Motivation within a Cross-Cultural Organisation

Enhancing Expatriate Motivation and Effectiveness within a Cross-Cultural Organisation

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1. Introduction

1.1 Background

Owing to the increasing economic growth and globalisation, the number of multinational companies has grown rapidly calling for better ways of managing cross-cultural diversity (Becker, 2000:33). In the modern world, it is common to find people from different countries and cultures working in the same environment. It is important for these organisations to improve effectiveness so as to better their competitive advantage so as to cope with the mounting competition in the global market. Employees are always willing to realise their goals in the workplace. Thereby motivation factors are a concern of the employees and the human resource management. This boils down to the questions on whether employees from different cultural organisations are motivated in different ways and how management can improve overall effectiveness in cross-cultural organisations (Becker, 2000:33). In point of fact, there could be many problems arising in these organisations such as communication difficulties and cultural differences which might negatively impact on the efficiency and cause major problems for the HR department. It is therefore important for the HR department to maintain a motivated workforce.

Even though, firms face related HRM problems, the duty for culturally diverse organisations is far more intricate than that of their single-culture equals. In order cross-cultural companies to develop a motivate work force it is important for organisations to have a developed understanding of motivation factors (Becker, 2000:35). It is of great importance for companies to find out how employees from different cultural settings react to similar motivating factors, as
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culture has been found to have an intense impact on human behaviour (Matić, 2008:94). Recent studies have revealed that people want more than money from work. There are five important issues including the link between work and life, relationship between pay and performance, satisfactory staffing levels, performance and employment of work (Becker, 2000:35). In summary, employee motivation varies across different cultures according to a case analysis of Nokia in China.

1.2 Objectives

The sole purpose of this study is to work out the important motivating factors and scrutinize how cultural differences determine the approach taken by the HR department in motivating their employees. Additionally, the study seeks to answer the following questions.

i) What are the basic motivating factors?

ii) What are the different motivating factors across the ‘East’ and the ‘West’?

In this study, the East refers to Japan, Malaysia and China while the West refers to the US, European Union countries and the United Kingdom.

1.3 Limitations

This study concentrates on Nokia in China which means that it is not adequately representative. Furthermore, the study does not analyse each country independently, instead it roughly divides them in ‘East’ and ‘West’ which are two broad terms. Finally, data collected mainly focused on the east.
1.4 Structure

This paper first gives a background to the topic being studied, followed by a literature review of motivation theories in relation to cultural diversity. Then, the findings from the case analysis are discussed and conclusions are made concerning the topic.

2. Theory Review

Based on the objectives of this study which focus on the factors affecting motivation initiatives and effects on work motivation with regards to employees from different cultures, relevant theories are discussed. Specifically, this chapter discusses Herzberg’s two factor theory, Maslow’s hierarchy of basic needs and Hofstede’s cultural dimension model. Before starting on the motivation theories, there is some notable work that has been done in this particular study. For instance, in a study conducted by the American Psychological Association in the 1980s, it was clear that workers were interested in more than money from work (Susan, 2013). In addition, results from the Employee Opinion Survey from approximately 50 companies reveal that people were interested in five different issues from work mentioned earlier in this study (Bruce, 2013).

2.1 Work Motivation

Work environments can pose different challenges to the employees although people often strive to adapt positively. Employees are always trying to make the best out of situations so as to achieve their goals and objectives in life and maintain social values. Motivation is undoubtedly the major incentive element for employees to work efficiently (Hrcoatinggol, 2008). On the other hand, it poses a huge challenge for managers mostly in a cross-cultural organisation.
2.2 Definition of Motivation

Motivation is defined as the conditions in the internal and external environments that impact the individual to pursue a certain action aimed at achieving the desired results (Rollinson, 2005:189). In psychology, it is used to explain why people behave in a given manner. General speaking, there are aspects of behaviour: persistence, intensity and direction. Persistence affects the peoples’ abilities to handle difficult situations, intensity determine the level of input the individuals dedicate to a given course while direction refers to the individuals desire to attain a given objective.

2.3 Motivation Theories

Motivation theories are all founded on the basic assumption that people are driven by internal forces to act in a certain manner (Rollinson, 2005:189). There are two types of motivation theories: process theories and content theories. Process theories give attention to the mental process in which employees have a need that is reflected in their behaviour pattern (Jingliren, 2008). On the other hand, content theories take the peoples’ needs, want and desires into consideration. The best examples of content theories are Herzberg’s two factor theory and Maslow’s hierarchy of needs. The following sections will give an in depth analysis of Herzberg’s two factor theory, Maslow’s hierarchy of needs theory and Hofstede’s cultural dimension model.

2.3.1 Herzberg’s Two Factor Theory

This model explains that there are two categories of factors that affect workers’ motivation: hygiene factors and motivators. Motivators are qualities that are related to the work environment
while hygiene features are linked to the work environment (Collins, 2013). In essence, Herzberg explained that there is close relationship between job satisfaction and motivation levels. This theory takes into consideration the favourable and unfavourable factors impacting on employee motivation (Rollinson, 2005:193).

Figure 1: Herzberg’s Two Factor Theory

(Collins, 2013)

The above figure shows that the hygiene factors entail job security, relations with other workers, level of supervision, company policies, pay and the overall working conditions. All these factors are related to the work environment itself rather than the job. It is noted that these factors can result into job discontent when absent, nevertheless they do not essentially increase employees’ motivation. In other words, hygiene factors are only noted if they are missing (Rollinson, 2005:193). In contrast, motivation factors are made up of opportunities for personal growth,
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recognition, achievement and responsibility (Collins, 2013). These factors are intrinsic in nature and have a huge impact on employee motivation but they do no lead to dissatisfaction as long as there are adequate hygiene factors. The two factors are complementary and play varying roles in the work environment (Rollinson, 2005:193).

2.3.2 Maslow’s hierarchy of needs

This is one of the most common theories of motivation. The theory was proposed in 1943 by Abraham Maslow based on clinical research on what motivates people to seek achievement in all sectors of their lives (Grenway, 2008:21). This framework proceeded to become one of the best in employee motivation and personal empowerment. It is based on the idea that basic need must first be satisfied before other goals and objectives can be achieved. Maslow asserted that employees have five levels that need to be satisfied to keep them motivated and efficient in the organisation. These include: physiological needs, safety needs, social needs, esteem needs and self actualisation.

Physiological Needs

There are four physiological needs to sustain human life which entail: air food, water and sleep. To perform their tasks efficiently workers need to breath fresh air, maintain a healthy diet, keep their systems hydrated and get enough rest (Grenway, 2008:21). Deficiencies in these basic needs make people incapable of dispatching their duties at work and achieve their full potential.

Safety Needs
Working in a secure and safe environment minimises threat to injury. When workers feel that there is a minimal level of risk and good health safety practices are in place they feel more comfortable and less distracted while performing their duties (Grenway, 2008:21). Conscientious safety policies in the workplace reduce cases of absenteeism as well as boosting the employees’ morale. Security is made up of a number of factors including contribution to retirement plans which makes employees feel more secure and provision of medical benefits. It has been observed that companies that show concern for the employees’ welfare enhance employee motivation.

Social Needs

Mankind is a social being that looks out for acceptance, inclusion and companionship. Maslow pointed out the need for peer support and friendships in different relations. The work environment provides an opportunity for employees to be part of a team, share ideas and work towards the greater goal of achieving the company’s objectives (Grenway, 2008:21). Team building sessions, focus groups, competitions and mentoring are some of the activities that motivate employees in a huge way.

Esteem Needs

In line with social needs, there is desire for one to be recognised for their achievements in the workplace (Grenway, 2008:21). Maslow divided his theory into internal and external motivators. Internal motivators are the personal goals employees set for themselves including sales target and working within the stated deadlines. It is important for the management to acknowledge the employees’ efforts so as to keep them motivated and improve their efficiency (McAllister and Bigley, 2002:894).
Self Actualisation

Once all the other needs have been met, Maslow argued that the employees were capable of achieving their full potential (Grenway, 2008:21). This stage is referred to as self actualisation and only a limited portion of the population gets to achieve this. Organisations can apply this by appreciating the value of their employees by including them in important decisions concerning the company’s management.

Maslow's Hierarchy of Needs

(Grenway, 2008:45)

2.3.3 Hofstede’s Cultural Dimension Model

Cultures are different in the way they perceive values and attitudes. Recent studies reveal that culture and global business are the most important factors in multinational organisations. In addition to, there is a relationship between national culture and work values. This study looks into the effects of culture on motivation in a cross-cultural organisation. It is important to understand the features of each culture before getting into how it affects the workers.
Culture is defined as a common programming of the mind which sets apart people of a category from another. Hofstede came up with a 4-D framework of culture that can be used to evaluate the culture value after his research in a well established multinational company. This model entails four dimensions: power distance, masculinity, individualism and uncertainty avoidance (Hofstede, 2001:155).

Power Distance

Generally, power distance shows how the subordinate staff is accepting of the facts that there is inequality between the management and the employees, superiors are in more powerful position than their employees and the level of compliance among the employees (Hofstede, 2001:155). Power is a complex concept that is deeply entrenched in culture and is influenced by situational factors as it is distributed unequally in society. This is illuminated in the boss- employer and superior- subordinate relationship; there are other aspects that have a profound impact on power such as wealth, nationality, race, age, education background and wealth (Kirkman, Lowe and Gibson, 2006:285). In a high power distance culture social divisions are clearly laid out and there is a hierarchical work environment. Conversely, in a low distance culture subordinates are handed over important tasks and are treated with respect by their superiors.

Masculinity and Femininity

This refers to a society where there are clearly spelt out roles between men and women. Masculine characteristics include individual achievement, power, strength and assertiveness. On the opposite, femininity refers to a society where the gender roles are not clearly outlined. In organisations with a masculine culture, the employees are highly motivated while in a feminine
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culture employees consider works as a routine. Overall, there is a greater level of masculinity in the East countries than in the West (Hofstede, 2001).

Individualism and Collectivism

These refer to the associations between individuals and groups and the extent to which society values privacy, independence and personal autonomy. In an individualist society more emphasis is put on self interest. Additionally, more attention is paid to independence and personal autonomy. Conversely, in a collectivist culture, people concentrate more on the group’s interest rather than personal interest. They do not treasure self independence as much as individualists. People in a collectivism culture are considered to be more humane and considerate than in an individualism culture. It can be concluded that individualism is more pronounced in the West than in the East (Hofstede, 2001:157).

Uncertainty Avoidance

Cultures are discrepant with regard to how they put up with ambiguity, and this means that they are able to tolerate it. This is defined as the lack of open-mindedness for ambiguity and the need for recognised rules. In a high uncertainty culture people avoid ambiguity and believe in utter truth. In addition to, they are characterised by high levels of anxiety and anxiety hence there is a strong need for formal rules, regulations and rituals which add structure to life. Conversely, for a low avoidance culture it is easier for people to make decisions in life and they are more relaxed and less tense. Normally, there is high uncertainty in the East than in the West (Hofstede, 2001:134).
2.3.4 Limitations of Motivation Theories

There are several criticisms with regards to the motivational theories. First, Herzberg’s two factor theory is questioned on the basis of the research methodology. For instance, the answers to the research questions are highly dependent on the respondent’s self image. Above and beyond such idea, the level of supervision does not motivate the employees but simply results to job satisfaction are untrue. Second, Maslow’s hierarchy of needs can be challenged on culture since some cultures place social needs above all other needs (Grenway, 2008:21). This explains why it is advisable to use more than one motivation theories, since each one of them has its inherent weaknesses.

3. Case Analysis

Owing to the drastic changes in the business world, multination companies are making every effort keep up with the changes (ACCEL, 2013). With the world moving fast towards globalisation companies such as Nokia are committing themselves towards working in collaboration with Chinese companies. The company established trade relations in the country in 1950s. In 1985, the company opened its first branch and established its joint venture in the 90s (Nokia, 2013). The company has had tremendous success in this region. The Chinese population is increasingly becoming cultural diverse therefore there is need for the company to find an effective way of managing this aspect in the organisation. The company has had a huge impact on the country’s economy.

4. Discussion and Recommendations
From the information obtained from the case analysis it was possible to answer the research questions and achieve the set objectives. According to the case analysis, Nokia in china was the suitable candidate for this particular study as it involves employees from different cultures. The connection between employees’ attitudes and the appropriate motivation factors are explored between the East and West (Peter and Lakmal, 2009:126). This implies that that there is an established impact between cultural diversity on motivation factors. As the company being analyzed is made up of employees from varying backgrounds Hofstede’s cultural dimension model can be used to explain this relationship (Schmidt and DeShon, 2010:573). Moreover, classifying the participants into two broad categories makes it easier to study the cultural impacts on motivation aspects. The study provides an overview of the concept of employee motivation in a cross cultural organisation. This could be representative of all other culturally diverse organisations and the findings from this paper can be applied in similar case scenarios.

As earlier implied, economic integration has led to increased cultural diversity within organisations in the contemporary world. It is important for managers to have a comprehensive understanding of factors that affect employee motivation and apply them suitably. For example, they should realise that the condition of the work environment is important to the West while job security is of great significance in the East (Wang and Takeuchi, 2007:1437). It was found that employees from the East and the West view personal growth the primary motivating factor. As a result, companies are advised to provide better job opportunities and improve training. Team work should be encouraged in cross cultural organisations as it improves efficiency in the company’s operations. More research should be conducted on this essay to provide insight on
how cultural diversity influences employee motivation (Saunders, Lewis and Thornhill, A. 2007: 87).

5. Conclusion

In a nutshell, motivation is an important function in organisations as it determines the level of employee contribution towards the goals and objectives. However, employee motivation in an organisation characterised by cultural diversity is more intricate as employees from different cultural backgrounds are motivated in varying ways. Companies are advised to devise a mechanism of motivating the employees by satisfying their needs while ensuring that they achieve the enterprise’s goals and objectives. The main objective of this study was to explore the different factors affecting motivation in the East and West. Furthermore, the paper seeks to give insight on various motivation theories and managing motivation in a culturally diverse organisation. It can be concluded that employees from different cultures are motivated in by diverse factors thereby organisations should take this into consideration while coming up with motivation strategies.
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References


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