

# What company culture to choose?

## A recipe in seven steps

A global company acquired a local Chinese company. The external consultant assessed the difference in culture between the two companies and concluded that they were almost the same. So they made a deal.

After one year the management of the global company asked how to handle the differences in culture that were much bigger, and resulted in blocking and frustrating actions of the Chinese Members of the board.

## The briefing

The MT is a new team, half from the Global company, half from the acquired successful local company. The new GM is from the Global company. The old GM from the local company is very influential and promoted to a position within the global company. The MT members from the local site are all small share holders, wealthy enough to survive without working, so they do not have to change as a person if they do not want to.

The Local members are reluctant to change within the Global culture, to fit the Global leadership style, to be professionalised in any way or complain about the pace of decision making.

How should one integrate a team like this to a shared culture and build a strong leadership for the site?

## What is going on?

Our mind is full of questions beyond the presented briefing:

1. Why this acquisition? Market share? Production facilities? Product integration?
2. Why integrate the small shareholders? Are they still shareholders? What is the benefit for the global company?
3. When one needs strong leadership, why make everything so messy by integrating people who live based on their success in the past with the habits and ideas they had in the past?
4. Is there an advantage in having much Chinese local influence in the MT when operating in the local market?
5. Sometimes it is even better to have a complete Chinese face and get your interest as a shareholder. What is the choice of this global company? Many Global companies choose to have a complete Chinese face and have global standards for safety, quality like Shell, SHV. Others control everything themselves, such as Philips and many German companies.

## A recipe in seven steps

1. The Business Result has to be paramount in all decisions. All actions must serve that goal. Whatever cultural issues, positioning of people one chooses, **everything should be tested by the business result**. And there are no best solutions for these situations. Each situation is different.
2. Cultural topics are sensitive topics because they are connected to self evaluation. What is better? Am I better or not? **Avoid cultural topics**.
3. **Concentrate on practical behaviour**. What can be done best in a specific situation, given a specific goal?
4. Choose a common language; **choose thinking and talking numbers**. When everything is expressed in numbers, everyone can think in the same way. By focusing on this, everything will become rational.
5. An **experimental attitude** works best instead of an ideology, or belief, or general attitude. An experimental attitude for the leader can be expressed as follows:  
    'Let us try it this way.... Why? My experience in these situations is that this works best. Let's give it a try.  
    Or: Let's give that idea of....a try and see what the effects are.... Let's evaluate our actions and the results'.
6. When having **practical leadership based on a rational experimental attitude**, and valued on effects and results, one can ask: 'How can we improve our company?' This is the moment for more systemic thinking about the functioning of the company.
7. The MT leader sets this leadership style and makes it very clear what the **standards and protocols** are for finance, quality, safety.

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