

Cross-Cultural Management Practice: The Impact on Nigerian Organization

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Abstract

The need for Nigerian organizations to pay attention to cross-cultural management practices have become necessary following the challenges posed by cultural diversity in workplace. Hence, management needs to pay strict attention to the diverse workforce. The main objective of the study is to investigate impact of Cross cultural Management practices in Nigerian organizations. It specifically examined the effect of managerial behavior on cross cultural management and impact of culture on organizational performance. It purely employed primary sources of data collection. The finding revealed that managerial behaviors have effect on cross-cultural management in Nigerian organizations and also culture has impact on organizational performance. It was recommended that management of various organizations in Nigeria should establish structures in their organization that will encourage good ethical behavior of all levels of managers and even employees as this has significant impact on the organizational performance.

Keywords: Culture, Behaviour, Organization Globalization, Cognition, attitudes, Values and diversity.

1. Introduction

In recent times, there has been growing recognition for contemporary managers to develop a universal focus to management practices as narrow view is inappropriate due to diversity in culture which often time poses some serious challenges for managers in today's organization. Approaches, perceptions, practice and concept of management, differ in various cultures. As a result of the globalization of business operations, with its attendant culturally diverse workforce, there is the need to pay attention to the roles and impact of cross-cultural aspect of management in organizations. Hence, it is pertinent for managers to instill social cultural issues in management practices, opportunity to enter into, contribute to, and learn about a new culture, present an opportunity to learn new ways of thinking about the management of people, resources and processes in organization, about working with and through people across a range of national and international business and management backgrounds, in order to enable management professionals clearly identify with the impact of different cultural values on management and leadership styles in different cultures globally. Hicks and Gullet (1978) observe that a general applicability of management fundamental is culture bound as many applications on organization and leadership were inappropriate to local situations, as the native culture and personality play a significant role in organizational success. Cultural differences do affect managerial behavior and practices such as planning, organizing, staffing and controlling. It is unquestionable that culture influences management practices mainly through motivation, respect, reward system, promotion and authority (Bagwell, Kyle, and Ramey, Garey 1994). Ewanlen, Ogendengbe & Rebman (2012), posit that the way of doing things in one culture may not always be the same in another country. Hence, what is good in one culture may be bad in another, as people tend to act, perceive, see things and do things in different ways, at different time and at different places. Ewanlen et al (2012) further asserts that Cultural differences do affect managerial behavior and practices such as planning, organizing, staffing and controlling. In line with this view, Donnelly, Gibson & Ivancevich, (1984) affirm that Culture also affects interpersonal relations as seen in negotiation; hence it is essential that being aware of cultural difference is a prerequisite for personal and organizational success. However, Schein (1992) opined that organizational culture is even more important today than it has been in the past due to increased competition, globalization, mergers, acquisition, takeovers, alliances and various workforce development which have created a greater need for coordination and integration across organizational units in order to improve efficiency, quality, and speed of designing, manufacturing and delivering product and services, product strategy and process innovation and ability to successfully introduce new technologies, such as information technology, effective management of dispersed work unit and increasing workforce diversity, and managing of workforce diversity facilitation and support teamwork. In the same vein, Dasanyaka and Mahakalanda (2008) note that there is greater need to adapt to external and internal changes of organizational culture because it has become imperative today as the world is moving towards knowledge based economy. Maximizing the values of employees as intellectual assets requires a culture that promotes their intellectual participation and facilitates both individual and organizational learning, new knowledge creation and application, and the willingness to share knowledge with others (Dasanyaka and Mahakalanda 2008).

Objectives of the study

The main objective of the study is to examine Cross-cultural management impact on Nigerian organizations. While the specific objectives are to:

1. assess effect of managerial behavior on cross-cultural management in Nigeria organization; and,
2. assess impact of culture on organizational performance.

2. REVIEW OF RELATED LITERATURE

2.1 Basic Definitions and Concepts of Cross-Cultural Management

Adler (1991) defines cross-cultural management as the description, comparison and interaction of organizational behavior within countries and cultures, organizational behavior across countries and cultures; and between co-workers and other people from different countries and cultures.

According to Ewanlen et al (2012), Cross cultural management is the study of the behavior of people in organization located in cultures and nations around the world. It focuses on the description of organizational behavior within countries and cultures, on the comparison of organizational behavior across countries and cultures and most importantly, on the interaction of people from different countries working with the same organization or within the same environment. Ewanlen et al (2012), note further that the implication is that often time different meanings, interpretations may be given to similar activities in two different cultures but the diverse nature of the workforce accounts for the variations of interpretation given to employee behaviors depending on its cultural setting.

Cross-cultural management mainly deals with concepts such as values, attitudes, assumptions, behavior and organizational outcomes such as motivation (Steers & Sanchez-Runde, 2002). Some other concepts employed in cross-cultural management are derived from social psychology, sociology, anthropology: cognition, perception and attributions. Some of these concepts are most relevant and they include *Cognition, perception, attribution, attitudes, Values norms and rules*.

Lahey, (2001) state that Cognition encompasses the intellectual processes through which information is obtained, transformed, stored, retrieved, and used. Gudykunst, (1994) posit that perception may be defined as our awareness of what is taking place in the environment or as one's experience of an event or the process by which a person senses reality and comes to a particular understanding or view. Gudykunst, (1994) define attributions as the attempts made by people to explain others' behavior. In other words, attribution signifies determining why events occur and the reason may be either *personal* or *situational*.

Adler, (1991) observe that attitudes are formed through direct, personal experience, genetic and physiological factors, and third determinants like parents and groups, and mass media, and can, but are not necessarily predictive of behavior. Unlike attitudes, Hofstede, (2001) identify that *values* are general in nature; they do not focus on a specific event, but they cover many attitudes. Rokeach, (1973) defines values as enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence. Hofstede (1973) further explain that values as broad tendency which exhibited by people to prefer certain states of affairs over others. Gudykunst, (1994), state that *Norms* are guidelines of how we should or should not behave. They have a basis in morality. According to Hofstede (2001), *rules* are guidelines for the ways we are expected to communicate, and are not based in morality.

2.2 The effect of Managerial Behavior on Cross-Cultural Management practice in Organization.

The importance of top management taking the lead role in an organization, defines top management's behavior that is supposed to determine how the organization as a whole are perceived by stakeholders.

Unethical, aggressive, arrogant behavior on the part of top management is immediately translated as an attributed that affect cultural management systems as whole in most organization in Nigeria.

According to Hodgetts and Luthans, (1994), cultural impact on management is reflected by basic values, attitudes, beliefs and behavior of the people that exist in organization. Culture can affect technology transfer, managerial attitudes, managerial ideology and even government-business relationships. Moreover culture affects how people think and behave in most Nigeria organizations. Hence, between top management behavior and organizational culture is that top management must identify personally with the defined organizational culture, as lack of identification and subsequent deviant behavior will leads to uncertainty, both internally and externally.

Richard, Carlos, and Luciara (2010) observe that traditionally, global managers have been advised to deal with cultural conflicts by adapting to the other culture. Hence, academic and management training programs have long recognized a fairly typical pattern of behavior and accommodation of managers assigned overseas for instance. That is, managers assigned overseas initially experience stress and anxiety as a result of being immersed in an unfamiliar environment (This is referred to as culture shock). However, with time, they learn new ways of coping and eventually feel more comfortable living in the culture of the host country. They are able to be effective in dealing with people from another country by learning the foreign culture in depth and behaving in ways that are appropriate to that culture (Richard, Carlos, and Luciara 2010. Following the above views, we

therefore hypothesized that, H_1 : *Management Behaviour has significant effect on cross-cultural practices in Nigerian organisations.*

2.3 Impact of Cross- Cultural Practices on Organizational performance.

Denison and Mishra (1995) note that an important factor influencing the challenges, understanding and interpretation of the appraisal process, its development, implementation, and other appraisal related elements and functions in Organizations, is related to important organizational outcomes such as performance. According to Brooks (2006), an intimate knowledge of cross-culture should improve managerial ability to analyze organizational behavior in order to manage and lead people in organizations. Brooks (2006) state that cross-cultural management practices enables managerial ability to analyze organizational behavior which translates into superior corporate performance. McShane and Glinow (2005) observe that cross-cultural cultural management practice help employees to understand organizational event, and employees can communicate more efficiently and effectively thereby, reaching higher level of cooperation with each other because they share common mental models of realities.

Aluko, (2003) point out that cross-culture management practices influences organizational performance. To this end, Jones (1996), cited in Aluko, (2003), suggest that the reliability of cross-culture and organizational performance encourages the identification of relevant determinants of organizational performance. In compliance with this thought, some indicators were used to assess the impact of cross-culture practices on organizational performance.

Zakaria (1997) cited in Aluko (2003), contend that one of the relevant determinants of organizational performance is employee behaviour. He further observed that some of the cross-cultural factors that determine employee's behaviour such as the family background, beliefs and religion, values, attitudes and perception of work, commitment to work; norms and collectivism versus individualism have positive impact on workers. According to Aluko (2003), when workers exhibit positive work values and attitudes in organization, this will reduce the incidences of lateness to work and absenteeism, labour turnover are very low, the level of commitment to work is relatively high while the premium and emphasis placed on the achievement of power, wealth and prestige made the workers more effort at work

Ojo (2009) emphasizes the impact strong powerful culture has on organizational performance. He posited that strong culture have been hailed as key to improved performance. However, strong culture has almost always been the driving force behind continued success in business. Accordingly, strong culture firms are said to generate an almost tangible social force field of energy that empowers employees and drives the organization towards superior performance. Saffold (1988) cited in Ojo (2009), have connected strong shared values with commitment to self-confidence, ethical behavior and reduced job stress. On the hand, Barney (1986) argue that for firm's culture to provide sustained competitive advantages and thus by implication, be source of sustained superior financial performance, certain conditions must be fulfilled; the culture must be valuable, it must enable a firm to do things and behave in ways that lead to high sales, low costs high margins, or in other ways add financial value to firms. However, Barney (1986) posits further that superior financial performance is an economic concept; hence for culture to generate such performance, it must have positive economic consequence. As such, Barney (1986) suggests that culture must be rare; it must have attributes and characteristics that are not common to the cultures of multiple firms. Therefore, such culture must be imperfectly imitable; and firms without these cultures cannot engage in activities that will change their culture to include the required characteristics and if they try to imitate these cultures they will be at some disadvantages e.g. reputational, experience e.t.c. compared to the firm they are trying to imitate (Barney 1986).

In line with the discussion above, we therefore, formulate the hypothesis that H_2 : *Cross Cultural practices has significant impact on organizational performance.*

2.3 Impact of Globalization on cross-cultural management.

It is also imperative for a manager that wants global presence to place strong emphases on the external environment. It is a recognized fact that culture differs widely within the same country, not only in countries that are large and diverse but also within geographically small and relatively homogeneous countries. Hardly therefore can firms ignore the global environment, even if the firm has no plan to operate abroad. Increasingly, firms are now known to employ people from different nations with different cultural background within and outside its global environs.

2.4 Perceptions on Cross-Cultural Management Practices around Africa

The culture of a society describes the pattern of behavior which relates to the values and beliefs that are developed over a period of time. The cultural impact of management on organizations is reflected in the basic beliefs and behavior of managers. The most common aspect is how people think and behave (Iguisi, 2004) For example in s South Africa which is made up of a population of well over 42 million people, comprising of about 75% Blacks, 12% Whites, 9% colored and 3% Indians, is already known as is a culturally diverse nation. This diversity goes on, as population grows and long exposure to western education and management practices persist, it has influenced different styles of management in South Africa (Richmond and Gestrin, 1998).

However, Ewanlen, Ogendengbe & Rebman (2012) observe that Ghana, comprises of about 100 linguistic and cultural groups whose major ethnic groups are Akan, Ewe, Mole-Dagbane, Guan and Ga-Adangbe. These ethnic groups share a common cultural heritage, history, language and origin. The major languages are Twi, Fanth, Ga, Hausa, Dagbane, Ewe, and Nzema with English Language as the official language. The management style prevalent in a culturally diverse society like Ghana can be appraised in line with the common characteristics of Africa society and Hofstede's (1980, 1991) classification of societal cultures. Moreover, Ewanlen, et al (2012) note that organizational power in Ghana is based on clear system of hierarchy as autocratic leadership style is common place as a result of organization hierarchy and respect for age in Africa. Hence, authority is rarely questioned and decision making is highly centralized as absolute objectives rests with God. Managers are paternalistic in nature as they show adequate concern for the welfare of the subordinates and harmony is thus maintained.

3. Methodology

This study employs quantitative approach, through administration of structured questionnaires. A stratified random sampling technique was used to select the fifty (50) respondents consists of management staff from various organizations drawn from different tribes in the six (6) geo-political zone in Nigeria. The questionnaire prepared in likert scale form comprises of a total of 4 questions, 2 from each sections relating to the objective of the study.

The statistical instrument employed for testing the hypotheses formulated is the Analysis of Variance (ANOVA). The decision rule is that we accept the hypothesis if the f-statistic value calculated is greater than the critical value (from the ANOVA distribution table) is greater than the critical value which is 1.53 at 5% significant level and a degree of freedom of 49, otherwise we reject the hypothesis

3.1 Interpretation and Test of hypothesis

Table 1 Effect of managerial behavior on cross-cultural management practice in Nigeria organizations.

| QUESTIONS | RESPONSES | | | | | |
|---|------------|------------|----------|----------|----------|-------------|
| | SA (%) | A (%) | N (%) | D (%) | SD (%) | TOTAL (%) |
| Unethical, aggressive, or arrogant behavior on the part of top management is translated as an attributed to the whole organization. | 30 (60) | 14 (28) | 2 (4) | 2 (4) | 2 (4) | 50 (100) |
| Management must identify personally with the defined organizational culture | 27 (54) | 18 (36) | 3 (6) | 2 (4) | - (-) | 50 (100) |

Table 1 highlight respondents perception on the effect of managerial behavior on cross-cultural management practice in Nigeria organizations, it was observe that a total of 44 respondents representing 88% agree that Unethical, aggressive, or arrogant behavior on the part of top management is translated as an attributed to the whole organization, with only 2 respondents representing 4% were neutral, the remaining 4 respondents representing 8% disagree. Also, a total 45 respondents representing 90% agree that management must identify personally with the defined organizational culture, 3 respondents representing 6% were neutral to this opinion while 2 respondents representing 4% disagree.

Test of hypotheses

Test of hypothesis one

(a) Hypotheses formulation

H1: Management Behaviour has significant effect on cross-cultural management

(b) Test statistics is 38.4571 (see appendix II for ANOVA Result)

(c) Since the F-value is 38.471 and the critical value is 1.53, following our decision rule, we therefore accept the hypothesis meaning that Management Behaviour has significant effect on cross-cultural management

3.2 Interpretation and Test of hypothesis

Table 2 Impact of Cross-Cultural Practices on Organizational Performance in Nigeria

| QUESTIONS | RESPONSES | | | | | |
|--|------------|------------|----------|----------|----------|-------------|
| | SA (%) | A (%) | N (%) | D (%) | SD (%) | TOTAL (%) |
| Employees behavior determines organizational performance | 25 (50) | 15 (30) | 4 (8) | 3 (6) | 3 (6) | 50 (100) |
| Family background, beliefs and religion, values, attitudes and perception of work, commitment to work; norms have positive influence on workers. | 32 (64) | 9 (18) | 3 (6) | 3 (6) | 3 (6) | 50 (100) |

Field survey, 2014

Table 2 examines respondents perception on the question about the Impact of culture on organizational performance, a total of 40 respondents representing 80% agree to this statement that employee's behavior

determines organizational performance. While 4 respondents were neutral, 6 respondents representing 12% disagree.

finally, a total of 41 respondents representing 82% agree that Family background, beliefs and religion, values, attitudes and perception of work, commitment to work; norms have positive influence on workers; 3 respondents were neutral to this assertion while the remaining 6 respondents representing 12% disagree.

Test of hypothesis two

(a) Hypotheses formulation

H1: Cross-Culture management practices have significant impact on organizational performance.

(b) Test statistics is 21.6429 (see appendix II for ANOVA Result)

(c) The F-value is 21.6429 and the critical value is 1.53, following our decision rule, we therefore accept the hypothesis indicating that Culture has positive impact on organizational behaviour.

4. Conclusion

In response to all the 4 questions raised, respondents who were of the agreed and strongly agreed views have the highest scores with the highest percentage also recorded. Therefore, the finding indicated that managerial behaviors have effect on cross-cultural management in Nigeria organizations and also culture has impact on organizational performance.

This study has however attempted to explore cross cultural management and its impact for Nigeria organization. Due to difference in attitude, behavior styles of decision making, cultural diversity and languages across Nigeria, we therefore, conclude that Nigeria organization will profit and succeed even more if the management of organization gives recognition, priority and attention to cross cultural management practice.

We therefore recommended that management of various organizations should establish structures in their organization that will encourage good ethical behavior of all levels of managers and even employees as this has significant impact on the organizational performance. Also, Management of Nigerian organization must identify personally with the defined organizational cross-cultural practices

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APPENDIX

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ONEWAY MANAGERIA BEHAVIOUR ORGANIZATIONAL PERFORMANCE

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ANOVA

| | | Sum of Squares | df | Mean Square | F | Sig. |
|--------------------------|----------------|----------------|----|-------------|---------|-------|
| MANAGERIAL BEHAVIOUR | Between Groups | 444.800 | 4 | 111.200 | 38.4571 | 0.043 |
| | Within Groups | .000 | 0 | . | | |
| | Total | 444.800 | 4 | | | |
| ORGANIZATIONALPERFOMANCE | Between Groups | 1158.800 | 4 | 289.700 | 21.6429 | 0.040 |
| | Within Groups | .000 | 0 | . | | |
| | Total | 1158.800 | 4 | | | |