

Your Employee Assistance Program is a support service that can help you take the first step toward change.

Managing Cultural Diversity

Businesses that do not address the issue of cultural diversity risk falling behind because of the realities of the modern workplace. For example, the average age of the American worker is increasing, white males now make-up less than 50% of the workforce while women, and people of color make up an increasing number of new entrants into the workforce. The diversity umbrella includes sex, age, race, physical ability or disability, marital status, parental status, cultural background and lifestyle. All of these groups expect to be treated with dignity, sensitivity and fairness. And this is just within the United States. With businesses becoming ever more global we are increasingly dependent on trade with other countries. In fact most manufactured goods contain components from more than one country. Employees and leadership must be culturally sensitive and appreciate cultural differences.

Companies save money when they see to it that minority members feel like they are well treated. The bottom line is that absenteeism and turnover rates are reduced while the company gains a good reputation in this important area, which leads them to be more successful when it comes to recruiting and retaining talented minority members. A cultural diverse group also uses marketing dollars more wisely as they are more savvy about what various groups want and how to reach them. If a company provides workers from all groups with up-to-date tools and resources necessary for achievement they maximize their potential for success. And, finally, the creative process is expanded when culturally diverse groups share their ideas and knowledge when it comes to solving problems and making decisions.

Individual cultures influence the work place based on what is expected within their culture. Knowledge of these different practices is critical in our ever-expanding global marketplace. For example, some cultures value the group more than the individual, Japan is an example, while others, such as the United States, value individual attainment more that of the group. Neither is right or wrong, however an understanding of this difference is important when a company has global ambitions.

Another major area of concern is how employees view management. In some cultures there are wide power differences between the worker and the boss and in such situations the employees are willing to accept whatever the boss dictates. In societies in which there is not such a clear demarcation between employee power employees do not automatically accept the idea of a power hierarchy. Again, Japan is an example of a society with large differences in power between management and employees while the United States is an example of a country in which such a discrepancy is not automatically accepted.

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The United state is also an excellent example of a materialistic society which values the acquisition of money and material things more than a concern for the general well being of its citizens and a high quality of life for everyone. Sweden is an example of a country that has great concern for their citizens and place less value on the attainment of individual success and material gain.

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Another area that makes the United States distinctive is our short-term perspective and associated demand for immediate gratification. Informality is also more accepted in the United States than in many other countries. While these perspectives seem perfectly proper to us because of our urgent time orientation, it is not the way that much of the world expects things to develop. Indeed, in many cultures a long-term perspective is the norm. A certain formality is expected, social rules are expected to be followed, business deals take time to develop and short-term returns on investments are not expected. These differences are quite important. Societies like ours consider time to be a scarce resource and we are impatient when it is wasted. However, in cultures in which time is considered to be unlimited, business relationships and deals move more slowly and negotiations are more patient. This is very important for us, as Americans, to understand as our eagerness to get an agreement over lunch or to impose deadlines is very off-putting to those with a different time perspective. If there business is important we need to learn how to be more willing to allow the time for things to develop.

Especially during this time when the United States is eager to court additional European allies it is important to recognize a few differences in the way we both view the world. Most successful European firms are people oriented and managers have the desire to promote employee satisfaction. In the United States profits are usually more important than anything else. Europeans also spend a lot of time in inter-organizational negotiations while in the United States the top management tends to make the really important decisions.

Given the proximity of so many other countries, European companies have learned how to recognize and utilize diversity. This is a real advantage because they are respectful of the host country's way of thinking and are less likely to try and impose their way of thinking when doing business in another country. Just imagine if you were trying to do business with another country and they demanded that you adapt their way of thinking or else. Europeans tend to be moderate in the time perspective which allows them to work successfully not only with other Europeans but also with countries with vastly different time perspectives like the United States and Japan.

Another critical element is an understanding that rewards do not have the same value in all societies. In more individualistic societies, like the United States, it is not uncommon for workers to believe that they have control of their own destiny. In more collective cultures employees commit themselves to their workplaces because of their relationships with coworkers and managers and do not act purely out of self-interest. Even within the United States, workers from very urban areas tend to be self-centered and recognition seeking than their rural counterparts who may be more collectivist in their goals. This is important not only in how we try to work with other countries but also how they select to work with us. The Saturn Motor plant is located in an area of rural Tennessee for a purpose, namely the desire for harmonious and loyal employees. This decision has worked out well for Saturn.