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The Challenges of Change Management in a Multicultural Context

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In July 2005, rumours were spread across France that an American food company (PepsiCo) was considering the acquisition of the French Danone group, a major food industry player feeding millions worldwide, proudly Paris run since it was founded in 1919. The very special French relation and cultural pride in cuisine triggered premature, but intense indignation of the French and their media. The government was forced to intervene and call off the transaction, even before PepsiCo officially declared any intention. The PepsiCo example shows us how culture or history dependent a reaction to change can be, not to mention political resistance as in Spanish Government's protectiveness of its own interests during the Eon-Endesa deal in the summer of 2006.

Similar resistance patterns apply within businesses, where nominal growth is not sufficient to achieve significant business development in a global marketplace. Companies have to—rather than grow—expand their

potential market coverage by mergers and acquisitions. The daughter/affiliated companies will then often be transitioned into a corporation with fully integrated organization, products, values, etc. But as ingredients for this long process of integration, each company



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brings its own history, set of values, products and strategies influenced by local characteristics. They may even themselves be composed of several former firms with yet another level of

legacy. Effectively you could not only be taking a company from point A to Z but several companies from points A, B, C, ... to Z.

As a result the practices of Change Management are forever more under the spotlight and strategically considered

by Directors of corporations, to support the introduction of new (harmonized) processes, organisations, products, strategies, etc. —on a scope that is growingly worldwide.

Looking into details at change management, it

is important to consider that former firms come not only with legacy set up and products, but also with the directors, managers and employees who devotedly contributed to, believe in and

are comfortable with their company's former methods. Dealing with what we could call the "personnel comfort zone" is the heart of the change management endeavour: affecting it—or merely being in a position of doing so—calls for fierce resistance which has to be prevented or overcome rigorously.

Applied to companies, relationships with personnel/subcontractors work on a win-win model: if individual and company needs can meet based on common values and understanding, the collaboration will be fruitful. The challenge is when the company changes one or more of these contextual factors that have an impact on the individuals or bodies.

By introducing new tools, changing processes, or by reorganisation, the company is changing to meet its own new needs, and as a result is most likely to affect individuals, regarding if, how, where they work, and what they work for.

In business, the sources of resistance relate to the individuals basic needs described by A. Maslow including survival (a job), security (a stable environment), belonging (to the company), recognition (for achievement) and development. Trying to affect one or more of these factors on individuals generates both, fear and pride which steam individual or group resistance as a very emotional response to change. The resistance can take many forms including rumours, protests, disinformation, or non-responsiveness vis-à-vis partners.

The objective of change management is to reduce this emotional phase to the possible minimum, by selling the changes and re-establishing the required comfort zones.

So change management can be defined as a programme led to ensure acceptance of change rather than resistance, by aligning corporate needs with individual feelings and needs.

Multinational—and therefore multicultural—companies face higher challenges in terms of change management. National regulations, local cultures, or just languages are all sources of extra aggravation.

Indeed, most issues that arise in multinational companies are misunderstanding originated. Most people underestimate the challenges of multinational cooperation, where the languages are mostly different with various implications in what is said, and what is not said! Even with English closing the gap as well as possible ... Therefore a first key factor to success of a multinational change management programme (acceptance of the change) is the cultural and linguistic acquaintance of the project team and their part-



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ners, where possible.

But the core of a Change Manager's job is really marketing and sales. Management and internal sponsors, trade unions, staff-councils, local representatives, internal customers and prospects are key stakeholders in the change management process.

They must be informed early, but not only that: they must be convinced and up to convincing others on your behalf! Just like advertisement is used to convince customers and sell consumer goods it is very effective within a company to promote and deploy changes in methods, tools, processes or people. Amongst all the means available, we have used and abused the following cost effective ones: Newsletters, websites, feedback, surveys, awareness sessions and even leaflets and giveaways ...

What is important is to have regular communication, answer feedback consistently and put a smile on! Simple initiatives like distributing leaflets in high volumes can do the world of good to your change programme's image.

So change management is not rocket science, but a demanding activity in terms of project management and communication. Particularly at a multinational dimension, where its complexity is the highest and stakes are simply multiplied if you start considering multiple cultures with various legacies.

There are several theories to change management, from the most dictatorial (the fastest but most risky version) to the least authoritarian (usually smoothing changes on a longer timeframe but avoiding conflict and risk).

The choice of strategy depends very much on the criticality of the situation, the empowerment of management in the company, and the scope of the change.

But one last undeniable and universal key to success is assertiveness. Whatever

the timeframe, the scope or the line of command, assertiveness is a winner. Be assertive, and moreover seed and grow a culture of assertiveness amongst your team and stakeholders.

Assertiveness does not mean that you are not firm or honest. It means that you balance listening, decisiveness, manipulation and passivity and play with all the tricks that will open your way to success, including decision making, active and passive communication and management of conflicts and so on.

Under firm project management with clear targets and deadlines, the assertiveness snowball can deliver outstanding results, better than any dictatorial method we have come across. Particularly when dealing with people of various cultures and backgrounds: people who discuss openly, have the freedom to propose and implement the change in the given context, striving for the best common solution will achieve more, and much quicker, than those busy fighting the actual objective ... your objective!