

Finding the right fit: why culture is key

Finding the perfect job might seem like a universal goal. Not necessarily, say Yih-teen Lee and Aarti Ramaswami, who argue that a lot depends on culture.

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Global managers should learn to recognize the invisible cultural influences on HR practices, to attract and retain talent.

Whether it's buying a suit or finding the right person for a job, fit is important. Fitting in with a job, colleagues and the organization as a whole is crucial to the success of all involved.

However, very few person/environment studies have looked at non-Western cultures, and the effects that culture can have on staff turnover.

In their chapter, "Fitting Person-Environment Fit Theories into a National Cultural Context," published in *Organizational Fit: Key Issues and New Directions* (Wiley-Blackwell, 2013), IESE's <u>Yih-teen Lee</u> and ESSEC's Aarti Ramaswami argue that cultural values have a profound impact on how people think about themselves, their environment and where they fit.

When dealing with diverse workforces

Culture plays a key role in how people interpret, tolerate and manage fit or misfit within an organization.

As such, global businesses with diverse workforces need to be mindful of cultural differences in their HR practices and processes.

Recruitment. People in individualistic cultures, like that of the United States, may focus more

on how their skills match the job requirements, and whether the compensation meets their needs.

In contrast, those in collectivistic cultures, like that of mainland China, may place more importance on fitting in with their colleagues and the organization.

In China and India, relationships formed through shared social experiences, such as having attended the same school or being from the same village, are extremely important, and can influence both the interviewer and interviewee.

Collectivists may rely on internal recruitment and personal recommendations, whereas individualists favor selection based on qualifications and measurable selection criteria.

Turnover. In collectivistic societies, employees may identify more strongly with the organization's values, and feel strong attachments to supervisors and colleagues. In contrast, workers in individualistic societies are more interested in job fit, their achievements and promotional prospects.

When things go wrong, collectivists are less likely to blame their environment for the misfit. There is a stronger focus on loyalty. Unhappy employees are less likely to leave immediately, and managers may be more reluctant to let employees go, even if they perform poorly.

This may explain why job satisfaction has been found to be a stronger predictor of turnover intentions in the United States compared with Mexico, for example.

Organizations in collectivistic cultures focus on loyalty and permanent employer/employee relationships as a way of promoting security and commitment.

Companies in individualistic cultures would instead make career and promotion decisions based on employee achievement.

Autonomy. As well as collectivism, countries with high power distance, such as Arabicspeaking countries, Russia, India and China, are likely to want less autonomy on the job. They may feel more comfortable receiving instructions from supervisors compared with people from less power-distance cultures, such as Australia and Canada.

Risk. In risk-averse societies, like Greece or Japan, the preference is for regulation over ambiguity. In these contexts, employers should make more effort to ensure fit, since uncertainty avoidance will influence the extent to which people are willing to accept ambiguity in order to stay in a position or organization. Workers from countries with low uncertainty avoidance, such as Singapore or the United Kingdom, will tolerate ambiguity better than others.

Orientation. Cultures with long-term orientation may eschew an existing fit in favor of a potential fit down the road. However, people with short-term orientations are more likely to look for an immediate fit with the job design and package on offer.

All of these dimensions will have a significant impact at all stages of organizational entry and exit. With a greater understanding of cultural differences, organizations will be better able to anticipate and manage international HR practices, interpersonal relationships and role expectations.

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