-rational versus traditional authority

Well-Being versus Survival
This dimension reflects upon the shift in the values of the society, which are moving from more material goals towards more expressive or psychological ones. Such shift is caused by a variety of factors, the main of them being the general welfare state of the country (or the growth in GDP) (OECD, 2001). In the countries were survival values are predominant people give priority to economical and physical security over self-expression and quality of life. Democracy is considered to be not always the best form of government; instead a strong autocratic leader may be more appropriate.

Secular-Rational versus Traditional Authority
Rational versus traditional authority dimension describes the shift in the society values moving from the traditional to more rational ones. The traditional values here emphasize strong belief in god, durable family ties, respect for parents, and suspicion for strangers. At the same time the society which has moved from more traditional values towards those rational has a relatively weak religiousness, more tolerance for human diversity, higher liberty aspirations. (Welzel et al., 1999).

Both dimensions are strongly tied to the socioeconomic development of the country and in most of the cases strongly correlate with the country’s welfare.

2.2.1.3 GLOBE Dimensions

This is another major research that has attempted to create a universally endorsed cultural framework. GLOBE, which stands for Global Leadership and Organizational Effectiveness Research Program is a long-term 10 year research program and its main focus is on studying, conceptualizing and validating the impact of culture on leadership and organizational processes. A team of 160 scholars worked together to study societal culture, organizational culture, and attributes of effective leadership in 62 cultures.

As a result of this study a framework of nine societal dimensions was developed. The researchers used as a base cultural dimensions framework developed by Hofstede and Bond, adding however three additional dimensions, namely: Future Orientation, Performance Orientation and Humane Orientation Dimensions. Other six dimensions are Uncertainty Avoidance, Power Distance, Collectivism I: Societal Emphasis on Collectivism, Collectivism II: Family Collectivistic Practices, Gender Egalitarianism and Assertiveness. Below a short description of each dimension is provided (House J.R et al, 1999):
- Uncertainty Avoidance dimension means the level to which members of an organization or society are trying to avoid future uncertainty through following certain social rules.
- Power Distance is defined as the degree to which members of an organization or society expect and accept unequal distribution of power.
- Collectivism I reflects the degree to which the practices of an organization or society support and encourage collective distribution of resources and collective action.
- Collectivism II defines the degree to which people express pride, loyalty and cohesiveness in their social surroundings.
- Gender Egalitarianism is the degree to which in an organization or a society gender role differences are minimized.
- Assertiveness is the degree of aggressiveness expressed by individuals in organizations or societies.
- Future Orientation is the level to which people in organizations or societies are investing in the future through various activities, e.g. planning.
- Performance Orientation represents the extent to which an organization or society rewards and supports group members for performance achievements.
- Humane Orientation represents the degree to which individuals in organizations or societies encourage and support others for an altruistic and kind behavior.

2.2.2 Limitation of the National Culture Studies

The theory and research directed towards studying cultural differences based on cultural dimensions has served as a good support for the cross-cultural studies, providing certain cultural maps that could be used for distinguishing the differences in goals, attitudes and behaviors of the individuals that were shaped by society and family cultures. Large frameworks and databases were developed for identifying and documenting cultural differences (Tjosvold, 2003). This knowledge, although highly appreciated and intensively used in cross-cultural management has also some limitations, which are discussed below.

One of the limitations discussed recently in the scientific literature concerns a rather static approach taken by the dimensional studies regarding the relation between values and behavior. Thus, in such studies it is generally assumed that regardless of the existent environment the person will behave according to his cultural values and beliefs. Social psychologists however argue that people are constantly adjusting their behaviors to the environment, and that they are very likely to adopt their behavior in the cross-cultural interaction, rather than acting blindly upon their own values (Smith, 2003). Several situational studies (Smith, Wang and Leung, 1997),(Smith, 2003) seem to support this assumption, however more research is needed to identify and document the dynamics between values and actions of a person in a multinational environment.

Another limitation of the dimensional cultural studies relates to their limited practical use for cross-national organizations and management. Although the knowledge about cultural differences can serve as a general guidance in while identifying the values and behaviors of a culturally different member, it cannot be expected that the values of a single person will correspond entirely with the national samples (Tjosvold, 2003).
2.3 Organizational Culture

In many projects it happens that some teams are formed with members drawn from different organizations. Thus, together with their personal traits and cultural values the team members bring along the cultural specifics of the organization they are from. If not taken into consideration, differences in organizational culture may seriously hinder the team’s performance. D. Duarte described a case where the team was formed of industry directors and university faculty members. Due to their differences in time perception (semesters in academic environment and fiscal quarters in industry) the team members were unable to coordinate their activities successfully and therefore failed the assigned task (Duarte & Snyder, 2001).

Besides differences in time conception, organizational culture may cover other important areas, such as: organization attitude to the competitive environment (leading or reacting), organization way of managing people, organizational structure, etc. (Duarte & Snyder, 2001)

A complete definition of organization culture suggested by Edgar Schein describes culture as: “the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid, and, therefore to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (Schein, 1992).

There were made several attempts at developing techniques for identifying organizational culture. Thus, Hofstede in his cross-organizational study (Hofstede, 2001) has discerned 6 dimensions of the organizational cultures, namely:

- Process oriented versus results oriented
- Employee oriented versus job oriented
- Parochial versus professional
- Open versus closed
- Loose versus tight
- Normative versus pragmatic

Quite a similar model aimed at classifying organizational culture was developed by Cameron and Quinn (Cameron & Quinn, 1999) in 1999 and consisted of four basic dominant culture types:

- Clan
- Market
- Hierarchy
- Adhocracy

The Quinn’s model is built on the assumption that every company has shared and competing values and assumptions. In this way using the Competing Values Model framework it becomes possible for a company to position itself and determine whether it has a predominant internal or external focus and whether it strives for flexibility and individuality or stability and control. In the same way it becomes possible to assess shared and competing values of two different organizations and determine what assumptions and values are creating tension in the group. Thus if one company’s culture is closer to hierarchy, it would probably accept less risk and require more stability and control than a company which culture is characterized as an ad-hoc one. The adhocracy culture would in its turn require more innovation, risk taking and a great deal of adaptation. The CVM (Competing Values Model) also allows to examine the team’s organizational structure and to determine if the culture serves as a facilitator or an impediment in the assigned task. Thus if the team’s organizational culture is characterized as hierarchy then it would probably hinder the task which requires flexibility and innovative thinking. The software development projects are usually characterized by high level of uncertainty, strong need for innovative approach and non-standard thinking. This field usually requires from team members high level of
flexibility and strong orientation towards results. That is why software development projects are closer to an ad-hoc and market oriented culture.

2.4 Functional/Professional Culture

The traditional organization structure usually implies the division of the organization into functional sub-units, such as marketing, engineering, sales, R&D, etc. People working in these sub-units usually share the same knowledge, skills, professional goals and common educational background. People of the same profession cope with the same problems, share common practices, values and terminology. Can all these together be called professional culture? According to Schein any group can develop its own culture provided that their members deal with common problems and have a sufficient history of shared experience in solving the problems (Schein, 1992).

There are both positive and negative sides of the professional culture. On one hand professional culture can bring together people of different cultural backgrounds, thus outweighing in this way cultural differences. Thus a computer programmer from India can share more common interests and values with a computer programmer from Sweden, rather than with another Indian of other profession.

On the other hand functional culture can cause problems if the members of one team come from several different functional areas, for example finance and engineering. People from different functional areas bring their own assumptions and views on the task, which may affect the team’s performance.

2.5 Summary

In the first half of chapter the cultural phenomena were discussed in general. The chapter presents the operational definition of culture that will be used as a reference throughout the study. The culture was defined as “an integrated system of human beliefs, values and behavioral patterns that are shared by a group of people and which, to a certain extent, determines their actions and attitudes”.

The various types of work-related culture, such as national, organizational and professional were defined in detail. These types of cultures distinguish between cultures that develop within a certain nation, organization and profession respectively. In the second half several well-known studies classifying culture were presented. In the same time the limitations of these studies were discussed.

The chapter’s aim was to introduce the reader in the basic concepts and fundamentals of cross-cultural studies. As a base for our study the cultural framework of Hofstede is used, a framework comprised of four main cultural dimensions:

- power distance
- uncertainty avoidance
- individualism-collectivism
- masculinity-femininity

The following chapter goes further into studying the particularities of multinational team, discussing its advantages, disadvantages as well as their performance potential/capabilities.
3 PROBLEM DESCRIPTION. THE IMPACT OF CULTURE ON THE TEAM’S ACTIVITY

The current research on the cultural diversity’s influence on productivity has come up with rather mixed results. There is evidence of positive, negative and negligible diversity’s influence on performance. Much of the research studying interpersonal processes in the working groups finds that team similarity is positively associated with team effectiveness and interpersonal attraction (Earley & Gibson, 2002), (Hamilton et al., 2003), (Knight et al., 1999). Homogenous teams are generally more cohesive; they experience fewer conflicts; have a faster decision making process (Earley & Gibson, 2002).

When people belonging to different cultures are drawn in one team in order to work together on the same tasks and to solve common problems they may soon realize that their ideas of how should problems be solved and how the work should be done differ significantly from person to person. These divergences of opinions are present in a mononational team as well but in multi-national teams they are significantly intensified due to differences in culture. In the 2 following subchapters we will describe what are the potential difficulties and opportunities which are attributed to the multicultural team’s activity, then we review empirical studies made in the field and finally we describe the study we are to perform.

3.1 Potential Difficulties within Multicultural Teams

A high variety in expectations and beliefs of the team members about the work or team processes is likely to lead to many misunderstandings and if not taken seriously even to the destructive conflicts in the team. (Laroche, 2003), (Duarte & Snyder, 2001). Literature on international diversity describes a range of difficulties that were encountered by multinational teams working in various environments. We have analyzed the difficulties related to diverse teams that were commonly mentioned in the literature and have grouped those difficulties into three distinct categories: communication, leadership and intra-team processes.

3.1.1 Communication

This category deals with difficulties in communication that are encountered by culturally different team members. Quite often the team members need to communicate in language which is non-native at least for one party. Such situation may often provoke misunderstandings if the meaning of the foreign word is interpreted differently by the team members (Johansson et al, 1999). Difficulties in expressing themselves in foreign language may lead to an incentive of switching to a native language whenever possible, which may subsequently lead to a deteriorated communication and team being split into several parties (Laroche, 2003), (Earley & Mosakowski, 2000). Also, research on social networking and interpersonal attraction (Turati 1998), (Triandis, 2003) indicates that within a diverse group people are likely to form smaller sub-groups with people similar in age, professional orientation, social status, nationality or other attributes. Possible implications of such behavior in multinational team are that the team might be split in several one-culture groups, with poor communication lines between each group. Poor contacts between the sub-groups lead respectively to even poorer understanding, conflicts, which finally result in reduced performance (Triandis, 2003).

Another threat present in inter-cultural communication relates to the differences in feedback giving scales, thus a slightly negative feedback given by a member of one culture may be understood as a very negative one by a member of another culture (Laroche, 2003), (Hurn and Jenkins, 2000). The differences in body language, in the range of expressed emotions, the amount of context accepted when transferring information can also lead to
misunderstandings among the team members (Laroche, 2003), (Hurn and Jenkins, 2000). Different spans of silence that are acceptable during the dialogue in different cultures may lead to the situation when one person is dominating the entire discussion, whereas others are not given an opportunity to speak up (Laroche, 2003), (Lewis 2000).

3.1.2 Leadership

This category relates mainly to the differences in leadership styles that various cultures possess. These differences were summarized by Hofstede in one of the cultural dimensions, namely Power Distance Index (Hofstede, 2001). If a manager and the employee have different cultural background, it is likely that their concept of what a good manager is varies significantly. The same goes for the manager’s expectations of a good employee. This may subsequently lead to a clash of opinions, negative attitudes towards each other and respectively decrease in productivity later on. For instance the managerial style of the low PDI cultures can be described as participative, that is the manager belonging to the low PDI culture expects that his subordinate will work mainly independently and will take the initiative without involving much the manager into decision making process. However in countries with high PDI the subordinate expects to have more detailed guidance on the tasks he performs, passing much of the decision making to the manager’s shoulders. If low PDI manager and high PDI subordinate are working together without being aware of these differences, the manager may treat the employee who is constantly looking for directions as being professionally incompetent, unable to handle tasks independently. On the other hand the subordinate might see the manager uninterested in his work, elusive, or also technically incompetent as he seems to be unable to answer the simple questions. (Laroche, 2003).

Apart from different attitudes towards work process, the manager and his subordinate may face difficulties in adjusting to different attitudes towards higher-ups. Thus in highly hierarchical countries the employees expect and place a significant distance between themselves and a manager. The employee may express his deference towards the manager by using the formal greetings, by avoiding the eye contact or addressing only to the manager, when making the presentation. A team member, belonging to a highly hierarchical culture may put too much weight into any suggestions made by managers or higher-ups, regardless of how much or how little thought was actually put by the manager into these suggestions. These actions even though expected and accepted in a high PDI country may frustrate a low PDI manager and be interpreted negatively by other team members. Conversely an employee belonging to a low PDI culture may be viewed by his high PDI manager as being disrespectful, too independent and not providing enough information about his work.

3.1.3 Intra-Team Processes

This section encompasses misunderstandings that may arise among the team members of a multicultural team during their joint activities. Despite a generally accepted definition of the team as “a group of people working together to achieve certain goal”, the expectations of how should the team function may vary significantly from culture to culture. The team’s members may have divergences in opinion about such issues as:

- Problem solving approaches. Team members belonging to cultures with high uncertainty avoidance index (Hofstede, 2001), may require additional planning or information gathering at the earlier stages of the project to avoid future problems. At the same time, the team members, belonging to a less uncertainty avoidant culture may insist on moving on and solving the problems “on the spot” (Laroche, 2003).
- Division of responsibilities. In individualistic countries the team members are expected to take care of their own tasks solely. Therefore the roles within the team are clearly defined and usually there is no such task that would be the responsibility of the whole team – there is always a certain person responsible for its completion. Hence the borders between the responsibilities are quite strict the intervention into somebody’s other area of responsibility is usually not well received. Such intervention, in form of comments about the task, or the help offered to the colleague without being asked may be interpreted as doubts about the professionalism of this person (Laroche, 2003). On the other hand collectivistic
cultures usually have less strictly defined areas of responsibility, many tasks being the responsibility of the entire team. The team members of a collectivistic culture are supposed to provide help and support to each other in performing the tasks. In case when members of highly individualistic and highly collectivistic cultures work together as a team they may find it difficult to adjust their views about the division of responsibilities to each other.

- **The necessary level of cohesiveness** between the team members/the amount of trust needed to work together (Laroche, 2003) (Hurn and Jenkins, 2000). Collectivistic people usually make a larger investment into the team building process than individualistic people. Therefore collectivistic team members would require more time and effort when going through the trust building stage, than individualistic team members, who do not emphasize personal relationships on the workspace that much.

- **Attitudes to Time.** Different cultures have different attitudes to time obligations, s.a keeping schedules, being in time for appointments etc. While schedules in some countries are viewed as something strict and unchangeable, other cultures consider them as being more flexible (Lewis 2000), (Hurn and Jenkins, 2000).

### 3.2 Potential Opportunities of Multicultural Teams

The multitude of difficulties described above could lead to a conclusion that creation of multinational teams brings too much of managerial overhead and that homogenous teams are therefore more effective. However some researchers claim exactly the opposite, stating that if managed properly multicultural teams *can even* outperform homogenous teams (Laroche, 2003), (Cox, 1993). As an argument, they often bring such positive effects of multinational teams as:

#### 3.2.1 Global efficiency

Multinational teams allow developing a more global perspective on the product; they are not being bound to one single region’s views, thereby help companies to enter a global market (Snow et al., 1996), (Cox, 1993).

#### 3.2.2 Local responsiveness

Transnational team can also assure better response to the needs of specific regions, legal systems, and customer’s demands (Snow et al., 1996), (Laroche, 2003). For instance the design of cars for Indian market often differs from European and American one. Cars designed for India have more space in the back of the car than in front while in Europe it’s exactly the opposite (Laroche, 2003). The reason for this is that in India the car owner usually can afford hiring a driver and is sitting at the back while in Europe the car owner usually is driving the car himself.

#### 3.2.3 Enhanced creativity

It is often stated that multinational teams are actually more creative than homogenous teams, since they have more differentiated views on the same problem and can therefore come up with many different approaches to solving it, which wouldn’t be that obvious for a homogenous team (Distefano & Maznevski, 2000), (Laroche, 2003), (Cox, 1993), (Tjosvold and Leung, 2003).

So do the opportunities outweigh difficulties in the case of multinational teams? There have been made attempts to answer this question through empirical research and we give an overview of this research in next subchapter.
3.3 The Overview of Empirical Research in Multicultural Team Performance

When it comes to empirical studies of multicultural team performance we can find mixed research results:

**Negative.** Some studies found that multinational teams have a negative impact on performance, e.g. multinational teams working in production on a US-based sewing factory showed significantly lower performance compared to their homogeneous counterparts (Hamilton et al, 2003).

**Neutral.** Other studies found the impact on performance to be insignificant, e.g. (Watson et al, 1993) found no major performance difference in the long-run. They were comparing multicultural student teams working on the long-term university assignments with similar homogeneous teams. (Richard, 2000) also found no performance difference when he compared heterogeneous and homogeneous teams in US financial organizations.

**Positive.** Finally there is also evidence of positive relationship between team’s performance and team’s multicultural composition, e.g. in top-management teams of US airline corporations diverse teams generated more creative solutions and those solutions tended to create more financial benefits for the companies as compared to homogenous teams (Hambrick et al, 1996). (McLeod et al. 1996) conducted a controlled brainstorming experiment, showing that ideas produced by heterogeneous teams were judged to be of higher quality than those produced by homogeneous teams.

It is difficult to compare different studies that were made because of the different type of teams that were examined, different type of tasks that were performed by those teams, different time that teams spent together; nevertheless most studies seem to agree that in the early stages of team development heterogeneous teams are less productive than similar homogeneous teams (Watson et al, 1993), (Hambrick et al, 1996), (Earley & Mosakowski, 2000), (Laroche, 2003) as more time is needed to resolve cultural differences among its members to create intra-team trust.

Also many claim that when the team manages to overcome initial misunderstandings the effectiveness of the team may take off and significantly surpass the homogenous team for example like in figure 3.1 (Laroche, 2003), (Distefano & Maznevski, 2000), (Watson et al, 1998).

Watson et al. suggest that in order to achieve the above-mentioned performance boost proactive management approach should be taken in multicultural teams focusing on providing team members with sufficient feedback on cultural issues, setting ground rules of multicultural communication (Watson et al, 1998).
As you can see from above current research results show mixed signs for relationship between diversity and performance. Most authors seem to agree that performance of different multicultural teams varies significantly under different circumstances and depends on a number of different factors.

There are two major factors, being mentioned most frequently in the literature that are considered critical for the performance of a multinational team, namely task type and team tenure:

1) **Task Type.** According to this factor the output of the diverse team is largely determined by the type of task the group has. Thus diverse teams may improve the performance of non-routine tasks, yet they were not found to outperform homogenous teams at routine tasks (Earley & Gibson, 2002), (Hamilton et al., 2003).

2) **Team Tenure.** According to this factor the results of the diverse team activity are also largely determined by the time the team has existed together as a team. This idea was empirically supported by several researches (Watson et al., 1993), (Pelled et al., 1999) who found that over a longer period of time diverse teams become more homogenous through shared experiences and socialization, reach the same productivity level as homogenous and supposedly may outperform them later on.

### 3.4 Summary

This chapter represents the literature analysis regarding impact of culture on the team processes and activities.

A variety of performance factors influenced by cultural differences were identified and the impact of the cultural differences on these factors was explored. The results of this analysis are summarized in the Table 3.1, below.
In the subsequent empirical study the authors will identify the influence of cultural differences in the teams being interviewed and will compare it to the literature results from the table below.

<table>
<thead>
<tr>
<th>Performance Factor</th>
<th>Negative /Threats</th>
<th>Positive/Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communication</strong></td>
<td>Misunderstandings due to differences in feedback scales</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Misunderstandings due to differences in feedback scales</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loose communication between cultural groups</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Misinterpretations of body language</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Misinterpretations of range of expressed emotions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Uneven communication due to varied spans of silence</td>
<td></td>
</tr>
<tr>
<td><strong>Management</strong></td>
<td>Conflicts due to Differences in Delegating versus Controlling Management Style</td>
<td>Global efficiency</td>
</tr>
<tr>
<td></td>
<td>Differences in accepted attitudes towards the higher-ups</td>
<td>Local responsiveness</td>
</tr>
<tr>
<td><strong>Intra-Team Processes</strong></td>
<td>Differences in Problem solving approaches</td>
<td>Enhanced creativity</td>
</tr>
<tr>
<td></td>
<td>Differences in Division of responsibilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The necessary level of cohesiveness</td>
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</tr>
<tr>
<td></td>
<td>Differences in the attitudes to Time</td>
<td></td>
</tr>
</tbody>
</table>

Table 3.1 The Impact of Cultural Differences on the Team Activities
4 PRACTICES FOR MANAGING MULTINATIONAL TEAMS

"Teambuilding is a difficult exercise at the best times, but doubly so when the team members are separated by culture, language and geography.”
(G. Davies, 1992)

The study of literature and recent research on cultural diversity and performance management has provided us with a wide range of management models and practices, from highly specialized one-case suggestions to general intercultural management models. Cross-cultural management, as a relatively young field still remains quite fragmented and nebulous populated with many conflicting theories, some being supported empirically and some not. This chapter attempts at selecting and discussing the practices that were found to be beneficial for the activity of multicultural teams (Hofstede, 2001), (Higgs, 1996), (Triandis, 2001), (Tjosvold, 2003).

4.1 Cultural Awareness Training

Perhaps one of the most obvious practices, cultural awareness training aims at quickly raising the understanding of the cultural differences and similarities between the employees. It gives the possibility for each trainee to look at the behavior of his culturally different colleagues from a somewhat different angle and thus get a deeper insight into their values and lifestyles. The goal of multicultural training is to increase the general awareness of the cultural aspect within the group, help the employees discover their cultural differences and map them in order to avoid unnecessary misunderstandings or badly formed stereotypes.

The effective training also gives the possibility for the group members to practice their interpersonal skills (Barker, 2004) and develop closer relationships with each other (Tjosvold and Leung, 2003).

However the effective training shouldn’t be perceived as a one-time activity but rather as a periodically repeated process that should get improved with the help of employees and upper management. According to a study that involved more than seven hundred US companies, the success of diversity training was strongly associated with the positive top management attitude towards diversity, resulted in a tangible support (Rynes and Rosen, 1995). The support may come in different forms, such as obligatory attendance of the diversity trainings, rewards for applying the diversity skills learnt, long-term assessment and evaluation of the training results and other diversity supportive policies (Rynes and Rosen, 1995).

However, the research also indicates that, training programs are likely to be adopted by the large size companies, rather than the small ones (Rynes and Rosen, 1995). The reason for that, resides both in general inclination of large-sized companies towards the formal policies and models as well as in high training costs.

4.2 Intercultural Communication Improvement

As it was noted before, in chapter 3.1.1, the difficulties in establishing a good communication pattern are quite common for multicultural teams. The reasons for and implications of poor communication among the multicultural team members are listed in the chapter 3.1.1. Below there are listed a number of practices aimed at diminishing or avoiding these difficulties.

- In order to avoid the situation when the team divides in several campsites, and avoid possible confrontations the management should especially stress
the importance of intra-team interactions. Good interaction can be achieved if the groups have some common interrelated task, which requires participation of all groups to be completed. The management should also perform various activities that would stimulate inter-group contact and development of overlapped social networks. The more overlapped are their social networks (the better they know each other), the less likely is for the team members to develop wrong stereotypes, and the less place is left for misunderstandings and bias (Triandis, 2003).

Communication problems related to the usage of a non-native language in the group are also common, especially if some members are more fluent in it than the others. The team manager should coordinate communication inside the group more carefully, taking in consideration this language disparity. The manager should make sure that everyone has the right understanding of the main technical words and acronyms at the beginning of the project. The usage of non-standard abbreviations and idiomatic language should be avoided. Humor should also be avoided until the team members get to know each other better. In order to make sure that non-native English speakers manage to keep up with understanding others, the agendas of the meetings should be sent to everyone, before the beginning of the meeting. During the meeting some rest time should be provided, so that non-native speakers can take a break from the concentration required to follow the conversation (Laroche, 2003).

The spans of silence acceptable in the conversation vary from culture to culture. For example Japanese make longer pauses between the sentences than do people from Brazil. This situation means that the Japanese team member will have less participation in the conversation when the Brazilian team member is talking. The manager must be aware of these differences and should ensure that everyone in the team has its chance to speak up. (Lewis, 2000)

- The meaning of body language also varies from culture to culture. Although it is generally not possible to learn all the intricacies of this field, the team members should acquire some general knowledge about the acceptable comfort zones, gesture meanings and so on, in order to avoid misunderstandings in the future. A popular example of gesture differences: the gesture that means “OK” in USA means “money” in Japan, “zero” in France and is vulgar in Brazil. (Lewis, 2000).

### 4.3 Building Trust

Studies on team management and cultural diversity have many times stressed the importance of fostering trust for the successful team building. Trusting relationships between the team members lead to an open and comfortable atmosphere inside the group, where ideas and thoughts can be discussed without the fear of being ridiculed, encouraging diversity of opinion and fostering creativity (Holton, 2001), (Hurn, 1997).

The basis for creation the climate of trust is improved communication (Holton, 2001). The team must spend considerable amount of time communicating with each other in order to achieve a better understanding of individual and cultural traits of the team members, which could lead to building trusting relationships. The importance of mutual experiences shouldn’t also be underestimated. The cooperative history of previous dealings leads to a systematic development of relying, trusting relationship (Triandis in Tjosvold and Leung, 2003). Landera et al. in their study of trust building strategies within a large international company identify such mechanisms for developing trust as: successful initial interactions, good communication, predictability,
sharing of control, trustworthiness (i.e. consistency of word and deed) and managerial support (Landera et al, 2004).

It should be noted however, that different cultures have different expectations of how the trust should be developed and that trust building activity may itself steer misunderstanding (Laroche, 2003) (Hurn and Jenkins, 2000).

4.4 Defining Shared Goals and Objectives

The existence of goals and objectives shared by the entire team is very important for the team’s climate. This proposal is based on the work of Allport and later confirmed by research of Thomas Pettigrew (Pettigrew, 1998). According to their theory, the effective performance of a multinational team is dependant on several conditions: common goals, equal status, intergroup cooperation and support of authorities.

The existence of common goals implies the existence of shared understanding by all the team members of these goals and objectives. The equal status of the team members is achieved with a belief that every team member contributes equally to the accomplishment of these goals and thus deserves equal respect (Jackson and Shuler in Tjosvold, 2003).

4.5 Establishing Clear Roles and Responsibilities

Besides clarified goals and objectives, the team should also develop clear understanding of roles and responsibilities of each team member. As already noted in chapter 3.1.3 this area differs significantly from culture to culture, therefore should be approached very meticulously, leaving no “assumed truths” behind.

In such a way, the team should try to openly discuss their expectations about the roles of the team members, the role of the team leader, their expectations concerning the teamwork, ways of solving conflicts, etc, and then try to establish a certain model, that would be agreed by all (Neale and Mindel, 1992), (Higgs, 1996). This shouldn’t of course be a one-time activity, but rather a continuous process reinforced by constant feedback. The study of European managers, carried out by Kakabadse and Myers also stresses the importance for establishing feedback mechanisms inside the team aimed at constant reviewing and improving of the team processes. (Kakabadse, 1993)

4.6 Summary

In this chapter different practices, that are being used in order to improve the performance of multicultural teams, were identified and described. These practices are:
1. Cultural Awareness Training
2. Communication Improvement Practices
3. Trust Building Activities
4. Practices aimed at creation of Clear Goals and Responsibilities
5. Practices promoting the Shared Vision of Team Goals and Objectives

In the empirical study authors will examine to which extent these practices are used by managers in real life, especially in small teams, and whether there are any other practices that were not described before.

In the next chapter the concrete hypothesis and objectives of the study are formulated.
5 HYPOTHESIS FORMULATION

5.1 Background

The body of research on the effectiveness of multicultural teams comes up with rather controversial results. Some multinational teams have proved to achieve high results when working together, whereas the results of others were not so promising. Various factors, such as team structure (Jackson et al. 2003), task type (Earley & Gibson, 2002), (Hamilton et al., 2003) or team tenure Watson et al., 1993), (Pelled et al., 1999) were identified to explain the inconsistency of the relationship between performance and diversity. Although these factors were proved to partly explain the differences in the multinational team’s achievements, we believe that the practices of multicultural management existing in a team should not be disregarded either. Such practices may include: the level of cultural awareness possessed by the team’s management and the team itself, the particular strategy chosen by a team for diversity management, multicultural training, etc.

Nancy Adler, in her study of organizational strategies for diversity management, defines three distinct strategic approaches towards diversity (Adler, 1980):

- Parochial – ignoring the impact of differences and attributing the arising problems to something else but the culture.
- Ethnocentric – accepting the existence of cultural differences, however not doing anything about them.
- Synergistic – acknowledging the existence of cultural differences and trying to use them in the advantage of the organization, by developing culture-sensitive strategies and performing culture awareness trainings.

According to this analysis, parochial response was proved to be the most common one, whereas the synergistic approach the least common. The value of the synergistic approach is rather obvious, because having explicit ways of dealing with cultural differences can help the multinational teams develop reasonably accurate stereotypes and form their expectations about each other at the early stages of the team formation. However, it is often the case that even being aware of the influence of cultural diversity, the company doesn’t accept any strategy for dealing with it, i.e. taking an ethnocentric approach. The reasons for that could be unwillingness to bear expenses associated with performing cultural trainings, hiring consultants, developing strategies, etc. As it was already pointed out in the previous chapter most of the companies that perform cultural awareness training are quite large multinational companies that tend to have formal procedures and can easily bear the costs of the training.

Of course the absence of formal strategies dealing with diversity diminishes significantly initial efficacy of cross-cultural interaction. It doesn’t mean although that the multicultural team members don’t develop certain unspoken practices of dealing with diversity on the way. Thus, recent studies indicate that people not only act out their cultural values, but also constantly adapt to each other. Peter Smith summarizes a number of such studies that investigated differences in behavior of managers in presence of those from other nations. The findings indicate for example, that Japanese managers behaved differently in the presence of Canadian and Japanese subordinates. With the Canadians they behaved more assertively, whereas in presence of Japanese employees they used more indirect forms of influence (Smith P. B, 2003).

These findings lead us to an assumption that over a period of time multinational team manages to develop skills and practices for dealing with diversity, even if no apparent cultural strategy is present. These skills and knowledge, though not categorized or stored, are more of a tacit nature. They exist in form of personal experiences of particular managers or team members and are developed with time while working in a culturally diverse environment.
The assumptions expressed above makes it interesting to include in our study not only the companies with formal culture-catering strategy, but also the companies having culturally mixed workforce and relatively long history of working in a culturally heterogeneous environment, while not having explicit ways of dealing with cultural differences,

As it was already stated in Chapter 1, the objectives of the study consist of:

- Identifying the impact of cultural differences on the team’s activity.
- Identifying what managerial practices were proved to be universally effective when used in multinational environment
- Investigating the usage of such practices in software engineering multicultural teams.

These objectives can be reached by

- Determining the level of cultural awareness existent inside culturally diverse IT companies/teams
- Identifying formal practices existent inside the team directed towards solving culture-related problems.
- Eliciting the problems that were experienced by the team members that were possibly caused by differences in cultures and
- Identifying how these problems were addressed by the team members, eliciting in such a way hidden practices and skills the team managed to acquire during their mutual interaction

5.2 Hypothesis Formulation

Basing on what was mentioned above the main hypothesis of our study may be formulated as follows:

Hypothesis

Multicultural teams over certain period of time will develop some culture sensitive practices, adapting in such a way to a multicultural environment.

Those practices will be developed regardless of the team’s initial management approach to the cultural differences, i.e. even if initially there was no distinct management approach whatsoever.

The practices can represent some formal set of company rules and procedures or can just be personal set of behavioral techniques of a team member developed as his multicultural skills evolve.

5.3 Study Objectives

The goal of our empirical study consists in identifying the level of cultural awareness existent inside a team or a company, eliciting the practices, both tacit and explicit, that are used for dealing with cultural diversity.

Therefore the objectives of our study can be summarized:

1) Determining what major culture related difficulties has the team experienced over time, and identifying how these problems are addressed by the team members.

2) Determining what formal and/or informal practices for dealing with culture has the team developed over time (if any), prioritizing or updating the already existent set of practices taken from literature.
5.4 Summary

In this chapter the working hypothesis and study objectives are formulated basing on the earlier literature review.

The study objective is that over a period of time multinational team manages to develop skills and practices for dealing with diversity, even if no apparent cultural strategy is present.

The study is therefore aimed at examining the cultural phenomena in software engineering team including also small teams that apparently lack any formal approaches to the cultural difference. The objectives of the study are to find out whether such teams adopted informal ways of dealing with cultural differences and if so try to elicit those. As a result the study objectives are split into two main subtasks: one is to determine whether the teams have actually experienced any culture-related problems and the second is to identify what means and approaches those teams used to address the above mentioned difficulties.
6 STUDY METHOD

6.1 Choice of Method

As the title of our Master Thesis suggests we are aiming to define the best practices in building successful multinational teams.

In order to achieve our goals we have chosen to perform qualitative study based on personal interviews using questionnaire with both open-ended and closed questions. We chose closed questions in order to group and prioritize preliminary gathered information. We chose open-ended questions because they permit unanticipated answers, giving us the possibility to learn more about the current state of practice in the area.

We chose face to face interviews as our data collection method mainly because the potential respondents are more willing to participate in a face to face interview than to answer a self-administered questionnaire (Fowler, 2002).

We plan to conduct 2 interviews inside each team. First interview will be conducted with the manager of a team to find out his or her attitude to the problem of cultural differences in the team.

Second interview will be conducted with the team member or team members and will be aimed at finding out their perspective on the problem of cultural differences.

We will use two standardized questionnaires: one for the managers and one for the team members [see Appendix A] for all the interviews. During our interviews we are interested to examine what methods and practices are used in multicultural software development teams by their members aimed at better adapting to each other and compare our findings to the results of the previous studies found in the literature.

6.2 Selection of Participants

We plan to conduct a study as a series of interviews with people involved in the multicultural software engineering teams. We aim at finding teams that have already worked for at least several months together, thus ensuring that the team has passed over first team-building period and has reached some level of cohesiveness by this time and is now supposedly experiencing increase in team performance and cross-cultural interaction skills.

6.3 Interviewing Procedures

All the interviews will be performed by the authors of this Master Thesis. Both authors have received interviewing training and experience from participation in other courses held at BTH. It can be assumed that authors of this thesis had enough training in general interviewing techniques in order to be able to conduct the interview successfully.

Prior to interview all the interviewees will be explained the purpose of the interviews and the goals of the research project. Interviewees also will be informed that they would get a transcript of the interview before it is included into master thesis report. In this way interviewees will be able to check if authors of this thesis interpreted their answers correctly.

The length of each interview is estimated to be 60 minutes; the interviews will be performed in the respondent’s work setting in the time suitable to a respondent.

6.4 Lines of Analysis and Validity of the Results

We aim to identify if the multicultural team to be examined has experienced problems related to multicultural issues, to pinpoint the most difficult problems and to compare them to those already mentioned in the literature.
Another goal of ours is to determine if the team has developed any cross-cultural interaction skills while working together and if yes, describe them. We acknowledge that it is quite a difficult task, as in many cases such skills are developed in a tacit way, so the person might not even be aware of possessing them. Therefore we plan to conduct a qualitative study, where the cohesiveness of the team and the level of cross-cultural interaction skills will receive a more subjective estimation, based on our opinions and partly on the subjective estimations of the interviewees.

6.4.1 Lines of Analysis

As implied by the objectives and hypothesis described in chapter 4 we aim to determine whether the multinational team has managed to develop some practices that to some extent alleviate cultural differences. In order to achieve this goal we intend to identify what culture-related problems exist for the moment inside the team, and determine to what extent and using which means has the team managed to deal with these difficulties. The study will therefore be comprised of two major parts:
1) Identification of Culture-problematic areas
2) Identification of Culture Adaptation Skills and Practices

6.4.1.1. Identification of Culture-problematic areas

The analysis of the culture-problematic areas will be done along the following factors:

**Team identity** There are several issues that we tend to identify by introducing this factor. First is the general atmosphere in the team and if it is comfortable for the team and the interviewee. We aim to determine how cohesive the team is, how much the team members trust each other and if the team members are generally satisfied with their job and the team. We are particularly interested to compare the views of the foreign interviewee regarding the atmosphere in the team with the views of local respondents. Second, we seek to determine if any of the potential problems described in the section 3.1.3. Intra-Team Processes has taken place and if so – how these problems were treated.

**Team communication** We aim to determine how the communication inside the team has evolved through the team’s lifetime, if there were encountered any problems related to communication, if so – what problems exactly were most difficult to surpass. As a starting point we use the communication difficulties described in the section 3.1.1.

**Team leadership style** As the leadership styles vary significantly from one culture to another – by this factor we aim to determine if the leadership style existent in the interviewee team is accepted by culturally different members as well. As the list of potential difficulties that are encountered by culturally different manager and subordinate we will use the difficulties described in the section 3.1.2.

6.4.1.2. Identification of Culture Adaptation Skills and Practices

The analysis of the culturally sensitive skills and practices that were developed within the team over some period of time of joint activity will be done along the 5 pre-determined practices:

1. Cultural Awareness Training
2. Intercultural Communication Improvement
3. Development of Trust
4. Development of Shared Goals and Objectives
5. The Existence of Clear Roles and Responsibilities

We aim to determine the attitude of the interviewees towards these practices and find out if such practices are exercised inside the multinational team, if yes then how.

Besides the prioritization of the practices already determined, the study aims to identify other skills that are, to the interviewee opinion important for the efficient activity of multinational team.
6.4.2 Data Classification and Analysis Procedures

The analysis of the interview results shall be performed in the following way. First of all the answers for all questions will be analyzed and general trends in the interviewee’s answers shall be identified. The importance of the findings will be judged depending on how often this finding was mentioned by the interviewees. Thus if the occurrence rate of a particular answer exceeds 50% (i.e. it was mentioned by more than a half of respondents) –it can be considered as a general finding with its importance increasing as its occurrence rate grows. If a particular answer was found to be repeated by less than 50% of respondents its relative importance will be considered less significant and its influence on final study recommendations rather weak.

The second part of the questionnaire gives the interviewees a possibility to rate by themselves the importance of a particular practice on their team’s activity. They can rate the importance of a practice on a scale of five from: Not Important being one and Very Important being five. The mean value of each practice shall be calculated and then the relative importance of practice shall be decided depending on the value achieved.

6.4.3 Validity of the Results

According to Robson, (Robson, 2002) there are several issues that may threaten the validity of the results:

**Reactivity:** The respondent behavior is affected by the presence of the researcher.

**Respondent bias:** The respondent provides incomplete information to the researcher for the sake of making a better impression or giving the answers that would presumably satisfy the researcher or will not affect the image of the company.

**Researcher bias:** The researcher himself may influence the results of the study, by selecting questions, processing and analyzing the results in a biased way. While working on the study topic the researcher inevitably develops his own beliefs, ideas and assumptions about this topic which may later on influence the way the researcher assesses the results of the interview.

We decided to follow Robson’s guidelines and chose the following methods aimed at coping with the validity threats described above:

**Peer Debriefing:** Discussing the results of the study, its methods and goals with people unrelated with the research. (Robson, 2002).

**Member Checking:** Sending the results of the survey back to the person who was interviewed in order to avoid misinterpretation of the results. (Robson, 2002)

**Negative Case Analysis:** Analyzing the results of the survey obtained from a negative perspective, searching for facts and figures that will disprove theory built by the researcher. (Robson, 2002).

In addition to these measures we will also inform the interviewees about our confidentiality policy to encourage the person to speak out his opinion without being afraid of possible negative consequences from upper management. Besides providing the analysis of the data obtained during the interviews, the raw data shall also be presented in order to avoid the researcher bias as much as possible.

6.5 Summary

In this chapter the interviews were chosen as the research method and this choice is motivated. Due to the particulars of the study 2 interviews have to be performed inside each team in order to get bilateral view of cultural phenomena.

Second part of this chapter identifies the approach taken by the authors to data collection. Based on the earlier literature review several culture-related problematic areas were identified along with the practices used to overcome those difficulties. Interviewees
will be asked to rate those areas and practices and/or to add any other practices they use in their companies.

Third part of this chapter talks about the approach to data analysis, data classification and ways to ensure data validity. The importance of the findings regarding problematic situations shall be decided depending on the occurrence rate of this particular finding. The importance of the cultural practice shall be decided depending on the mean value of every rating.

The threats that might harm the validity of the obtained results were identified to be Reactivity, Respondent and Research Bias. In order to cope with these threats the following measures were decided upon: Peer Debriefing, Member Checking, and Negative Case Analysis.
7 ANÁLISIS DE LOS RESULTADOS DEL ESTUDIO

El estudio actual abarca 10 entrevistas realizadas en 5 diferentes empresas de desarrollo de software. Los entrevistados fueron solicitados a describir sus actitudes hacia las diferencias culturales en sus equipos/empresas, así como a evaluar la relevancia de diversas prácticas de gestión que fueron recopiladas por los autores del tesis durante la revisión bibliográfica y que se consideraron potencialmente útiles para el entorno multinacional. Los entrevistados también fueron incentivados a agregar técnicas adicionales que se han demostrado efectivas en su experiencia.

Las entrevistas fueron realizadas utilizando dos cuestionarios separados, uno para el líder del equipo y uno para el miembro del equipo. Las completas cuestionarios utilizados se incluyeron en el Anexo A y los transcripciones de las entrevistas se documentaron y se pueden encontrar en el Anexo B.

Este capítulo se centra en analizar y resumir los hallazgos obtenidos durante las entrevistas con el fin de obtener las respuestas a las preguntas de investigación.

El análisis del capítulo de resultados del estudio se organizará según el estructura del cuestionario; es decir, Sección de Información de la Empresa y el Equipo, Sección de Elicitación de Problemas y Sección de Elicitación y Priorización de Prácticas.

7.1 INFORMACIÓN GENERAL DE LA EMPRESA Y DEL EQUIPO

Todas las empresas que participaron en el estudio eran compañías de desarrollo de software. Las tamaños de las empresas variaron desde 9 a 140 empleados. La mayoría de los entrevistados trabajaban en equipos con más de 2 nacionalidades presentes. La mayoría de los entrevistados tenían alguna experiencia previa de trabajar o estudiar en un entorno multicultural.

Para cada empresa, se realizaron dos entrevistas, una con el desarrollador de equipo multicultural y otra con el manager del equipo. En todos los casos, los entrevistados pertenecían a dos culturas diferentes.

7.2 Elicitación de Problemas Culturales

Esta sección describe y discute situaciones problemáticas que ocurrieron en equipos multicultural y se elicitaron durante las sesiones de entrevista. La tabla 7.1 resume situaciones que fueron identificadas como problemáticas por los entrevistados. Los números de transcripción en la columna “Mentioned By” denotan la transcripción desde la que se mencionó la situación problemática. La columna “Total Occurrence” denota el total número de casos cuando se mencionó la situación problemática.
<table>
<thead>
<tr>
<th>Description of Problematic Situation</th>
<th>Total Occurrence</th>
<th>Mentioned by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulties originated from the use of English as a foreign language</td>
<td>5</td>
<td>7,3,4,5,6</td>
</tr>
<tr>
<td>Reduced communication lines between the team members in case when the team consists of several cultural groups.</td>
<td>4</td>
<td>3,9,2,4</td>
</tr>
<tr>
<td>Insufficient communication between managers and subordinates</td>
<td>3</td>
<td>6,5,10</td>
</tr>
<tr>
<td>High dependence of the employee upon the manager’s directions vs. participative management style from the manager’s side</td>
<td>4</td>
<td>5,10,6,8</td>
</tr>
<tr>
<td>Excessive deference shown by the employee towards the management vs. accepted “equality” standards</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Insufficient knowledge of local particularities (customs, legal systems)</td>
<td>2</td>
<td>7,3</td>
</tr>
<tr>
<td>Different approaches to task handling</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td>Differences in the accepted working behavior</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Table 7.1 Cultural Difficulties Summary

According to the summary of total problem occurrence, difficulties in communication were listed among the most commonly mentioned group of problems by the interviewees, followed by problems caused by differences in leadership styles and intra-team processes.

7.2.1 Communication

The frequency of the communication difficulties is not unexpected since it is also the most common problem found in literature. The interesting finding however was that our respondents have mentioned difficulties related to the use of English language in the first place, while literature rarely mentions language problem, regarding it obvious and simple to solve. The interviewees identified several situations when the working language served as an inhibitor for the team interaction processes:

- Stressful situations. A day-to-day exchange of information normally doesn’t require from the team members any advanced knowledge of a foreign language. It changes however when the person is put in a stressful situation where he is supposed to prove his opinion. When disagreeing people often fall short of right words and expressions, and sensing their inability to argue in a logical and convincing manner they often restrain themselves from talking in the group at all. As a result the general level of interaction is affected.

- Communication on Distance. Teams that have to work on distance generally have more problems with communication than the usual teams. As the body language is naturally restricted a lot of stress is put on the use of working language. In such a case it is much more important for the team members to express their thoughts in a clear and unambiguous way, which may not always be possible due to the insufficient vocabulary. A strong accent may also impede distance communication leading to the need to switch to less effective means of communication (e.g. from direct phone calls to online messenger or emails).
In such a way if summarizing the finding related to communication it is possible to conclude that according to the results of present empirical study the value of the working language as an obstacle for successful communication tended to be underestimated in the literature.

The other 2 common problematic situations in communication section are related to insufficient communication between team members and between manager and some of the subordinates.

Deteriorated communication between the manager and his subordinates could be explained by the existence of a large power distance difference between manager and those team members. The mere existence of differences in power distance could not impoverish the communication however it implied different expectations of the leader’s behavior which has lead to the following misunderstandings:

- The leader assumed that it wouldn’t be a problem for the employee to contact him in case he needed to obtain some important information as every other team member does.
- The employee assumed that if the information was not given to him by the manager he doesn’t have the right to ask for it.

Such expectations are sooner or later proven wrong by both parties. However people usually have to go through a period of trial and error prior to developing a proper understanding of each other’s communication patterns, which apparently results in some period of decreased work efficiency.

One of the main reasons for the deficiency in the intra-group communications was the existence in the team of 2 or more significantly big groups of the same culture. In a case as this there is a high probability that the team will be split into several one culture sub-teams, which may eventually damage intra-team communication. Such situation was identified in case of Moldovan-Slovenian, Swedish-French and to some extent in case of Czech-Swedish teams. This clustering tendency was found to originate from different reasons. Firstly, the insufficient command of local/working languages makes the communication between members of different cultures less relaxed, spontaneous and relationships are often built then between the people with the similar mother tongues. Secondly in most of the examined teams, people belonging to different cultures were also coming from other countries, which put them in the similar situations to deal with and similar problems to face. This also brings people of the same culture closer together and respectively opposes them to the locals who have other kinds of problems.

On the other hands the teams that had more culturally diverse members appeared to have fewer problems with cultural clustering. As there was no dominating culture and there were more people from different countries working together the team members had more incentives to speak one language and look for other than cultural similarities and form relationships with members of other cultures. One of the similarities that was commonly mentioned by the interviewees was their professional culture, which acted as some kind of catalyst for intercultural communication.

The above described empirical finding correlates well with the findings of the literature studies, as it supports the idea that people of the same culture will tend to be attracted to each other due to their cultural similarities. The above mentioned finding also supports the findings in the research performed by Earley and Mosakowski about the effectiveness of highly diverse teams. Their work demonstrates that a team with members drawn from numerous cultural backgrounds is likely to develop a better hybrid culture than the teams whose members are drawn from just two different cultures (Earley, Mosakowski, 2000).

7.2.2 Leadership

Differences in power distance were found to be the cause for the 4th problematic finding, i.e. incompatible management styles. In three interviews there was identified
the situation when the management with loose guidance was practiced while subordinates preferred a more strict management approach. The frequent occurrence of these results can partly be explained by the fact that 4 of five interviewed companies were located in the countries with a rather low PDI (Sweden and USA), thus the management style there was characterized by a higher level of autonomy for subordinates.

This finding is generally consistent with the literature study findings, as the similar problematic situations were quite known and were described in detail in the subchapter 4.1.2. The interesting empirical finding was that although 3 of 5 interviewed managers have acknowledged that different perceptions of management style could serve as a potential impediment to the team effectiveness apparently little was done to prevent it.

It was generally considered that if a team is small enough such kind of misunderstandings will change quickly after some period of close interaction between the team manager and subordinate.

Other problematic situations were mentioned by 2 or fewer interviewees and therefore cannot be counted as common findings.

### 7.3 Elicitation and Prioritization of Practices

In this section, the results of the third part of the interview are summarized, where respondents were asked to prioritize practices that were considered to be useful in the multicultural environment.

#### 7.3.1 Prioritization of Practices

In the table 7.2 the answers of each 10 respondents are presented along with the average rating value for each practice.

<table>
<thead>
<tr>
<th>Practice</th>
<th>Value</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Average Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Awareness Training</td>
<td>1,5,7,9,8, 3,10, 2,4,6</td>
<td>2,8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication Improvement Activities</td>
<td>8</td>
<td>1,2,3,4,5, 6,7,9,10</td>
<td>4,9</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust Building Activities</td>
<td>3,4,5,6,9, ,10</td>
<td>1,2,7,8</td>
<td>4,4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shared vision of goals and objectives practices</td>
<td>7</td>
<td>2,4,9,8, 3,5,6, 1,10</td>
<td>3,6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creation of clear roles and responsibilities</td>
<td>5,7</td>
<td>1,2,3,4,6,9, ,10</td>
<td>8</td>
<td>3,9</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 7.2 Problem solving practices

The value of the average rating for each practice is considered to indicate the usefulness of this particular practice to the needs of the interviewee’s team/company. Thus according to the results, Communication Improvement practices were considered the most useful by the interviewees, followed by Trust Building Activities, Clear Roles and Responsibilities and Shared Vision of Goals and Objectives practices with
Cultural Awareness Training practices to be considered the least useful practice of all five.

High rating of Communication Improvement Practices represent an expected result, since the problems with communication were most commonly mentioned by the interviewees. For the same reasons Trust Building Activities also received high ratings, as these two practices are quite closely linked to each other. The development of a trusting atmosphere inside the team facilitates communication and is facilitated by good communication at the same time.

Practices aimed at creation of clear roles and objectives have received rather high ratings too. Such results can be explained with a relatively high number of problematic situations related to role misunderstandings inside the team.

The last two practices have received rather low results and in both cases having quite a wide spread range of opinions.

It is interesting to note for instance that 4 of 5 interviewed managers have rated practices that promote shared vision of goals and objectives rather high (4,5), considering that the team would generally benefit from being able to see a good strategic picture of a project. Whereas the 4 of 5 interviewed subordinates have rated this finding rather low (3), motivating that it is more important for the team members to concentrate on their own tasks.

On the other hand the usefulness of the Cultural Awareness ratings was appreciated more highly by the team members (60% of the team members have rated it as 4) than by the team managers (60% of the managers rated it as 2). This finding could have several explanations. One is that the team managers are generally more conscious of the prices for such training, than the regular employees. Another explanation would be that the majority of the interviewed managers were natives of the country the company was located in, whereas all of the team members interviewed were expatriates and could therefore sense more need in getting more knowledge of the local culture. We may therefore conclude that the overall value of the Cultural Awareness Training was somehow underestimated by the managers of the team.

7.3.2 Description of Techniques

Below we present a more detailed description of the techniques, used by the respondents to implement the pre-selected practices.

Cultural Awareness Training
For foreigners it was recommended to provide: Courses of local language, basic information of local customs and traditions, knowledge about legal systems of the country.

In case of an external team: perform an exchange of team members for a period of time, so that people could learn on place about the differences in cultures as well as the working approaches.

Communication Improvement Activities
Such techniques as task rotation, working in pairs, open door policy, daily 10 minutes sessions were everybody has to speak out were identified as having a positive impact upon the team cohesiveness. Additionally a number of interviewees have mentioned outdoor social activities together with the team as a technique that benefited intra-group communication.

Several interviewees have also stressed the importance of creating if possible diverse teams, while avoiding creating cultural dyads (a team that consists of only two culturally different groups)

Advices for managers and individuals included: to avoid using slang or other idiomatic expressions, when some of the team members are not entirely fluent in
English. Be careful while using humor- at least at the initial stage of the team formation.

**Trust Building Activities**

The following practices were proposed that were found to benefit trust building inside the team:

- The usage of total code ownership principle, as it promotes better transparency and decreases suspicion.
- Creation with the support of the management of an open and mutually trusting atmosphere, by providing timely paychecks, bonuses, decent rewards, the absence of strict supervision.
- Carrying out team building field activities. At the beginning of a team formation to perform a small joint task with the whole team, e.g. to build a pyramid, crossing the river etc. During this simulation of a real working situation people could get to know each other’s reactions and behaviors better, communicate, learn how to act as a team and as a result build better trusting relationships.

**Practices that promote the shared vision of team goals and objectives**

Among the practices that were found to promote the shared vision of the team goals and objectives there were mentioned:

- Clearly stated and understandable goals and objectives. Goals and objectives of the project should be explicitly defined, written down and made available for everyone.
- Clear relation of goals of the company to goals of the project should be present.
- Open information policy. In case when the company doesn’t have clearly defined goals and objectives for a particular project, it is useful to encourage the manager to serve as a goal communicator and provide the necessary information for all who ask for it.

**Practices aimed at creation of clear roles and responsibilities**

Although the majority of the interviewees have considered this practice important, many of them have also stated that when working in a small team after some period of time the responsibilities of each person are quite visible and easy to see.

However for the newcomers several respondents have advised using the following techniques to ensure a quicker adaptation to a new environment:

- Introductory lecture. Perform one or two short sessions, telling the new employee about the company culture, accepted teamwork style, task handling approaches, communication policies, carrier perspectives, and so on. Such lecture is especially important in case when the new employee is a foreigner and comes from a very culturally different environment.
- Informal Supervisor. Usually a person coming to a new country has to deal with a lot of additional issues, s.a accommodation, transportation, legal issues. Besides he has to adapt successfully to the team environment, get to know many new people, new working approaches, etc. In such a case it would be good to assign a person from the team who could help the newcomer with all the above described issues, by providing help and advise whenever needed. It is better if this person comes from the same country/culture and doesn’t have any formal authority upon the new worker, not to create additional strain in their relations, however in small teams this role is usually played by the team manager.
As it comes to the methods that help avoiding misunderstandings in the task distributions the interviewees have mentioned an approach taken from the Extreme Programming methodology.

- Task visibility. This entails dividing big assignments into smaller subtasks, writing them down on the cards, and sticking them to the wall. In such a way a greater visibility is achieved and there is less room left for misunderstandings.

7.4 Additional Findings

This section discusses some of the side findings that were made while performing the empirical study and that might have some influence upon the direction of the future multicultural research.

One of the 5 companies that were studied used a distributed software development approach, thus the team consisted of developers spread around the globe. The results obtained from studying this company partly differed from the results obtained by the rest of the companies. As the team structure of a dispersed team was completely different from those located in one place it would be natural to assume that a distributed multinational team is prone to different problems and would use a different range of practices to cope with those. One of the major differences is the lack of informal communication, which results in longer periods needed for trust building which in turn result in slower intra-team adaptability processes. The empirical study performed, partly supported this suggestion. The interviewees of this team have rated trust building activities above all others, followed by communication improvement and clear roles and responsibilities practices. This shows that the creation of trust within a highly dispersed team is a difficult task and a lot of effort is put to gain it. However, since the results obtained from one company cannot be considered as a representative number it is only possible to conclude that according to the performed empirical studies trust building activities had more value for the distributed team than for other local teams. However additional research should be made to study this question in detail.

7.5 Summary

Present chapter analyzed, summarized and discussed major findings of the empirical study performed as a part of this thesis. The empirical study performed had to major goals to accomplish:

- Identify what major culture related difficulties were experienced by the multicultural team members during their cooperation and compare those versus the list of difficulties elicited in the literature
- Determine what practices were used by the members of multicultural teams to alleviate the above mentioned difficulties, to compare these versus a pre-selected list of practices and prioritize and update the latter.

As a result the following findings were identified:

- Communication was found to be the most commonly mentioned group of problematic situations between the multicultural team members. It included: insufficient knowledge of working language, lack of communication between the members belonging to different cultures, impoverished communication between the team members and the management.
• The threat of a working language (English in all of the studied cases), as a potential impediment to the intercultural communication tended to be under-estimated in the literature.

• Teams that were very culturally diverse reported fewer problems with communication than those who consisted of just two major culture groups.

• The second big group of problematic situations was found to be related to leadership and included: misunderstandings regarding the role of the management in multicultural teams, differences of the accepted manager – subordinate behavioral standards and differences in the feedback giving scales. This finding correlates with the literature studies and was proved to originate from large differences in the power distance indexes of the team members.

• The rating of practices aimed at diminishing culture-related problems showed high value placed upon Communication Improvement followed by Trust building activities. The other practices, prioritized in the descending order were: Clear Roles and Responsibilities, Shared Vision of Goals and Objectives practices and Cultural Awareness Training.

• The value of the Cultural Awareness training as a useful practice was estimated higher by expatriate team members than by the local team managers.

The exact listing of techniques used by the multicultural teams to implement the practices is listed below in the table 7.3

<table>
<thead>
<tr>
<th>Practices</th>
<th>Cultural Awareness Training</th>
<th>Communication Improvement Activities</th>
<th>Trust Building Activities</th>
<th>Shared vision of goals and objectives practices</th>
<th>Creation of clear roles and responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local language</td>
<td>Task rotation</td>
<td>Total code ownership</td>
<td>Explicitly defined goal and objectives</td>
<td>Introductory lecture</td>
<td></td>
</tr>
<tr>
<td>Local Customs and traditions</td>
<td>Work in Pairs</td>
<td>Trusting environment</td>
<td>Availability of goals and objectives</td>
<td>Informal Supervisor</td>
<td></td>
</tr>
<tr>
<td>Local legal systems</td>
<td>Open door policy</td>
<td>Timely paychecks</td>
<td>Clarity of goals and objectives relation</td>
<td>Task visibility</td>
<td></td>
</tr>
<tr>
<td>Exchange of team representatives</td>
<td>Daily 10 min Stand-up meetings</td>
<td>Field Team Building Activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Joint Social Activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No Slang</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Careful use of humor</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 7.3 Problem solving techniques
8 DISCUSSION AND CONCLUSION

Previous chapter has presented the major findings of the empirical part of the study. In this chapter the results of the empirical and theoretical studies are discussed and presented in form of the answers to the research questions and hypothesis, summarized later in a separate subchapter.

The chapter follows with some general recommendations derived from the study findings and in the end some criticisms of the present study and suggestions for future research are provided.

8.1 Answering to the Research Questions and Hypothesis

The goal of this study has been to investigate current practices used by software development companies in managing multicultural teams. This goal has lead to the need to examine the general impact of cultural differences on the team activity, with a focus on potential difficulties and opportunities, specific to the multicultural teams. This in turn has provided a basis for further study of the managerial approaches that addressed those potential difficulties and opportunities, resulting in a number of practices that were recommended by previous researchers and supported by the companies that activate in this area.

8.1.1 Research Questions

Research Question 1. What role do the cultural differences play in the team activity?

The answers to this research question derived from the literature survey are summarized in the Table 4.1 of the Chapter 4. The results of the literature study have shown that cultural differences represent a factor, which could serve both as a threat and as an opportunity for the team. A wide range of team activities such as team communication, management style, problem solving approaches, attitudes to time, team cohesiveness can be affected by differences in culture. On the other hand culturally diverse teams were found to positively influence such factors as global efficiency, responsiveness and creativity of the team.

The on-going debate of the influence of cultural differences on the team performance has not reached any definite results, despite a number of empirical studies that were performed to identify this relation.

Research Question 2. Are project managers in IT industry aware of the role cultural differences play in team activity?

The empirical study performed for this research shows that the managers are generally aware of the impact culture has on the team activity. Such issues as deficiencies in communication, imperfect usage of the English language, varied management styles were rated among the highest among the pre-selected list of culture-related impediments (see Table 7.1 for the full list of problematic situations). However the majority of respondents considered culture to be rarely at the heart of the problems in the team, but rather an additional factor that could aggravate the already existing problems.

Research Question 3. Does cultural diversity affect the managerial techniques practiced in IT industry?
The results of the empirical studies have shown that the cultural diversity of the team has a certain impact on the managerial techniques practiced in that team. Thus, all of the interviewed managers have unanimously stressed the importance of such managerial skills/qualities as high level of flexibility, the absence of an ethno-centric approach, restrain in passing judgment, the findings that correlate with the theoretical body of research.

As it comes to the formal practices implemented in the companies, the results varied significantly from company to company. The biggest two companies of 5 employed formal policies, the rest were relying on more informal and general practices, s.a. outdoor social activities, open door policy, etc (see subchapter 7.3 for a complete list of practices).

**Research Question 4. What techniques are particularly suitable for managing culturally-diverse teams?**

The practices that were found to benefit the management of multicultural teams are summarized in the Table 7.2. The preliminary set of practices that was elicited during the literature study consisted of 5 practices, namely: cultural awareness training, communication improvement practices, trust building activities, practices promoting the shared vision of team goals and objectives and practices aimed at clear goals and responsibilities. All of the practices were described as almost equally important for the multicultural team in the literature. However, the results of the empirical study have shown visible preference of the respondents towards the Communication and Trust building activities followed by shared vision and clear responsibilities practices. Cultural Awareness training was rated the lowest in this range, with only one company engaged into cultural training activities.

Ways and techniques of implementation of the above-mentioned practices ranged significantly from company to company, depending on the accepted company policies, practices of a particular manager, development methodologies etc. The full range of the techniques is summarized in the Table 7.3.

### 8.1.2 Hypothesis

*Multicultural teams over certain period of time will develop some culture sensitive practices, adapting in such a way to a multicultural environment.*

*Those practices will be developed regardless of the team’s initial management approach to the cultural differences, i.e. even if initially there was no distinct management approach whatsoever.*

*The practices can represent some formal set of company rules and procedures or can just be personal set of behavioral techniques of a team member developed as his multicultural skills evolve.*

As that could be seen from the research questions answered above, the hypothesis proves to be true, i.e. over a period of time the teams indeed do develop certain practices of both formal and informal nature that help them dealing with cultural diversity.

### 8.2 Thesis Summary and Major Findings

As the title of the thesis suggests the target of this work was to identify the best practices and guidelines for building a successful multicultural software engineering team. In order to achieve this goal, an extensive literature study have been conducted, and it resulted in a list of common difficulties related to multiculturalism along with a
list of practices commonly used to overcome the difficulties and get a productivity boost.

Then an empirical study was conducted, 10 interviews were carried out, involving 5 different multicultural teams in 3 different countries. For each team two interviews were performed – one with the manager of the team and another with the culturally different (from the manager) team member.

As a result of the study a number of common problematic situations were identified, classified and rated. The most common problematic situations identified were grouped into:

1. Problems related to communication These comprised:
   - Problems originated from the poor use of working language. This problem was granted with relatively little attention in the literature as opposed to our empirical findings.
   - Problems originated from the formation of cultural dyads. The study showed that teams that were very culturally diverse reported fewer problems with communication than those who consisted of just two major culture groups.
   - Problems originated from insufficient communication between manager and subordinate

2. Problems related to the relationship leader-subordinate comprised of:
   - Problems originated from the varied expectations of the manager’s role in a team.
   - Problems originated from differences of the accepted manager – subordinate behavioral standards
   - Problems originated from the differences in the feedback giving scales

The activities that were found to address the above mentioned problematic situations consisted of 5 major practices and are listed below in a descending order according to their perceived importance:

1. Communication Improvement Practices
2. Trust Building Activities
3. Practices aimed at creation of Clear Goals and Responsibilities
4. Practices promoting the Shared Vision of Team Goals and Objectives
5. Cultural Awareness Training

### 8.3 Recommendations

This section provides a set of management recommendations for the multicultural software development companies, which derived from both the collected theoretical base and conducted empirical study. Most of the elicited practices were summarized and described in Chapter 8; this section presents those issues that in our opinion deserve to be stressed additionally.

First of all it should be emphasized though, that multicultural teamwork is a complex phenomenon and its success or failure cannot be predicted in advance. It relies on many side factors that are sometimes out of the management reach. However the manager should be aware of those factors that can be changed and manipulated and constantly review and improve them.

**Team Structure.** Both the literature research and the empirical study support the idea that team structure plays a key role in the integration or disruption of intercultural teams. Team structure here is determined by several things.

- One is the number of nationalities present in the team and the degree of their clustering according to the cultural factor. The presence of several culturally split sub-groups in a team itself cannot be considered as a
problem however it poses a certain threat to the overall team communication, trust and ultimately cohesiveness. It is therefore much more beneficial for the team when the boundaries between team members interests do not match boundaries between cultures, i.e. when the team members of different cultures have something in common: professional interests, age, educational background, social status or even the same problems to cope with (e.g. of being a foreigner). The goal of the manager here consists in finding these similarities and using them to build a better “mixed” team structure.

- Another factor that impacts directly the team structure relates to the physical location of the team and its members. If leaving aside the cases of virtual teams, which requires a special approach in team building activities – then goal of the manager is to ensure an appropriate space where the team can develop as a team. Physical location of each team member determines directly the level of integration of this team member in the group, communication lines within the group and team cohesiveness.

Cultural Awareness. This is the practice that in our opinion was slightly underestimated and that deserves more attention, especially from the manager’s side. The majority of the interviewed managers have related to this practice as to a re-active rather than a pro-active measure, in other words the training was considered to be used when the cultural problems appear to threat the team performance. However, as it was already mentioned several times in this study, quite many culture-originated problems can easily be attributed to other causes, if no knowledge is present. The majority of the managers have identified flexibility and non-ethno-centric way of thinking as being central qualities of a multicultural manager. But such qualities cannot be reached without the knowledge about other ways of thinking, in other words without the awareness of cultural differences.

The necessity in cultural awareness doesn’t imply the necessity of expensive and formal training, but rather the willingness of the manager to learn about these issues, with a scope of developing cultural sensitivity.

Attention to Details. This recommendation particularly refers to the managers of expatriate workers, for who both the country and the company culture are unfamiliar. In such a case there is a high threat that some of the unspoken rules/practices will remain unnoticed by the expatriate for a long period of time, oftentimes harming his performance and influencing team outcomes. It is therefore important for the manager to be as explicit as possible when first introducing the company to the new employee. If the manager is a local himself, some of the tacit practices may escape his attention, then it is beneficial to let another expatriate/foreigner do that.

8.4 Study Improvements and Future Work

In this section we discuss the possible improvements of our study and outline the areas where the future research is beneficial. First we discuss improvements on research method, then we talk about the possibilities of research questions’ expansion and finally about future work.

8.4.1 Research method

Without any doubt interviews are one of the best research tools that are available in such a time and budget constrained research like Master Thesis. But as any other research method interviews have its advantages and disadvantages. The biggest drawback of interviews us that by doing so the researcher has to rely on respondents’ perception and opinions, which are rarely 100% accurate. We tried to eliminate
respondent’s bias by conducting 2 interviews in each team, describing the problem from different angles in the company, but still we cannot be sure that the respondent’s bias did not affect our results.

While performing our interviews we have also faced an unexpected issue – the sensitivity of our research area. We found out that people are not always willing to speak up about culture-related difficulties, because of topic controversy and political correctness concerns. It took us a lot of effort to find out a good way to make people talk on this subject and still it’s hard to judge whether we got honest enough response.

Finally we would like to add that a larger data sample would add more confidence to our result. However even with 10 interviews we manage to achieve consistent result pattern.

### 8.4.2 Research Topic

Another topic that was not fully covered in our thesis is the influence of cultures other than national on multinational teams. For example it seems to be rather promising to investigate interdependence of national and professional culture and the influence of professional culture on teams’ activity.

Both the existing research body and some of our respondents mentioned that professional culture is able to help alleviate difficulties caused by differences in national culture, i.e. software professionals from different countries are likely to share a lot in common just because of the shared profession.

Another distinctive characteristic of our study is that we focused on rather long-term multicultural influence and long-term improvement practices. We did not go into details of crisis management and conflict solving in multicultural teams, though it appears to be likely that heterogeneous team is prone to different types of conflicts than a heterogeneous teams. In other words our study tries to answer the question what to do to avoid conflicts and to increase effectiveness of the team in the long run, but not how to solve an existing conflict.

### 8.4.3 Future work

The most interesting extension of our work would be certainly to use a different research method to try to prove right or wrong the results of this study. We would suggest conducting a deep case study in the course of the large project performed by multicultural team, preferably when researcher himself is a part of the team. Such a case study would allow observing the natural day-to-day activity of the team, making it possible to investigate cultural problems especially deeply, in the same time reducing researcher’s and interviewee’s bias.

Secondly future work is required to investigate the level at which the same software engineering professional culture alleviates culture-related difficulties, this could be done by studying heterogeneous multifunctional teams instead of just software engineering teams like in our case.

Finally a very promising research topic is the role of cultural differences in distributed software development. We touched this topic very briefly and found out that the set of cultural challenges in this case is different than in the case of work in the same building.
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APPENDIX A

Questionnaire 1
Interview with the Manager of the Team
Expected Interview Duration 60 min

Part I. Introduction; General Information

This first part of the interview is intended to elicit basic information about the interviewee, s.a. cultural background, professional experience, his responsibilities within the team and to get a general understanding of him as a person. This part also serves as a warm up phase of the interview.

1. Could you tell us about yourself? Educational background; Country of origin; in how many countries did the interviewee live; in which country did he or she spend most of the time, to what culture/nation does he attribute himself?
2. Could you describe us the multinational team you worked/work with? Number of people in the team, what is the function of the team/what output they provide, when was the team created/closed, how is the team monitored/ how many supervisors does it have?

Part II. Problem elicitaton

This part of the interview aims at discovering culture-related misunderstandings, which used to be or still are present in the group. Three major problematic areas are attempted to be covered: relationship manager-subordinate, communication, intra-team relationships. Both closed and open-ended questions are used here. The closed questions list some of the cultural misunderstandings, listed in the literature, which could be identified by the interviewee. The open-ended questions leave the possibility for the interviewee to add other culture-related issues that he/she found problematic.

1. Do you think that managing culturally diverse team requires more effort than managing a usual one? Why?
2. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?
3. What differences could you note in the attitude of /culturally different member/s/ towards you (as a manager)?
4. What differences do you see in the way culturally /different member/s/ perform their tasks? A number of variants:
   a) Approaches to problem solving
   b) Attitudes to time
   c) Other
5. What differences could you see in the communication style of the /culturally different team member/s/?

Part III. Skills Prioritization

This section attempts to identify and prioritize the practices that could be useful for managing international team. The questions contain the description of practices, elicited in the literature, but also leave the possibility for the interviewee to add to this list other skills that he/she has found to be important.

6. What skills should a manager of multicultural team possess to be able to work efficiently?
7. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? 3a. Have you considered performing cultural awareness training, to raise the level of understanding between your team members? If not? Please rate the importance of cultural awareness training for your company (On a scale 1-5)

8. How important is good communication for an efficient activity of your team? (On a scale 1-5) 4a. What methods do/did you use for increasing this efficiency?

9. How essential is the trust for the development of your team? (On a scale 1-5)? 5a. What do you do to make people trust each other more?

10. How important is for the team to have shared vision of the company’s goals and objectives? (On a scale 1-5)? 6a. How do you achieve this mutual understanding?

11. How important is for the team to have a good understanding of each other’s roles and responsibilities? (On a scale 1-5) 7a. How do you achieve this good understanding?
Questionnaire 2
Interview with the culturally different team member

Expected Interview Duration 60 min

Part I. Introduction; General Information

This first part of the interview is intended to elicit basic information about the interviewee, s.a. cultural background, professional experience, his responsibilities within the team and to get a general understanding of him as a person. This part also serves as a warm up phase of the interview.

1. Could you tell us about yourself? Educational background; Country of origin; in how many countries did the interviewee live; in which country did he or she spend most of the time, to what culture/nation does he attribute himself?
2. Could you describe us the multinational team you worked/work with? Number of people in the team, what is the function of the team/what output do they provide, when was the team created/closed, how is the team monitored/ how many supervisors does it have?

Part II. Problem elicitation

This part of the interview aims at discovering culture-related misunderstandings, which used to be or still are present in the group. Three major problematic areas are attempted to be covered: relationship manager-subordinate, communication, intra-team relationships. Both closed and open-ended questions are used here. The closed questions list some of the cultural misunderstandings, listed in the literature, which could be identified by the interviewee. The open-ended questions leave the possibility for the interviewee to add other culture-related issues that he/she found problematic.

3. Do you think that working in a culturally diverse team is more difficult than working in a regular one? Why?
4. Could you briefly describe (team leader _Name_) as a manager?
   a) Feedback giving style
   b) Style of management
   c) Approach to task execution
   d) Approach to time
5. Do/did you experience difficulties, when communicating with the other culturally different (to you) team members? When/Why?
6. Did your ideas of how work should be done differed from the accepted processes in the team? In what way?
   a) Task execution
   b) Attitudes to time
7. What differences could you mention in the working behaviors of your teammates?
8. Who of your teammates you think you could really trust/lean on? Explain why.

Part III. Skills Prioritization

This section attempts to identify and prioritize the practices that could be useful for working in the multinational team. The questions contain the description of practices, elicited in the literature, but also leave the possibility for the interviewee to add to this list other skills that he/she has found to be important.

9. What skills should a member of multicultural team possess to be able to work efficiently?
10. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? 3a. Would you consider useful yourself to have a cultural awareness training, to raise your level of understanding about the other team members? If not, why? Please rate the importance of cultural awareness training for your company (On a scale 1-5)

11. How important is good communication for an efficient activity of your team? (On a scale 1-5) a. What do/did you do to communicate better with your teammates?

12. How essential is the trust for the development of your team? (On a scale 1-5) Why? 5a. What do you do to make people trust you more? What should they do to get your trust?

13. How important is for the team to have shared vision of the team’s goals and objectives? (On scale 1-5) Why? 6a. How do you achieve this mutual understanding?

14. How important is for the team to have a good understanding of each other’s roles and responsibilities? (On scale 1-5) 7a. How do you achieve this good understanding?
APPENDIX B

Transcript of Interview 1 (Company A)

1. Company Information

Company A is a software development company that develops and implements resource optimization software for airlines and railways. Along with the software products the company A also provides various training, support, quality assurance and consultancy services.

The company encounters 190 employees, one third of who work for Research and Development Department. It has its offices in Copenhagen, Leon, Madrid, Miami, Montreal, Singapore and Stockholm, ensuring its company an international presence.

We conducted interview with the John Smith*, the project manager who is responsible for supervising one of the software development projects within R&D department. The scope of the project is the development of new versions of the software and approximately 30 people are working for this project.

The interviewee comes from England, with his educational background being in theoretical physics and he joined company A directly after finishing his PhD program. The interviewee has been working for Company A for 6 years now.

2. Team Information

Generally, the project environment seems to be highly multinational, as at various times the project team consisted of people from 6 or more countries, having Italians, Czech, Danish, Swedish, English, and Indian specialists working together. The team is divided in smaller sub-teams, each of them having separate tasks. The team uses Extreme Programming as a software development methodology.

3. Problem Elicitation

Q. Do you think that managing culturally diverse team requires more effort than managing a usual one?

A: No. In my opinion the cultural aspect of a team is not as important as the individual qualities of people who belong to the team. I have been managing people from different countries and cultures and some of them were able to adapt very well to the ways of working in the team and others could not. On the other hand the people who come from abroad have to deal with many additional issues to the usual working routine, such as accommodation, visas, different lifestyle. In this respect it is the task of manager to provide support and guidance in helping them adjust to this new environment. That is why I also consider that having many people coming from different cultures in one team is very good, since they can find support and understanding among each other, as all of them have to deal with the same problems. And then it is much easier for them to understand each other and form friendships.

Q. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?

A. Obviously while working in a project we encountered various problems. But it is quite hard to separate these problems from individuals. However to some extent I can assume that cultural differences played some role there. For instance, in our team we had a person coming from Slovakia. And his attitude to the management was substantially different from the others, perhaps I could say he showed more deference to them than it was actually needed. That could probably be explained by the differences in management style accepted in different countries. Another example was when the Indian girl who worked in my team has invited me for a lunch at her house with her and her husband. It is very uncommon for a Swedish person to establish personal relationship with his manager, so such attitude could be interpreted as an intention of a subordinate to obtain some extra-benefits from this

* All names of the companies and the names of the interviewees have been changed
friendship. I never thought that my Indian colleague intended to do so, it is just that the working behavior accepted in India perhaps differed from the one accepted in Sweden. That is why it is very important for a multicultural team manager not to make quick judgments about people motivations, not until you are sure that you understand their culture well enough.

Q. What differences could you note in the attitude of culturally different member/s towards you (as a manager):
A. Well, obviously people in my team behave differently, however in my opinion it is mostly the matter of individual differences, rather than cultural ones. I cannot bring any additional examples, besides those I’ve already said.

4. Description and Prioritization of Practices

Q. What skills should the manager of a multicultural team have, to be able to manage his team effectively?
A. First of all the manager should have some understanding of the culture of the people he is working with. Although it sounds quite obvious, in my opinion it is quite easy to fall in the trap of saying that “we are in Sweden so we have all the things done in the Swedish way”. The manager should also have to be patient and when things are not going on as expected he should talk to people and understand what the reasons behind the trouble were. This is especially important when you are dealing with the people who do not speak English as their first language, as they might misinterpret a certain expression they didn’t know. Moreover the manager should also be particularly sensitive to the people who come from the cultures with a more formal management in place, as in such cases people can take the manager’s feedback too close to their heart.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? Have you considered performing cultural awareness training, to raise the level of understanding between your team members?
A. Well it sounds like a good idea. However, if being honest, I never considered performing cultural awareness training for our team as we didn’t seem to have any particular problems related to cultural differences in our team. I couldn’t say that we didn’t have any problems at all, but most of the problems were handled by the team members quite quickly so no interference seemed to be necessary. I believe that one of the reasons for that was that although people belonged to different nationalities they also had many things in common, such as age, years of experience, educational level, professional interests and so on.

Q1 Please rate the importance of cultural awareness training for your company (on a scale 1-5 )
A1. 2.

Q. How important is good communication for an efficient activity of your team? (On a scale from 1…5 –)
A. 5

Q a. What methods do you use for increasing this efficiency?
A. In our project we are using Extreme Programming as a development methodology. This means that all of the team members have to work in pairs as well as swap the pairs constantly, hence communicate among each other all the time. We also have an open door policy, therefore if someone has some question it would be very easy for him to drop by a room next door and get an answer. Originally I was performing the role of the customer in the project and my room was also next door to theirs so it was also very easy for them to pop in and ask their questions. Besides that we also had a stand up 10 minutes meeting every morning, where everyone was supposed to quickly go through the events of the previous day, mention the problems that have happened and make quick plans for the next day. So in my opinion XP programming improved the communication within the teams quite a lot, at least comparing with the times we didn’t use this particular methodology. Additionally some of the team members also spend their spare time with each other playing tennis; these activities could also serve as communication improvement.
Q. How essential is the trust for the development of your team? (Rate it on a scale from 1-5)
A. 5
Q. a. What do you do to make people trust each other more?
Aa. I think that trust within the team is very important; however I don’t know any formal methods that could help building this trust. To some extent, I believe Extreme Programming could be used as a useful technique that helps building trust. For example such concept as total code ownership, helps creating a better code transparency and reduces suspicions of people towards each other.
Q. How important is for the team to have shared vision of the company’s goals and objectives?
A. 5
Q. a. How do you achieve this mutual understanding?
A. It is very important that the team has a shared vision of the company’s goals and objectives. I think we are lucky not to be a very large company, so that the gap between the CEO and a programmer is not so big and therefore the people can understand more easily the connection of their daily work to the company strategic goals and objectives. And it is very important for the motivation of the people. We also have an explicit way of linking those two, as every year when we start this project we perform a one-day session where the project goals and the company longer strategic goals are linked together.
Q. How important is for the team to have a good understanding of each other’s roles and responsibilities?
A. 4
Q. a. How do you achieve this good understanding?
A. I consider good understanding of each other’s roles as quite an important issue and in my opinion it is very closely linked to trust. In order to trust each other people have to be well aware of what the others are doing and what their responsibilities are. In that sense I think that the advantage of eXtreme Programming is that it creates a very democratic atmosphere within the team, as everyone is having the similar roles with no labels such as Senior Software Architect or Junior Software Developer attached to the team members, so within the team everyone is equal.
The way the work is performed here is by breaking a bigger task into smaller subtasks one or two days long, that are described on a paper and stuck to the wall and afterwards each persons signs up for the tasks he wants. So in such a way a greater transparency is achieved, so everybody knows who is responsible for what so little place is left for misunderstandings.
Transcript of Interview 2 (Company A)

1. Company Information

Company A is a software development company that develops and implements resource optimization software for airlines and railways. Along with the software products the company A also provides various training, support, quality assurance and consultancy services.

The company encounters 190 employees, one third of who work for Research and Development Department. It has its offices in Copenhagen, Leon, Madrid, Miami, Montreal, Singapore and Stockholm, ensuring its company an international presence.

We conducted interview with the software developer who is working as an expert in the optimization team within R&D department. The interviewee comes from Czech Republic, with his educational background being in physics and he joined company A directly after finishing his PhD program, in Umeå, Sweden. He also had some limited working experience in his home country, as he worked in the public relations department of the Ministry of Defense during his military service. The interviewee has been working for Company A for 3 years now.

2. Team Information

The optimization team our interviewee is working with consists of 5 persons and has quite a culturally diverse environment, at various times having Italians, Czech, Swedish, English, and Indian specialists working together. The team uses Extreme Programming as a software development methodology.

Problem Elicitation

Q. Do you think that working in a culturally diverse team is more difficult than working in a regular one? Why?

A: No. I think it is fun. People who work in the multicultural teams are more open-minded. People who have experience working in multicultural teams understand that there is no such a notion as a “normal behavior”, because what is called norm in one country might not be a norm in another. That is why it is much easier to deal with people who have a multicultural working experience. People are much more flexible in this company; they expect you to be different.

Q. Could you briefly describe your project manager (interviewee 1)?

A. He is a great person; he comes from the same educational background as I do, so we understand each other a lot. He is very considerate and he listens to others a lot, these are the qualities I appreciate very much in him. If comparing managerial style I experienced here and in Czech Republic I should say it was rather different. Manager there was not supposed to be your friend and you were not allowed to make mistakes. On the other hand here the managers encourage new ideas and at the same time accept that people might make mistakes on the way. It makes the working atmosphere livelier and people’s behavior is much more active. Moreover the leader here does not tell you how you should accomplish your ideas. Instead he listens to your ideas and provides all the necessary support in implementing them, which in my opinion is much more motivating.

Probably his style of giving feedback was slightly milder than I was used to, but that can mainly be explained by differences in the use of language. As being native English speaker, he is more sensitive to the nuances and therefore where I would say “You must do that” he would put it as “You might want to consider doing that”. However you get adjusted to these differences quite easily.

Q. Do/did you experience difficulties, when communicating with the other culturally different (to you) team members?

A. Not really. As a matter of fact when the team is multicultural it is easier to communicate with people. Right now my team we have more Swedish people so they have a tendency to switch to the Swedish language when talking to each other. This in some cases may create a gap between them and the rest of the team.

But still, in my case, the job is not the source of multicultural problems for me. I would rather say that while living abroad the job is the place where I can feel good. You can feel
that you are in this place because you know something and everybody acknowledges it. Moreover, as we come from similar educational and professional backgrounds so we also have a lot of things in common, that brings us closer together as well.

**Part III.**

**Q.** What skills should a member of multicultural team possess to be able to work efficiently?

**A.** It is important for this person to have some experience of living and working abroad. It makes him understand the other cultures much better; he becomes more flexible in some sense. If I can remember people who actually had difficulties adjusting to the multicultural environment, then they were those who never had any abroad experiences.

**Q.** Should the team members spend additional/working time, learning about each other’s cultures, values, other differences?

**3a.** Would you consider useful yourself to have a cultural awareness training, to raise your level of understanding about the other team members? If not, why?

**A.** Definitely. As a matter of fact we had some multicultural training, learning about ways of formal behavior in different countries, s.a. greetings, exchange of business cards etc.

**Q.** Please rate the importance of cultural awareness training for your company (On a scale 1-5)

**A.** 5

**Q.** How important is good communication for an efficient activity of your team? Rate on a scale from 1-5

**A.** 5

**Q.** How essential is the trust for the development of your team? (On a scale 1-5)

**A.** I believe that the trust is very essential for the team efficiency. Especially this relates to the attitude of management towards the subordinates. It is important that the managers trust their employees, as in such case the people tend to respond with the same. If nobody is standing there behind my shoulder trying to check every move I make then don’t have this tendency to conceal things or to cheat.

**Qa.** What do you do to make people trust you more? What should they do to get your trust?

**Aa.** I believe that you should trust a person as a default, unless it proves the opposite. In my opinion trust can be build only with time; I don’t see any other artificial ways of building it.

**Q.** How important is for the team to have shared vision of the team’s goals and objectives? (Rate on a scale 1-5)?

**A.** 3

**Qa.** How do you achieve this mutual understanding?

**Aa.** Well it depends what level of vision you are talking about. In my opinion having a clear shared vision of the team goals and objectives is more important for the team than clearly understanding the company’s vision, as our day-by-day work is driven by closer goals and values, hence they are more important to us. And I also don’t really think that it is necessary for everyone in the team to have the same goals and objectives, rather the challenge is to determine what are their personal goals and adjusting their goals to the company’s needs.

**Q.** How important is for the team to have a good understanding of each other’s roles and responsibilities? (Rate on a scale 1-5)

**A.** 4

**Qa.** How do you achieve this good understanding?

**Well I am not very fond of formal approaches or labels, such as Software Engineer etc. In this respect I much rather prefer XP approach, where the customer writes the tasks and people themselves choose what they would like to do. All of the tasks are written and stuck to the wall, so there is little room left for misunderstandings.
Transcript of Interview 3 (Company B)

1. Company Information
Company B is an IT solution development company, based in Ljubljana, Slovenia. The company was founded in 1991, having its initial focus on hardware solutions; however its present specialization has switched to software developments with its business activities being:

- IT development and support to e-business and I-net solutions
- Development and implementation of business IS
- IT development and support of project management
- IT development and support of workflow management
- Software development of GroupWare applications

45 people are working presently for Company B of them 40 work in the software development department.

We have performed the interview with Dusan Alic, the head of Microsoft group N1 (there are 2 MS groups and 4 other groups in the company) - a sub-team of 8 developers within software development department. Dusan is 30 years old, with his educational background being in Economics, major in Finance. He has been working for Company B for 1,5 years now. Prior to coming to Company B he was working for 4 years in an import company, then 1 year as market researcher, and one year as a computer programmer.

2. Team Information
The team Dusan Alic was managing consisted of 8 persons: of them one team member coming from Portugal, another from Croatia and two more software developers from Moldova. All other team members were Slovenians.

3. Problem Elicitation
Q. Do you think that managing culturally diverse team requires more effort than managing a usual one? Why?
That's a complex question. This job was my first experience working in a multicultural environment. My current job is also quite different form previous ones, so working with foreigners was just one of many changes. We have projects, projects have deadlines and we have stressful situations every day. Working in international team does have some drawbacks - I have to communicate in a foreign language and explain customer's demands to them and they have to understand them perfectly - so as far as this is concerned - I have to spend much more energy in communication. But I must say all foreigners are more skilled and more motivated and responsible than local workforce.

Q. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?
The main problem in our case was communication. As I already mentioned we had to communicate in English and that could be a very challenging task especially in such a stressful environment as projects. Of course we also had other problems. In the long run you see how much energy it takes you, comparing to locals. The foreigners have a lot of additional issues that they have to handle and you must help them with that. You must help them to find an apartment; secretaries have to deal with a lot of legal paperwork, such as visas, etc. However the benefits of having multicultural specialists in our case were they were much more skillful and productive.

My impression was that besides language problem, they were not different in any way form local people in a cultural sense. Also I think that our local people must learn how to work in a culturally diverse team. But we never had put much attention to that. In every day work there are deadlines, technical problems that must be solved, customers waiting, we all just have to get work done.

Q. What differences do you see in the way culturally /different member/s/ perform their tasks?
It’s quite difficult to generalize all team members behave different in that sense.
Q. What differences could you see in the communication style of the culturally different team member/s?

The communication among the group was generally ok. However we had 2-3 Moldova programmers and they behaved somehow differently than others - they stuck more together and spoke Russian to each other because they were friends from home. Other individuals mix more with other people in the firm. That was quite natural, but in my opinion the team cohesiveness suffered because of that in the long run.

Part III.

Q. What skills should a manager of multicultural team possess to be able to work efficiently?

A. I think he should have very good communication skills in the first place, both in terms of knowledge of language and general communication abilities. Besides that he should also enjoy working in such a diverse environment, be eager to learn more about other cultures and countries. He should also be more open-minded.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? Would you consider useful yourself to have a cultural awareness training, to raise your level of understanding about the other team members? If not, why?

A. Yes, I think it would be a useful thing to do. However I believe that Company B upper management wouldn't agree to spend money on it since they already pay for the course of Slovenian language. Additionally in my opinion it would be good for every foreigner to get acquainted with local customs, language, cultural differences, history etc. But Company B is quite reluctant to spend money on such kind of activities. Foreigners get paid the same money and the owner refuses to help them any more than local people. So if locals don't get any extra treaties, no one else will.

I try to help foreigners as much as I can (form searching for apartment to buying a bicycle etc.). But many times I thought they should put more effort into trying to understand the country they came to. Also - what every foreigner should know - but usually they don’t - legal issues regarding them. Every country has laws about foreigners (regarding visas, permits etc) but many newcomers didn’t have clue about what those laws are. For instance one foreign student thought his wife needs a special visa to come to visit him and thought that's very complicated to arrange; but then I found out his wife has the right to visit him if he's a student in Slovenia. I never could understand why he didn’t try to study these laws himself. What’s more, this person was a student - and as a student he has certain privileges - every Slovene student uses them - cheaper bus tickets, cheaper lunches in restaurants etc. This person, however didn't use any of that but paid the full price every time.

Q. Please rate the importance of cultural awareness training for your company (On a scale 1-5)

A. 3

Q. How important is good communication for an efficient activity of your team? (Rate on a scale from 1-5)

A. 5

Q. What methods do you use for increasing this efficiency?

A. One of the methods we use here in Company B is providing free language courses for all of the foreigners. In my opinion it is very important and also I believe that the foreigners would benefit from more interest into Slovenian language and more interest into Slovene’s society and law. It was often the case that the cohesiveness of the team suffered because the foreigners could not speak Slovenian language properly and felt somehow isolated on social events. Moreover a foreigner who tries to learn Slovenian is awarded with a lot of respect from the locals.

Q. How essential is the trust for the development of your team? (On a scale 1-5)

A. 4

Qa. What do you do to make people trust you more? What should they do to get your trust?
A. Trust results from previously well preformed tasks. It also must be earned. I'm usually in contact with clients and then I have to distribute the tasks to many programmers. Because I can be very busy, I don't have the time to check and control their work very often. I even try to avoid it. So trust is one of basic needs for normal work here. But when somebody doesn't finish his work on time or the way we agreed to - and he doesn't notify me, he has problems; it's a very big issue in my group; because anyone can get into some sort of troubles but when he is quiet about them; I find it childish and totally unacceptable; because we have a client on the other side that will suffer because of that. If I find this kind of problems early - I can send him help and things get done on time. So having the people you can trust, makes my work a lot easier. I sometimes spend a lot of energy "teaching" somebody (usually a student with no previous work experience) these "rules of the game"

Q. How important is for the team to have shared vision of the team’s goals and objectives? (Rate on a scale 1-5)
A. 4

Qa. How do you achieve this mutual understanding?
A. The project is usually complex. Programmers almost never read contracts, never have contact with clients; they like to get the piece of work and have the peace to do it. Usually in Company B only project manager has the whole picture. The problem usually arises when a programmer discovers a way to improve his piece of software but he has no time to do it; because he must do what the customer demanded & paid for it. I had cases an application was supposed to do one thing, but a day before deadline in only had one super functionality done. I find such attitude to be very unacceptable. Team members are under a lot less stress than a project manager. There's almost no comparison. In ideal conditions every team member would be motivated and would know the whole picture. But it almost never happens. They don't want to know much besides the work they have to do. Although they do care about the project, they never get interest in the strategic goals of the company, as they are not present at the company management meetings.
The problem no.1 in Company B is in my opinion, that we don't have enough motivated and responsible people. It takes a lot of effort to have all projects under control and to have the customers happy.

Q. How important is for the team to have a good understanding of each other’s roles and responsibilities? (Rate on a scale 1-5)
A. 4

Q. How do you achieve this good understanding?
A. If speaking about division of roles and responsibilities I think my team mates don't have problems having clear understanding of what the others are doing and where does his part of the work belongs. The team is quite small so particular explicit method is needed to see the roles of each other.
Transcript of Interview 4 (Company B)

1. Company Information
Company B is an IT solution developer company. The company was founded in 1991, having its initial focus on hardware solutions; however its present specialization has switched to software developments with its business activities being:

- IT development and support to e-business and I-net solutions
- Development and implementation of business IS
- IT development and support of project management
- IT development and support of workflow management
- Software development of GroupWare applications

45 people are working presently for Company B of them 40 work in the software development department.

Team and Interviewee Information
We have conducted the interview with Maxim Andreev. Maxim is 25 years old and he has been working for Company B for 1 year as a software developer. Prior to coming to Slovenia, he has been working as a software developer for several years for a Moldavian Internet Service Provider company; however he never worked in a culturally diverse environment before. In Company B his responsibilities involved software development. The team Maxim was working for was quite culturally diverse, since in the team of 8 developers 4 people were coming from different countries, one from Portugal, one from Croatia and two more software developers from Republic of Moldova.

Part II.
Q. Do you think that working in a culturally diverse team is more difficult than working in a regular one? Why?
A. I think it depends on many issues. I never have been working in a multinational team before and that was also my first experience of working abroad so it is hard to separate these two. When you are moving abroad, everything around is so new and you have to adjust to so any more things than just a different teamwork style. However there are some things that I think make working in a multicultural more difficult. First of the difficulties at work is that you have to communicate in English all the time and for none of the team members it wasn’t a native language, so sometimes it was quite hard to understand what the others were saying, especially in case of stressful situations.

Q. Could you briefly describe Dusan, as a manager?
A. Dusan was my immediate manager for all time I was working in Company B. I cannot say that his attitude is somehow very special towards me. I think we managed to get along quite well with each other with no special misunderstandings taking place. However I’d say that sometimes he doesn’t trust us enough when it comes to assigning the tasks. In some cases he gives too many details on how should this particular task be done, instead of letting us decide that on our own. We also had some divergences in opinion regarding the project implementation, as I was for creating a more formal development process, whereas Dusan preferred doing it the usual way.

Q. Do/did you experience difficulties, when communicating with the other culturally different (to you) team members? When/Why?
A. As I have already mentioned English might sometimes serve as an impediment in communication. But normally the biggest challenge for me was the case when I had to communicate with someone outside the company, e.g. project’s clients. Since I didn’t speak almost any Slovenian at the very beginning I had to rely on my team members a lot and make sure that they tell me everything that was said on the meeting. That was sometimes difficult, as people tend to forget things. That is why I would prefer if we had a more formalized approach to the project execution, i.e. more detailed requirements specifications, design documents etc. However Dusan didn’t see a particular need in these things, which was probably one of the major disagreements we had.

Q. Did your ideas of how work should be done differed from the accepted processes in the team? In what way?
A. I cannot say that my ideas of how should the work be done differed drastically from the accepted processes in the team. The company I worked before was of the same size so the level of formality when approaching the project was quite the same. However I as I said before in the conditions I was working in Slovenia a more formalized approach to the project execution would be better for me, mostly because of the lack of my language skills. It was very difficult for me to keep up with all the changes negotiated during the meetings with the clients or during the discussions between other Slovenian developers when the majority of changes were made in a very informal (i.e unsupported by the documents) way. I believe my efficiency, as of a specialist, suffered a lot because of that.

Q. What differences could you mention in the working behaviors of your teammates?
A. I cannot say that there were some particular differences that could be attributed to culture.

Q. Who of your teammates you think you could really trust/lean on? Explain why.
A. I like people I worked with Company B a lot. However as it comes to trust I believe it is very important for me that the person is professionally competent and responsible. These are two things I appreciate the most in the people I have to work with.

Part III.

Q. What skills should a member of multicultural team possess to be able to work efficiently?
A. I think a person who works with people from different cultures should be open. He should try to communicate a lot with the others, spend more time with them, if possible out of office too. Also It is quite common for the foreigners who come from the same country to try to stick together all the time, I think this is also not quite right as in most of the cases you don’t get to know the other people so well.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? 3a. Would you consider useful yourself to have a cultural awareness training, to raise your level of understanding about the other team members? If not, why?
A. Sure that would be a good thing to do.

Q. Please rate the importance of cultural awareness training for your company (On a scale 1-5)
A. 4

Q. How important is good communication for an efficient activity of your team?
A. 5

Q. What do/did you do to communicate better with your teammates?
A. As communication was for me the source of the biggest problems I rated good communication skills as the highest. As it comes to how shall this good communication be achieved I think one important issue is to be able to speak a good English (or Slovenian).

Q. How essential is the trust for the development of your team?
A. 3

Q. What do you do to make people trust you more? What should they do to get your trust?
A. Trust is of course very important for the efficiency of a team, since it is not possible to work with a person you cannot trust. I think the best way to know whether you can trust this person or not is to go with him through some real working situations, see how he acts when being under stress, see how knowledgeable he is.

Q. How important is for the team to have shared vision of the team’s goals and objectives?
A. 3

Q. How do you achieve this mutual understanding?
A. Probably the team would benefit from having a shared vision of team’s goals and objectives, as seeing the progress of the project is always motivating, however I don’t think this is exceptionally important for our day-to-day activities.

Q. How important is for the team to have a good understanding of each other’s roles and responsibilities?
A. 4
Q. How do you achieve this good understanding?
A. I think that although good understanding of each other roles and responsibilities is generally important, such knowledge comes quite naturally if you work in a small team. In our case I didn’t have any problems associated with that. I think that could be also explained with the fact that I wasn’t the first person from Moldova to work for Company B and the people from Moldova who worked there before, have helped me quite a lot with their advices. Because of them I learned quite quickly how the things are done here in Company B and got to know the rest of the workers as well. They and Dusan have also helped me a lot with a lot of issues not related to work, s.a. finding an apartment, buying a bike and so on. So I think, that for the people who come to work in a new country it is very important to have a person who could help him adjust to the new workplace, whom he could ask about accepted behaviors, promotion policies, etc. In my opinion, if the company assigns such a person for every newcomer, it will have fewer misunderstandings later.
Transcript of Interview 5 (Company C)

1. Company Information

Company C is a small software development company headquartered in Arkansas, US. The company has been in business for just over 1 year. The primary business of the company is development and support of ticket selling software systems. From the very beginning Company C was oriented towards global sourcing and as the result the company currently has a very diverse team. The company employs 9 people currently, 5 of them are Americans and 4 of them come from other cultural backgrounds, including UK, Australia, Philippines and Moldova. We conducted an interview with the general manager of the company, Stewart Baker.

Stewart is 36 years old. He was born in Malta later he and his parents moved in Australia and he was raised in Melbourne. Stewart graduated from Royal Melbourne Institute of Technology. At the age of 28 Stewart moved to USA, he was working as the graphics designer in several companies in Texas and California. In 2004 Stewart moved to Arkansas and founded the Company C.

2. Team Information

Software development team at Company C consists of 6 people of 5 different nationalities, so it is hard to imagine a team that is more diverse than this one, making the team a very interesting research topic. This team is very young just as the company, working together for just about 6 months. This team has a very high degree of autonomy with virtually no supervision and no formal meetings. The team does not follow any strict software development process with much of the activities happening ad-hoc. Only in the last 2 months the team tried to implement test-driven software development process but has just moderate successes because of time pressure.

Part II. Problem elicitation

Q. Do you think that managing culturally diverse team requires more effort than managing a usual one?

A. It’s very hard for me to say just because I was always during all of my life exposed to multicultural environment and I have never managed a “usual” team. I can’t say that managing multicultural team requires more effort. But I believe that managing a multicultural team requires somewhat different approach to management. Probably the manager must be more attentive to people that are working around and the manager must be constantly talking to people to know what are their concerns, try to make people feel more comfortable in the workplace.

This is what we try to do at Company C, we want people to talk to each other, to develop better personal relations. For example sometimes we hold team meetings not in the offices but in the restaurants and we talk not only about work issues there.

Q. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?

A. Of course we have encountered difficult situations during the course of team’s activity; however I am not sure whether these difficulties were caused by cultural differences or by something else. As an example I can tell the story about an Indian developer that used to work for our company. She is a good developer and we were very satisfied with the way she handled there tasks. But she was quite shy and silent person – she rarely spoke up on the meetings, unfortunately not even in cases when she was having problems with her tasks. This created several situations when the success of our projects could have been undermined because corrective action could not be taken in time. I believe that fast flow of information inside the team is critical for the small teams to be successful; therefore the ability to speak up is the one of the key traits of character that we require in our team members.

Q. What differences could you note in the attitude of /culturally different member/s/ towards you (as a manager)?

A. I cannot mention any outstanding attitude towards me as manager from my team. After all we are quite a small company with no big distance placed between the manager and subordinates. We are all friends here.
Q. What differences do you see in the way /culturally different member/s/ perform their tasks?
A. Every member of the team was bringing some new ways of working, which I believed to be very important. Sometimes I felt that Veena would benefit from being more confident of her own powers. She was oftentimes overly relying on my opinions, instead of taking her own initiative. But I am not specialist in her domain and my judgments are not always accurate, therefore I very much wanted to listen to her opinion, but it often took time for me to get this opinion from her. However I cannot say whether such comes from some kind of cultural differences or her own nature.

Q. What differences could you see in the communication style of the /culturally different team member/s/?
A. I already mentioned that Veena was somehow shyer than the rest; she rarely spoke up at the meetings, so in some cases it was a little bit difficult to determine her opinion and track the progress of her work. But I guess that could also be explained by the fact that she joined the company later than the rest of the team, so she needed more time to get to know everybody and to get used to the new environment.

Part III. Skills Prioritization
Q. What skills should a manager of multicultural team possess to be able to work efficiently?
A. I believe that the main skill that a multicultural manager should possess is flexibility. A manager should acknowledge that people are different and should accept this fact. I was raised in multicultural environment, so this flexibility comes naturally in my case; I believe it helps me a lot in my business.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? 3a. Have you considered performing cultural awareness training, to raise the level of understanding between your team members? If not, why?
A. I don’t think that cultural training is necessary. After all we’ve all come to US and therefore we should be able to accept the values and traditions of this country; should be able to become Americans. I believe that cultural differences dissolve along with the time that team works together. Over time we’ll learn each other’s personality better and learn how to understand each other better. I don’t think that some kind of training will help.

Q. Please rate the importance of cultural awareness training for your company (On a scale 1-5)
A. 2

Q. How important is good communication for an efficient activity of your team? (On a scale 1-5)
A. 5

Q. What methods do/did you use for increasing this efficiency?
Good and efficient communication is the most important thing for the team success. We use different methods to increase communication; I already mentioned that we hold some of the meetings in the restaurants. I can add that we have a company policy that prohibits closed doors, all the doors are open, including mine. This allows people to walk-in and ask questions, whenever needed.
Also we have informal team building events held from time to time, like visits to cinemas and various sport events.

Q. How essential is the trust for the development of your team? (On a scale 1-5)
A. 3

Q. What do you do to make people trust each other more?
A. I think that trust is of course important, but it is not something that you have to develop. You normally start to trust other people when you get to know them better, when you talk to them. The same thing happens in the team, trust is developed over time and I don’t see any good way or need for special trust building policies.
Q. How important is for the team to have shared vision of the company’s goals and objectives? (On a scale 1-5)
A. 4
Q. How do you achieve this mutual understanding?
A. Yes, I believe that it is important for employees to know where the company is going. I try to be as open as possible with my employees about the customers of the company and future prospects. We try to operate under open information policy.
Q. How important is for the team to have a good understanding of each other’s roles and responsibilities? (On a scale 1-5)
A. 3
Q. How do you achieve this good understanding?
A. We try not to divide responsibilities sharply, but as in every team some people are better in some tasks then others and the news about it are quickly spread. This way the responsibilities are divided naturally, for example I do mostly graphic design related work, while I will most certainly ask someone else to do coding. However we don’t assign tasks from the top, usually team members are expected to pick there own tasks from the overall plan.
Transcript of Interview 6 (Company C)

1. Company Information
Company C is a small software development company headquartered in Arkansas, US. The company has been in business for just over 1 year. The primary business of the company is development and support of ticket selling software systems. From the very beginning Company C was oriented towards global sourcing and as the result the company currently has a very diverse team. The company employs 9 people currently, 5 of them are Americans and 4 of them come from other cultural backgrounds, including UK, Australia, Philippines and Moldova. We conducted an interview with one of the software developers Veena Prabhu. Her educational background is in Computer Science and she has spent most of her life in India with just 3 last years in USA.

Veena was working in the company for a 3-month long period. The team was responsible for developing web applications and Veena was personally responsible for graphical design of the applications. The team had 1 formal supervisor.

2. Team Information
Software development team at Company C consists of 6 people of 5 different nationalities, so it is hard to imagine a team that is more diverse than this one, making the team a very interesting research topic. This team is very young just as the company, working together for just about 6 months. This team has a very high degree of autonomy with virtually no supervision and no formal meetings. The team does not follow any strict software development process with much of the activities happening ad-hoc. Only in the last 2 months the team tried to implement test-driven software development process but has just moderate successes because of time pressure.

3. Problem Elicitation
Q. Do you think that working in a culturally diverse team is more difficult than working in a regular one? Why?
A. It’s a complex question. To some extent it is very exciting as you learn a lot about new cultures and countries. On the other hand it takes more time to get to know people, to develop personal relationships. Even if the language is not an impediment there are always many other things you have to get used to.

Q. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?
A. Not really. Of course there were problematic situations, however I think any problem has several causes and it is hard to separate those. Company C is small and this means that every person has a lot of responsibilities, a lot of things to do. For example our secretary, Camilla, besides performing her secretarial tasks was also working as an office manager, help-desk and an accountant. It was often the case that the developers were participating in several projects that were running simultaneously. Such work overload often lead to the situation when the people were very busy and spent more time dealing with their tasks and less time communicating with each other. Stewart, our manager was out of office a lot, as he had to meet and communicate with the customers and business partners. He was therefore spending less time on supervision. So sometimes he would just leave some general guidelines and disappear for several days. It took time for me to get a feedback on my work from him and then to re-do the work accordingly. This sometimes caused the delays in work. I think it would be better if on times when he was out of office Stewart assigned some other person with the authority to approve my work, instead of him. I also believe that our company would benefit from a better planning as sometimes people were working on several projects which had conflicting schedules.

Q. Do/did you experience difficulties, when communicating with the other culturally different (to you) team members? When/Why?
A. Everyone at the company behaved quite friendly, however I didn’t have a chance to talk to people that much. The project deadlines were quite tight so most of the cases I talked only to Jay, the developer I shared the office with.
Q. Did your ideas of how work should be done differ from the accepted processes in the team? In what way?
A. No, I cannot say that. The work of a developer is quite similar and doesn’t depend that much on the culture.

Q. What differences could you mention in the working behaviors of your teammates?
A. They all behaved quite differently I think. But it is quite hard for me to identify some particular patterns in their behavior.

Q. Who of your teammates you think you could really trust/lean on? Explain why
A. I think all of them are quite nice and friendly people. I cannot say I developed some personal relationship with any of the team members. I got to know more Jay who is native of Philippines. We were working in the same room with him and he was the guy that I was most talking to.

4 Skills Prioritization

Q. What skills should a member of multicultural team possess to be able to work efficiently?
A. The crucial skill of the culturally diverse team member in my opinion is the ability to communicate with team members. If he or she does this well, then he will probably not have any problems with multicultural team. After all, all of us are people and we can understand each other in a dialogue.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? 3a. Would you consider useful yourself to have a cultural awareness training, to raise your level of understanding about the other team members? If not, why?
A. 4

Q. Please rate the importance of cultural awareness training for your company (On a scale 1-5)
A. Yes, I would believe it is beneficial. For example we studied in university different ways to write CVs in US, we were practicing job interviews and so on. There is a substantial difference between how you do all those things in US and how you do it in India.

Q. How important is good communication for an efficient activity of your team? (On a scale 1-5)
A. 5

Q. What do/did you do to communicate better with your teammates?
A. I believe that good communication is one of the most important things for a team. But I guess the only thing which is needed to improve it is time. I was working at Company C for only couple of months, and I always had a lot of work, so I didn’t have that much opportunity to spend time on talking. I was also sitting in a separate office, so I guess other people also felt somehow restrained from just dropping by for a chat.

Q. How essential is the trust for the development of your team? (On a scale 1-5)?
A. 4

Q. What do you do to make people trust you more? What should they do to get your trust?
A. I think trusting people you are working with is quite important. I think it is important for people to be honest and open to the others in order to be trusted.

Q. How important is for the team to have shared vision of the team’s goals and objectives? (On scale 1-5)
A. 3

Q. How do you achieve this mutual understanding?
A. I think that having shared vision is not that much important for a non-manager. It is important for the manager to see the whole picture, and to be able to communicate it to the rest of the team and distribute the tasks among the employees.

Q. How important is for the team to have a good understanding of each other’s roles and responsibilities?
Q. How do you achieve this good understanding?
A. I think that in the small company this knowledge is quite intuitive – everybody knows more or less what the other one is doing and who is responsible for what. However as I already said it would be better if the management paid more attention to the supervision of his subordinates. The company would also benefit if the management had several people with the same authority to make decisions, so that one person could replace another when the latter is absent.
Transcript of Interview 7 (Company D)

1. Company Information
Company D is a software development company headquartered in Spokane, WA, US. The company is operating for over 4 years already. The company is developing its business in 2 main directions:

- They produce small desktop utilities and sell them in global market utilizing shareware principles
- They are active in the area of custom software development having more than 50 big corporations and government organizations as their customers.

Company D was organized by 2 American software engineering graduates: John Rutter and Richard Hansen. From the very beginning the company positioned itself in the global market trying both to sell globally and to use global workforce pool. They utilize Internet extensively to find both customers and developers and have been so far quite successful doing this.

We have conducted interview with John Rutter. He is 29 years old. John graduated from University of Washington. He has lived all his life in USA but in student years he was traveling a lot to Latin America and Europe.

2. Team Information
The team in case of Company D is a virtual company; therefore it is to some extent standing out of the other researched teams. The number of people in the team is changing constantly depending on the number of projects running; most of people are hired as part-time employees. The average number of people working is around 10. Two people who are working permanently for Company D are living in US, they also have several permanent employees in India and Ukraine.

Part II. Problem elicitation

Q. Do you think that managing culturally diverse team requires more effort than managing a usual one?
A. Actually no. We were working remotely both with American and international developers the same way. I can’t say that the level of interaction was better or worse in any case, it was just that good developers do good work while bad developers do bad work. The main problem with international developers is time difference making it almost impossible to communicate real-time. In order to overcome this we invest a lot of resources into requirements specifications trying to make as detailed and as explicit as possible. We did not do so well from the very beginning, but after we understood the importance of good and complete specifications the work went a lot smoother.

Q. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?
A. Sometimes we encountered problems when people from other nations did not understand our English. In most cases this was related to the widespread use of American slang by ourselves in our communication, therefore we learned how to write proper English, without Americanizing it too much.

The other problematic situation has happened when we were developing an application for Internet broadcast of different sport events. The application was highly customized to the particulars of different types of sports, among which were softball, baseball, i.e. sports that are not very popular outside of US. The problem we had was that Ukrainian developer did not know the rules of these sports and did not understand much of the terminology of these sports, making it hard for him to understand what we actually need to develop. Therefore we had to make numerous additional explanations of small details during that project in order to make it right. It was one of the most communication intensive projects in our history.

Part III. Skills Prioritization
Q. Do you think that managing culturally diverse team requires different skills than managing a usual one? If yes, explain why and list the skills. If no explain why.
A. As I said before I don’t think that there should be any specific set of skills for managing multinational teams, at least in our case. But managing virtual team probably requires different skills than managing usual teams.
The first one – you should learn to trust people you never saw in your life. In the beginning I had often a false sense that I am totally out of control, that I don’t know where are we and where are we going to with the projects. But as you get more experience working virtually you develop understanding and trust between you and your team members.
But the most important skill for managing a virtual team in my opinion is to be able to make your thoughts very clear in written form. We experimented with voice and video, but the Internet is still too unreliable for anything other than e-mail and instant messengers.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? 3a. Have you considered performing cultural awareness training, to raise the level of understanding between your team members? If not, why?
A. Probably if you work with people side by side it would be better to have some kind of cultural awareness training, you can always work more productively in a team when you know more about each other’s personality. However in our company we have very limited possibilities to get to know people we are working with, therefore I don’t think that cultural trainings would be much of a help for us.

Q. Please rate the importance of cultural awareness training for your company (On a scale 1-5)
A. 2

Q. How important is good communication for an efficient activity of your team? (On a scale 1-5)
A. 5

Q. What methods do/did you use for increasing this efficiency?
A. I believe that the good communication is a key for most of team-work. Our company is in difficult condition because of not being able to talk directly to team members. Therefore we have to do significantly more work than other companies in early stages of the project: prestudy, requirements analysis and breaking down tasks. If we do a good job with requirements then it is usually no problem for a project to be developed remotely.

Q. How essential is the trust for the development of your team? (On a scale 1-5)
A. 5

Q. What do you do to make people trust each other more?
A. Yes, trust is very important for our business, especially when you work with people you never met, who are located thousands of miles away. The trust cannot be built instantly; it is something you build as the time passes. We have some good people that worked for us in numerous projects and have proven their abilities. We trust those people and we try to make them trust us, by being honest, paying in time, giving bonuses, etc

Q. How important is for the team to have shared vision of the company’s goals and objectives? (On a scale 1-5)
A. 2

Q. How do you achieve this mutual understanding?
A. In our case shared vision is not so important. The strategy is something that is decided here, in USA, and other people are just executing the strategy we have chosen. We don’t have many regular employees; our workforce is comprised mostly of contractors, therefore having the shared vision is not so important for us.

Q. How important is for the team to have a good understanding of each other’s roles and responsibilities? (On a scale 1-5)
A. 3

Q. How do you achieve this good understanding?
The roles we are using in our projects are usually quite standardized. We do project management in US and we hire developers and testers from outside. We try to hire good
professionals that are very well familiar with the developer’s or tester’s work. Usually we don’t have direct communication between them as everything goes through the project manager. Therefore the role awareness in the team is not very important.
Transcript of Interview 8 (Company D)

1. Company Information

Company D is a software development company headquartered in Spokane, WA, US. The company is operating for over 4 years already. The company is developing its business in 2 main directions:

- They produce small desktop utilities and sell them in global market utilizing shareware principles
- They are active in the area of custom software development having more than 50 big corporations and government organizations as their customers.

Company D was organized by 2 american software engineering graduates: John Rutter and Richard Hansen. From the very beginning the company positioned itself in the global market trying both to sell globally and to use global workforce pool. They utilize Internet extensively to find both customers and developers and have been so far quite successful doing this.

We performed interview with Ion Grosu, software developer from Chisinau, Moldova. He is 26 years old, former graduate of the Technical University of Moldova. Ion is permanently employed in Moldova in a joint UK-Moldovan company (Company XYZ in continuation of this interview), but he was involved part time in several projects with Company D.

2. Team Information

The team in case of Company D is a virtual company; therefore it is to some extent standing out of the other researched teams. The number of people in the team is changing constantly depending on the number of projects running; most of people are hired as part-time employees. The average number of people working is around 10. Two people who are working permanently for Company D are living in US, they also have several permanent employees in India and Ukraine.

Q. Do you think that working in a culturally diverse team requires more effort than working in a usual one? Why?

A. It's difficult to generalize as it involves many other additional factors. For example in the case of Company D I was working most of the alone, communicating from time to time with American manager and Indian tester. Our communication was almost 100% executing via email with rare occurrences of instant messaging. I had a generally good impression about my co-workers, in most cases there letters were easy to read and to interpret.

However based on my experience with other remotely executed projects, such clear instructions are not always the case. Many times clients don’t write down their requirements in fine detail, change and send new requirements as project progresses. Such things make the developer’s life a lot more complicated.

When I started to work for XYZ in Moldova I was under supervision of a British manager. We were a very young company and a very young team that time; therefore we had some frictions in the beginning. We were not accustomed to the British management style, while manager was probably not very convenient with us.

He tried to be friendly with us, but due to not very adequate level of English in our team that time much of his jokes and words were not understood, we just could not support informal communication well enough that time. After a couple of months we found a solution in formalizing communication, communicating in written form was more convenient both for us and for the manager.

So definitely managing multicultural team is a challenge and it requires different approach than in the case with you compatriots.

Q. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?

A. I already mentioned a failed informal communication in our team. Another example I can remember is division of responsibilities. In a usual Moldavian company the usual procedure is that a manager would assign specific tasks to everyone in a team, and then team members
execute their own tasks and report and when the task is completed than the manager should play into action and assign another task.

In XYZ however in the beginning we were supposed to take the initiative and to select a different task on our own after we finished the old one. Some people were very confused and just did not step up and report that the current task is finished. Instead they polished little details in the code, thinking that it the manager’s responsibility to reassign them. In the end the manager understood this and gradually started to work in a more assertive way. This was well received by the team.

Q. How could you describe John as a manager?
A. The work with John was quite different from my previous experience because it was all handled remotely. I would say that we have a very strict, task-oriented communication, without personalities involved. Sometimes I would prefer to know more of him as a person. However I believe that John has an opinion of me as of good professional and we get along quite well.

Part III
Q. What skills should a member of multicultural team possess to be able to work efficiently?
A. If speaking about my experience of working with my English colleagues I would say that the main skill for the team member in the team is flexibility. If a person is flexible enough and able to change his style, his habits, then he is able to work successfully in any team. I would compare managing multicultural team with changing the industry. In many cases a good manager is able to change the industry and to achieve good results on the new place. It’s people everywhere and there’s a lot of similarities between people.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? 3a. Would you consider useful yourself to have a cultural awareness training, to raise your level of understanding about the other team members? If not, why?
A. Actually it happens quite often to me to communicate electronically with people from my own culture and from other cultures. Frankly speaking - I can’t tell any difference between the cultures in case of electronic interactions, apart from the differences in the language use. However I believe that cultural awareness is needed if you work with other person side by side.

Q. Please rate the importance of cultural awareness training for your company (On a scale 1-5)
A. If rating this practice for my work with Company D then I would rate it as 2

Q. How important is good communication for an efficient activity of your team? a. What methods do/did you use for increasing this efficiency?
A. I would say that if the task is clearly defined with good documents, then it’s ok to have less than perfect communication in the team. It may also be OK if only project manager is aware of big picture. But we don’t leave in a perfect world and good documentation is rather exception than a rule. That’s why in real world communication plays a very substantial role.

Q. Please rate the importance of communication for your company (On a scale 1-5)
A. I would give 4 for communication.

Q. How essential is the trust for the development of your team? (On a scale 1-5)
A. 5

Q. What do you do to make people trust you more? What should they do to get your trust?
A. I believe that generally the trust is very essential for a successful activity of a team. In case of a remote work the trust is even vital. When working on a distance, it is quite hard to develop personal relationships with your team mates, you talk less with each other, you know nothing of their professional competence and therefore it takes a while before you start trusting them. In my experience it was helpful to communicate more with the people, esp. on the early stages of the project. But that is quite difficult, esp. because of the time differences.

Q. How important is for the team to have shared vision of the team’s goals and objectives? (On scale 1-5) Why?
A. Since I participated in the project as an external contractor, the long term goals and objectives of the company were not so important to me. However I think that for the team motivation it might be good to know where the project is going, so I would rate this practice as 3.

Q. How do you achieve this mutual understanding?
A. It is the task of my project manager to make sure I know all the necessary details. However sometimes I also try to show interest into the project progress and share it with the rest of my team.

Q. How important is for the team to have a good understanding of each other’s roles and responsibilities? (1-5)
A. 5

Q. How do you achieve this good understanding?
A. I believe that understanding of the roles is extremely important; I would give it 5 on 5-point scale. I believe it is a lot easier and more productive to concentrate on your task then to think about the big picture, the total project. If roles are not well-defined, you can get a situation when you just don’t whether the part of code or a bug is your responsibility or not. It’s not a big deal in small projects like those I worked on with Company D, but as project gets bigger roles should be defined in more and more details.
Transcript of Interview 9 (COMPANY E)
Interviewee: Louis Pichette

1. Company Information
COMPANY E is a software development company that develops and implements a customizable user interface platforms for smartphones based on Company XE Operating System. The company is based in Sweden and encounters 140 employees. COMPANY E’s core business activities are in usability design, software engineering, product realization, technical consulting, sales and marketing. The company was established in 1999 and is a fully owned subsidiary of Company XE Ltd.

2. Team Information
Louis Pichette belongs to the consultancy department. His position as a consultant mainly involves working with the customers outside of the company; however Louis is now also engaged part-time in the in-house development project. The team he is working with consists mainly of Swedish workers; however there is also one German and one French person Louis is working closely with.

Problem Elicitation
Q. Do you think that working in a culturally diverse team is more difficult than working in a regular one? Why?
A. I’d say it is definitely different. When I first came to Sweden I had to adjust to so many things at once. Besides a very different environment, people here behave also in a very different way; they have established ways of working that alter from those in France. One of the notable differences was for instance the way organization is structured. While in France, the organizations are more hierarchical, COMPANY E’s organizational structure was much more flat, with less stress on managerial authority. Because of that people are more open to various ideas and suggestions, regardless of where they come from - the top or bottom of the organization. The leadership style differs in a way that the manager takes much more into consideration the opinions of his subordinates. I’d say that the management here trusts its subordinates more and gives them more freedom in implementing their tasks, as long as the subordinates prove to be efficient in the task execution. I’d also say that the age and functional position play a smaller part in here than in France. I was 20 when I joined the company; however I was granted with much responsibility almost at once. It might have been difficult for me at the very beginning, but in the end it made me more confident in my powers and it gave me more working knowledge and skills.

Q. Could you briefly describe Michael as a manager?
A. Well, I must say that we don’t together on the same projects, as he is my line manager not the project one. Therefore we don’t meet that often, probably no more than a few hours a week. I would describe Michael management style as a rather strict/formal one. His managing behavior is guided by the rules a lot, which in some sense is quite good, since you always know what to expect of him. Sometimes we have certain misunderstandings of course, however Michael is always open to discuss these issues and is very willing to reach a compromise, no matter how long it takes.

Q. Do/did you experience difficulties, when communicating with the other culturally different (to you) team members?
A. To some extent yes. Our Swedish team members are generally less talkative and less inclined to disagree than the other international employees. They don’t voice their opinions unless asked, which sometimes may lead to problematic situations. It is often the case that you have to go to a certain person and pull out the information out of him. It takes time to learn how to deal with such issues and it definitely takes more effort. Such differences in communication certainly influence the company’s established working processes. For example, one of the informal tasks of the project mangers here is to serve as a communication link, passing the information from one person or team to another. Another example could be the intense usage of formal processes and policies. In my opinion it is also related to the fact that informal communication is not efficient enough, thus writing a
document and posting it on the internal network serves as a certain substitute for passing the same information directly to people.

Q. Did your ideas of how work should be done differ from the accepted processes in the team? In what way?
A. I have already mentioned the extensive use of formal policies within the company. This is one of the things I sometimes disagree with, since in my opinion it often goes “over the limit”. In some cases too much time is spent on the initial planning and measurement, leaving the actual work behind. Such approach of course has its advantages, thus you see exactly where the project is going, what you are dependent on, etc. However as I said the disadvantage of such approach is that it is very time consuming.

Part III.
Q. What skills should a member of multicultural team possess to be able to work efficiently?
A. First of all this person should be a good communicator. In my opinion, even the technical skills are not as important as the ability of a person to communicate. What’s more, this person should learn not to behave on the impulse, but rather spend more time learning about other people reactions to his behavior first.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences? Would you consider useful yourself to have a cultural awareness training, to raise your level of understanding about the other team members?
A. Yes, they should spend some time learning about each other’s culture, however I don’t think that cultural training of any kind can teach a person a different culture, as there are too many deep issues there, that are very hard to explain. The only thing a cultural training can teach a person is to be more open towards other cultures.

Q. Rate the importance of cultural awareness training (On a scale 1-5)
A. 2

Q. How important is good communication for an efficient activity of your team? Rate on a scale from 1-5
A. 5

Q. What can you do to increase this efficiency?
A. Well I must say that good communication exists quite naturally inside a small team, so there is no particular need to increase it additionally. When it comes to the communication between different teams, it is definitely less; I believe the best way is to have some joint activities. For example we have a breakfast together with other teams in the morning, so that helps me learning more about what’s going on in their work.

Q. How essential is the trust for the development of your team? (On a scale 1-5)
A. 4

Qa. What do you do to make people trust you more? What should they do to get your trust?
Aa. I think the trust is developed mainly with time and mutual working experiences. However to become trusted the person should try to be open towards the others, should keep talking to others and should also be honest.

Q. How important is for the team to have shared vision of the team’s goals and objectives? (Rate on a scale 1-5) Why?
A. 3

Qa. How do you achieve this mutual understanding?
Aa. It depends a great deal which goals and objectives are we talking about. Although I think it is generally good to see where the project is going, it is much more important to stay focused on your particular task, otherwise you risk of spreading yourself “too thin”. It is a task of a project manager to have the entire vision of the project and seeing where it fits into the entire company’s strategic plan. However it might be essential for the team members to be able to get this information easily, when they happen to need it.

Q. How important is for the team to have a good understanding of each other’s roles and responsibilities? (Rate on a scale 1-5)
A. 4

Qa. How do you achieve this good understanding?

A. Normally, when you start working for a project from the very beginning you learn quite quickly who is responsible for what, so that is not a problem. As it comes to how each and every person is doing – you don’t always know that. In COMPANY E the person who is in charge of tracking the progress of each and every team member is team leader. And in case he sees that someone is behind he may direct others to help. The situation might get a little bit more problematic for the consultant who gets re-directed to an already running project. Then you pop-in a new environment and you have to learn quickly what’s going on, that might be a little difficult.
Transcript of Interview 10 (Company COMPANY E)

2. Company Information

COMPANY E is a software development company that develops and implements a customizable user interface platforms for smartphones based on Company XE Operating System.

The company is based in Ronneby, Sweden with approximately 140 employees working there. COMPANY E’s core business activities are in usability design, software engineering, product realization, technical consulting, sales and marketing. The company was established in 1999 and is a fully owned subsidiary of Company XE Ltd.

2. Team and Interviewee Information

Michael Andersson is the head of the COMPANY E Consultancy department, which encounters 21 team members. The function of the team is to provide consultancy services to the company’s customers, as well as to support local teams in their in-house development projects. Because of such a wide range of responsibilities the team structure is generally much more mobile and changing if compared to the other teams in the company. Thus a person working in this team may be working independently with an outside customer, as well as working in a sub-team of developers inside the consultancy department or joining some other team inside COMPANY E for an internal project.

Michael’s responsibilities are mainly those of a line manager, in other words he is responsible for taking care of the career and salary progress as well as ensuring a good working environment for his subordinates. However he is also involved part-time into project management activities and his previous experience of project management within COMPANY E is about 3 years. Michael educational background is in Computer Science and he has joined COMPANY E as a software developer in 1999, directly after finishing his master studies in Växjö.

The consultancy team has two international members, Louis and Sebastian, both coming from France. However Michael has a more extensive personal experience in multinational team management, as at various points of his career he was working with Chinese, Italian, English, French and Indian team members.

3. Problem Elicitation

Q. Do you think that managing culturally diverse team requires more effort than managing a usual one? Why?

A. To some extent yes. One of the issues that usually takes more effort is of course communication. First of all of the team members have to communicate in English, and some may feel slightly strained to express their ideas in English all the time, they don’t get involved into discussion so much if it is performed in English. The manager in such cases should constantly encourage people to speak out and ensure that everyone has an opportunity to do so. The team members that speak the same language have also the tendency to switch to their native language when communicating to each other, which might in some cases create a gap between them and the rest of the group. For example, we have two French people working in the consultancy department; they are good friends and are, naturally, speaking French to each other. For these reasons I am usually trying to assign them on different projects, because otherwise it might create a situation when they are loosing the contact with the rest of the team very quickly.

Among the advantages of a multicultural team I could mention the fact that all of the team members develop better skills of working in a multinational environment, s.a. better use of English language, certain knowledge of other cultures, etc. This is very important for COMPANY E, since we have our headquarters based in England, London and we are also working with customers from all over the world. At the very beginning of the COMPANY E existence we had a very multicultural environment. We still have people from about 5 different countries working here, however as the company grew the proportion of multinationals decreased a lot, so it is often the case that the meetings are performed solely in Swedish, since there are no foreigners in the team.

Q. Could you give example of several problematic situations you experienced while working in this team, which in your opinion, happened because of cultural differences?
A. I can’t come up with any particular problematic situations within the team I am working with right now. There were several situations with other multinationals that I could have called unexpected and that required from us/the management/ some additional attention. For instance we have been and we still are working with a group of software developers in India. They seemed to be managing their tasks quite successfully, however when at some point of time, we traveled to India to learn about their work progress we’ve realized that they didn’t have any access at all to the information that we thought was publicly available there. And although that information was quite essential for their tasks they didn’t attempt to inform us that they needed it. This situation could not be called problematic, since they still have accomplished their project, however it taught us that the feedback “we are doing fine” can actually mean many things.

Q. What differences could you note in the attitude of /culturally different member/s/ towards you (as a manager)?
A. As it comes to Louis I would say that he is quite an active person, who is eager to accept responsibilities and who manages well to accomplish them independently. I cannot actually see any particular differences in his working style that would set him aside from the other workers. As an example of a working style that actually differed quite a lot I could probably mention our Chinese employee. He was a senior software developer, working for COMPANY E for about 1 year. He accomplished every task appointed by the manager; however he always required detailed guidance on how exactly should this task be done and he almost never took additional obligations upon himself unless asked to do so. That was a behavior that was much harder to manage, as our managerial approach towards the employee assumes that he is a knowledgeable person, who is able to take the responsibility of the work he performs and execute a task mainly on his own, being given just some high-level description of the task.

Q. What differences do you see in the way culturally /different member/s/ perform their tasks?
A. One of the examples of different approach to the task execution could serve our Chinese employee, I’ve already mentioned before.

Q. What differences could you see in the communication style of the /culturally different team member/s/?
As it comes to Louis I’d say that he is a very good communicator. He is quite an active person, so he never has the problem of losing the communicative touch with the rest of the team. If speaking about our Indian team, I believe we would benefit from more active communication with them.

4. Practices Elicitation

Q. What skills should the manager of a multicultural team have, to be able to manage his team effectively?
A. He has to listen quite a lot. He also has to learn not react on an instant, unless he is sure he can interpret the other’s behavior in the right way. When managing a multinational team you have to think twice all the time and learn not to rely heavily on your local standards of behavior and values.

Q. Should the team members spend additional/working time, learning about each other’s cultures, values, other differences?
A. In my opinion it is an important thing to do, especially in the case of our Indian colleagues. Thus, when we started working with Indian team, three people of their team have spent three months in Sweden, learning about the company’s businesses and getting to know people in the company. Of course, that was quite a limited experience, however it gave them some ideas of the things are done in here. Moreover there is always someone from our company visiting India every three months.

Q1. Have you considered performing cultural awareness training, to raise the level of understanding between your team members?
A1. Yes, and the company in India actually performs some sort of a cultural training, telling the people more about the accepted policies in Europe, management styles, communication,
etc. When it comes to the people who are working here, in Sweden, we do not spend that much time teaching them about the other cultures.

Q. Please rate the importance of cultural awareness training for your company (On a scale 1-5)
A. 3

Q. How important is good communication for an efficient activity of your team? (1-5)
A. 5

Q1. What methods do/did you use for increasing this efficiency?
A1. That depends which team we are working with. We’ve actually realized that one of the most efficient ways of communicating with our Indian team (if leaving personal meeting aside) would rather be email and/or instant messaging systems and not the phone communication. Such issues as bad phone connection or an accent that is hard to understand make a telephone discussion much less efficient than communicating over msn.

Q. How essential is the trust for the development of your team? (1-5) Why?
A. 4

Q1. What do you do to make people trust each other more?
A1. In my opinion team building in general is quite important. If you want a team to work together efficiently building trust among them is quite important. One of the good methods we use here in COMPANY E when a new team is formed is performing a brief field team building activity, s.a getting over the fence, building a pyramid etc. During such kind of activity people achieve a small goal, which gives them a certain motivation to strive towards achieving bigger goals already in the real life situations. At the same time they also have a chance to talk to each other more, get to know each other’s reactions in different situations and develop trusting relationships among each other.

Q. How important is for the team to have shared vision of the company’s goals and objectives? (1-5)
A. 5

Q1. How do you achieve this mutual understanding?
A1. If speaking about the company goals and objectives – then in my opinion it is quite important and we at COMPANY E have a clearly stated vision and mission of the company made publicly available to everyone. As it comes to the goals and objectives of a particular project, that in my opinion is even more important, however it is also very difficult to achieve. Our company operates in a highly changing environment, where the requirements of customers, technology standards are always changing. It is then the task of the management to make sure that everyone in the team has a clear picture of the project progress, not exposing them at the same time to all that high amount of changes, as that could be quite frustrating for them.

Q. How important is for the team to have a good understanding of each other’s roles and responsibilities? (1-5)
A. 4

Q1. How do you achieve this good understanding?
A1. One of the good things is just having the tasks and responsibilities clearly defined, written on a paper and made available to the whole team. This method also helps seeing clearly the progress of each and every worker, and finding out early if a person has any problems with the task.