



The Clash Of Cultures



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The Clash of Cultures: A New CEO's Dilemma¹

George Daniel stared blankly at the door of his office. His Human Resources Manager had just met with him to share some of the staff's concerns about the changes he sought to bring to the organisation he was seeking to turnaround.

George was a young dynamic executive who had spent the previous five years at a large multinational organisation. Approximately three months earlier, he had seized the opportunity to return to his native land to, as he termed it, "make a contribution to the country that had nurtured his development."

George had accepted the position of Chief Executive Officer of a small organisation with a staff of some 60 persons. Despite its size, George immediately saw the potential for the organisation to expand its focus and global reach, and set about a series of initiatives to ready the organisation for such a thrust.

Prior to his departure, and even during his sojourn with the multinational organisation, George had become used to a culture in which employees, regardless of position, interacted with each other on a first name basis. He had found that this facilitated a much more relaxed environment in which information flowed freely and restricted the function of the informal information networks.

At his first meeting with the staff, therefore, he had encouraged them to call him by his first name.

Also, as he worked with employees to define the way forward, he envisaged that they should have greater autonomy to make decisions about their jobs, and so, encouraged them to challenge his suggestions and to make recommendations of their own.

The reaction was immediate.

"How could he encourage such gross disrespect of the office of CEO?" they asked. "Can't he see that there are young women in the office and such familiarity could be dangerous?"

This, they thought, was to be viewed with suspicion.

On another occasion, George made a suggestion for the execution of a project only to discover that the suggestion was taken as a directive and executed without further input from the manager involved. The project suffered losses as a result.

George had attributed these problems to the usual adjustments associated with the change process and after three months, was pleased with the progress the organisation had made.

It came as a complete surprise, therefore, when the Human Resources Manager requested the meeting to indicate that the staff were concerned that George's practices were in direct conflict with the norms established by his predecessor. For example, his predecessor would have never allowed the office to be "disrespected" by encouraging the first name approach, nor would he have made suggestions "if he didn't mean what he had said."

As far as they were concerned, those were conflicting signals.

George now found himself having to deal with an unexpected band of resistance.

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