



Cultural Implications of Change Management

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Abstract

The network cables and ease of communication have brought our business partners closer than ever before. And while globalization has brought the world citizens closer, the international political scenario has also brought with it unseen and unprecedented scenarios. This paper provides an insight into the cultural aspects of change and discusses what organizations can do to prepare for the upheaval.

Many US and European firms have faced challenges operating in the Indian milieu. Since the working environments in these developed societies can be very disparate, management often times finds it challenging to operate efficiently. Acceptance of a multinational firm in developing societies and the associated resistance is noteworthy, if not insurmountable.

There is a tentative fear in local companies about the 'big capitalism' coming over and swallowing them. In such scenarios, companies need to adapt themselves to the local fervor and indulge in social philanthropy activities to let the locals know they do not just want to do business there, but also want to assimilate themselves to the local roots. With time and perseverance almost all multinationals have found acceptance in the developing countries and have contributed substantially to the development of the respective countries.

As countries the world over have moved from socialism and communism to kind of a 'unified capitalism,' a new word has been coined for our times – **McWorld**, which essentially is connotative of the amalgamation of the premier businesses of the twentieth century: McDonald's, Macintosh, and MTV. In their pursuit to promote standardization of their products, companies sometimes forget to look at the human aspect of their supply chain and operations.

In the popular book 'Jihad vs McWorld', the author Benjamin Barber introduces us to this aspect of Change Management engulfing the multinational firms today. 'Jihad vs. McWorld' is a work that should be of interest to anyone who is impacted by the growing interdependencies of business, networked communications, and political handshakes. Barber essentially examines the conflict of consumerist capitalism versus religious and tribal fundamentalism. The author examines the paradox arising from a worldwide religious and tribal fundamentalism which is examined alongside these global relationships. The ways in which this phenomenon impacts democracy is of special interest to the author and he moves along this line through the book. His analysis is both significant and relevant.

The inherent problem with understanding and adapting to a new culture is that the term itself is borrowed from another discipline: Organizational Behavior, which in turn receives contributions from

sociology, anthropology, and psychology to name a few. Most senior management pursues the rational theory and assume that their companies are being run rationally, without an iota of cultural discord. Usually, the human resource department of any firm seeks opinions about the culture of a firm without defining it, and therefore would be in receipt of biased opinions based on irrational assumptions.

There seems to be a widespread acceptance of the following definition of organizational culture by Stephen Robbins in his acclaimed work 'Organizational Behavior': "It's a common perception held by the organization's members; a system of shared meaning." This definition is all the more reason why organizations should clarify and define their culture as newer members join the team – even more so, when the company's strategy is to diversify into new markets (and new continents/countries).

Matheson and Matheson (The Smart Organization, HBR, 1998) stated that the following factors contribute most towards the failure of any change program within organizations:

1. internal focus
2. lack of credibility
3. secrecy
4. lack of proper resources
5. lack of skills and discipline
6. lack of strategy
7. metrics are misused
8. people are reluctant to change
9. power and politics

The above research exemplifies how important people are to the successful implementation of change programs within organizations. As the world 'shrinks' and multiculturalism becomes a norm rather than an exception, we need to devote our time and energy to appreciate cultural diversity rather than trying to promote homogeneity.

Philosopher Karl Popper once said – "It is not possible to verify culture, only to falsify it!" Though we may never be able to define an organization's culture (which sometimes becomes a prerequisite to devise strategies as a consultant and to implement change management), it remains a constant quest to come closer to defining it!

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