

Managing Cultural Diversity

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 For more information visit www.harmony.gov.au

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Managing Cultural Diversity Workshop Objectives

- Establish the business case for managing cultural diversity: impacts and benefits
- Develop cross-cultural skills
- Conduct a diversity analysis of business strategies and operations
- Develop action plans

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Managing Cultural Diversity Workshop Outline

- 1. The Business Case
- 2. Cross-Cultural Communication and Cross-Cultural Adaptability
- 3. Managing Culturally Diverse Teams
- 4. Factoring Cultural Diversity into Business Planning

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Worksheet #1 Managing Cultural Diversity Individual Objectives

- In your group discuss your main objective/s in attending this workshop
 - Complete Worksheet #1 for your business or team
 - Name & Organisation
 - Project, Program or Process Title (use action words; recruit, develop, market...)

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1. The Business Case for Managing Cultural Diversity

- Understanding Diversity Management
- Managing Cultural Diversity
- The Business Case for Managing Cultural Diversity
 - Cultural Diversity Experiences and Issues
 - Developing Your Own Business Case

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Understanding Diversity Management What is 'Diversity'?

- All of the significant differences between people that an organisation needs to take into account in managing and serving people.
- The significance depends on the situation.
- The most importance differences are often the least visible.

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**Understanding Diversity Management
The Dimensions of Diversity**

Gender	Age	Ethnicity	Culture
Language	Sexuality	Ability	Education
Religion	Personality	Literacy	Experience
Role & status	Economics	Family role	Carer roles
Geography	Work style	Communication style	Thinking style
Management style	Organisation Culture	Profession	Ideology
	Industry Culture	Regional Culture	

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**Understanding Diversity Management
Diversity Management Definition**

Diversity Management is the ongoing **process** of factoring the recognition of workforce and customer differences into **all** management functions, communications and services to create a fair, harmonious, inclusive, creative and productive organisation.

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**Understanding Diversity Management
Functions of Diversity Management**

- **In the workplace;**
 - Encourages and supports social inclusion
 - Ensures participation and full contribution of all staff to the goals of the organisation.
- **In customer and client service:**
 - Ensures access and equity
 - Monitors compliance obligations
 - Ensures relevant, appropriate services

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**The Business Case for
Managing Cultural Diversity**

Diversity Management is Linked to Organisational Core Values

- Respect
- Collaboration
- Integrity
- Innovation
- Professionalism
- Service
- Open Communication
- Accountability

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**The Business Case for
Managing Cultural Diversity**

Organisational Excellence Depends On:

- Knowledge Management
- Innovation
- **Social Cohesion**

Source: OECD 1998

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**The Business Case for
Managing Cultural Diversity**

Achieving social cohesion is enhanced by the practice of;

Diversity Management

which involves addressing

Compliance Factors	Organisational Development Factors	Market Factors
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Worksheet #2

Situation Analysis: Cultural Diversity and Your Business Environment

- Identify macro environment trends for your business which are influenced by cultural diversity
- Macro Environment Trends
 - Political
 - Economic
 - Social/Cultural
 - Technological

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Situation Analysis: Economic and Social Drivers for Managing Cultural Diversity

- Compliance: EEO, Discrimination, OHS
- Competing for talent, solving skills shortages
- Managing relationships and expectations of idiverse workforces, communities and customers
- Managing knowledge and innovation
- Competing internationally
- Ensuring ethics, due diligence, social responsibility

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Worksheet #3

Cultural Diversity and Industry Environment: Economic and Social Drivers

- Identify the key economic and social drivers for managing cultural diversity in your business environment
- Note that economic and social drivers often overlap
- Rank their importance to your business

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The Business Case for Managing Cultural Diversity: Understanding Diversity Management

- Managing cultural diversity can generate sustainable competitive advantages (SCA)
- A SCA is something that your company does that is:
 - Better than your competitors
 - Valuable to your customers
 - Rare in your industry
 - Difficult to imitate

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The Business Case for Managing Cultural Diversity: Case Studies

- Hewlett Packard Australia diversity strategy reduced labour turnover from 25% to 8% per year over a 3-year period. Received Employer of Year Award.
- Schefenacker Vision Systems cross-cultural training for managers resulted in intranet site sharing cultural info on overseas markets, development of an international HR manual and a global reputation for cultural intelligence.
- Standard & Poors Study (2002): Top 100 companies for diversity delivered avg Return On Investment of 10.7%, compared to Fortune 500 avg ROI of 5.7% over 4 years.

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Managing Cultural Diversity Group Profile

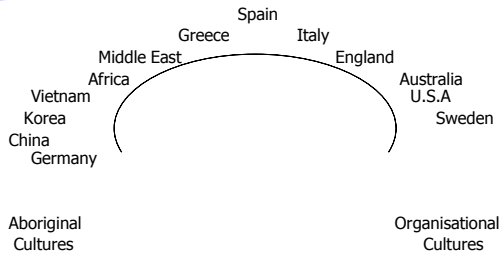
- Group Profile
 - Name
 - Position and Organisation
 - Your and your parents' countries of birth

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Plotting Cultural Diversity

High Context Cultures Low Context Cultures



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**Worksheet #4
Your Workforce and Customer Cultural Diversity**

- Workforce Cultural Diversity
 - Australia
 - Other cultures
- Customer Cultural Diversity
 - Australia
 - Other cultures
- Future Employees
 - Australia
 - Other cultures
- Future Customers
 - Australia
 - Other cultures

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How Can Cultural Diversity be 'Managed'?

- Working with and managing cultural diversity management is a generic skill
 - Most managers deal with it daily – or ignore it
 - Actively managing it increases competitiveness
- Understanding employee motivations and satisfactions an important component of good management.
 - Culture influences perceptions of universal human needs

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How Can Cultural Diversity be 'Managed'?

- Diversity management requires new knowledge, skills & "cultural competence"
 - Cultural competence: The awareness, knowledge, skills, practices and processes to function effectively in situations characterised by cultural diversity.

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How Can Cultural Diversity be 'Managed'?

Working with and managing diversity raises many complex issues...

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**Worksheet #5
Diversity Management Issues
Agree-Disagree Exercise: Example**

	1	2	3
1. If a person has negative views about another culture, teaching them about that culture will reduce their negativity.	A		
2. It is necessary to analyse one's own culture before learning about another culture.	D		

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Diversity Management Issues

- Which statements generated the most difference of opinion? Why?
- What lessons regarding workplace communication and relationships can be drawn from this exercise?

Diversity Management Issues

- **Groups need and want to work harmoniously, without conflict**
- **It is common for groups to avoid recognising or discussing differences**
- **Until an issue arises, we don't know if we think differently about it**
- **Actively managing diversity requires examination and discussion of differences of perspective and interpretation**

Cultural Diversity Issues & Experiences

- When have aspects of cultural diversity in the customer base affected delivery of products and services?
- When have aspects of cultural diversity in the workplace affected your work?

Worksheet #6 Workplace and Customer Service Cross-cultural Experiences & Issues

- **In the business project or area you are analysing, when have cultural differences been significant? Describe the experience/s and list the issues and impacts.**

Experiences

Issues

Example: Employee of Middle Eastern background resists instructions from female supervisor. Seeks transfer to a team with a male supervisor. Denies that he is biased against women.

Gender equity
Effectiveness
Team morale
Stress

Cross-Cultural Workplace Experiences

Experiences

Issues

Chinese employee misunderstood safety instructions due to poor English, said Yes to be polite

Poor communication
Safety risk
Liability

Hosting Iraqi delegation; language barriers, internal politics, women needed permission to speak to men, can't enter room before a man.

Poor communication
Negative emotions
Failed to meet project goals.
Bad impressions.

What impact does diversity have on your work?

Low

High

No diversity intersections intersections

Major diversity

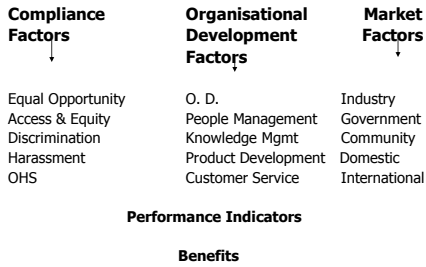
No work implications

Critical work implications

No investment required

Investment required in Diversity Management Systems, Resources, Training, Development

An Integrated Framework for Diversity Management



The Business Case for Managing Cultural Diversity: Compliance Factors

- Equal Opportunity
 - Age, sex, sexuality, marital status, pregnancy, race, ability
- Access and Equity
 - Ability to Access Services, Impartial and Fair Delivery
- Discrimination
 - Employment, Services, Associations, Qualifications etc
- Harassment
 - Sexual, Physical, Bullying
- Occupational Health and Safety
 - Systems, Practices, Conditions
- Environment

The Business Case for Managing Cultural Diversity: Compliance Factors

"Many migrants who come to Australia for economic reasons expect discrimination and prejudice – and find it. But the fact is that I am better off than if I had stayed in my home country, so I don't speak up. The discrimination does have a negative impact, but I put up with it. Sure, things would be much better, and I could contribute more, if I didn't feel that I was being held back all the time."

Diversity Management: Benefits, Challenges and Strategies
B.D'Netto et al, Commonwealth of Australia, 2000
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The Business Case for Managing Cultural Diversity: Compliance Factors

- Racial Discrimination Act 1975
- Sexual Discrimination Act 1984
- Equal Opportunity Act 1984
- Affirmative Action Act 1986
- Human Rights & EO Commission Act 1986
- Occupational Health and Safety Act 1986
- Disability Discrimination Act 1992
- Racial Hatred Act 1995
- Workplace Relations Act 1996
- Racial Vilification Act 1996
- Age Discrimination Act 2004

The Business Case for Managing Cultural Diversity: Compliance Factors

- Managing Diversity begins with ensuring compliance with the laws and codes of society and the organisation.
- Ensuring compliance involves communication and direct responses to expressions or acts of prejudice, racism, discrimination or harassment
- Non-compliance damages business productivity, reputation and social cohesion.

The Business Case for Managing Cultural Diversity: Compliance Factor Benefits

- Reduced discrimination and harassment
- Reduced conflict, complaints and grievances
- Improved opportunities for all employees
- Increased diversity in leadership and teams
- Happier staff, less stress, absenteeism and turnover
- Increased productivity, reputation, image
- Lower costs, increased profits

The Business Case for Managing Cultural Diversity: Organisational Development Factors

- **Organisational Development**
 - Planning, Performance, Alignment
- **People Management**
 - Attraction, Retention, Teamwork
- **Knowledge Management**
 - Learning, Development, Innovation, Creativity
- **Product and Service Development**
 - Diverse perspectives, suggestions
- **Customer Service Systems**
 - Diverse expectations, niche markets, customer relations

The Business Case for Managing Cultural Diversity: Organisational Development Factor Benefits

- **Improved productivity and morale**
- **Improved work team interactions, relationships**
- **Improved retention & career development**
- **Wider range of skills available**
- **Enhanced innovation and creativity**
- **Increased responsiveness, effectiveness and efficiency**

The Business Case for Managing Cultural Diversity: Market Factors

- **Industry Relations**
 - Suppliers, buyers, networks, reputation
- **Government Relations**
 - Legal & inclusion requirements
- **Community Relations**
 - Reputation, involvement, labour market
- **Domestic Marketing**
 - Market knowledge, cultural niches and channels
- **International Marketing**
 - Market knowledge, marketing design, networks

The Business Case for Managing Cultural Diversity: Market Factor Benefits

- **Better understanding of market segments**
- **More effective communications and marketing**
- **Enhanced ability to serve a diverse range of clients**
- **Improved customer satisfaction**
- **Enhanced reputation with diverse communities**
- **Enhanced reputation as an employer**

Stages of Diversity Management Development: Key Questions

- **Which aspects of workforce and customer cultural diversity need to be taken account?**
- **How much does diversity impact on our performance?**
- **Do cultural and language differences create any problems?**
- **Is our workplace climate conducive to open discussion about diversity issues? Do we value diverse perspectives?**
- **What skills and attributes do managers need?**
- **At what stage of diversity management are we?**

Stages of Diversity Management Development

Stage 3	Acclaimed Accomplished	<ul style="list-style-type: none"> ■ Strategic approach ■ Diversity valued ■ Integrated in planning ■ Visible management support
Stage 2	Achieving Adopting Acceptance	<ul style="list-style-type: none"> ■ Diversity programs developed ■ Management measures defined ■ Diversity support for all employees ■ Discrimination unacceptable
Stage 1	Aware Asleep	<ul style="list-style-type: none"> ■ Little support for diversity ■ Managers not accountable ■ Discrimination, harassment ■ Staff feel powerless re: issues

Worksheet #7

Summarise Your Business Case for Managing Cultural Diversity

- **What is the current situation: problems and/or opportunities**
- **Who is directly involved or affected?**
- **Why do we need to take action? Benefits of taking action/Consequences of inaction**
- **What action should we take?**
- **What outcomes are desired?**

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Summarise Your Business Case for Managing Cultural Diversity: Example

- Due to a global skills shortage in engineering we face difficulties in attracting and retaining international professionals. Some are going to our competitors. Language and cultural differences are also hindering integration and productivity.
- Unless we act to develop a culturally competent recruitment and career development process we face reduced competitiveness and inability to capitalise on opportunities for growth.
- The proposed process will deliver:
 - increased retention of professionals
 - employer of choice reputation overseas and in Australia
 - greater production capacity, team effectiveness
 - reduction of labour turnover costs.

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2. Cross Cultural Communication

- **Understanding Culture and Cultural Diversity in Australia**
- **The 4 Basic Elements of Cross-Cultural Communication**
- **Understanding Cross-Cultural Adaptation**
- **Developing Organisational and Personal Cultural Competence**

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Cross Cultural Communication

"People don't get along because they fear each other. People fear each other because they don't know each other."

"They don't know each other because they have not properly communicated with each other."

Dr Martin Luther King, 1929-68

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"Hierarchy is so much stronger in France and Britain than it is here. I am used to having to use quite formal language.... Here there is great openness and more opportunities to network across levels of the organisation. People are seen more on the same level as human beings rather than as holders of titles or positions."

"Disagreements occur in Australia without people becoming offended.... People in India tend to be much more sensitive. I had to get used to the fact that here you can disagree with someone's idea but still be friends with them at the end of the day."

"I am a very direct person - even in Brazil people thought that - and I have to tone it down a lot here. In conflict situations, people want you to stick to the facts.... In my culture, we want to engage!"

G'Day Boss! Australian Culture and the Workplace, B.West, F.Murphy, 2007

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What is "Culture"?

"Culture: n. the sum total of ways of living built up by a group of human beings, which is transmitted from one generation to the next."

Macquarie Dictionary

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What is "Culture"?

"Culture is communication and communication is culture. People cannot act or interact at all in any meaningful way except through the medium of culture."

Edward T.Hall, *The Silent Language*, 1966

What is "Culture"?

- **"Culture is the collective programming of the mind which distinguishes the members of one category of people from another."**
Geert Hofstede, 1984
- **"Culture is a deep phenomenon, merely manifested in a variety of behaviours. Culture is the pattern of automatic assumptions, unconsciously held and taken for granted."**
Edgar Schein, 1985

What is "Culture"?

- **Culture operates at several levels:**
 - National Culture
 - Regional Culture
 - Industry Culture
 - Organisational Culture
 - Occupational Culture
- **Culture also operates at several personal levels:**
 - Culture
 - Personality
 - Ideology

What is "Culture"?

"Culture hides much more than it reveals, and strangely enough, what it hides, it hides most effectively from its participants."

Edward T. Hall, 1966

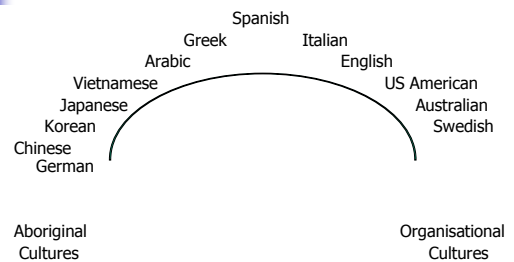
What is "Culture"?

A culture is the way a group of people have learned to solve problems and resolve dilemmas.

It is 'the way we do things around here'. The key question for understanding is 'WHY?'

High Context Cultures

Low Context Cultures



Generalising vs Stereotyping

- Grouping elements to form logical categories to make sense of a complex world
 - 'Western' societies tend to be individualistic
 - Germans tend to value efficiency and formality
 - U.S. Americans praise personal achievement
 - Japanese society values discretion and politeness
- Categorising people as a group, ignoring individual differences
 - Australians are selfish
 - Germans are uptight
 - Americans are show-offs
 - Japanese never say what they really think

Generalising vs Stereotyping

- | | |
|-----------------------------------|------------------------------|
| Retained consciously | Retained unconsciously |
| Descriptive, not judgemental | Judgemental, not descriptive |
| Modified by subsequent experience | Not modified by experience |

Adapted from *Culture from the Inside Out*, Alan Cornea (1998)

The Dimensions of Human Existence

Personal Unique	<ul style="list-style-type: none"> ■ Preferences ■ Self-image ■ Relationships ■ Motivations 	Inherited and learned
Cultural Different	<ul style="list-style-type: none"> ■ Attitudes to time, power, money, work ■ Respect patterns ■ Social customs 	Learned
Human Same	<ul style="list-style-type: none"> ■ Belonging, security ■ Identity, respect ■ Purpose, skills ■ Food, clothing, shelter 	Inherited

The Dimensions of Diversity

Gender	Age	Ethnicity	Culture
Language	Sexuality	Ability	Education
Religion	Personality	Literacy	Experience
Role & status	Economics	Family role	Carer roles
Geography	Work style	Communication style	Thinking style
Management style	Organisation Culture	Profession	Ideology
	Industry Culture	Regional Culture	

Worksheet #8 Cultural Diversity Quiz

- How did you score? Surprises?
- What is the key point of this exercise?
- How important is customer and workforce demographic data to your role?
- What is the quality of your information about workforce and client diversity?

Cultural Diversity in Victoria

- **23.8% born in at least 201 countries:**
 - 6.5% from English-speaking countries
 - 17.3% from non-English speaking countries
- **Top 10 New Migrant Source Countries:**
 - India, China, NZ, UK, Sri Lanka, Philippines, Malaysia, Viet Nam, South Africa, Burma(Myanmar)
- **Other new and emerging communities:**
 - Burundi, Guinea, Sudan, Liberia, Congo, Mongolia, Cameroon, Bangladesh, Mexico

*ABS Census 2006

Cultural Diversity in South Australia

- **21% born in at least 168 countries:**
 - 10% from English-speaking countries
 - 11% from non-English speaking countries
- **Top 10 New Migrant Source Countries:**
 - England, China, India, Malaysia, South Africa, NZ, Sudan, Korea, Philippines, Afghanistan
- **Other new and emerging communities:**
 - Zimbabwe, Kenya, Ethiopia, Liberia, Tanzania, Thailand, Indonesia, Burma(Myanmar), Cambodia

*ABS Census 2006

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The Four Basic Elements of Intercultural Communication

Verbal Behaviour	What we say and how we say it	<ul style="list-style-type: none"> ■ Accent & tone ■ Volume & rate ■ Idiom & slang
Non-Verbal Behaviour	What we say when we're not talking	<ul style="list-style-type: none"> ■ Body language ■ Object language ■ Environmental lang
Communication Style	How we prefer to express ourselves	<ul style="list-style-type: none"> ■ Making a point ■ Ways of speaking ■ Ways of interacting
Values and Attitudes	What we believe is right	<ul style="list-style-type: none"> ■ Beliefs & feelings ■ Ethics & standards ■ Prejudices

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Verbal Behaviour

Accent "I love/can't stand that accent!"
How much do we judge each other by our accents?

Tone of Voice "Don't take that tone with me!"
How do tones affect us? (high/low pitched, sharp)

Volume "Why do they have to talk so loudly?"
In different countries, the softly-spoken may appear weak or the loudly-spoken rude or pushy.

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Verbal behaviour

Rates of Speech
 "Slow down! You're not in the city anymore."
We often judge people's intelligence or emotional state by their rates of speech.

Jargon and Slang
 "We need to get some runs on the board."
Jargon: "downsizing", "ramping up"
Slang: "You little ripper!", "ain't", "bludger"

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Verbal Behaviour

Idioms and Metaphors
 "Don't beat around the bush."

Idioms: expressions peculiar to a language
 "Keep your fingers crossed" "Pull your socks up".

Metaphors: figures of speech
 "A blanket of snow" or "A sea of troubles".

Proverbs: popular sayings carrying core values
 "Too many cooks spoil the broth", "A stitch in time saves nine."

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Non-Verbal Behaviour

- Body Language
- Object Language
- Environmental Language

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Non-Verbal Behaviour

- **Body Language**

Movement	Gestures
Posture	Distancing
Gaze	Eye Contact
Touch	Politeness
Facial Expression	Hygiene

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Non-Verbal Behaviour: Body Language Questions

- How far apart do people normally stand?
- How much eye contact is expected?
- How much do people touch each other?
- What do gestures mean?
- How do people greet each other?
- How do people physically show respect?
- How do facial expressions convey meaning?
- What are personal hygiene expectations?

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Non-Verbal Behaviour

- **Object Language**

Signs	Designs
Artefacts	Clothing
Adornments	Accessories

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Non-Verbal Behaviour

- **Environmental Language**

Colours	Lighting
Architecture	Space
Natural surrounds	Direction

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Communication Style

- **Different cultural assumptions**
Appropriate styles, silences, humour, when "yes" means "no"
- **Different ways of making a point**
What's logical, direct or indirect, emotion or logic
- **Different ways of speaking**
Turn-taking, verbal and non-verbal conventions, politeness

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Communication Style

- **Ways of stating your case:** direct or roundabout
- **Tolerance of silence**
- **Use of humour and irony**
- **Speech rules, politeness, turntaking in conversation**
- **Different meanings of 'yes' and 'no'**
- **Structuring information, views of what is logical:** particular, general

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Values, Attitudes & Prejudices

**What we believe is right.
How we feel about the world and how we judge other people.**

"Values are the basis of a people's identity - their sense of peculiarity as members of the human race.

"Culture carries the entire body of values by which we come to perceive ourselves and our place in the world."

Ngugi Wa Thiong'o Decolonizing the Mind: The Politics of Language in African Literature 1988

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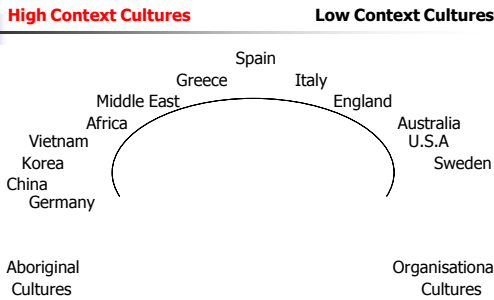
Worksheet #9 Values, Attitudes & Prejudices

- Values Exercise
 - Tick the box for the statement in each pair that you think the majority of people in your culture would agree with.
 - Circle the box for the statement you personally would agree with, whether it's the same or the other statement.

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Plotting Cultural Diversity



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The Dimensions of Cultural Values

- High Context Cultures
 - Members share and need to have a deeper, more complex body of understood experience and assumptions as basis of cooperation
- Low Context Cultures
 - Members have and need less shared knowledge as basis for cooperation. Defined roles and codes take the place of assumptions

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Values, Attitudes and Prejudices

- | | |
|---|---|
| <p>High Context Cultures</p> <ul style="list-style-type: none"> ■ Collectivist ■ Being-oriented ■ Particularist ■ Hierarchical ■ Long term view ■ Ascribed status ■ Oral agreements ■ Formal | <p>Low Context Cultures</p> <ul style="list-style-type: none"> ■ Individualist ■ Doing-oriented ■ Universalist ■ Egalitarian ■ Short term view ■ Achieved status ■ Written agreements ■ Informal |
|---|---|

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Values of Cultures are Expressed on Sliding Scales, Not as Either/Or

- | | |
|---|---|
| <ul style="list-style-type: none"> ■ Collectivism <ul style="list-style-type: none"> ■ Group responsibility ■ Hierarchy <ul style="list-style-type: none"> ■ Status unquestioned ■ Particularism <ul style="list-style-type: none"> ■ Application of rules depends on the circumstances | <ul style="list-style-type: none"> ■ Individualism <ul style="list-style-type: none"> ■ Self-reliance ■ Equality <ul style="list-style-type: none"> ■ Judged on efforts ■ Universalism <ul style="list-style-type: none"> ■ Rules apply to all people in all situations |
|---|---|

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All Cultures Share Core Human Values

- Respect for human dignity
- Respect for basic rights
- Good citizenship
- The Golden Rule: Do unto others...

People share common basic values but express and uphold them in culturally different ways.

Core Human Values: The Golden Rule

- Confucius: *What you do not want done to yourself, do not do to others.*
- Christianity: *Do unto others as you would have them do unto you.*
- Judaism: *What you hate, do not do to anyone.*
- Islam: *No one of you is a believer until he loves for his brother what he loves for himself.*
- Hinduism: *Do nothing to thy neighbor which thou wouldst not have him do to thee.*
- Sikhism: *Treat others as you would be treated yourself.*
- Buddhism: *Hurt not others with that which pains thyself.*

Cross-Cultural Communication Analysis of Workplace and Customer Experiences

- Review the cross-cultural experiences you described earlier. Which of the four elements of cross-cultural communication were significant in the interactions and perceptions of those involved?
 - Verbal
 - Non Verbal
 - Style
 - Values

Cross-Cultural Communication

Understanding the Process of Cultural Adaptation

Understanding the Process of Cultural Adaptation

“In a different cultural setting, the cultural framework one brings to the situation is wrong until proven otherwise.”

Fredric Swierczek, "Culture and Training", ASTD Journal, Nov, 1998

Understanding the Process of Cultural Adaptation: Coping with Changes

Different climate	Different housing	Separation
Homesickness	No friends	New friends
Different humour	New foods	Language
Money worries	Unfamiliar jobs	Prejudice
Shyness	New ways of eating	Slang and idioms
Body language	Different values	New freedoms
Unspoken rules	More responsibility	Different laws

Understanding Cross-Cultural Adaptation

- **Immigrants: Change by choice**
 - Own decision. Preparation. Resources. Networks.
 - Stronger sense of identity, self-worth, competence, security, belonging and acceptance. Looking forward.
- **Refugees: Change by chance**
 - Others' decision. Little or no preparation. No or very few resources and networks.
 - Strong sense of self-reliance but weaker sense of identity, self-worth, competence, security, belonging and acceptance. Looking backward.

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What is 'Culture Shock'?

- "Culture Shock" is the psychological disorientation most people experience when they have extended contact with a different culture to their own.
- It builds up over time and manifests itself in different emotions and behaviours.
- Culture shock can affect our senses of identity, self-worth, competence, security and belonging.

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Stages of Cultural Adaptation

- Stage 1: Contact/ Honeymoon
- Stage 2: Disintegration/Disorientation
- Stage 3: Re-integration/Irritation & Hostility
- Stage 4: Autonomy/Adjustment & Integration
- Stage 5: Independence/ Biculturalism

Adapted from P.Casse, Training for the Cross-Cultural Mind, 1990

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Stages of Cultural Adaptation Stage 1: Contact/ Honeymoon

- Differences are interesting
- We are insulated by our own culture
- Perceptions of new culture screened by own culture
- Excitement, stimulation, discovery
- Curious, assured, positive

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Stages of Cultural Adaptation Stage 2: Disintegration/Disorientation

- Differences have more impact and begin to intrude on our sense of well-being
- We miss the cultural support of our home culture
- We misread or miss new cultural cues
- We may feel confused, isolated, apathetic, inadequate. We lose some self-esteem
- We may become depressed, withdrawn

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Stages of Cultural Adaptation Stage 3: Reintegration/Irritability and Hostility

- We begin to reject and criticise the new culture
- We can feel angry, nervous, anxious, frustrated
- We become pre-occupied with our likes and dislikes
- We become more self-assertive, opinionated
- Growing self-esteem and determination

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**Stages of Cultural Adaptation
Stage 4: Autonomy/Adjustment & Integration**

- We recognise and understand the differences and similarities
- We become more self-assured, confident, relaxed, warm to others
- We can negotiate most new situations
- We feel assured of our ability to deal with new experiences in the new culture

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**Stages of Cultural Adaptation
Stage 5: Independence / Biculturalism**

- We become more accepting of differences and similarities, valuing the diversity within our adopted society
- We are able to fully express our personality with trust, humour and affection
- We are once again fully capable of choice, and of creating meaning for situations

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5 Stages of Cultural Adaptation

- Most people experience distinct psychological stages when adapting to a new culture, from first contact to full adjustment.
- Some people adapt more easily and quickly than others.
- Understanding that it is a common experience helps us to adjust to new cultures and enables us to help others adjust to Australian culture.

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**Worksheet #10
Cross-Cultural Adaptation Analysis of Workplace and Customer Experiences**

- Review the cross-cultural experiences or situations you described earlier.
- At which stages of cross-cultural adaptation were the people involved in the experience or situation?

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Cultural Adaptation: Questions for Organisations

- At what stages of adaptation are the people you interact with – colleagues, staff, customers, communities?
- Do all employees understand the effects and stages of cultural adaptation?
- How can we help ourselves and others to adapt more easily to other cultures?

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Developing Organisational and Personal Cultural Competence

- Cultural Competence: The awareness, knowledge, skills, practices and processes to function effectively in situations characterised by cultural diversity.
 - Cultural Self Awareness
 - Cultural Literacy
 - Cross-Cultural Bridging

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Developing Organisational and Personal Cultural Competence

- **Systemic** – policies, procedures, monitoring
- **Organisational** – skills, resources, supportive organisational culture
- **Professional** – education, standards
- **Individual** – knowledge, attitudes and behaviours, support for individuals

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Developing Personal Cultural Competence

Be prepared

Learn about cross-cultural communication and other cultures.

Be aware

Of your own cultural values, assumptions and expectations.

Explain

Key differences when necessary, especially the invisible ones.

Help

Newcomers participate in the community.

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Benefits of Developing Cultural Competence

- Cultural Self-Awareness
- Confidence
- Trust and openness
- Interpersonal skills
- Functional fitness
- Psychological health
- Intercultural identity
 - Finding the "Third Culture"

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Developing Personal Cultural Competence: Finding the Third Culture

When both parties to an intercultural encounter are culturally competent, neither culture has to be dominant – or submissive.

We meet as equals in a 'third culture'

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3. Managing Culturally Diverse Teams

- Competencies for Managing Culturally Diverse Teams
- Managing Culturally Diverse Teams
- Skills for Building Trust and Inclusion

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Managing Culturally Diverse Teams

"Education in China is based on rote learning.... Here, people want you to express your own opinions.... People are open to different individuals' ideas and then they pick and choose the best ones."

"To the company, I am just another employee, while in Pakistan I was a member of the organisation."

"I find that there is more emphasis on teamwork here.... In my opinion, Australia's convict beginnings have contributed to more of an 'all for one and one for all' attitude than you'd find in the USA or Britain."

G'Day Boss! Australian Culture and the Workplace, B. West and F. Murphy, 2007

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Competencies for Managing Culturally Diverse Teams

Team Effectiveness = Potential Team Effectiveness - Faulty Process

Team Member Top Motivations:

- **Meaningful work – sense of accomplishment**
- **Good workplace relationships – feeling valued and involved**
- **Continuous learning and career development**

Competencies for Managing Culturally Diverse Teams

- **Broad perspective, experience with differences**
- **Aware of own attitudes and values**
- **Understands business case for diversity**
- **Communicates effectively across cultures**
- **Seeks views and input from team members**
- **Understands diversity strategy**
- **Uses diversity to enhance creativity and innovation**
- **Demonstrates flexibility and openness**

Managing Culturally Diverse Teams

- **Selecting and Structuring Teams**
 - Understand workforce & ensure team diversity
 - Identify capabilities, understand team dynamics
- **Working with Existing Diverse Teams**
 - Assess diversity and status of teams, members
- **Resourcing Teams**
 - Provide training, time, resources, support
- **Measuring Team Performance**
 - Clarify vision, set goals using diverse skills, rewards

Adapted from Melbourne University Centre for International Business, 2002

Worksheet #11 Managing Culturally Diverse Teams

Action Planning Checklist:

Identify aspects of building and managing teams relevant to the project, program or process you are analysing.

- **Selecting and Structuring Teams**
- **Working with Existing Diverse Teams**
- **Resourcing Teams**
- **Measuring Team Performance**

Key skills for building trust and inclusion

- **Emotional Intelligence**
 - Self Awareness
 - Managing emotions
 - Empathy
 - Managing relationships
- **Cultural Intelligence/Competence**
 - Cultural Self Awareness
 - Cultural Literacy
 - Cross-Cultural Bridge Building

Key skills for building trust and inclusion

- **Building mutual respect**
 - Recognise & acknowledge differences
 - Build confidence to share & explore ideas & approaches
 - See differences as opportunities to learn
- **Expressing empathy**
 - Active listening for feelings, values
 - Respond rather than react
- **Promoting inclusion**
 - Open ended questioning
 - Express willingness to hear all viewpoints

Inclusion Guidelines

- Step 1: Define the Situation
- Step 2: Explore Facts and Needs
- Step 3: Generate Ideas
- Step 4: Clarify Next Steps Forward

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4. Factoring Cultural Diversity into Business Planning

- An Integrated Framework for Diversity Management
- Project, Program or Process Cultural Diversity Analysis
- Developing a Cultural Diversity Management Action Plan

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Worksheet #12: Project Diversity Analysis An Integrated Framework for Diversity Management



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Positioning the Diversity Analysis Framework

- Analyse the Situation
- Identify the Need
- Set Goals for Project, Program or Process
- Conduct a Diversity Analysis----
- Select a Strategy
- Prepare to Implement Strategy (Include Diversity Factors)
- Implement and Evaluate the Strategy

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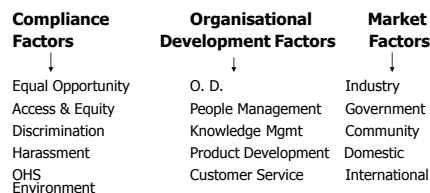
Project Diversity Analysis Key Questions

- Which diversity management factors are most critical?
- Which dimensions of diversity are most important?
- What resources and support are required?
- Who are the internal/external stakeholders?
- What actions are required by whom?

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Worksheet #13: Project Diversity Analysis Identify Relevant Diversity Management Factors:



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Worksheet #14: Project Diversity Analysis
Identify Performance Indicators

- **Social:** inclusiveness, cohesion, collaboration
- **Legal:** complaints, grievances, training, resolution
- **Organisational:** diversity, opportunity, retention
- **Market:** reputation, demand, relations, branding
- **Financial:** costs, savings, investments, returns

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Worksheet #15: Project Diversity Analysis
Identify Diversity Management Benefits

- | | |
|------------------------|-------------------------------|
| Social cohesion | Inclusiveness |
| Participation | Knowledge |
| Innovation | Flexibility |
| Cooperation | Contribution |
| Synergy | Continuous Improvement |
| Attraction | Retention |

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Worksheet #16: Project Diversity Analysis
Identify and rank significant dimensions of customer diversity

Gender	Age	Ethnicity	Culture
Language	Sexuality	Ability	Education
Religion	Personality	Literacy	Experience
Role & status	Economics	Family role	Carer roles
Geography	Work style	Communication style	Thinking style
Management style	Organisation Culture	Profession	Ideology
	Industry Culture	Regional Culture	

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Worksheet #17: Project Diversity Analysis
Identify Areas of Customer Service for Attention

- Know your customer and your business
 - Demonstrate customer priority
 - Identify & meet customer needs
 - Develop customer relationships
 - Plan to achieve excellent customer service
- | | |
|----------------------|-----------------------|
| Physical Environment | Products and Services |
| Service Efficiency | Service Delivery |
| Staff Competence | Staff Presentation |

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Worksheet #18: Project Diversity Analysis
Identify and rank significant dimensions of workforce diversity

Gender	Age	Ethnicity	Culture
Language	Sexuality	Ability	Education
Religion	Personality	Literacy	Experience
Role & status	Economics	Family role	Carer roles
Geography	Work style	Communication style	Thinking style
Management style	Organisation Culture	Profession	Ideology
	Industry Culture	Regional Culture	

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Worksheet #19: Project Diversity Analysis
Identify Impacts on Core Business Functions

- Recruitment and selection
- Learning and development
- Performance management
- Promotion
- Retention
- Employment conditions
- Organisational Mission and Values
- Knowledge management

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Worksheet #20: Project Diversity Analysis
Identify Cultural Diversity Impacts on Teams

- **List Project Team Cultural Backgrounds**
 - Perspectives, experience, knowledge, networks
 - Languages, working and communication styles
- **Team Management Considerations***
 - Selecting and Structuring Teams
 - Working with Existing Diverse Teams
 - Resourcing Teams
 - Measuring Team Performance

* Refer to Worksheet # 11

Worksheet #21: Project Diversity Analysis
Identify Key Stakeholders & Diversity Dimensions

- Who are the key stakeholders in this project or process?
 - Management/Owners
 - Other Teams
 - Buyers, Suppliers, Government, Communities
- Which dimensions of diversity among key stakeholders might be significant?
 - Cultural background, language, religion, politics

Worksheet #21: Project Diversity Analysis
Identify Available and Required Resources:

- Human resources managers, coordinators
- Complaints and grievances officers
- Training officers and training programs
- Diversity specialists and consultants
- Colleagues and clients
- Information services and sources
- Data, reports, manuals, websites

Worksheet #22: Project Diversity Analysis
Propose Action Planning Options

- Develop or modify policy
- Increase cultural competence
- Engage with culturally diverse clients/agencies
- Adapt assessment processes/performance measures
- Review specific service areas
- Recruit culturally diverse staff
- Increase cultural diversity of board/advisory group
- Acquire or develop resources
- Provide diversity management/cross cultural training
- Modify information management systems
- Use culturally appropriate feedback approaches

Worksheet #23:
Cultural Diversity Management Action Plan

Develop an action plan to address the problems and/or opportunities identified in the project diversity analysis.

- Strategy
- Anticipated Result
- Actions
- Who is responsible
- Who is involved
- Resources required
- Timeframe

Review: Managing Cultural Diversity
The Core Concept

"Diversity Management" is the on-going process of incorporating the recognition of workforce and customer differences into all core business management functions, communications, processes and services to create a fair, harmonious, inclusive, creative and effective organisation.



**Review:
The Benefits of Diversity Management**

ORGANISATIONAL FACTORS

- Improved relationships, morale, retention, skills, knowledge and development
- Enhanced innovation, creativity and productivity

COMPLIANCE FACTORS

- Reduced conflict, complaints, accidents, stress
- Improved opportunities, morale, retention, reputation

MARKET FACTORS

- Better market knowledge, relationships, customer service
- Expanded domestic and international market segments

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**Review: Elements of a Strategic Approach
to Managing Cultural Diversity**

- Establish the business case
- Understand cross-cultural communication and the process of cultural adaptation
- Identify the business impacts of cultural diversity
- Develop management and team competencies
- Factor diversity into business planning
- Develop and implement action plans

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Close

**“Differences do not necessarily mean
barriers;
they can become bridges to
understanding and
the enrichment of our lives.”**

Robert Moran, *Managing Cultural Differences*, 1991

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