Keeping pace with change in SMEs: creating and maintaining congruence and consistency in SMEs in transition economies.

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Keeping pace with change in SMEs: creating and maintaining congruence and consistency in SMEs in transition economies

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Abstract: Global business is changing at pace in both form and complexity, demanding innovative solutions. Change is no longer an option; it is crucial to the ongoing success of global businesses. Leadership that encourage innovation and entrepreneurial orientation involves the creation and maintenance of congruence and consistency in workplace practices.

Today’s global leaders are the embodiment of change, but too often, they are sent to manage cultures they know little about. In attempting to forge a work culture that supports high productivity, they may be inclined to fall back on tried and tested approaches from their country of origin, which often prove to be inappropriate in the adoptive country.

Curiosity, as a motivator of exploratory behaviour, serves to overcome the lack of knowledge. The management of diversity in the workplace is essential as global organisations expand into transition economies. Managers need to be skilful in modifying workplace practices and procedures to create shared perceptions that support innovation and entrepreneurship.

This paper argues for congruency, as well as consistency, across ten key areas of leadership practices to meet the ongoing challenges associated with transporting entrepreneurship into transition economies.

Keywords: Small- and Medium-sized Enterprises; SMEs; congruence; values journey; transition economies.


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1 Introduction

The increased pace and complexity of global business competition accentuates the need for innovative, flexible and responsive solutions to emerging, novel needs of global Small- and Medium-sized Enterprises (SMEs) particularly in emerging and transition economies (Hitt et al., 1998; Zander, 1999; Birkinshaw and Hood, 1999). Entrepreneurial
organisations from transition economies, especially those wanting to compete on a global scale, must be concerned with innovation in order to create a sustainable competitive advantage against a growing roster of new, efficient, and focused global entrepreneurial competitors (Devanna and Tichy, 1990).

In order to develop innovative solutions, entrepreneurial organisations have recognised the importance of an organisational work context that facilitates creativity as the primary impetus of innovation (Kanter, 1988). Therefore, a key catalyst in the facilitation of innovation in a work context of a global scope is the capacity of an organisation to attract, develop, motivate, and retain an adequate pool of global leaders with appropriate characteristics to influence the context of creativity in the workplace (von Stamm, 2003; Prather and Turrell, 2002).

Studies researching the challenges of entrepreneurial leadership in the face of globalisation-driven and increasing social, cognitive, and behavioural complexity have examined means to stimulate and encourage innovation in organisations. The characteristics of leaders of creative people have been discussed comprehensively in numerous research contributions, with a focus on how leaders of creative people foster innovation by initiating structure to ill-defined and complex tasks (Mumford et al., 2002; Stoker et al., 2001). Other models and empirical findings have emphasised that supervisor support is a critical component in the creative process particularly in entrepreneurial organisations (Amabile, 1988; Oldham and Cummings, 1996; Woodman et al., 1993). Within a separate body of literature developed for the international management field, studies of global leadership have been primarily oriented toward identifying competencies of global leaders (Black et al., 2000).

A great deal has been written about innovation and its pivotal role that innovation plays in many entrepreneurial ventures (von Stamm, 2003). This paper reports on the process of introducing innovative practices into a well-established larger entrepreneurial venture, by orientating the organisational operating culture to one that is entrepreneurial by intent, thereby allowing innovation itself to flourish at all levels. It also reflects on the successes and shortcomings that resulted and proposes the use of a diagnostic tool to assess the extent of change needed to bring organisational values into congruence and consistency.

2 Developing a theoretical typology of curiosity and entrepreneurial decision-making

There is an innate characteristic of humans that varies in its level of intensity but is always present to some degree in each person: curiosity. Curiosity is a desire for acquiring new sensory experience and/or knowledge that motivates exploratory behaviour (Berlyne, 1949; 1950; 1954; 1960; Speilberger and Starr, 1994). Given the importance of search for information/knowledge, it would appear that curiosity is central to motivation to overcome the lack of knowledge given the context of global decision-making. Further, curiosity is a key element in the knowledge search process, as well as in the process of collecting this new information concerning the differences associated with making decisions in a domestic versus a global context (Blustein, 1997; Mau et al., 2008; London, 2006). Curiosity is the foundation or the willingness/desire to move through the learning process to obtain the information gap between what one
knows and what one wishes to know about the differences in decision contexts (Loewenstein, 1994). Information and/or knowledge are gained through observation, consultation, cognition (thinking) or some combination of the three.

The concept of curiosity is generally divided into two broad categories: perceptual curiosity and epistemic curiosity. Perceptual curiosity is defined as increased perception and/or reaction to visual, auditory, or tactile stimulation (Berlyne, 1954; 1960). Epistemic curiosity is the motivation, desire or drive to know and to learn; this curiosity is aroused by conundrums or perceived gaps in knowledge that is needed or desired in the decision-making process (Berlyne, 1954; Litman and Spielberger, 2003). While it is conceivable that perceptual curiosity could play a role in increasing global knowledge of management, it is envisioned that the epistemic dimension of curiosity will be instrumental in the quest for new knowledge and the corresponding development of better decision-making criteria. This belief is based in the knowledge that epistemic curiosity is motivated by conceptual conflict or conflict between mutually discrepant symbolic response tendencies (e.g., thoughts, beliefs, attitudes, conceptions); such is the conflict that must be resolved by the global managers learning about making decisions in a global context (Berlyne, 1954; 1965).

Curiosity is the motivational aspect of learning that triggers the search for information in an effort to reduce the tension/stress from not having the experience to make a decision (Fowler, 1965; Deci, 1975; Deci and Ryan, 1985; Giambra et al., 1992; Fisher, 2000). The social dimensions of curiosity are tied to a personality trait that is concerned with exploration. The dispositional tendency to explore social situations/relationships is the root of social curiosity and is considered to be a relatively stable dispositional tendency to engage in exploration (Reio, 2000). Curiosity is commonly considered to be a prime example of intrinsic motivation (i.e., a process of arousal and satisfaction in which the rewards of exploration are derived from doing the activity itself, rather than merely searching for the desired information) (Voss and Keller, 1983; Zuckerman, 1994; Collins et al., 2004).

In an effort to gain insight into the role of curiosity in stimulating innovation and creativity in entrepreneurs, it is important to examine entrepreneurial managers’ lack of experience in decision-making in the transition economies. In addition, the subsequent inadequate frame-of-reference for making global decisions needs to be explored theoretically. Indeed, it is the entrepreneurs’ need to be curious, to be challenged, and consequently to adapt to change, which compels them to be the seekers of new opportunities, which is, in turn, the very characteristic that differentiates entrepreneurs from their more traditional corporate manager counterparts (Stevenson, 1983; Hunt, 1991; Kotter, 1988). Additionally, as pointed out by Monge and Folke (1999), a hierarchical or bureaucratic structure is less responsive in a globally innovative environment. In such cases, flatter and more responsive organisational patterns are required.

This paper illustrates the extent to which the organisational culture created, maintained, and espoused by global leaders impacts innovation and entrepreneurial orientation across many dimensions, of which the flatness or steepness of the organisational structure is but one. Today’s global leaders are, inescapably, as both Hunt (1991) and Kotter (1988) separately argued, the embodiment of change.
3 Literature review

Research findings from industrial and organisational psychology have cast doubt on the simple assertion that a diverse workforce inevitably improves business performance. Instead, according to Jayne and Dipboye (2004), research and theory suggest several conditions necessary to manage diversity initiatives successfully and reap organisational benefits. Toh and DeNisi’s (2007) research drew attention to the fact that finding ways to increase the success rates of managers assigned overseas has become a major challenge to multinational enterprises.

Climate perceptions have recently been measured and analysed (Parker et al., 2003). According to them, various studies document considerable confusion regarding the concept of organisational climate and organisational culture and reveal a need for researchers to use terminology that is consistent with their level of measurement, theory, and analysis. It was found that psychological climate, operationalised as individuals’ perceptions of their work environment, has a significant impact on individuals’ work attitudes, motivation, and performance. The collective term for this is ‘work climate’ (i.e., that set of shared perceptions regarding the policies, practices, and procedures that an organisation rewards, supports and expects) (Schneider and Reichers, 1983).

Ostroff et al. (2005) studied the relative importance of multiple types of value congruence and discovered that perceptual fit across hierarchical levels was an important influencer of performance outcomes. Results of their study also revealed that employees’ fit with their workgroup manager was more important than their fit with the other members of the established workgroup. These research findings indicate that there may not be a single right way to build an organisation culture that meets the needs of everyone concerned, but at the same time they indicate that there has not, as yet, been a way to build an optimal organisation culture, despite the significant impact of core managerial values on quality of work life and employee morale, with its corresponding impacts on financial performance of the firm (Barney, 1986).

The propensity of individuals to mature along two planes concurrently has been documented (Robinson and Harvey, 2008). Individuals develop their capacity for autonomous action, or individuality, and their capacity for rational conduct, i.e., ability to ‘fit-in’ more or less concurrently. What emerges is a step-wise progression, marked by a degree of turbulence and uncertainty during the transition from one value station to the next. (Cowan and Todorovic, 2000; Beck and Cowan, 1996), as advancement is usually pre-empted by changes in the problems of existence.

Progress along the values journey is the result of accumulated experience and knowledge, and movement is intended ‘in the direction of greater complexity’ (Beck and Cowan, 1996, p.62), with a resultant “creative tension” (Senge, 1990, p.9). Since an organisation, as a collection of individuals intended toward common goals, takes on a particular culture, it too must progress along its own values journey. Incongruent perceptions of what is expected of employees, and inconsistencies in how they are led, inhibit the firm’s progress. According to Beck and Cowan (1996), it is not uncommon, though definitely undesirable, for whole companies to regress, rather than advance, as a result of maladaptive or destructive patterns of behaviour. Thus, in order to assure the firm of continued progress, it is necessary to ascertain answers to three key concerns, with regard to work culture:
1 What type of culture is created, encouraged and/or re-enforced by the current workplace practices?

2 What is the desired culture to be created, encouraged and/or reinforced by workplace practices that are envisaged?

3 In what ways, and to what extent, will workplace practices need to be adjusted and aligned in order to bring the workplace culture into congruence and consistency?

The answers are, of course, context-specific and dependent upon the prevailing conditions or the ways in which problems of existence are perceived (Lee, 2003), i.e., whether, for example, stable, in crisis, in chaos, or in transition, since any shift in context demands a shift in leadership response and vice versa (Uhl-Bien and Maslyn, 2003).

4 A case study

This case is of a company that was over one hundred years old with more than 1200 employees on day-shift and an additional 550 on weekend and night-shifts. As with most pharmaceutical manufacturing plants, processing departments were self-contained sterile environments. Managers were almost exclusively pharmacists who had little if any managerial experience outside of their present roles. The hierarchy had been extremely passive, with the result that managers were from the ‘old school’ and fairly set in their ways. Managerial duties essentially consisted of a series of tasks, performed as daily routines, without discernable performance improvement targets. For example, production managers would begin the day by opening the departments locked doors and storage rooms, briefing the supervisors, holding a meeting to review the previous day’s and night’s production, report any non-compliance, Good Management Practice (GMP) or quality problems. Next they would check the production schedule for the day, and organise the materials and machinery accordingly. They would then take about an hour to prepare for the inter-department daily meeting, which consisted of pre-empting any questions that might be asked by the general manager. Having hastened to that meeting, they would return an hour later with a list of things to do in the afternoon. The list might include requests for information, changed priorities, and/or urgent completions. Before leaving they would recap on the day shift quotas, brief their night shift supervisors, lock up unneeded materials and work in process, and take an inventory count in the processing department. Each day was a repeat of the previous, only different products were passing through the department. The daily routine left little time for creativity or change management, thus problems recurred but were never actually resolved at source.

An unintended, yet undeniable consequence of the GMP barriers between departments was that the interaction or communication between them was negligible. To all intents and purposes, when a task was completed in one department it was complete, i.e., the subsequent process was not even considered. When a problem occurred in one processing department, it would invariably be blamed on the previous department, or ignored and simply passed on to the next. Support services, such as engineering, maintenance or production planning, seldom liaised with each other. Similarly, department heads were more concerned with managing within their own departments than with ensuring the smooth running of the manufacturing plant per se. Even though
the workforce was fairly stable, people in different departments were neither known to each other, nor at all interested in knowing each other. Consequently, cross-functional communication channels were non-existent.

In a decision that had nothing to do with pharmaceutical manufacturing and everything to do with investment portfolios, this company was sold. The new conglomerate had new ideas. The board of directors were committed to developing a leading-edge innovative and entrepreneurial company. They wanted to grow the market share, build the brand, become known as innovative, and make a lot more profit in the process. They appointed a CEO known for his hard-nosed approach, who soon let it be known he would be ‘taking no prisoners’. These performance expectations demanded a new approach. The CEO explained that performance would be targeted and measured. It would be a case of ‘shape-up or ship-out’! This was hard medicine for those who lived in the comfort zone of a daily routine, albeit a busy routine.

Localised performance measures were introduced under this new regime, whereby the daily output of each department was measured in isolation, without regard to interactions between departments. This further cemented a silo-mentality as the culture of non-communication between departments was exacerbated by the fear-of-being-blamed factor. After one year under the new CEO, not a single manager was regarded as competent. Worse, none felt empowered to make a difference beyond their own department.

5 The benefit of big-picture perspective

As diagnosis comes before cure, what was needed was a simple big picture view of the firm that would provide some level of consensus on what was wrong, some agreement on what was needed to change, and provided a sense of direction, so that energies could start to flow toward a new envisaged future. A diagnostic tool, based upon a model of organisational development known as the Personal and Corporate Values Chart (Robinson, 1998), was developed to do that.

Management perceptions of those changes that had already taken place in this company corresponded closely with the progression and regression steps encompassed in the Values Chart. For example, the chart could be used to illustrate what it meant to experience a regression in organisational values and interpersonal interactions. It became evident that, rather than accept the need to fundamentally change the way things were done at the firm, managers had been inclined to place their efforts into doing ‘more-of-the-same’. Thus, though they were definitely trying, by were working even harder than before, yet their efforts were proving ineffective.

The Values Chart (see Figure 1) also illustrated the step-wise progression, representing the nature of change needed to keep on leading the company, day by day, week by week, month by month, to a new and previously un-envisaged future. The six bands (Table 1) were based upon the six value stations of the chart. These served to keep managers and decision-makers at all levels focused on doing things in the way that corresponded with the band most appropriate at the time, i.e., the band corresponding to the value station next highest.
Table 1  The six bands

<table>
<thead>
<tr>
<th>Dominant individual behaviours</th>
<th>Typical organisational structure</th>
<th>Typical managerial orientation</th>
<th>Preferred management process</th>
<th>Typical response</th>
<th>Motivating need</th>
<th>World view</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instinctive self-denial</td>
<td>Submissive</td>
<td>Tribal</td>
<td>Obedience</td>
<td>Parental</td>
<td>Listen</td>
<td>Belonging</td>
</tr>
<tr>
<td>Impulsive self-expression</td>
<td>Aggressive</td>
<td>Mini-empire</td>
<td>Task</td>
<td>Tough maternalistic</td>
<td>Force</td>
<td>Independence</td>
</tr>
<tr>
<td>Sacrificial self-denial</td>
<td>Compliant</td>
<td>Passive hierarchy</td>
<td>Procedural</td>
<td>Authoritarian</td>
<td>Conform</td>
<td>Security</td>
</tr>
<tr>
<td>Rational self-expression</td>
<td>Progressive</td>
<td>Active hierarchy</td>
<td>Results</td>
<td>Entrepreneurial</td>
<td>Initiate</td>
<td>Achievement</td>
</tr>
<tr>
<td>Accommodative self-denial</td>
<td>Harmonious</td>
<td>Social network</td>
<td>Relationships</td>
<td>Facilitative</td>
<td>Discuss</td>
<td>Acceptance</td>
</tr>
<tr>
<td>Considerate self-expression</td>
<td>Integrative</td>
<td>Functional access</td>
<td>Solutions</td>
<td>Synergistic</td>
<td>Consider</td>
<td>Interdependence</td>
</tr>
</tbody>
</table>

A diagnostic tool, in the form of a questionnaire – Congruence and Consistency in Culture – was used to discover which value station each of the functional areas was operating at and to indicate the extent of change needed and the readiness of the department to accept such change. Using the questionnaire, it appeared that there was wide consensus of the need for fundamental changes in the work culture. The necessary changes encompassed ten areas, as briefly explained below:
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1. How people are selected: The type of people employed impacts their ability to relate to the firm’s mission and policies, to adapt to its practices, and to further develop themselves.

2. How people were developed: The way in which development is encouraged and takes place can be seen as indicative of the culture an organisation is trying to create.

3. How performance was appraised: The old adage ‘tell me how you measure me and I’ll tell you how I perform’ remains true. People need to know that basis upon which they will be appraised.

4. Rewards and recognition: Often seen as the strongest influencer of behaviour patterns in organisations, the reward and recognition process is an indication of the value the firm attaches to those who perform appropriately. For example, if higher status is afforded to individual high achievers, this is different from making a bonus payment to a high performing group, where it is split equally between members of the group.

5. How people could earn promotion: The basis for promotion send a signal to others in the company, for example, if one is promoted for being the longest-serving member of a department while another has actually performed better it send a message that length of service trumps performance when it comes to promotion in this firm. Moreover, the high performers will become de-motivated and, if they are relatively new to the firm, may be discouraged from staying.

6. The style of management that was to be considered acceptable in the firm: It can be confusing, especially to new employees, when managers within the same firm adopt highly individualistic styles of management. What is needed is a range of styles within which there is a fair consistency among managerial styles, so that employees know what to expect.

7. The work structure: Hierarchies are not always the ideal form of structure. Additionally, hierarchies may be active or passive, and this may be by default or design.

8. The type of communication and participation in decisions within the firm: To what extent are employees encouraged to participate, and what exactly is the nature of the expected participation. For example, it may be acceptable to agree with the boss, but unacceptable to voice any disagreements or concerns in front of others.

9. How problems were resolved within the firm: Decision-making and problem-solving within companies usually follow a process or procedure. These are frequently complex, involving various interested parties that may be unknown to the person trying simply to resolve an issue. New employees might take years to be fully inducted into the complexities of even the simplest decision.

10. How the main opportunities facing the firm were viewed: Firms differ in their respective views of the future. For example, the firm that is hungry for market share at any cost defines opportunity differently from one that is seeking to incorporate a long-term social responsibility programme into its strategic intent.
The six bands (see Table 1) apply within each area of work culture activity. Each band represents a cultural typography that relates back to the Values Chart (Figure 1). The band representing the traditional culture, prior to the sale of the firm, for example, characterised by stability and routine tasks motivated by sense of duty, is known as the blue band. It was discovered that the work culture had regressed, since the sale of the company, to what is known as the red band, which is characterised by aggressive power plays between functional or department heads and selfish manipulation to protect their own interests at others’ expense. The envisaged future would be one encompassing a shared vision and common goals, with performance targets measured not in isolation but as collective contributions to overall company profits that would be achieved by synergistic cooperation. The future contained some elements of the yellow band but required a decided immersion in the orange band.

With intent focussed on the orange band, it was expected the company could be induced to move forward collectively. It was estimated the time required to move the culture from red-blue to orange-yellow would be at least three years. A process leader was appointed to facilitate development in the direction of orange, at all levels in the organisation, starting at managerial levels.

The generic lesson from this is that it is possible to take stock of what the cultural modus operandi is within a particular firm. Invariably there will be inconsistencies, which obviously need to be corrected. Less conspicuous will be incongruence in day-to-day practices. For example, a large multinational company that stresses safety as its pivotal point of difference, yet condones unsafe acts at one location, has a glaring inconsistency, but if the same firm promotes a manager known to thwart the safety slogan to a senior executive position it suffers from incongruence in its promotion policy. Incongruence, arguably more strategically destructive than inconsistency may also be more difficult to identify and correct.

6 The catalyst for change

Management development programmes were introduced. The main aim of these was firstly to build cohesion among functional/departmental heads so that they could comfortably communicate together and secondly to forge a collective commitment to the envisaged future culture. A one week immersion programme was developed and offered in three different time periods such that all managers were invited to participate. In preparation for the week, managers were independently asked to prepare a one page summary stating what they believed the main problem(s) inhibiting performance improvement, what the cause of that was, and how it might be corrected. These one page problem statements formed the basis of the experiential learning processes through which cohesion and commitment would be forged.

Initially it was difficult for rival managers to work together in small groups, but this constraint was soon abandoned by making it clear that there would be no right or wrong answers. The only aim was to find ways of removing obstacles to the envisaged future. What emerged was not only the resolution of problems, but in the process, attitudes changed toward each other and the emotional tone of the firm was placed on a new level. Lines of communication were opened, setting the stage for future interactions. Synergies started to develop where only protective barriers had been before. To say that the firm took on a life of its own is an understatement. Small groups sprang up within and across
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departments in response to performance inhibiting issues. With this came a new found sense of adventure, creativity and the expectation of promotion or reward. Recognition was generously afforded groups that contributed to performance improvement and people were encouraged to multi-skill or go on job rotation experience. The firm was large enough to absorb such job rotations and some personnel applied to move laterally or upwardly throughout the organisation and were duly accommodated into jobs for which they were best suited. The team leader of the stability trials department, for example, who was on the verge of leaving the firm, was offered a place in a completely different department which was better suited to her personality. Mandy accepted the change and went on to become the star of the procurement department. Numerous such changes were implemented and the organisation moved quickly from a passive bureaucracy to an active meritocracy.

7 Limitations

This case study is specific to one firm in one country in a particular three-year period of its development. It does not therefore represent the exact processes that will be effective elsewhere, nor should the results simply be extrapolated. Readers should be careful not to regard the issues discussed herein as if they are suggested as generic solutions. The central message is that each firm requires careful analysis and corresponding strategies to move it in the direction required to advance along the values journey. The exact nature of each firm’s change process will be specific to its particular needs. Nevertheless, this case provides an illustrative example of how firms that have stagnated tend to respond to crises by first regressing before seeking to change. Furthermore, it provides an example of how that regression was successfully arrested and reversed.

8 Implications

Twenty-first century firms are ever more likely to push the boundaries of traditional hierarchical constraints. As entrepreneurship continues to cross international borders and time lines in pursuit of market growth and resource base expansion, the problems they encounter tend to follow roughly the same pattern – comfort-zone, shake-up, more-of-the-same, organisational stress, the search for a (magic) solution, new life, innovative spike, backlash. The cycle is not a once-off journey, but a continuous process to move the firm ever-forward through the six bands and beyond.

A missing link in evaluating exactly what needs to be changed has been the lack of a diagnostic technique that can accurately assess not only the direction and extent of change needed, but also the magnitude and complexity of the required changes. To this end a Congruence and Consistency in Culture Questionnaire has been developed and tested. Each of its ten sections addresses a factor that critically influences organisational culture. For example, Section 4 of the questionnaire addresses the factor, Recognition-Reward (see Figure 2). The leader is able to ascertain which of the six bands is currently most applicable from the collective responses of his/her team members, as listed on the left-hand-side. At the same time, the leader is able to ascertain which of the six bands is considered most appropriate for the future, from the responses listed on the
right-hand-side. When the responses on the right-hand-side are contrasted against those on the left, the direction of change as well as the magnitude of change can be quantified. The sum of all the differences, across all ten sections, can be computed in two different ways. The simple sum, where plusses and minuses are netted, indicates the extent of incongruence. The absolute value, computed by summating the variances without netting plusses and minuses, indicates the extent of inconsistency, which is a measure of the expected complexity when addressing the issues.

Figure 2  Example of one section of the congruence and consistency in culture questionnaire

<table>
<thead>
<tr>
<th>At this firm now</th>
<th>Points</th>
<th>Section 4</th>
<th>Points</th>
<th>At the ideal firm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>We give recognition and reward by</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>........................................</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Giving the small group something that they all need</td>
<td>B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Making the person feel proud and self-important</td>
<td>C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Formally recognising their discharge of responsibilities at an official function</td>
<td>D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Paying commissions and/or bonuses and affording higher status to high achievers</td>
<td>E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Making a contribution to group cohesion or a common cause</td>
<td>F</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>Encouraging the person to do more of what they are inclined toward</td>
<td>G</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adds to 10</td>
<td>........................................</td>
<td>Adds to 10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Instructions: In each section, the respondents have 10 points to allocate on the left-hand side of the page, and 10 points to allocate on the right-hand side of the page. They may allocate the 10 points any way they believe matches their perception of what is true for their firm. They might, for example, allocate the 10 points as follows: 1, 2, 4, 0, 3, 0, or they could allocate all 10 points to a single response, or they could decide to spread them equally across the five options, i.e., 2 points to each, or indeed any combination, as long as it reflects what they believe to be the case.

9  Relevance to transition economies

Too often global managers are sent to manage in cultures they know little about. In attempting to forge conditions of work that facilitate productivity, they are inclined to fall back on tried and tested approaches from their country of origin. These often prove to be highly inappropriate in the adoptive country, and may lead to poor morale, substandard productivity, or even industrial action. A more effective approach is to employ a diagnostic tool, such as the Congruence and Consistency in Culture Questionnaire, whereby the current custodians of work culture collectively indicate what needs to be changed, and to what extent.

To correctly position any firm for entrepreneurial growth requires not only congruence across all ten factors, but also consistency. A diagnostic tool that allows both incongruence and inconsistency to be assessed provides an essential basis for proactive change leadership.
10 Conclusion

Global managers in trans-national organisations can make use of a simple questionnaire to obtain a strategic overview of where the consensus of opinion lies about what can and should be the route forward. It is useful to note that this does not require significant upfront knowledge of the particular industry or culture, as such knowledge resides in bulk within the firm. Indeed it is sometimes unhelpful to become too acquainted with the way things have always been as this may result in ideological debate or become a disincentive to change. It might be equally inappropriate to evoke change borne out of a desire to impose country-of-origin (e.g., western) systems on foreign (e.g., Asian) acquisitions. If culture change is ego-centric, i.e., based on that which the manager already knows, it is destined to be less effective than when it is based on the needs and perceptions of incumbents in the established firm, provided they can be motivated to commit to ongoing performance improvements.

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