

Section One

---

**Successful Participation in  
International Teams**

## Chapter One

### **International Teams in the Current Scheme of Things**

Teams are in vogue. So much so that many managers are already tired of the word and people are talking about collaborative workplaces rather than teams. What is clear is that the complexities of local issues, let alone international markets are becoming too much for one brain to grasp, identify and respond to intelligently. Increasingly, just to survive, we need to work together on problems and opportunities that cover much larger geographic areas. This usually means working with people from different nationalities. This first chapter sets the broad scene. It looks at how international teams are different from national ones and why they justify a book all to themselves. It outlines the layers of complexities that exist within such teams and the layers added by the organisational context. All these layers of complexity invariably lead to greater communication difficulties:

*'none of us have worked internationally before – it is like the blind leading the blind'\**

The only way to work through the internal difficulties this creates is to pay as much attention to creating good interaction as to the task. Experience has told us that working with individual teams is the best way to embed international teams skills into the fibre of the organisation. Experience has also shown us that many other parts of the organisation also need to develop and change if these teams are to sustain high performance.

#### **International Teams**

---

An international team can be defined as a group of people who come from different nationalities and work interdependently towards a common goal.

---

International teams are usually working on a complex task that will have an impact in more than one country. They are usually expected to achieve an

\* The quotes throughout the book come from the managers and team members of international teams in Wellcome, now Glaxo-Wellcome a UK-based pharmaceutical company with a strong American presence, and Seagram, the international US-headquartered drinks and music company.

outcome that will either serve a very widespread set of customers, solve problems in many areas simultaneously and/or have a very significant impact on increasing or sustaining profitability as the following two examples demonstrate.

#### The Digital Race

The R&D function of a multinational photographic company had its best scientists working on the latest digital technology for cameras and film. The company believed it was significantly ahead of its competition in the digital race, until a smaller national player launched its digital products (with a different standard) onto the market a full 12 months early. The race had become one of survival. If the competing technology became standard, years of effort and expenditure in product development could be wasted.

*The organisation's response:* to create an international multifunctional team with the best and the brightest from R&D, Marketing and other relevant parts of the organisation.

*Their goal:* to develop and launch their competing technology in all key global markets within six months. A full year ahead of schedule.

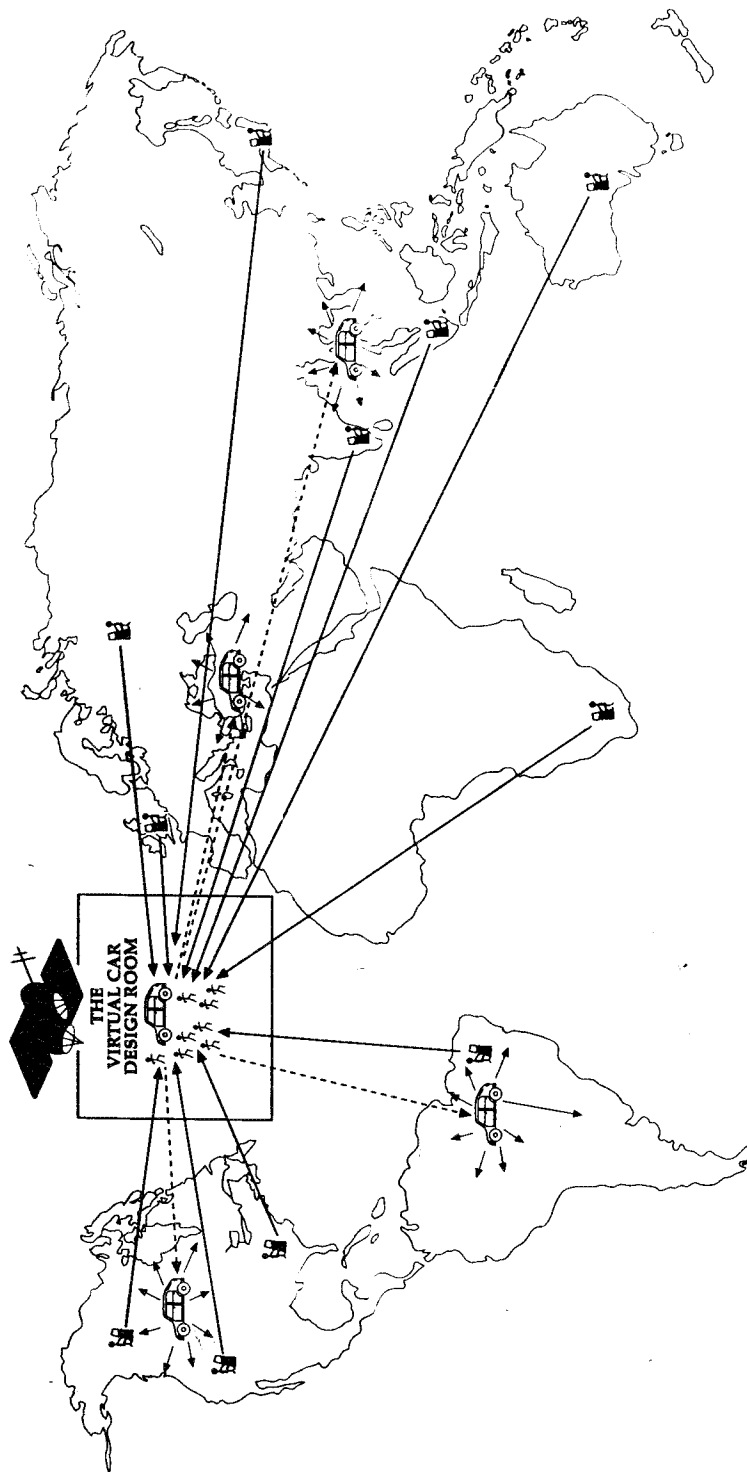
#### Simultaneous Registration

As globalisation extends its reach to all corners of the globe, some regulatory authorities are taking advantage of the advance in technological communications and attempting to harmonise some of the rules and regulations they create. The pharmaceutical industry was quick to encourage its regulatory authorities to take this path, as it promised more rapid simultaneous registration of their products globally.

One organisation decided to test the system. It was due to register a new product and knew there were potential markets in over 15 countries. The Director of R&D set a challenge to the International Project Team and the regulatory department: simultaneous registration in all countries in three days. The organisation was aghast. The previous best that they knew of was three months and the norm was six to eight months. Yet at the same time the international team knew the cost in lost sales each day a product was not on the market was phenomenal. They accepted the challenge.

*The result:* simultaneous international registration in three weeks. The organisation was delighted. A new standard had been set.

In fact international teams *have* to achieve such impressive results as they are very expensive to set up and maintain. The increase in the levels of complexity



**Figure 1.1:** The three trends – globalisation, teaming and information technology – creating and distributing the design for the global car to regional production sites

of both the task and the team's interaction demands much higher support and different training than teams of one nationality based in one place. Adding a day of cross-cultural training onto the end of a standard training package for teams is not enough.

### **Three Trends are Creating the Need for More International Teams**

---

Unlike most national teams, international teams often work apart across cultures and time zones for extended periods of time; they are dispersed. Three major trends mean that these teams are here to stay, that there will be many more of them and that they need to be effective.

#### **Globalisation**

The first trend is the perceived need for many companies to go 'global' in order to grow and survive. This has both created and is brought about by 'globalisation' which we define simply as increased commercial and economic interdependence between countries. This growing interdependence is currently relentless and is supported by many joint ventures, strategic alliances and mergers and acquisitions.

#### **Teaming**

The second trend is that the increasing complexities of scientific, medical and environmental issues as well as commercial life demand individuals from different backgrounds and different nations to collaborate in order to identify and resolve the problems and to take advantage of the opportunities. Many workforces have been driven to work as accountable, often 'self-managed' teams rather than functional units that do not co-ordinate well. Leadership roles are increasingly focused on creating collaboration; not just across all levels of the organisation, but between suppliers, customers and other like businesses and institutions. Increasingly, the whole organisation at all levels has to be able to perform what were previously management processes; to talk (or at least 'e-talk') to each other, share information, solve problems and make decisions. This has led to such a frenetic amount of 'teaming up', the question now being asked is, 'is it always appropriate, and if so, when?'

#### **Information Technology**

Third, and perhaps most importantly for international teams, we are in the middle of a dramatic information revolution. The first major impact of this revolution is that wireless technology is increasingly allowing people to participate in meaningful discussion and interaction wherever they are. at any

time they choose. These teams can now work apart as much as together and access and share information as never before. Business will increasingly be done in an 'information' space where, so long as there is adequate communications infrastructure, physical location is much less of a consideration than time zones.

The creation of dispersed international teams is an obvious response to these trends and will continue to be so for some time to come. The trends themselves have set some parameters for these teams. Information, rather than physical products, is becoming a major commodity in its own right. This has created many more 'knowledge workers' in both technologically developed and developing economies. These are people who create, exchange, digest and broadcast information as knowledge.

Recent figures suggest that 82 per cent of the American workforce can now be called 'knowledge workers' as opposed to those doing predominantly physical work, and 20 per cent of the workforce consists of technical and professional workers<sup>1</sup>. International teams are usually made up of such technical and professional 'knowledge' workers.

Shifting physical products by courier, air or sea is still very expensive and awkward, so most production lines are the last places in a company to feel the impact of a greater international spread. However, exchanging information through the internet and e-mail is almost free and relatively easy, even from otherwise under-developed countries. At first glance, it is relatively easy and cheap for professionals in different countries to 'team up'. The costs come in setting up compatible technology and software, facilitating still necessary travel and good co-ordination. Almost every company that has had or is developing international teams, faces the need to make significant organisational changes to reap the full benefit from, as well as fully support and facilitate these teams. Different companies are responding in different ways. Highly dispersed organisations such as the Anglo-Dutch oil giant, Shell, and the large international power company ABB (Asea Brown and Boveri), are focusing on increasing the variety of nationalities within the ranks of management, standardising some management processes and technology and creating international regional teams to serve increasingly regionally spread customers. As the quotes below testify, other organisations, such as Glaxo-Wellcome are seeking advantages from these teams by reducing duplication in different countries:

*'Creating these teams optimises use of resources – they will cut out a lot of duplication of effort that the previous system had.'*

*'It helps that we are not competing with our overseas colleagues for the same pot of money anymore – it means that the studies that go ahead will be better funded.'*

*'I finally got access to a piece of kit that we only had on the other side of the pond – I'm hoping it will save several months on timelines.'*

Yet other companies, such as Ford, Fuji and Xerox have created international

teams to develop products that they hope will serve many markets simultaneously. Each of these different approaches demand a formidable response from the organisation to do away with the old systems and attitudes that block these teams and to invest in and create the support mechanisms and infrastructure that help them be effective.

It is, however, one thing to recognise the advantages of international teams and quite another to put strategies in action to overcome the potential downsides and ensure that these teams are operationally effective. Table 1.1 illustrates some of the advantages and disadvantages organisational and team leaders need to take into account if they want to introduce and lead effective international teams.

**Table 1.1:** Advantages and Disadvantages of International Teams

<b>Advantages of international teams</b>	<b>Disadvantages of international teams</b>
Enables global strategies to be created that are sensitive to local requirements	Individuals can feel torn between loyalty to the team and to their local manager
Enables the organisation to benefit from a diversity of perspectives that more closely match the preferences of their client base.	It can be difficult to reach consensus on a way forward.
Increases organisational learning about the global market.	Language and communication difficulties mean that it can take longer to reach an optimum level of effectiveness.
More efficient use of resources – avoids duplication of effort.	Remote working can feel very isolated and demotivating and harm family life. It is also easy to get distracted on local issues.
High level of intrinsic rewards, learning a lot from different people, different parts of the company, and learning different methodologies in tackling problems.	Potential for increased conflict due to different opinions.
Extends international development opportunities beyond 'traditional' expatriate manager.	Certain cultural habits, such as talking about oneself, pointing, types of food can be offensive to people from other cultures.
Being 'special' can increase morale.	These teams need high initial investment in people, training and technology to avoid very expensive mistakes.
Team leaders and members usually increase their skills with communication technology.	Difficult to create equitable reward and evaluation.
Enables broader targets to be set that will have an impact in many different countries simultaneously.	

This book is to ensure that companies that are investing in such teams will reap the advantages while not becoming swamped by the disadvantages and

possible pitfalls. Many of the advantages accrue at the organisational level, while many of the disadvantages need to be handled within the team and between people. It is imperative that the key players create a facilitative organisational environment which gives the teams the top down, parallel and bottom up support they need to overcome the downsides and become effective. Senior managers who say 'we want the results, it is up to them how to achieve them, but they will hear about it if they mess up' will end up paying a heavy price. As such, international teams are a form of management that incorporate what has been written about teams and globalisation in general, yet go beyond both of them. Since they incorporate what is true for teams in general, it is important to remind ourselves what that is and to see what added layers of complexity they need to deal with.

### **Teams and Workgroups**

---

A team can be loosely defined as a group of people working interdependently towards a common goal.

---

Different authors then add in different aspects, such as mutual accountability, complementary skills, additions which apply to effective teams. Some prefer talking about the verb 'to team', to do teamwork, or to work collaboratively, rather than trying to talk about teams per se. This is usually in response to a smart manager saying 'I call my company a team and that is three thousand people'. There is also now talk of workgroups rather than teams and the question arises; 'How do they differ and does this book also apply to larger, more loosely formed international groups?'

The first step in answering this last question is to get past those preaching that teams are better than workgroups. This approach makes statements like; teams work on the big picture and workgroups on the small; teams do whatever it takes to achieve the task; teams are participative and workgroups are autocratic and so on<sup>2</sup>.

---

Much confusion is created by calling an effective team, a team and an ineffective team, a workgroup.

---

The reality is that certain types of tasks require people to usefully collaborate and co-ordinate to greater or lesser degrees. Workgroups may well have a higher ratio of individual work than teams, but the real difference is in the extent to which people need to co-ordinate to fulfil a common outcome. If you cannot move forward without very frequent interaction with your colleagues, if other group/team members are expected to make up the difference if one person fails, then it is probably important to make the extra effort to become a

good team. In many cases, companies create a core team to drive a project forward. This core team will then use a much larger 'work' group of technical experts as and when they need them.

International workgroups with high amounts of individual work will find this book useful. Small groups of people from different nationalities who are working interdependently towards a common, usually significant goal, what we are calling an international team, will find it even more so.

### **Regular Team Processes**

Much is written about effective team processes and most of it applies to international teams. In order not to reinvent the wheel, at this point we presume a basic understanding of what works and what does not work in teamwork in general (see Annotated Bibliography at the back of the book for relevant texts). To summarise, it is now well established that any team will have a greater chance of success if the team as a whole has:

- a clear motivational goal;
- a strong sense of commitment and urgency;
- interdependent work;
- competent team members with complementary skills;
- well set ground rules and standards for good interaction;
- good interpersonal communication and relationships;
- appropriate inspiring leadership;
- appropriately rewarded interim and final goals;
- control over its own resources;
- good boundary management;
- external support and recognition.

Each team member has to believe in what they are aiming to achieve and to clearly understand the benefits of the outcome and the need for it to happen in a timely way. They need to understand what each person can contribute and how their different contributions allow them to meet the overall goal. The different skills need to be integrated by agreeing a structured working process that allows each person to contribute fully without being dominated by others. A good leader will create a role model for good interaction, as well as keep the overall purpose and direction clear while others become focused on the day-to-day details. However well a team works internally, external issues, such as control of resources, external support and recognition, as well as a sense of operational autonomy while being recognised and well rewarded for contributing to overall organisational goals, will all enhance the team members' commitment and motivation.

While these 'team basics' may have very different interpretations in different cultures, they are as important to international teams as they are to national teams. Companies that have already invested in creating good teamwork locally, find it much easier to create effective international teams.

Similarly, working on complex international team processes creates useful lessons for all teams. Zeneca (pharmaceuticals) in the UK, produced a model of best practices written for all teams, in which the base model was for international teams, and national teams were considered as a subset. International teams are not different in kind to national teams. The differences lies in the complexity of the interaction and the scope of the work. International teams need to learn all and more than national teams need to learn because they have added complexities that come both from within and without the team.

### **The Added Complexities that Come from Within the Team**

The most obvious difference between international and national teams is that international teams have people from different nationalities. This means that team members will have:

- different mother tongue languages and communication styles;
- different ways of looking at the world, taking in and processing information and different underlying assumptions about the way reality works;
- different expectations about each other's behavioural norms, especially involving emotional display, decision making, conflict resolution and leadership;
- different stereotypes about each other and perhaps, status within the company;
- varying access to resources within the geographical spread.

One can argue that apart from different mother tongue languages, individuals in national teams will also differ on all the other factors. It is true that our personal identity is made up of many factors or 'different identities'; professional skill and expertise, life experiences, gender, race, ethnicity, marital status, parenthood, age, length of tenure, rank etc. There will be differences between people in many of these factors in any team, which will lead to differences in the above cognitive and communication processes. Some parts of individual identity will be more relevant to each particular task than others. Others will become noticeable perhaps because of the structure of the team, for instance being the only woman, being the only non production person etc. So each aspect of identity will have a different relevance, weighting and history in any team which can lead to potentially complex interaction between the different aspects

both within each individual, eg 'Should I stress my expertise or rank at this moment?' as well as between the team members; eg 'They seem to think I am less experienced just because I come from Russia'.

What we are talking about with international teams is degree. While a Californian millionaire may well differ markedly on the above five factors from an Appalachian small holder, sadly it is unlikely that they will be on the same business team. Peers of similar 'social standing' from different countries are likely to differ even more widely across these factors which creates complex interaction that then has to be actively wrought into something that works. Most of the studies on heterogeneous teams have compared them with homogeneous teams. Sometimes they are more effective and sometimes not, however almost always, they have greater communication difficulties, at least in the beginning. Take communication styles for instance:

*'Communication is so much harder because of the cultural differences – some people respond to your e-mails, some don't – you find you have offended one and pleased another with the very same note – it's mind-boggling sometimes.'*

*'From what I have seen, these teams are very inefficient, they are taking ages to make decisions.'*

*'Sometimes you can't get a word in, there is always one or two dominating the discussion and no-one seems to stop them.'*

As the instances above show, team members will differ in the way they use even supposedly the same language, as well as putting important information in different places in a sentence and by preferring different communication styles, eg formal or informal, making jokes or being serious and are more or less comfortable with different technologies. The seriousness of misunderstandings can range from different interpretations of specific actions and timing to different understanding of whole strategies or leadership roles. Some teams seriously underestimate the time it takes to agree on what is the task at hand. Even simple things can hijack the start such as failing to introduce each other properly, not responding to different communication styles, or failing to unearth hidden agendas or strong cultural biases within the team.

Jaws have dropped when American team leaders have asked their British colleagues for their home numbers during a videoconference:

*'You mean you are going to give them to our department heads and we have to remain sober after work ... and anyway what constitutes an emergency, you people are always in a panic?'*

When asked to take the lead on an action, some team members think that it is still proper to wait to be told what to do 'Yes we agreed that I would do it, but you did not tell me how'. Questions such as 'can you do that in your own time?' are interpreted as 'take as long as you like' not as a British way of saying 'please do it out of office hours to speed things up'.

The most common 'back home after the meeting' phrase that we have heard is '*what are these guys up to, I thought we had agreed ...*' as people wished they had taken detailed minutes or paid more attention when they saw their colleagues nodding in seeming agreement.

This lack of agreement after a meeting is usually the result of rushing into the task while wrongly assuming everyone is thinking the same way, eg that 'things work the same over there'. There are then the 'simpler' factors that disturb initial international team meetings. These range from not accounting for jet lag, airport delays, travelling logistics, food and beverage preferences and the fact that support staff may not understand other currencies, telephone greetings in other languages and switch the fax off when they go home. Out of hours security staff seldom speak other languages to give alternative fax numbers or to take urgent messages.

Aside from the differences created by different nationalities, these teams often need to accomplish more complex tasks that involve crossing not only cultural, temporal and geographic distances, but also functional and professional boundaries. Team members need to be clear about the regulatory, legislative and financial structures in the countries they are working in as well as how to work with their different languages, communication styles and expectations. Working across time zones, it is harder and harder to keep work restricted to office hours. Working across large geographical distances means team leaders, if not members, will often need to travel. Individuals will have different levels of ease with and access to different communication technologies and the teams must learn the most effective uses of technology and expensive face to face time. Different functions speak different technical languages and different professions have very different priorities. These added complexities within the teams mean that international teams need to pay as much attention to *how* they are approaching the task and their interaction as to *what* the task itself involves. Creatively structuring and managing the interaction becomes an absolute necessity if everyone is going to participate meaningfully. As such, these teams are discovering many best practices that are useful for any team, international or national.

In other words, these teams would have to proactively manage inherent communication and procedural complexities even if the cultural playing field was level. However, these teams exist in organisational contexts where the cultural field is seldom unbiased.

### **The Complexities Added by the Organisational Context**

One obvious dramatic difference between donor funded inter-governmental organisations such as the World Bank and United Nations (UN) and most

private companies, is the mix of nationalities in the professional layers. Having a long exotic double-barrelled name can sometimes seem to be a recruitment requirement as you scan the nameplates in UN corridors. In the private sector, however, the cultural 'structure' of power often exacerbates relatively innocuous cultural differences. This is because:

- Organisations usually have different international representation and international mobility at different levels of the organisation.
- The range of nationalities is often restricted.

This can lead to a strong bias where one or two nationalities predominate either in numbers and/or in power and influence.

In one study<sup>3</sup>, despite 27 different nationalities being represented in the sample, the average number of nationalities per team was four, the same as another study<sup>4</sup>, with a minimum of two and a maximum of six. Many had large dominant subgroups of one nationality, usually the same nationality as most of the leadership of the company.

If a company claims to be international, it is often worth taking a closer look. In most international companies, the very top team is often internationally mobile, but seldom culturally heterogeneous. Besides a few worthy exceptions, most of the biggest corporations in the world are still dominated by the culture of the home country. This may not matter if all the management were internationally minded, culturally adept and gifted linguists. However many managers are not.

Whatever happens below, the implicit message that is usually conveyed by having one or two nationalities predominate at the top is that, based more on nationality than skill, some people are more important and have more relevant business experience, knowledge, power (and sometimes even intelligence) than others.

Key posts lower down and in regional sites can also often be held by parent company nationals. Any kind of cultural dominance has a large impact on the international teams within that organisation. It also means that companies and teams can lose good people who leave companies because they feel trapped under a subtle or unsubtle national glass ceiling as highlighted in Figure 1.2.

Well-intentioned attempts to level the cultural playing field can be consistently hijacked by the over-riding national norms. They are so ingrained, that even after discussing them, people cannot see their impact or think of anything different. This leads to dysfunctional attitudes and behaviour within teams that can end up excluding and upsetting one or two team members. The minorities usually stay quiet until they relax in the bar.

In Europe and America, it is common to find teams made up mostly of Americans, mixtures of a few different European nationalities and one or two



**Figure 1.2:** Equality on international teams

people from Asia Pacific. One usually needs to go either to the UN, World Bank or other institutions based on national representation and quotas to find a team comprised of say a Thai, a Canadian, a Ghanaian, a Kazak, an Icelander, a Guatemalan, and a Dutchman. In these organisations, being an employee tends to be a far stronger identity than one's nationality. As highlighting cultural differences is also loaded with political significance and sensitivities, they are seldom publicly acknowledged or addressed.

One response to a short training needs analysis questionnaire that asked about cross-cultural communication in the UN was 'why cross-cultural? Surely communication is communication?'

In the private sector, the dysfunctional impact of cultural inequity is often most easily visible in joint ventures, strategic alliances or mergers and take-overs, where most of the dynamics in teams follow patterns of majority/minority, acquired/acquiree influences rather than a more neutral play of cultural differences and equal power. In Eurocopter, many of the Deutsche Aerospace managers initially felt that their contributions were taken less seriously because Air France was the major partner in the joint venture. In New Holland, American Ford New Holland managers at the executive Committee level initially felt less involved than their Italian Fiat counterparts however much the acquisition by Fiat of Ford New Holland was passed off as a merger and not a take-over. There is one advantage of having a restricted number of main nationalities. Siemens, a large German based electronics company, focused much

of their experiential cross-cultural team learning on their US/German project teams, only recently adding in Japanese culture as it became relevant. The general cross-cultural lessons of being open minded, listening, humour, adaptation and awareness of the areas where cultures tend to differ most, are learnt. However, unlike many cross-cultural training programmes, the participants are also able to gain an in-depth knowledge of the other relevant cultures. Experts say that once you have learnt one second language, it is easier to learn others. The same, we suspect, is true of cultural adaptation. Once the seemingly inherent rightness of your own way of seeing the world has been shattered, you cannot restore it.

### **Different Perceptions of Economic Strength**

Now add on to the predominance of one or two nationalities, the fact that an international workforce also usually reflects differences in regional and national economic strength. The picture becomes more complex. Multinational companies emerge from and follow the major regional markets and until very recently, that meant North America, Europe and Japan. Most still feel that operating somewhere in two sections of the 'triad' qualifies as 'international' and three qualifies them as being 'global'.

In ABB, multinational teams are set up to address specific issues of efficiency, transfer of technology and integration. One ABB manager explained how there were 'two Americans, a British man, a French man, a (white) South African, an Australian, and a Canadian' on his 'very international' technology transfer team. Although six nationalities were represented on a team looking at a global issue, the team members were either Anglo-Saxon\* or European. Similarly the 'Continental European' management team of a major US investment house based in Luxembourg was comprised of three Americans, a New Zealander and one German.

Aside from causing difficult numerical imbalances in international teams, this lack of representation due to the lack of presence or strength in the global capitalist markets, tends to support existing stereotypes about perceived power and all that goes with it.

**A Ugandan reporter covering the visit of Bill Clinton in Kampala was annoyed by the rough and ready tactics of American security men – ordering people here, directing them there, restricting, hassling, searching. He finally rebelled 'you can't do this! I am a Ugandan citizen and this is Ugandan sovereign territory'. The response: 'Sorry buddy, wherever Air Force One (Bill Clinton's private jet) lands, that's American Sovereign territory.'<sup>15</sup>**

\* A collective name for cultures now dominated by English language and customs.

As we shall illustrate in Chapter Three, these implicit or explicit messages that some nationalities have more power than others create significant problems in international teams. Moreover, the organisation as a whole will probably not reap the wisdom of even the range of nationalities that they have when they need it. This can mean that they have to learn their 'cultural' lessons the expensive way and not always only on the edge of the industrialised world. Disney is estimated to have lost billions of dollars when it sent 400 mid and upper level American managers to 'jump-start' EuroDisney in Paris<sup>6</sup>. They tried to impose American office rules on dress, labour law, drinking and speaking English (even though less than three per cent of the Americans could speak adequate French).

Despite the often enormous costs of getting it wrong, some senior managers have 'done' cultural integration by mandating expensive one- or two-day cross-cultural workshops that do not touch any of these perceived or real iniquities. They then wonder why they still have problems. We have seen that the few top teams who have themselves gone through the disciplines of learning to be effective multicultural dispersed teams, have a very different view. They appreciate the ongoing expense of creating an international workforce and integrating all levels. As one said 'we have to take a drip drip approach and it is going to take a very long time'. Even if a company has made proactive efforts to level the cultural playing field, still another set of challenges that international teams need to respond to arises from where they are in companies and what they are trying to achieve.

### **Where Are These Teams?**

---

Many international teams can be found in the middle layers of professional management and expertise, led and supported by less diverse teams.

---

ABB has 300–500 international managers at the 'next to top' level. They 'could be plugged in wherever we want; they think internationally; identifying and assigning them is a smooth process'. They are mostly used to start up business before local people take over. Otherwise, although engineers do project assignments in other countries, there are very few international jobs as such in ABB's decentralised workforce of 220,000 employees.

In Alcatel, the French based Telecoms company, a Belgian headed up the non-production corporate purchasing team which was based in Paris, but had team members dispersed all over Europe and North America. On the Eastman Kodak CD Launch, an entrepreneurial German was followed by a more integrative Belgian to lead a team spread over fourteen European countries. This level of management tends to be well mixed.

**Table 1.2:** Nationalities represented in different types of teams

Type of team	No of teams represented	Average number of nationalities
International joint venture	3	2.3
Top management teams	4	3.5
Functional teams, such as R&D, Manufacturing, quality assurance	5	4.2
Business launch, product development team	6	4.5
Regional headquarters teams	6	4.5
Special taskforce and international co-ordination teams and business units	4	5.0
Total numbers for teams*	28	3.84

\* Pearsons correlation between type of team and number of nationalities = 0.5166,  $P = 0.004$

One typology that emerged from the survey of transnational teams (TTS)<sup>7</sup> covered both location:

- corporate headquarters;
- regional headquarters;
- joint ventures;

and tasks:

- business development teams;
- research and development teams;
- special taskforces.

The numbers of nationalities varied in each as shown in Table 1.2.

As the table shows, the *number* of nationalities represented on the team was predictably related to the type of team and task. The table shows that special taskforces and product development teams comprised mainly of technical and professional staff had predictably higher numbers of nationalities than administrative managerial teams in corporate and national subsidiaries. Exxon Chemical's world-wide viscosity modifier team comprised of Argentinean, British, American, Romanian and Singaporean members. A special project team in quality assurance in Wellcome was comprised of British, Canadian, Australian, Nigerian, American, Indian, French, Spanish and Italian.

The number of nationalities represented in corporate headquarters and the national subsidiary top teams indicate the worrying reality that teams at the very top tend to have a narrow international range. At the other end of the scale, despite being managerial and administrative in purpose, regional headquarters teams usually have members of the different nationalities within that

region. British Airway's Latin Caribbean office comprised British, American, Venezuelan, Jamaican and Barbadian personnel. Common sense predicted the finding that in teams staffed by technical professionals in joint ventures, only two or sometimes three nationalities are usually involved; a German/French team designing missile launching systems, a British/Italian team to explore Russian Gas, and so on.

The findings re-emphasise the fact that most international teams are found in the professional and technical 'knowledge' levels. The emphasis is on leveraging the advantages in the design, development marketing, selling of products in many countries simultaneously, all of which can be done by sharing and shifting information with relative ease. From the point of view of the task, these teams are faced with much greater co-ordination and workflow challenges than ever before. But that is not all. In this research, special taskforces and product development teams with greater numbers of nationalities were those set up to:

- 'increase the efficiency of the company's international operations';
- 'help the company develop and spread international innovations'.

However, they were also the teams that came closest to

- 'not meeting the expectations and needs of those who rely on the team's output'.

In another study<sup>8</sup>, the larger the number of nationalities, the more team members clearly stated that they did not want to work on the team again and the lower they rated their team spirit.

Furthermore, the transnational teams research showed that regional headquarters teams and special taskforces met face to face less regularly than the other types of teams. These two types of teams would spend increased amounts of time working at a distance and/or have greater cultural complexities. Perhaps these two factors explain why, as the number of nationalities increased, there was a significant move away from 'decisions being made by seeking consensus' and 'members caring about each other as people' and a trend towards the decisions being made mostly by the team leader. It seems, despite communication technology, dispersed teams with specific tasks to achieve tend to 'revert' to 'strong' leadership; a point taken up in Chapter Seven.

---

So greater numbers of nationalities can lead to lower team spirit, greater difficulty in fulfilling expectations and more directive leadership. However, these challenges were faced by *the very project and special taskforce teams* whose success was most critical to the company's' future profitability and strategic goals.

---

In each case, if these teams were not effective, the companies faced enormous consequences. These are the teams that need to be well led, well trained and well supported. However, while their managers and sponsors can often be less experienced internationally, often so too are their support systems.

At the lower management levels, people tend to be of the same nationality as the site they are working in and not to be very mobile. Information technology is allowing the creation of interest groups and workgroups who mostly work apart. So while as a pool spread across a globally dispersed company they are mixed, they often have little face-to-face experience with other cultures. Some companies such as Henkel, a German chemicals company have made two years' experience in another culture a prerequisite of moving into the upper management layers. What happens at the non-management level depends on the ethnic mix of each country and the type of work. Hence the shop floor workforce in Australia can be very diverse with surprising mixes of different nationalities. A Japanese, American, or Finnish shop floor workforce will seem much more coherent because either people of different nationalities arrived a few generations ago (and are now attuned to the American melting pot for instance), or in comparison to other countries, immigrant numbers have been small.

On the other hand, oil rigs, shipping crews and construction sites for instance, have always attracted migrant workers and been nationally diverse. 'We have had international teams for decades' may be the response of an international oil company. However, it is likely that international diversity at this level has little representational significance within the organisation as a whole. So while middle management and professionals can be internationally competent, lack of representative international diversity may still persist through the top levels of management and the support teams, creating difficulties. And, as if unequal experience in different organisational layers was not hazardous enough, Table 1.2 also hints at another tricky organisational reality.

---

In most companies, certain key departments start to work across national and temporal borders before others. Yet others may never become very internationally active.

---

In Wellcome and Ford, the first departments to 'internationalise' were research and development, in Unilever, marketing, in Ikea, distribution. Wellcome integrated parallel UK/US medical development teams, cutting internal competition and freeing up access to resources so that the international teams could be better funded. In Unilever, the company relies more on good presentation, creating brand names, marketing and advertising than on research and development. Each reflects an area crucial to the global success of the company. However, functions do not operate in isolation. For instance, local national accounting offices may be most effective restricting their activities to local offices, but they would then need to collaborate effectively with other local offices in order to support an international team needing regional financial information. The fact that few companies have spent enough time building bridges between localised

support systems and international functional teams has led to frustration and inefficiencies.

When one function changes the way it operates, it needs support from other functions. The process usually turns into 'learning by experimenting' and can cause much frustration and de-motivation for new project leaders. Their new role as 'international project leaders' can sound exciting, challenging and rewarding. However, they often soon find out that the lack of any formal job description is strongly linked to a vagueness elsewhere about what their power and influence should be. Other less enthralled departments stick to what they know until told otherwise. Resources have to be argued for and haggled over. The job can quickly turn into an 18 hour a day nightmare.

In summary, aside from the added complexities within the team, the organisational context can create more problems for international teams by:

- having very few nationalities represented at the top, sending a message that however well mixed the 'professional' levels are, certain nationalities are more important and powerful in that organisation than others;
- supporting stereotypes based on economic strength;
- failing to address additional problems created by increased numbers of nationalities;
- having inexperienced support systems;
- having some departments/levels go international before others.

### **Greater Communication and Functional Difficulties**

We have begun to highlight the internal communication and procedural differences that can slow these teams down. To this we can add the fuel of unhelpful preconceptions arising from the organisational context about usually outnumbered team members. Dominant nationalities are likely to create patterns of interaction that suit them and base their listening ability and responses on their underlying attitudes towards others. So, even face to face, the potential for misunderstanding, for missing opportunities, for offence to be taken, for intentionally or unintentionally excluding or underestimating some team members is enormous and happens frequently.

To this we can add the possible lack of understanding of these and other problems from senior management who usually work with people of their own culture and the lack of support systems at certain levels of the organisation and in certain departments to get things done effectively. Clearly these teams have a lot to contend with, but that is not all. Much of the communication within the team may take place from different locations and time zones across communication technology that does not allow people to understand each other easily. The nationalities with the smaller representation are also those who are more likely to have poor access to or back up on the technology that is being commonly used.

On top of this multilayered scenario, fraught with problems and inequities, we have established that the company is probably relying heavily on this team to deliver successfully. This is why we think these teams deserve a whole book of their own. International teams can be viewed as a high risk, high gain way of working compared to working in national teams based in one place. As summarised above, the co-ordination of the workflow and tasks will be much more difficult, the co-ordination and interaction of the team members will be far more complex and pitted with cultural, linguistic and technological difficulties. They can have much higher levels of conflict. As a result, the role of the international team leader is broad, complex and probably almost experimental in companies which are new to this form of management. These teams take longer to reach optimum performance. As companies are trying to achieve so much more with these more difficult teams, they clearly need to be supported, evaluated and trained differently from national teams.

It is of course at this point, an understatement to reiterate that the added complexities and high costs increase the need to focus on how these teams work, just as much as on what they are achieving. This book is to help team leaders and members do just that. Having seen so many international teams underestimate difficulties, crash, burn and come running for help, our hunch is that a longitudinal study on the effectiveness of intervening in international teams would support our experience as facilitators.

---

If nothing else, good facilitation can prevent international teams from falling out at major milestones.

---

The pathways of international business history are strewn with the casualties. What is alarming is how slow many companies have been in recognising that being proactive in creating a workable context, instilling best practices and fully supporting these teams is not an option to procrastinate about, it is an urgent necessity. The difficulty is that it demands not only time and expense, but also a considerable change of mindset and refocusing of many associated organisational policies and processes.

In summary, the added risks associated with international teams mean that team leaders and members need to:

- be able to analyse and anticipate the impact of cultural differences on the interaction of the team;
- creatively structure and manage the interaction;
- appreciate the increased number of functional and organisational boundaries that have to be skilfully traversed;
- understand and support the breadth of the team leader's role.

The senior management and other key players in the organisation need to respond by:

- seeing the need to evaluate these teams differently than national teams;
- having clarity on what the overall strategy is and communicating it effectively;
- involving key people up front, especially human resources and information technology, on how these teams can best be staffed, supported, facilitated and trained;
- being clear on the role and responsibilities of the team sponsors, leaders, member and facilitators;
- providing in-depth knowledge and training for the team leader and members on what impact cultural differences and organisational norms will have on the team;
- creating processes whereby internal and/or external facilitators can embed best practices into the team and the organisation, with the aim of making themselves redundant;
- making huge increases in up-front investment of time, money, training and technology to bring these teams successfully up to speed.

The message is surely clear:

---

Setting up and sustaining these teams is not an overnight task worked out on the back of an envelope.

---

Most new teams take six months to a year to really get to grips and understand the challenges that they are facing. For now we want to focus on that lonely team leader who needs to act as the bridge between what happens in the team and the expectations and influences of the organisation. One thing we are convinced of is that being an international team leader is not an easy assignment, even if it is a fulfilling and rewarding one. All too often there is a chasm between the espoused intent of senior managers and the reality of international team leaders as captured in the following story:

**After adopting a consultative leadership style, one newly elected international team leader decided that it could only progress if key people from a different department were involved in the team. He rang his sponsor and asked for his support in approaching the other divisional manager. 'I cannot tell my colleagues what their job is' was his reply, 'you are on your own'.**

The second section of this book will look at what key organisational players need to do to support rather than abandon such team leaders. The first section is dedicated to assisting the lonely new team leader and the team members to make the decision to go ahead into totally uncharted territory. It covers the

understanding and tools that they need to see and navigate the way. It starts with a comprehensive look at how cultural differences will affect the behaviour, communication and expectations of the different team members

### **Summary of Key Learning Points**

---

- *Companies increasingly need international teams in order to respond effectively in the global marketplace and many depend on them to do extraordinary things.*
  - *They have strong advantages and equally strong potential disadvantages. Creating and sustaining them demands full commitment.*
  - *The best practices that apply to any team also apply to international teams. However the different cultural and linguistic conditioning of the individual team members adds further degrees of complexity that have to be handled well within the team. The organisational context adds yet more.*
  - *Due to lack of cultural mixing, especially at the top of an organisation, strong numerical and perceptual biases can badly affect international teams and lead to exclusion of some team members.*
  - *Some functions tend to become international before others and some not at all, which can create frustrations and inefficiencies as the team tries to make headway.*
  - *These added layers of complexity lead to frequent communication difficulties in international teams. On the whole, companies are not proactive enough in addressing these difficulties before they create serious and expensive problems.*
  - *Generic team skills are a good starting point, but additional training in cultural differences is not enough. The team structure, support, training and evaluation processes need to be tailored to the additional needs created by the broader task, cultural differences and probable geographic distances.*
  - *What is needed is not only for team leaders and member to understand how the different layers of complexity play out in their particular team, but also for the organisation to re-examine the mindsets and processes that hinder these teams and mobilise people and resources to support them.*
-