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Version May 2008

Accepted for *European Management Journal*

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# **AN EXAMINATION OF THE IMPACT OF CULTURE ON INTERACTIONS: SIX LESSONS LEARNED FROM THE EUROPEAN COMMISSION**

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## **Acknowledgements**

This study was supported by funds from the 'Jubiläumfondsprojekt Nr. 11618 of the Oesterreichischen Nationalbank'. We thank Professor Gerhard Fink and Dr. Markus Pudelko for their helpful comments on earlier versions of this paper.

## **Abstract**

Using data collected from 25 interviews with Austrian employees in the European Commission, we explore the conditions under which cultural differences do and do not influence interactions. Previous experience with culturally-determined behaviour and experience working in a foreign language is found to foster norms that reduce conflict based on cross-cultural differences. Time pressure, on the other hand, makes cultural differences, specifically the way that criticism is delivered and the extent of relational-versus-task orientation, more explicit. Our findings have implications for the design of training for multinational teams, as well as the composition of these teams.

**Keywords:** role of culture; cross-cultural interaction, culturally-determined behaviour, European Commission, case study research.

## **Introduction**

Recently, Bird and Stevens (2003, p.397) discussed the tendency towards the emergence of a globalised business environment, arguing that increasingly an “identifiable and homogenous group is emerging at least within the world business community”. However, the effect of this globalised business environment on cross-cultural interactions has not been researched extensively. Previous studies in the field of cross-cultural research are either based on the assumption that culture is important in the international context (e.g., Hofstede, 2001), or that it is largely overruled by other conditions (e.g., Harris and Ogbonna, 1998). With a few exceptions (e.g., Gibson *et al.*, forthcoming), relatively little is known about the conditions that influence whether or not an individual experiences cross-cultural differences in the context of a globalised business environment. Thus, there is a need to shift the discussion from whether or not culture matters, to the issue of ‘how’ and ‘when’ it matters (Leung *et al.*, 2005; Kirkman *et al.*, 2006; Gibson *et al.*, forthcoming).

Building on the theory of situation strength (Mischel, 1977), we aim to advance our understanding of the conditions under which cultural differences do and do not influence interactions. Applying a case study design, our research is one of the first to explicitly identify the conditions that influence whether or not individuals experience cross-cultural differences in a globalised business environment. From a practitioner’s point of view, being aware of these conditions allows one to identify how cultural differences influence interactions. Accordingly, being aware of these conditions will help to provide more targeted training programs, thus reducing the high costs associated with cross-cultural training (Black and Mendenhall, 1990). Also, in the international business context it is impossible to pay constant attention to cross-cultural differences. Thus, negative situations in the interaction between individuals from different cultures might be avoided if these individuals were aware of the conditions under which cultural differences play an important role.

In the remainder of the paper, we first review the role of culture in cross-cultural interactions leading to our research question. We then present our case study approach, and derive five lessons learned for the management of cross-cultural interactions. We conclude the paper by discussing the implications for future research and management practice in two major domains: the role of culture and language in a globalised business environment, and its impact on the design of training for multinational teams as well as the composition of these teams.

### **Research into the role of culture in cross-cultural interactions**

Research in the field of cross-cultural management originally evolved around two general lines of inquiry, arguing either that culture matters, or that culture is largely overruled by other conditions. Since Kluckhohn and Strodtbeck's seminal work (1961), one approach emphasises the importance of culture in cross-cultural interactions. In this perspective, culture matters because individuals have different values and different preferences with regard to management and leadership, that are related to their cultural background (see e.g., Hofstede, 2001; House *et al.*, 2004). Cultural assumptions and values describe the nature of relationships between people and their environment, and amongst people themselves. Given little or no other information about an individual's values and behaviour, culture provides a good first impression of that person (Maznevski and Peterson, 1997). Research has shown that national culture influences an individual's perceptions, behaviour and beliefs (Harrison and Huntington, 2000; Hofstede, 2001; Kirkman *et al.*, 2006).

In contrast, the other approach takes the perspective that culture is largely overruled by other conditions. This line of research argues that even though culture does influence individual outcomes, such as perceptions, the statistical significance of this relationship is very weak (e.g. Kirkman and Shapiro, 2001). Thus, other factors, such as personality, strong

leadership, and uniformity of practices (e.g., Maznevski and Chudoba, 2000) are identified as predictors that overrule the weak effect of culture.

More recently, this ongoing discussion as to whether culture matters is influenced by a new view of culture. This new view represents a dynamic view of culture, leading towards the emergence of a globalised business environment (Bird and Stevens, 2003). Following Hofstede (2001) culture has been seen as a very stable concept that changes quite slowly. However, political, economic, and technical changes in the 21<sup>st</sup> century create cultural changes across the world. Globalisation is leading to significant cultural cross-pollination. Thus, cultures do not operate as uncorrelated independent variables, even though they are often treated like this when studying cross-cultural interactions (Bird and Stevens, 2003, p.403). In negotiation simulations across various countries, Bird (2002) shows that within the world business community an identifiable and homogenous group is emerging that shares a common set of values, attitudes, norms, and behaviour, which overrule the diverse cultural backgrounds of the individuals involved.

However, a precise and comprehensive understanding of the questions ‘if’, ‘how’, and ‘when’ culture influences cross-cultural interactions is still lacking in the academic, as well as the corporate world. Gibson *et al.* (forthcoming) are among the first to identify a set of conditions, operating across three different categories – individual, group, and situational characteristics – that serve to moderate the influence of national culture on individual perceptions, beliefs and behaviour. Among others, moderating conditions include the degree to which an individual identifies with the culture, the stage of group development, as well as several situational conditions, such as technological uncertainty.

Leung *et al.* (2005, p.367) argue that cultural differences might be reduced “if mental processes associated with national culture are relatively fluid, and can be changed and sustained by appropriate situational factors”. Thus, the questions of *if* and *how* culture matters are influenced by the situation *per se*. In social psychology research, it has long been

recognised that the strength of situations has an important influence on understanding and predicting behaviour (Mischel, 1977). Mischel (1977) classifies situations along a continuum from strong to weak. Strong situations are characterised by having salient behavioural cues, i.e. everyone is interpreting the circumstances similarly, leading towards identical expectations regarding the appropriate response. For example, one would expect that most people would be serious while attending a funeral. Consequently, strong situations are characterised by suppressing the expression of individual differences. From a globalised business environment perspective, one could assume that cultural differences are suppressed as norms and values of individuals in the business community become more homogenous (Bird and Stevens, 2003). However, to the best of our knowledge there has been little research that enables us to understand *when* the impact of culture on interactions is reduced.

On the other hand, given the fact that many researchers still find that culture has an effect, there must be conditions under which specific cultural differences influence cross-cultural interactions. We use Mischel's (1977) concept of "weak" situations to get a deeper understanding of such conditions. Weak situations are characterised by having highly ambiguous behavioural cues providing few constraints on behaviour, and hence do not induce uniform expectations. This can be the case in cross-cultural situations, where people with potentially very different expectations meet. In weak situations, the person has considerable discretion as to how to respond to the circumstances. Thus, weak situations provide the opportunity for individual differences, such as different cultural backgrounds, to play a greater role in determining behaviour. We argue that to understand *when* and *how* culture influences interactions, we need to identify 'weak situations' determining cross-cultural interactions. This leads us to the following research question.

*What are the conditions under which cultural differences do and do not influence interactions and what are the cultural differences that are important in this respect?*

## **Methodology**

### *Research design*

Since relatively little is known about ‘when’ and ‘how’ individuals do or do not experience cross-cultural differences in a global business environment, an explorative qualitative research approach was chosen. Compared to a quantitative research approach, qualitative data provides deep insights into the phenomenon under study by considering context-specific factors, complex patterns and causal relationships. Thus, qualitative research allows discovering and generating theory in a context where relatively little is known about the underlying phenomenon (Eisenhardt, 1989; Miles and Huberman, 1994).

In line with this, we conducted an exploratory case study with embedded units of analysis (Eisenhardt, 1989; Yin, 2003). To strengthen the resulting inferences, a comparative case study was applied, i.e. data from several cases were gathered and examined in an iterative way (Yin, 2003). The iterative process of analyzing within-case and cross-case data supported the creation of new variables and relationships and aimed at the exploration of theoretical explanations for the phenomenon under study (Eisenhardt, 1989).

### *Case selection*

As this study deals with the conditions under which cultural differences do (not) influence interactions, we choose the European Commission (EC) as the macro-level of unit of analysis, focusing specifically on Austrian employees. The EC is the politically independent institution that represents and upholds the interests of the European Union (EU) as a whole (see Table 1 for a brief description). At present individuals from 27 cultures work together. Most importantly, individuals working in the EC all have international work experience, speak at least two languages and have chosen to work in an international environment. Thus, this setting offers a good context to investigate (i) when the impact of culture in interactions is reduced and (ii) when and how culture still influences interactions, even if the individuals

involved have international work experience, and can be expected to be both open-minded towards working in a multicultural environment, and to know how to deal with cross-cultural encounters (Table 2).

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INSERT TABLES 1 & 2 HERE  
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### *Data collection*

To address our research question, we conducted open-ended and mostly unstructured interviews (Yin, 2003) with 25 Austrian employees in February 2004. All of the interviewees had previous experiences with cultural differences. As one interview partner stated: “What's more, nobody here comes unprepared from some godforsaken in-the-sticks backwater place and –whack- lands in a completely foreign environment. Everybody speaks foreign languages, two, three or more. Almost everybody joining the Commission had worked somewhere else in an international context, far from home [...]” (Male, 50; translation by the authors).

These individuals served as the embedded units of analysis and the study’s main target (Yin, 2003). Given the exploratory design of the study, the special focus was on narratives to collect deep evidence. The narrative procedure is characterised by letting the interviewees respond openly and freely to the overall research question, without restricting data collection through any *a priori* classification. This approach allows the researcher to identify relevant new issues, as well as complex behaviour and relationships regarding the phenomenon under study. Table 2 shows the respondents’ main characteristics.

The interviews were conducted in the native language of the interviewees, i.e. German. This allowed controlling for any culturally determined construct bias. If interviews are conducted in a foreign language, there is a higher risk that interviewer and interviewee consider different factors to be important, as they would attribute different meanings and



interpretations to the events/behaviour described by the interviewee (see e.g. Harzing *et al.*, 2005).

The interviews had an average duration of 90 minutes. All interviews were tape-recorded and transcribed.

### *Data analysis*

Our text analysis followed typical content analysis procedures (e.g. Glaser and Strauss, 1967). The interpretative approach to data analysis was supported by Atlas.ti©, a computer assisted qualitative data analysis software package. We coded the data into categories that corresponded to our research question, and ended up with five major categories: three relating to ‘when’ culture does (not) influence interactions and two relating to ‘how’ culture matters. If data collected from the various sources were inconsistent or contradictory, we went back to the interviewee to clarify issues and compared the findings with existing literature. All data were coded independently by two parties and then compared, using a process of analyst triangulation (Yin, 2003). If the codes did not converge, they were omitted from the subsequent data analysis process.

### **Findings: Two types of conditions relating to the role of culture**

The analysis and iterative comparison of the interview data derived two types of conditions relating to the role of culture in a globalised business environment: conditions that either increase or decrease an individual’s propensity to experience cross-cultural differences. Our findings show that ‘previous experiences with culturally determined behaviour’ and ‘experience in working in a foreign language’ reduce the influence of cultural differences in the interactions. Previous experience with culturally determined behaviour fosters the development of norms that reduce conflict based on cultural differences, most importantly

‘mutual considerateness’. Experience in working with a foreign language help individuals to identify appropriate culturally-determined behaviour, and, thus, to adapt to specific characteristics of the foreign culture. We identified ‘time pressure’ as a condition increasing the likelihood of the influence of culture on interactions. Under time pressure, the following culturally determined work-style and communication related behaviour matters in interactions: style of criticizing and relational-versus task-oriented work style. In the following, we will elaborate on the five lessons learned from our findings by comparing them with the existing literature.

### **Conditions that reduce the influence of culture on interactions**

#### *Previous experiences with culturally determined behaviour*

According to the interviews, (previous) experience with culturally-determined behaviour reduces the influence of culture in cross-cultural interactions. The first lesson that can be learned from our findings is that individuals who have experienced culturally determined behaviour in interactions before, are able to identify the relevant cultural characteristics and know how to adapt to them. Previous research on stereotyping helps to explain this finding. The perception of cultural characteristics is often influenced by stereotypes. Stereotypes are cognitive processes, by which people design schemata to categorise people and entities (Osland and Bird, 2000). Schemata are elements of abstract knowledge that determine an individual’s perception and judgment of others, and their behaviour in the interaction. Our findings indicate that previous experience with culturally determined behaviour allows individuals to overrule the perceptions of their own schemata, thus, avoiding that this biased view of reality influences the interaction. This confirms earlier research in the area of cross-cultural training and competence (see e.g. Bhawuk and Brislin, 2000; Fiedler *et al.*, 1971; Thomas, 2003). The following example illustrates that previous experience with culturally determined behaviour supports the process of moving from an initial weak situation to a

strong situation. In order to do so, we first present the initial weak situation, i.e. the individual's preference to work with people who follow a clear structure. The challenge that this interviewee faces is that in cross-cultural interactions he or she will not be able to only work together with people who are as structured as him- or herself. The pressing issue therefore is: What is it that helps the individual to turn this initial weak situation in a strong situation, in which he or she is able to identify the relevant cultural characteristics and knows how to adapt to them? By showing the applied (behavioural) approach of the individual, we illustrate that it is possible to turn such a weak situation in a strong situation, i.e. overcoming potential issues when working together with people who have a different work style. This approach is influenced by previous experience with culturally determined behaviour, which helps to identify relevant cultural differences and, in turn, reduces the influence of cultural differences in the interaction.

*The initial situation:* I am a very structured person, thus, for me it is easier to work with people who follow a clear structure.

*The applied approach:* However, it is not really a problem if you work together with someone who prefers an unstructured work style.

*The influencing factors:* I have learnt that in this case you simply have to identify where the differences are and then make the best out of the different approaches. (Male, 50; translation by the authors)

To understand the process of overcoming stereotypes and therefore, be able to actively support and manage this process, it is helpful to compare our findings with previous research into the role of stereotypes in cross-cultural interactions. Fink *et al.* (2006) underline the importance of learning from interactions that are based on stereotyped behaviour. They argue that the result of these interactions, i.e. critical incidents<sup>1</sup>, are important and useful if they are managed in the *right* way, and lead to adequate behavioural change: Feedback from critical incidents makes individuals learn and adjust their behaviour. Individuals may learn to adapt

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<sup>1</sup> “[...] Critical incidents may occur when people interact with others who are from a foreign society, nation, culture or even only a different organizational group. Incidents are critical, when the behaviour or action taken, according to the prevailing norms of behaviour of the actor, leads to unexpected outcomes or trigger unexpected reactions by counterparts.” (Fink et al., 2006: 39)

their behaviour if their counterparts react in unexpected ways, and will chose alternative forms of behaviour, depending on the success of previous actions. Thus, individuals may reconsider their culturally determined behaviour, and may act differently in future interactions. This allows them to overcome the sophisticated stereotypes about the culture he/she is interacting with (Osland and Bird, 2000). Consequently, a previously weak situation, i.e. lack of clarity about the behavioural clues used in the cross-cultural interaction, turns into a strong situation where cultural differences no longer matter.

The following example with extensive quotes from our data shows in more detail how we analyzed our data set to understand the process of moving from a weak to a strong situation. It shows the influencing factors on this process, how they intervene and what this means for the process.

*The situation:* “For years, rather 2 ½ years, I had a Portuguese boss, with whom I got along awfully well. There were absolutely no problems of hierarchy, and we worked together a lot on important dossiers. Calls me to his office, hey, call from the Cabinet, a crisis, they need a briefing on such and such topic for the commissioner within an hour, because a press guy or someone from Parliament is on his way, or something like that. Quite a tricky subject, where you knew that's not just cut and paste, but you're thinking...”

*The preferred approach:* “I'll have to think about that, how do we do that, how do we approach this, and where we get that from. And there's hardly any time and you have to put this on paper and it has to look good and so on.”

*The applied approach:* “What does the Portuguese say? Let's have a coffee first, I'm not exaggerating, I've had this a couple of times with this guy and also with others, the old Italian with whom I worked and at the beginning. This was really stressful. You have one hour for something you'd like to have a whole afternoon for, and then you're not sure whether it can be done, and he says, let's go for a coffee first. From my previous experience, I knew that there might be different ways of how to get the job done, and thus I started to analyze the situation.

Now I know how it works: That does not mean you spend half an hour in the cafeteria, but you go two floors up, have a coffee from the machine and lose ten minutes. Without that you couldn't work with him. He wouldn't have accepted me saying, forget your bloody coffee, we can have that later once it's done, that's how I would have done it, sit down for a coffee and a fag, and relax a little, wouldn't have worked. We already discussed the topic over the coffee and so on. And then he was ready and we went to the computer and that's how we handled it.” (Male, 36, translation by the authors)

In this example, the initial weak situation builds on two different approaches towards the work style, expressed in simple words “let’s go for a coffee first” versus “straight to the point of how the task can be done”. Whereas the interviewee made explicit that at the beginning of interactions with his colleague, the different work styles were difficult to cope with - in particular under time pressure - he explained that over a period of time he got used to it, and adapted to it. Building on previous experience, he analyzed the situation and tried to find explanations for the behaviour of his colleague. Thus, the previous experience with culturally determined behaviour helped to turn a potential weak situation into a strong situation.

Our interviews show that individuals who were successful in terms of dealing with cross-culturally determined behaviour, were those who no longer expect others to behave in the way they would according to their own cultural backgrounds. Thus, in terms of adaptation strategies used by experienced individuals, our findings complement previous research into the acculturation process (e.g. Mendenhall and Oddou, 1985). Culturally experienced individuals consciously analyzed the situation, and subsequently chose the appropriate behaviour to make the best out of the interaction.

*The initial situation:* At the beginning I was very irritated if people were not on time [...].  
*The applied approach:* [...] but now, I am used to it and don't worry any more.  
*The influencing factors:* Over time you become more critical towards your own [...]. I've come to the conclusion that most of the difficulties are based on unfulfilled expectations.  
(Male, N/A; translation by the authors)

The second lesson learned from our findings is that previous experience with culturally-determined behaviour fosters the establishment of norms that support interaction among individuals. The establishment of norms is crucial, as norms are an important tool to manage individuals' behaviour. Norms define the perception and interaction of individuals, the decision making approach, and the way in which problems are solved (Chatman & Flynn, 2001, p.957). Our findings show that previous experience with culturally determined behaviour leads individuals to develop norms which reduce potential sources of conflict. Most importantly, individuals engage in enabling behaviour and in developing mutual considerateness.

*The initial situation:* Occasionally you treat each other roughly, but you never go beyond a certain point. Great store is set by conforming with the rules, although you're very rough content wise.

*The applied approach:* I would say, hurt yes, kill no, and if you hurt, not to leave scars, because we all have to change again and in the end we all depend on each other.

*The influencing factors:* That does not mean you don't address the issue, but you don't, I can't remember this ever happening, you don't really get personal, even if you totally disagree with the way people approach a task. (Male, 44, translation by the authors)

### *Experience of working in a foreign language*

The interviews show that experience working in a foreign language reduces the influence of culture on interactions. Marschan, Welch and Welch (1997) argue that language is an important issue in multinationals, as it pervades every aspect of business activities. Indeed, the third lesson that can be learned from our findings is that experience working in a foreign language helps individuals to identify appropriate culturally-determined behaviour and, thus, to adapt to specific characteristics of the foreign culture.

*The initial situation:* Cooperating with others always brings up the question of how to use language and how you say what you want to say.

*The applied approach:* For instance, working with English people always means that you have to be very careful in the way you formulate your statements. If I am saying "you have forgotten to do this", without using very polite words that's not very helpful for the ongoing conversation [...]

*The influencing factors:* The more experienced you are, the easier it becomes. (Male, 37; translation by the authors)

Our study supports previous findings that suggest that individuals who learn a foreign language might be subconsciously influenced by the culture embedded in that language, and acquire some of its characteristics (Yang and Bond, 1980; Harzing *et al.*, 2005). The more experienced individuals become in working in a foreign language, the more they are able to understand the nuances of culturally determined behaviour. This leads to an increased awareness of individuals' cultural differences, which is one of the main characteristics of a strong situation. Individuals who are aware of the culturally determined nuances in language, which reflect a particular culturally determined behaviour expected by the counterpart, are more likely to avoid conflicts by using the appropriate wording and expressions. In this regard, the ability to work in a foreign language helps to turn a weak situation into a strong one for two main reasons: First, experienced individuals *know* how to handle individual cultural differences. Second, experienced individuals *decide* to use their language skills to limit the role of culture in the interaction.

In contrast, if people are not very experienced in working in a foreign language, language barriers can give rise to a large number of negative consequences: uncertainty and suspicion, deterioration of trust and a polarisation of perspectives, perceptions and cognitions (Harzing and Feely, 2008).

### **Conditions that increase the influence of culture on interactions**

#### *Time pressure*

Time pressure was identified as a condition under which individuals tend to experience cross-cultural differences. The fourth lesson that can be learned from our findings is that the influence of specific culturally determined behaviour on cross-cultural interactions was dependent on the time available to perform the tasks. Our findings show that if there is

enough time to work on the task at hand, people feel more relaxed about culturally determined behaviour that is different from their own preferred behaviour. They decide to limit the influence of their preferred culturally determined behaviour in the interaction. In this case, individuals are more willing to adapt to others' behaviour, and try to find a middle ground. However, under time pressure, individuals rely on their preferred behaviour, i.e. their own culturally determined behaviour. Consequently, when working under time pressure, even individuals who are experienced in working in a cross-cultural setting are no longer willing to accept behaviour that varies dramatically from their own cultural behaviour. Under time pressure even culturally experienced individuals are no longer able to put their preferred way of doing things aside. Thus, time pressure leads to weak situations, in which individual differences become explicit in the resulting behaviour. This finding is in accordance with research in the field of individual decision making that has shown that time pressure negatively influences the acquisition of new routines (Betsch *et al.*, 1998), and is likely to reinforce existing routines (Zellmer-Bruhn, 1999). In addition, Kruglanski and Freund (1983) showed that time pressure induces closing of the mind. As a consequence, individuals seek cognitive closure, they ignore possible alternatives and do not process information in an effective manner (De Dreu, 2003).

*The initial situation:* Well, it can get interesting [...] when you are under time pressure, when people approach a problem differently.

*The applied approach:* [...] this results in impatience and can effectively lead to communication problems, because you simply say, this person is inefficient, instead of saying yes or no it always takes him 5 minutes to explain why.

*The influencing factors:* I'll gladly spend the 5 minutes if I have the time or if I want to know more but a yes or no would be a sufficient answer. Why should I listen to the rest? (Male, 41; translation by the author)

*The initial situation:* [...] This means that you have a fixed deadline. To get the work organised, meaning when we get started, how do we approach the task, already there we have huge differences in terms of different understandings of deadlines

*The applied approach:* [...]. People from Portugal, Greece or Italy see this quite relaxed and emphasise that we have enough time and then the day before the deadline they stay in the office until 9pm to get the work done at the last minute.



*The influencing factors:* For someone who is not used to this and prefers another work style this can be really stressful. (Male, 36; translation by the authors)

The fifth and final lesson learned is that time pressure increases two types of culturally-determined behaviour that matter in interactions: the style of criticizing and differences in work styles, i.e. task- versus relational orientation. Our interviews demonstrate that individuals cluster their interaction partners as coming from North- or South European countries. This clustering helps them to understand differences in communication- and work styles. One could argue that this generalisation is based on the experience of the interviewees dealing with cultural differences. They no longer identify country specific differences, but rely on a broad cluster of the behaviour of their counterparts. This is in line with the findings of the GLOBE project (House *et al.*, 2004), in which countries were clustered based on their similarities along nine cultural value dimensions. For instance, the Germanic cluster includes Germany, Austria, Switzerland and the Netherlands.

You start to think in clusters, the people from the South, the people from the North. (Female, 43; translation by the authors)

The following countries are part of the Northern European cluster: Denmark, Finland, Germany, the Netherlands, Norway and Sweden. In terms of the Globe study this includes both the Germanic and Nordic cluster. Countries in the Southern European cluster are: France, Greece, Italy, Portugal, and Spain<sup>2</sup>.

*Style of criticizing.* The challenge that emerges from different styles of criticizing is that the point of criticism is not understood by the counterpart. An inappropriate way of presenting criticism might lead the counterpart to misinterpret the message, and thus he/she will not

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<sup>2</sup> Interestingly, the UK takes a very particular position. Although there are no doubt substantial cultural differences between the various Southern countries and the UK our interviewees see them as similar regarding the style of criticizing. However, they positioned the UK as part of the Northern countries in terms of their preferred working style.

change his/her behaviour. Our findings show that, in terms of communication style, individuals from different cultural backgrounds have different approaches towards criticizing each other (see Table 3). In particular, the interviewees indicate that in Southern European countries an indirect way of criticizing is predominant. This is defined by the depersonalised nature of the critique, and the consideration of the honour of the criticised person. In order to achieve this, the critique has to be formulated in an indirect way, i.e. a lot of embellishing is needed before coming to the main point of critique.

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When interacting with people from the Southern part of Europe you have to be careful when saying things that could be seen as questioning the honour your counterpart [...]. (Male, 40; translation by the authors)

The further to the South the longer are the statements, which seem to be quite inefficient at the first glance, and the more important an indirect way of criticizing becomes. If a meeting is lead by someone from Denmark or Sweden, I would express my opinion much more openly than in a meeting with people from Italy or Spain. (Male, 41, translation by the authors)

In contrast, the Northern European countries are characterised by a more direct style of criticizing. The main element is a straight-to-point approach, i.e. the main point of criticism is mentioned directly without embellishing it.

Well, if I say, for example, to a Danish colleague ‘this and that went wrong’ in a very direct way, then he doesn’t take this personally [...]. (Male, 44; translation by the authors)

Interestingly, the Austrian interviewees position themselves in between a direct and indirect style of criticism, and characterise themselves as being diplomatic in their critique. This form of critique is characterised by agreeing with the counterpart in the first step. In the next step, however, individuals introduce their own ideas, and place them in the centre of the discussion. Thus, the ideas of the counterparts are not directly criticised, but are diplomatically overruled by one’s own ideas.

[...] Many people, including me, think that we Austrians do this for quite tactical reasons, not because we're nice, but for tactical and rhetorical reasons, to flatter people a bit, and we say, yes that's a very interesting aspect, and I can really go along with this, but I would really think, and so on and so forth. And you somehow manoeuvre through the discussion, until you state quite clearly where you want to go [...]. (Male, 36; translation by the authors)

*Task- versus relational-orientation.* The interviewees also identified differences in work styles as culturally determined behaviour that becomes explicit under time pressure (see Table 3). In particular, the interviewees indicate that the work style in Southern European countries is more relational-oriented, compared to a more task-oriented work style in the Northern European countries (including Austria). The “Portuguese coffee” example earlier in our paper provides a perfect illustration of this difference. The relational-oriented work style is characterised by focussing on the relational aspects of interaction to achieve the goal. The main elements of this work style are: extended explanations in for instance presentations, and the importance of personal relationships in the interaction. This is in line with Yukl (2006) who underlines that relational-oriented behaviour largely concerns the socioemotional: express confidence that a person or a group can perform a difficult task, recognise contributions and accomplishments, keep people informed about actions affecting them, and provide support and encouragement to someone with a difficult task. In contrast, the task-oriented work style is characterised by focussing on the task, rather than on the relational aspect of achieving it. To achieve their goal as quickly as possible, individuals come straight to the point, and focus directly on the task at hand, rather than on discussing related issues. Task behaviour largely focuses on getting the job done, clarifying roles and responsibilities, planning projects, monitoring operations and performance, managing time and resources, and directing and coordinating work activities (Yukl, 2006).

I have also experienced this with very qualified employees: If you are under time pressure, and you really want to work fast and efficiently, there is not much understanding of other work styles. To illustrate: if - when you are under time pressure - your French counterpart

- preferring another work style, meaning that not the task but the process of how he or she has come to the conclusion is very important - wants to tell you everything in detail, then this leads to frustration on both sides. (Male, 41; translation by the authors)

## **Discussion and Implications**

This study has contributed to the ongoing discussion of when and how culture matters in the context of a globalised business environment, and derived five specific lessons learned. Our results have important theoretical and practical implications in two major domains: the role of culture and language in a globalised business environment, and its impact on the design of training for multinational teams, as well as the composition of these teams.

First, our research extends theories attempting to explain whether or not culture influences interactions in a globalised business environment. We help to clarify the ongoing discussion of when and how culture matters, by illuminating mechanisms under which cross-cultural interactions are strong situations, i.e. individuals' cultural characteristics become less important, or weak situations, i.e. individuals' cultural characteristics become very explicit. Our case study data shows that, in the interaction patterns of individuals who have experience with culturally determined behaviour and experience working in foreign languages, cultural differences tend to become less important. Individuals who have experienced culturally determined behaviour in interactions before, are able to identify the relevant cultural characteristics and as a result know how to adapt to them. They will chose alternative forms of behaviour, depending on the success of previous actions. As a result a weak situation is turned into a strong situation.

However, if individuals work under time pressure, they tend to fall back on their own culturally determined behaviour, ignoring the preferred behaviour of their counterparts. This leads to a weak situation, making cultural differences explicit. In this case, culture matters in terms of different approaches towards criticizing and work styles. From a practitioners' point of view, one of the key arguments often made by companies is that - given the emergence of a

globalised business culture – individuals are successful regardless of location (e.g., Black and Mendenhall, 1990). Consequently, it is assumed that they do not need any kind of cross-cultural training. However, a strong implication of our findings is that for ‘international newcomers’ cross-cultural training, which is designed to prepare individuals to flexibly adapt to cross-cultural differences, is needed. Thus, HR professionals should design cultural awareness training programs, as they provide individuals with skills such as flexibility and openness towards new situations (e.g., Osland and Bird, 2000). These skills can then be used to turn a previously weak situation, i.e. having no clues about the behaviour of others, into a strong situation, i.e. overcoming individuals’ cultural differences. Also, these skills will encourage the establishment of norms, which help to reduce conflict rather than relying on culturally determined behaviour.

On a related note, our research has shed light on the still understudied role of language in cross-cultural behaviour (Marschan *et al.*, 1997). Building on our results, one could hypothesise that people who are fluent in more than one language, are able to adapt more easily to differences in cultural behaviour, than monolinguals are. Their increased language ability allows them greater scope to fully experience cultural differences through closer interaction with people speaking these languages in question. If this is the case, this has important implications for the design of cross-cultural training. Whereas most traditional cross-cultural training does not include a language component, our findings suggest that HR practitioners may want to design integrated language-culture training, to make use of the positive relationship between language fluency and cross-cultural experience.

In a third domain, our research has implications for multinational team composition. Our findings provide clues as to why internationally experienced individuals are important for team performance. Individuals who have experience with culturally determined behaviour and working in a foreign language, understand the influence of cultural differences on interactions and know how to react to them. This leads to a reduction of misunderstandings, thus,

positively influencing team performance. Thus, if companies recognise the importance of integrating culturally experienced individuals in a team, this will help them to create value from the team's diversity. From a theoretical point of view, it would be interesting to gain a deeper understanding of the specific management approaches of culturally experienced individuals that go beyond their engagement in the development of norms.

The strengths of our study must be tempered with recognition of its limitations. The interviewee sample was relatively small, which is a common trade-off in qualitative research. The method used was appropriate, since our aim was to capture depth of understanding rather than breadth at this explorative phase. Also, in case study research generalisation is gained in terms of generalizing findings to theory rather than to a large population (Eisenhardt, 1989; Yin, 2003). A related limitation is that our sample does not offer an exhaustive variety of organisations, and is in the not-for-profit context. However, our sample consisted of individuals who have had considerable international experience, and have deliberately chosen to work in an international context. As a result they are able to give deep insights into the role of culture. Finally, our sample was limited to Austrian interviewees. However, our findings are in line with previous studies done to understand cultural differences between Austrians and North- and South Europeans (see e.g. Fink and Meierewert, 2001).

## **Conclusion**

Our research has contributed to the discussion of when and how culture matters. We showed that under certain conditions individuals are able to manage the influence of culture on their interactions. We were able to derive five main lessons from our research.

First, culturally experienced individuals were able to identify the relevant cultural characteristics and know how to adapt to it.

Second, culturally experienced individuals fostered the establishment of norms to reduce potential sources of conflict.

Third, experience working in a foreign language helped individuals to identify appropriate culturally-determined behaviour and, thus, to adapt to specific characteristics of the foreign culture.

In sum, weak situations can be turned into strong situations when culturally-experienced individuals decide to limit the role of culture in interactions. However, there are other conditions, such as time pressure, under which cultural differences became explicit, even within an increasingly globally experienced workforce. In this case, even experienced individuals were no longer able to 'put culture aside'.

Our fourth lesson revealed that the influence of specific culturally determined behaviour on cross-cultural interactions was dependent on the time available to perform the tasks.

Our fifth and final lesson showed that time pressure increased two types of culturally-determined behaviour that matter in interactions: the style of criticizing and differences in work styles, i.e. task- versus relational orientation. In this case, the predominant behaviour was based on culturally-determined behaviour, rather than on established norms of behaviour.

Empirical evidence on the conditions that influence the role of culture in today's globalised business environment, has so far been limited. Our research has shed some light on these conditions, and thus can help both individuals working in an international context, and researchers doing cross-cultural research.

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**Table 1 Profile of the EC**

<i>Characteristics</i>	
<b>Employees</b>	Approximately 24.000 civil servants
<b>Main roles</b>	Proposing new legislation Implementing EU policies and the budget Enforcing European law Representing the EU on the international stage
<b>Structure</b>	“Directorates-General” (DGs) and “Services”: Each DG is responsible for a particular policy-area and is headed by a Director-General

Source: [http://europa.eu.int/institutions/comm/index\\_en.htm](http://europa.eu.int/institutions/comm/index_en.htm)

**Table 2 Demographics of the sample**

<i>Demographics of sample</i>	<i>N</i>	<i>Demographics of sample</i>	<i>N</i>
<i>Age</i>		<i>Time in the EC</i>	
<b>35-40</b>	6	1-5 years	3
<b>41-50</b>	11	5 – 10 years	20
<b>Over 50</b>	5	Over 10 years	1
<b>N/A</b>	3	N/A	1
<i>Gender</i>		<i>Position in the EC</i>	
<b>Male</b>	18	Head of Department/Director	8
<b>Female</b>	7	Officer	3
<i>No. of foreign languages spoken</i>		Member of Cabinet	1
<b>1-2</b>	16	Coordination	3
<b>3-4</b>	8	N/A	10
<b>N/A</b>	1		

**Table 3 Types of Communication & Work styles according to the interviewees**

<b>Country</b>	<b>Type of Criticism<sup>3</sup></b>	<b>Representative Interview Statements</b>
Southern European Countries	Indirect criticism	“Let me elaborate this in more detail. On the one side we should think about these three points, on the other site we could also think about these three points”. Let me start with this point...”
Austria	Diplomatic criticism	“That is an important point, but maybe we should also concentrate on this fact”
Northern European Countries	Direct criticism	“The way you are carrying out the evaluation is completely unsatisfactory”
<b>Country</b>	<b>Type of Work style</b>	<b>Representative Interview Statements</b>
Southern European Countries	Relational Orientation	“Let's have a coffee first”
Northern European Countries (including Austria)	Task Orientation	“Do we have a problem, yes or no?”

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<sup>3</sup> See Fink and Neyer (2005) for an overview of different forms of criticizing in Europe