ABSTRACT: Cross-cultural management has been conceptualised using a variety of perspectives from a simple focus on the cultural adaptation of pre-existing management skills, to being a management subset with unique skills, goals and processes (Torbiorn, 1985). This paper will examine various conceptualisations of cross-cultural management in the expatriate context and suggest that previous definitions that are strongly linked to cultural adjustment lead to limitations in management outcomes. This literature examination will conclude with a definition of cross-cultural management that goes beyond cultural adjustment and adaptation to include the unique management skills, goals and processes of cross-cultural management. The paper will critically examine the relationship between cross-cultural management and cultural intelligence.

KEYWORDS: Cross-cultural management, expatriate, cultural intelligence
The aim of this paper is to provide a holistic definition of cross-cultural management performance. An extensive review of the cross-cultural management performance literature to date shows researchers tend to focus on one of the following aspects of cross-cultural management performance: the unique skills of cross-cultural management, cultural adjustment (including cultural intelligence), intercultural effectiveness (cultural literacy) (Brislin, Cushner, Cherrie, & Yong, 1986); cross-cultural interpersonal skills (social literacy) (Sue & Sue, 1990); cross-cultural team member characteristics (Earley & Gibson, 2002); cultural synergy (Adler, 1997); dilemma reconciliation (Trompenaars & Hampden-Turner, 2002); or productive diversity (Cope & Kalantzis, 1997). The ultimate aim of discussing and analysing the literature below is to present a new integrated definition of cross-cultural management performance. Overall, ideas are utilised from cross-cultural communication (Brislin et al., 1986; Ting-Toomey, 1988), cross-cultural counselling (Sue & Sue, 1990) and disparate theories of cross-cultural management (Bird & Osland, 2004; Lane, DiStefano, & Mazneveski, 2000). This paper also recognises that current definitions of cross-cultural management performance do not take into account the potential organisational, group, and individual outcomes that cross-cultural management offers.

Defining Cross-Cultural Management Performance

The Unique Aspects of Cross-Cultural Management

Cross-cultural management can be conceptualised from a variety of perspectives. At one end of the continuum, the emphasis is on the cultural adjustment of pre-existing management skills. This is labelled here as the ‘adjustment approach’. The relative weaknesses of the adjustment approach to cross-cultural management performance (Mol, Born, & van der Molen, 2005) are discussed in subsequent sections of this paper (see the section labelled ‘adaptation, adjustment and cross-cultural management performance’). At the
other end of the continuum, cross-cultural management is seen as a specialisation of management involving unique skills, goals and processes (Torbiorn, 1985). At this ‘unique skills’ end of the spectrum, effective cross-cultural management is defined as being able to “value and utilise … cultural differences to achieve high performance” (Lane et al., 2000, p.26). According to Lane and colleagues (2000) the process of reaching this goal is a three step process in the ‘MBI Model’, an acronym for the process to map, to bridge and to integrate. This process is to ‘map’ cultural differences, to ‘bridge’ communication across cultures, and to ‘integrate’ the differences through management. Figure 1 illustrates this process.
In examining the specifics of cross-cultural management performance, Rosen and colleagues (2000) nominate global literacies, or competencies, for global business leaders that should be developed in the international context. These are (p.29): - ‘personal literacy - understanding and valuing yourself; social literacy - engaging and challenging others; business literacy - focussing and mobilising your organisation; cultural literacy - valuing and leveraging cultural difference’. While the researchers suggest these competencies for global business leaders who are not necessarily expatriates, these skills deserve further examination in relation to other definitions of effective cross-cultural management performance. For instance, the competence of 'cultural literacy' aligns with the definition of cross-cultural management performance advanced by Lane, DiStefano, and Maznevski (2000) where cultural differences are valued and utilised. Rosen's competencies, however, allow a broader focus to encompass hard (outcome based), soft (judgement based) and contextual (context dependent) management tasks. These competencies, therefore, provide a broad framework to examine cross-cultural management performance.
Another broad framework for understanding cross-cultural management performance is provided by Bird and Osland (2004) in the ‘building blocks of global competencies’ illustrated in Figure 2. This framework is based on combining a broad literature search along with the co-operative efforts of the International Organisations Network (ION), a multinational network of scholars and professionals (Lane, Mazneveski, Mendenhall, & McNett, 2004). The underlying foundation of the framework is global knowledge, which is defined as a wide range and depth of acquired knowledge needed to operate globally (Bird & Osland, 2004). This framework lists four levels of competencies: traits, attitudes and orientations, interpersonal skills and systems skills. The traits of integrity, humility, inquisitiveness and hardiness when mixed with the right kind of global knowledge are presented as leading to the development of needed global attitudes and orientations (Bird & Osland, 2004).

The framework conceptualised by the ION as presented in Figure 2 lists the action oriented skills of mindful communication (a skill commonly associated with cross-cultural communication (Guirdham, 1999)) and creating and building trust. The capstone of the framework presents the skills of managing the systems of business, and these are listed as boundary spanning (a skill often associated with international management (Dowling & Welch, 2004)), building community through change and making ethical decisions. Most of the skills in the framework are not unique to cross-cultural management. However, together within a framework, they provide a picture of how the combination of the skills, attitudes, and traits might provide a useful picture of cross-cultural management.
The ION building blocks of global competencies, the MBI model, and Rosen’s outline all serve as frameworks from which to examine the unique aspects of cross-cultural management performance. The weakness of the ION framework, however, is that it does not appear to incorporate the culturally synergistic outcomes of cross-cultural management that are integral to the MBI model and Rosen’s outline. The ION framework, however, focuses more on the traits, attitudes and skills of cross-cultural management, whereas the MBI model
focuses on the processes of cross-cultural management. Both areas are relevant to cross-cultural management performance, and so an integration of these concepts is relevant to the definition of cross-cultural management performance.

The MBI model, the ION framework and Rosen’s competences, all have a non-specific allowance for individual, group and organisational outcomes in cross-cultural management. This emphasis in the ION framework and Rosen’s competencies is on the performance of the manager, whereas the MBI model focuses on the processes of cross-cultural management. A clearer definition of cross-cultural management performance, would specifically incorporate these three outcome areas (individual, group, and organisational), rather than current definitions that focus more on the actions of the manager. The definition of cross-cultural management proffered at the conclusion of this paper (see the ‘Definition of Cross-Cultural Management Performance’ section) will incorporate these outcome areas.

A further problem with these theories is that empirical research has not established the validity of the ION framework and the MBI model in assessing or measuring cross-cultural management. Although Rosen and colleagues have derived their outline from empirical research, they have not tested it in subsequent research. The following discussion will propose an alternative definition of cross-cultural management by integrating relevant concepts from the literature.

Adaptation, Adjustment and Cross-Cultural Management Performance

The second main area of cross-cultural management performance literature presented here concerns adjustment and adjustment aspects. Adjustment of the expatriate from the home country to the host country culture is often seen as the framework for evaluating expatriate cross-cultural management performance (Black, Mendenhall, & Oddou, 1991). Cultural adjustment has been defined as the social and psychological adjustment of
individuals or cultural groups to the new cultural environment in which they now reside (Adelman, 1988). More elaborate definitions include the six-factor definition encompassing acceptance of the foreign culture, knowledge of the country and culture, lifestyle adjustment, interaction with local people, intercultural communication, feelings of well-being (and positive self-concept) and job performance (Tucker, Bonial, & Lahti, 2004). A widely used definition of cross-cultural adjustment in expatriate research is the extent to which individuals are psychologically comfortable living outside their home country (Black, 1990; Black et al., 1991; Caligiuri, 2000).

The concept of adaptation is related to adjustment as evidenced in the definition of adjustment by Earley and Ang (2003, p.97) as “a person’s adaptation and shaping of novel cultural environments so as to perform a given set of duties”. The expatriate literature tends to use the concepts of adaptation and adjustment interchangeably. Conceptually, however, cultural adaptation implies a mutual process of change between host and expatriate. Successful cultural adaptation has been defined as the mutual respect for and by the surrounding cultures (Mio, Trimble, Arrendondo, Cheatham, & Sue, 1999). Despite this conceptual definition, in expatriate research, successful adaptation has usually been measured by the feelings of the expatriate (Black, 1988). The adaptation approach, therefore, tends to focus on the individual outcomes of cross-cultural management, rather than group and organisational outcomes. The focus in expatriate management research on the adaptation of the manager rather than any focus on the adaptation of those being managed reveals the ‘one-sided’ cultural adaptation approach predominant in expatriate research (Bonache, Brewster, & Suutari, 2001).

This emphasis of cultural adjustment in expatriate research as the main indicator of cross-cultural management performance assumes that a manager's main focus is to transfer pre-existing expertise in task performance to the challenges of a new context (Kraimer, Wayne, & Jaworski, 2001). It could be
argued that this is essentially an ethnocentric, almost colonial perspective, with a strong focus on the 'sender' rather than the 'receiver' (McCall & Hollenbeck, 2002). The 'cross' part of 'cross-cultural' is intentionally one-way, with the receiver playing the role of an incidental cultural modifier. The manager needs only to adjust, rather than find value in synergising differences and creating new strategies and new alternatives as is emphasised in the MBI model. The expatriate manager optionally hears and integrates the ‘voice’, input, and ideas of the host country national concerning management, but they are not essential in producing the desired outcome of the cultural adaptation of the expatriate manager.

The adjustment approach has been criticised over recent years by theoretical perspectives such as co-cultural theory (Orbe & Spellers, 2005). Co-cultural theory argues that good communication enables under-represented groups to define and present their own perspectives when they perceive cultural differences as salient during any interaction. This theory recognises the power structure that limits effective cultural feedback to the manager in the supervisor-subordinate relationship. How can the manager receive effective cultural feedback unless the manager hears the voice of the host culture within the context of the dominant foreign-based organisation?

In a complementary fashion, post-colonial theory argues a similar standpoint (Shin & Jackson, 2003). A post-colonial approach examines the politics of differences (Bhabha, 1994). The approach assumes that power is exercised in a hegemonic and dominant way, so that even the identity of the cultural other is defined and fixated by the dominant group (Bhabha, 1994). The postcolonial approach attempts to “liberate the self from oppression by describing the coloniser’s discourses and texts” (Shin & Jackson, 2003, p.226). In applying this to critique the adaptation approach, the interpretations by the home country culture of the host country through pre-departure cross-cultural training
or through the influence of the expatriate community in the host country can further reinforce the coloniser’s presentation of the host culture.

The divergent approach to IHRM and cross-cultural management, adopted in the current paper, would argue that the field of cross-cultural management should be 'giving voice to each and all' (Bond, Fu, & Pasa, 2001, p. 25). This ‘voice’ is relevant to utilising diversity in the organisation, to developing cross-cultural learning at the individual and organisational levels, and in creating synergistic management solutions. A model of cross-cultural management performance evaluation, therefore, should capture the broader benefits of a bi-directional relationship between managers’ and cultural others, beyond the limiting confines of feedback or adjustment. This research project suggests that the dynamic nature of cross-cultural learning is an essential element of cross-cultural management, where relationships are bi-directional and more than simply feedback or adjustment. On the other hand, cultural adaptation alone is deficient as a measure of cross-cultural management performance.

*Adaptation Approaches*

Previous research has examined adaptation from a number of perspectives. In attempting to categorise these adaptation strategies, van Oudenhoven, van der Zee and van Kooten (2001) examined the perception of multicultural effectiveness of 127 male expatriates employed by Heineken (a Dutch brewing company) in a number of countries. The researchers categorised expatriates according to their degree of allegiance to the parent or host country as being outcomes of adaptation. The categories used are: - ‘free agents’ who have low allegiance to both home and host companies, ‘going native’ expatriates who have high allegiance to the host company and little towards the home company, ‘hearts at the parent’ expatriates with high allegiance to home and little to host, and 'dual citizens' who have high allegiance to both companies (van Oudenhoven, van der Zee and van Kooten, 2001).
The researchers concluded that underlying these four adaptation categories were combinations of nine dimensions of multicultural effectiveness. These were - free agents (combining flexibility and adventurousness), going native (cultural empathy and extraversion), ‘hearts at the parent’ (high company commitment and perseverance), and dual citizens (open-mindedness and orientation to action). Emotional stability was rated highly also but had no relationship to any form of company allegiance. These dimensions and adaptation strategies illustrate the complex interplay between traits, adaptation, and perceptions in assessing cross-cultural management performance. Significantly, the expatriates rated going native and acting as dual citizens as the most important approaches in being effective. This indicates that a strong orientation to the local environment is seen ‘at the heart of expatriate success’ (van Oudenhoven et al., 2001, p.478).

Some theorists have identified adaptation as a stage in developing cross-cultural management competence. Milton Bennett derived a developmental model of intercultural sensitivity (DMIS) that presents adaptation as a stage in reaching intercultural integration (Bennett, 1998). This stage is seen to ‘internalise bicultural or multicultural frames of reference’ and is able to maintain a definition of identity that is marginal to any particular culture’ (Gardenswarz, Rowe, Digh, & Bennett, 2003, p.69). Therefore, adaptation is a process that can lead to a higher level of intercultural competence rather than being a definitive end-point in cross-cultural management. This theoretical positioning of cultural adaptation complements the previously discussed MBI and global competencies approaches. This concept and positioning of cultural adaptation will be included in the definition of effective cross-cultural management.
Cultural intelligence has been defined as “a person’s capability to adapt effectively to new cultural contexts and it has both process and content features” (Earley, 2002, p.274). The three facets in the structure of the concept are the cognitive and meta-cognitive facet, the motivational facet and the behavioural facet as outlined in Figure 3. The first facet relates to Earley and Erez’s theory on explaining cultural influences on work behaviour by focusing on an individual's self-identity as an active interpreter of a society's norms and values (Earley & Erez, 1997). The self is understood to be a person’s mental representation of their own personality and identity formed through experience and thought (Earley, 2002). Knowing oneself, coupled with the cognitive flexibility to be able to reshape and adapt one’s cognitive self concept, is an important part of helping a person to adapt to a new setting. Within the cognitive facet, a person also needs strong reasoning skills to be able to engage in inductive reasoning to help sort out and make sense of many social and environmental clues (Earley, 2002). Metacognition or ‘thinking about thinking’ is important as it enables the newcomer to a culture to reflect on what they are thinking and then put together “patterns into a coherent picture even if one does not know what this coherent picture will look like” (Earley, 2002, p.277).
A relatively unique aspect of cross-cultural adaptation presented by the cultural intelligence framework is the inclusion of a motivational facet (Earley & Mosakowski, 2004). Self efficacy is an important component of the motivational facet, as successful intercultural interactions depend on the individual’s belief in their own ability to navigate social discourse in an unfamiliar setting. Coupled with this is the perseverance to re-engage despite obstacles and setbacks. The individual’s goals in the new cultural environment will also play a role in the amount of effort they will be willing to expend in succeeding in cross-cultural interactions.

The model of cultural intelligence argues that knowing what to do and being motivated to persist in getting it right must be complemented by the possession of a repertoire of situation appropriate behaviours. This repertoire should include some aptitude for learning languages, as Earley (2002) argues that a person with a low aptitude for acquiring languages will have low cultural intelligence. The ability to mimic can also help a person to copy appropriate
behaviours and then learn the circumstances to which the behaviour can be applied.

The cultural intelligence model is linked to performance in arguing that individuals possessing high levels of cultural intelligence have a greater chance of success in their expatriate positions compared to those who have lower levels (Earley, 2002). This is a somewhat contentious claim, as the link between performance and cultural intelligence is yet to be tested empirically. This model is also focussed on adaptation as the outcome, rather than effective cross-cultural management that includes synergising differences and creating new strategies and new alternatives as previously discussed. Thus the expatriate’s ability to synthesise local approaches and perspectives in management is not effectively incorporated in this model. The model, therefore, offers an incomplete picture of cross-cultural management performance. However, it does provide relevant information on the multidimensional aspects of cross-cultural adaptation. Similar to the concept of cultural intelligence, the definition of cross-cultural management performance proffered in this current research utilises a multidimensional approach in understanding cross-cultural management performance. The outcomes of cross-cultural management performance, however, go beyond cultural adaptation to include culturally synergistic outcomes at the individual, group and organisational levels.

**Intercultural Effectiveness**

A third grouping of research within the cross-cultural management performance literature tends to focus on intercultural effectiveness aspects. Intercultural effectiveness appears to have three components: good personal adjustment; good interpersonal relations with hosts; and task effectiveness (Brislin et al., 1986). Good personal adjustment is marked by the guest experiencing feelings of contentment and well-being (Brislin, 1981). Good interpersonal relations with hosts is evidenced by judgement from the hosts that
reflect the guest’s respect for people from the other culture, collegial relations at work, spending free time with hosts and sharing personal information with hosts (Brislin et al., 1986). Task effectiveness is marked by completion of one’s work goals in the host country (Mamman, 1995). To be interculturally effective, all three of these components should be evident. This perspective, whilst focussing on individual outcomes of cross-cultural management performance only, introduces the idea that cross-cultural management performance also needs to be assessed by host country nationals to be valid.

Cross-Cultural Interpersonal Skills

Another approach to conceptualising cross-cultural management performance focuses on the manager’s cross-cultural interpersonal skills (Bennett, 2005; Brislin et al., 1986). Rosen (2000) identifies this aspect of cross-cultural management performance in management research as 'social literacy'. Clarke and Hammer (1995) examined 11 US and 17 Japanese managers and found interpersonal skills was the most important predicator of overseas effectiveness. Cross-cultural communication theorists have expanded this 'social literacy' (Rosen et al., 2000) dimension of cross-cultural management performance beyond simple communication towards effective engagement with cultural others (Brislin et al., 1986; Ting-Toomey, 1988). Furthermore, cross-cultural communication theorists emphasise the role of cross-cultural interpersonal skills in exercising non-coercive and non-authoritarian influence on host country subordinates (Bennett, 1998; Guirdham, 1999).

Through an analysis of previous research, Derald Wing Sue and David Sue (1990) have identified interpersonal competencies in cross-cultural relationships through their study of cross-cultural counselling. They identified five key skills in helping across cultures: - articulating the problem; mutual goal formation; diminishing defensiveness; recognising resistance; developing recovery skills. These skills are useful for the cross-cultural manager, and
acknowledge some important points in *effecting change* with people across cultures rather than simply *communicating* across cultures (Fuertes, Bartolomeo, & Nichols, 2001). The next paragraph outlines these important points.

The skills identified by Sue and Sue (1990) firstly illustrate that defensiveness towards the manager as a 'cultural other' may exist, especially where cultural bias and stereotyping exist in a personal, organisational or historical sense. A second point is that resistance may not only exist in the original problem formation, but also during the process of working across cultures. Resistance may exist even though the manager has 'good intentions', and the counselling perspective informs managers that good intentions could be harmful if not accompanied by good skills and good understanding of the situation (Sue & Sue, 1990). A third point is that mistakes will inevitably occur, and that managers should have within their repertoire of skills, the ability to recover from cross-cultural mistakes. This is not just from an intra-personal perspective, but also from an interpersonal and group perspective. An attitude of humility and the position of 'cultural learner' are important to the manager in utilising this skill (McCall & Hollenbeck, 2002).

These skills are useful to incorporate in evaluating cross-cultural management performance as they bring a focus on subordinates (those who are managed) and other stakeholders affected by a manager's interpersonal interventions. This paper intends to incorporate the perspective of the 'cultural other' in evaluation, a focus that has been given little attention in research to date (Bond, Fu and Pasa, 2001). An understanding of cross-cultural management performance, therefore, is proposed to include these five skills identified by Sue and Sue (1990) as part of cross-cultural interpersonal skills.

*Effective International Team Member Characteristics*

The fourth main area the literature on cross-cultural management performance focuses upon is managing teams of people from diverse cultural
Multicultural teams exist from the most basic cultural configuration of a team, where the manager from a different culture is working with a group of host country nationals, to a team where all members are from different cultures. Table 1 presents three theory perspectives on the processes and tasks involved in managing cross-cultural teams. The following paragraphs will compare and integrate these three perspectives to present the skill of leading cross-cultural teams as part of cross-cultural management.

In Table 1, Adler’s (2002) six step process is presented as a method of achieving cultural synergy from a culturally diverse group. Alternatively, Schneider and Barsoux (2003) divide the strategies for managing a multicultural team into task strategies and process strategies (as indicated in Table 1) resulting in a framework that is distinct from other theories of group development (Gersick, 1988; Tuckman, 1965). Finally, Earley and Gibson’s (2002) three processes are part of a more comprehensive theory of the multinational team, where the processes join together individual elements and group elements within the context of social structure catalysts and work structure catalysts. The outcome of Earley and Gibson’s model is equilibrium with a balance of differentiation and integration at the individual identity level, the team member identity level, and the team as an element of a larger social structure. The expected outcome in this theory, therefore, may be cultural synergy only if synergy helps to maintain equilibrium.

These three multicultural team theories both highlight the challenge of integrating multiple cultural perspectives and multiple ‘ways of doing’ into a unified process focussed on a unified goal. As helpful as the first two theories are, they still require testing through empirical research. The concepts, however, have been derived from previous empirical research and effectiveness in managing multicultural teams are considered important in defining effective cross-cultural management performance (Adler, 2002; Schneider & Barsoux, 2003). Gibson has affirmed the theory presented with Earley (2002) through
mixed method research across a number of multinational teams, individuals, organisations and cultures over a four year period (Earley & Gibson, 2002; Gibson & Zellmer-Bruhn, 2000; Gibson, Zellmer-Bruhn, & Schwab, 2000). The following paragraph will suggest how an expanded version of Earley and Gibson’s framework could incorporate aspects of the other two frameworks presented in Table 1.

Table 1

_Cross Cultural Management Team Processes and Tasks_

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<tr>
<td>1. Describe the situation;</td>
<td>Creating a sense of purpose (task)</td>
<td>Role taking, status/hierarchy and identity formation</td>
</tr>
<tr>
<td>2. Determine underlying cultural assumptions</td>
<td>Structuring the task (task)</td>
<td>Rituals/ habit formation and structuration</td>
</tr>
<tr>
<td>3. Assess cultural overlaps</td>
<td>Assigning roles and responsibilities (task)</td>
<td>Enactment of social contracts and the development of a shared history</td>
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<tr>
<td>4. Create culturally synergistic alternatives</td>
<td>Reaching decisions (task)</td>
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<tr>
<td>5. Select an alternative</td>
<td>Team building (process)</td>
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<tr>
<td>6. Implement the culturally synergistic solution.</td>
<td>Choosing how to communicate (process)</td>
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<td></td>
<td>Eliciting participation (process)</td>
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<td>Resolving conflict (process)</td>
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<td>Evaluation performance (process)</td>
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Earley and Gibson’s first stage of ‘role taking, status/ hierarchy and identity formation’ could include the more culturally specific aspects of Adler’s framework identified as ‘describing the situation; determining the underlying cultural assumptions and assessing cultural overlaps’ and Schneider and Barsoux’s ‘creating a sense of purpose (task)’. In leading a cross-cultural
project team, for example, the expatriate manager will need to identify different cultural expectations on what the purpose of the team is, and how the team will relate to the broader organisation. Earley and Gibson’s second stage of ‘rituals/habit formation and structuration’ could include Schneider and Barsoux’s ‘structuring the task (task), assigning roles and responsibilities (task), team building (process), choosing how to communicate (process), eliciting participation (process)’. In the cross-cultural project team example, this stage would include uncovering cultural expectations on whether to choose a leader of the team and to decide on the role of that leader. Earley and Gibson’s third stage of ‘enactment of social contracts and the development of a shared history’ could include the remaining components of Adler’s and Schneider and Barsoux’s stages as listed in Table 1. In the project team example, this stage could include the development of alternative project timelines, exploring the cultural assumptions underlying these timelines, and developing a new timeline that incorporates different cultural perspectives within the organisational limitations. These processes in Table 1 together make up the components of ‘leading cross-cultural teams’ within the proposed definition of cross-cultural management.

The evaluation of an expatriate’s cross-cultural management performance is often difficult to differentiate from the performance of the team in which the expatriate operates. Suutari and Tahvanainen (2002) examined the performance management of 301 Finnish expatriate engineers and found that 40 percent of respondents had team goals. In fact, the concept of evaluating team rather than individual performance may be more culturally appropriate to managers from collectivist cultures (Hofstede, 1980).

Cultural Synergy

As discussed above, Adler (2002) presents a model for creating cultural synergy when leading cross-cultural teams (see Table 1). Synergy comes from
the Greek word meaning 'working together', and refers to co-operative or combined action where the objective is to increase effectiveness (Harris & Moran, 2000). Cultural synergy is the co-operative and combined action from two or more relevant cultural sources, which produces mutually acceptable and beneficial results for participants. Culturally synergistic solutions in the organisational context are productive solutions that are mutually acceptable to participants from all cultural perspectives, including the organisational culture position.

Cultural diversity as a resource could be a key concept in cross-cultural management in the model presented by Adler (2002). The steps presented in Table 1 are similar to the MBI model (Lane, DiStefano and Maznevski, 2000) presented in Figure 1 in that both processes identify, link and synthesise cultural differences. The Adler (2002) model, however, focuses on group decision making. This group decision-making perspective could complement the mainly individual decision-making perspective of the MBI model. Both perspectives, however, require the cross-cultural manager to find creative and positive ways of dealing with cultural diversity. The achievement of cultural synergy, therefore, is an important part of cross-cultural management performance, and it will be included as part of this paper’s definition of cross-cultural management.

**Dilemma Reconciliation**

Another grouping of literature regarding cross-cultural management performance is the concept of dilemma reconciliation. In analysing the results of surveys of 3000 leaders and managers worldwide, and case studies of 21 international managers, Fons Trompenaars and Charles Hampden-Turner (2002) have reduced trans-cultural competence to one skill: the ability to reconcile value dilemmas. The skill includes the ability to recognise and respect cultural differences, and to reconcile differences in order to produce synergies that meet stakeholder objectives. The researchers found that trans-cultural competence
correlated strongly, consistently and significantly with the degree of international assignment experience, high ratings by superiors for suitability and success in overseas postings and high positive evaluations of 360-degree evaluations of interpersonal effectiveness. Interestingly, the propensity to reconcile also correlated with bottom-line business performance (Trompenaars & Hampden-Turner, 2002). The research findings are grounded in and demonstrative of dilemma reconciliation theory (Hampden-Turner & Trompenaars, 2000). The skill of dilemma reconciliation, therefore, is an important dimension and it will be included in this paper’s definition of cross-cultural management. This definition will be utilised in the empirical research studies of the current research.

Productive Diversity

‘Productive diversity’ is a company-wide approach to cross-cultural management that includes the concept of managers achieving culturally synergistic solutions. Productive diversity is concept articulated by Cope and Kalantzis (1997), and is defined as a ‘system of production that uses diversity as a resource’ (p.289). Productive diversity includes creating organisational cohesion through managing diversity and negotiating differences to find common ground or create new ground (p.289). The effective performance of Australian expatriate managers ideally would result in ‘productive diversity’.

Rather than organisations exerting a culturally colonising effect through either dominant organisational culture, or the home office culture exercising dominance over host country culture, the productive diversity model emphasises the value of plurality in order to be relevant to both markets and labour (Cope & Kalantzis, 1997). The model encourages devolution of managerial power, rather than a hierarchical or dispersed model of management. It builds on the concept of ‘participative management’, where management and employees are partners
in sharing in relevant decision making processes and engender a sense of ownership and pride in the enterprise (Cope & Kalantzis, 1997).

Organisational culture in the productive diversity model is characterised by a process of negotiation. Cultural domination is seen as destructive and counter productive, particularly in light of the assertion that “organisations trade on image, ethics and the making of moral meaning” (Cope & Kalantzis, 1997, p. 179). The expatriate and the expatriate’s organisation benefits from engagement and negotiation with host country cultures from not only an ethical perspective, but one of market relevance, culturally effective business processes, and effective employee relations.

Definition of Cross-Cultural Management Performance

The definition of cross-cultural management performance needs to include the important research findings and theoretical concepts described above. In particular, the definition must reflect individual, group, and organisational outcomes. The performance of the individual manager, however, facilitates these outcomes. Thus, the new definition proffered here is that cross-cultural management performance is ‘the achievement of productive diversity, intercultural effectiveness and cultural synergy in the performance of management across cultures, through processes including successful cultural adaptation and cross-cultural social engagement, and skills including the leadership of cross-cultural teams and the resolution of culturally related value dilemmas’.

Conclusion

This paper argued that there is a paucity of definitions regarding cross-cultural management performance. It also highlighted that an adequate definition of cross-cultural management performance does not exist that takes into account organisational, group and individual outcomes and processes. Adaptation is often widely seen to be the main focus of cross-cultural management
performance. However, it is proposed that such a focus is limited, and does not account for the synergistic dimensions of cross-cultural management. The end results of effective cross-cultural management should be productive diversity at the organisation level, cultural synergy at the group level and intercultural effectiveness at the interpersonal level.
References:


