"This, I thought, is what being a 'foreigner' is all about.

"It is not wandering through a strange place seeing unfamiliar people.

"It's when all the unfamiliar people stare at you, and find you strange;
   when you can't fit anonymously into a crowd;
   when your passing is an uncommon event.

"It's when you don't understand the joke,
   and are worried that the joke may very well be on you."
INTERNATIONAL and MULTICULTURAL MANAGEMENT

Tender for the sale of VEHICLE CONSTRUCTION companies in eastern Germany

For further free information (tender conditions, company profiles, etc.) please contact:

or directly:

Treuhandanstalt

Central Tender Office
Leipziger Straße 5-7
D-1000 Berlin(Germany)
Tel.: +49-30-31542763
Fax: +49-30-31542653
Telex: 305141 Ohaz d

New York Office
Tel.: +1-212-9098195
Fax: +1-212-9098158
Tokyo Office
Tel.: 81-3-35029201
Fax: 81-3-35029202

CORPORATE FINANCE DIVISION
Arthur Andersen & Co S.C.

The Arthur Andersen name and logo are trademarks owned by Arthur Andersen & Co S.C. and its direct and indirect wholly owned subsidiaries. Other names may be registered trademarks owned by others.

Arthur Andersen & Co S.C.

New York Office
Tel.: +1-212-9098195
Fax: +1-212-9098158
Tokyo Office
Tel.: 81-3-35029201
Fax: 81-3-35029202

For further free information (tender conditions, company profiles, etc.) please contact:

or directly:

SIG: 10-02

*) "Unauthorized to carry on investment business by the Institute of Chartered Accountants in England and Wales.*
Why should

the Engineer

or

the Engineering Manager

be interested in

International and Multicultural Management?
International and Multicultural Management
(or simply International Management)

planning, decision making, organizing, controlling, and leading in a multicultural or cross-cultural environment

International Business

profit-related activities conducted across national boundaries

SKILLS INCREASING IN IMPORTANCE
GLOBAL DEVELOPMENTS

- Globalism
- Regional Trading Blocs
- Emerging Trading Areas
- Privatization
- Information Technology
- Workforce Diversity
- Small Businesses going International
INTERNATIONAL BUSINESS ENVIRONMENT

POLITICAL ECONOMIC REGULATORY TECHNOLOGICAL
CULTURE OF A SOCIETY

- the shared values, *understandings*, assumptions, and goals that are learned from earlier generations, imposed by present members of a society, and passed on to succeeding generations

- a shared outlook that results, in large part, in common attitudes, codes of conduct, and expectations that subconsciously guide and control certain norms of behavior

CRITICAL SKILLS FOR MANAGING

Cultural Savvy

- a working knowledge of the cultural variables affecting management decisions

Cultural Sensitivity

- an awareness and an honest caring about another individual's culture
CULTURAL VARIABLES
AFFECTING
MANAGEMENT FUNCTIONS

NATIONAL VARIABLES
- Economic System
- Legal System
- Political System

SOCIOCULTURAL VARIABLES
- Physical Situation
- Technological Know-how
- Religion
- Education
- Language

CULTURAL VARIABLES
- Values
- Norms
- Beliefs

ATTITUDES
- Work
- Time
- Materialism
- Individualism
- Change

INDIVIDUAL AND GROUP
EMPLOYEE JOB BEHAVIOR
- Motivation
- Productivity
- Commitment
- Ethics
MANAGEMENT FUNCTIONS

in an
INTERNATIONAL/MULTICULTURAL CONTEXT

PLANNING

DECISION MAKING

ORGANIZING

CONTROLLING

LEADERSHIP
PLANNING

Effective strategic planning is crucial

Planning is significantly more complex
NEGOTIATION and DECISION MAKING

Skills of primary importance in international business

Cultural differences yield significant difficulties

EXAMPLE NEGOTIATION VARIABLES:
  basic conception of the negotiation process
  concern with protocol
  nature of persuasive arguments
  decision-making system
  form of satisfactory agreement

EXAMPLE DECISION MAKING VARIABLES:
  risk tolerance of decision makers
  perception of locus of control over outcomes
  relative speed of decision making
ORGANIZING

FORM OF ORGANIZATION
(e.g., domestic structure plus export department; global product structure)

DEVELOPMENTAL PHASES
OF ORGANIZATIONAL FORM

HUMAN RESOURCE
STAFFING APPROACHES
(e.g., ethnocentric; geocentric)
CONTROLLING

BASIC

Typical, but more complex, control systems

Consideration of local constraints, local management practices and expectations, uncertain information systems, differing evaluation variables

Noncomparability of performance data

SOCIAL RESPONSIBILITY

Standards of ethical business behavior

Monitoring ecological, economic and social interdependence
LEADERSHIP - I

MULTICULTURAL WORK GROUPS

ADVANTAGES:
- fuller use of resources through a wider pool of skills, perspectives, ideas
- greater innovation and more creative problem solving
- increased level of task commitment

DANGERS:
- conflicts arising from differing norms of behavior and managerial style
- productivity decreases due to lack of cohesion and consensus difficulties
- decreases in motivation due to lack of trust
LEADERSHIP - II

COMMUNICATION

Variables influencing perceptions include attitudes, social organizations, thought patterns, roles, language, nonverbal language, time

Effectiveness of communication improved by development of cultural sensitivity, careful encoding, selective transmission, careful decoding, appropriate follow-up actions

MOTIVATION

Maslow's needs appear almost universal, but not the hierarchy

Universal reward categories include financial, social status, job content, career, professional

LEADERSHIP STYLE

Crucial skills include social perceptual skills, interpersonal competence, effective intelligence, efficient work habits

Cultural contingency model based on Fiedler appears universal