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When Values Collide: Employee Responses to Perceived Values-based Differences between Employees and their Foreign Employers

A Dissertation Summary

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Synopsis

The following is a summary of a research study that focused on responses to values-based differences or conflicts by employees working for foreign employers.

Findings suggest that:

- Employees respond differently to values-based differences, than they do to values-based conflict.
- Differences tend to be culturally-based, where conflicts tend to affect personal-values. Employees remove themselves from the conflict, either by changing jobs or leaving the company.

The study also found that transition into a new culture is influenced by four primary factors:

- Strength and quality of support networks.
- Amount and quality of cultural education.
- Amount and quality of previous cultural experiences.
- Level of respect for one's personal values by the employer.

The final theory, a proprietary model that incorporates these findings, is included in this summary.

Why You Should Read This Summary

- Understand the perspectives of employees entering a foreign work environment.
- Recognize potential performance barriers for foreign employees.
- Learn how to create a smooth transition for foreign employees.

Why This is Important

- Expatriate assignments cost up to 4 times the cost of a local employee, costs that could be lost due to an unsuccessful assignment¹.
- 45% of failed foreign assignments occur because of the employee's inability to adapt to the new culture².
- 15% of expatriates left their jobs during a global assignment².

Over 2 million employees, managers and professionals alike, leave their positions due to insensitive and/or culturally unaware colleagues or supervisors³.

These findings suggest a large cost associated to failed foreign assignments as well as for turnover by employees working for foreign employers. As such, it is imperative that employers take action to create a welcoming and supportive work environment for their foreign, and ideally all, of their employees.

¹ 2008 Mercer survey. ² 2009 Brookfield Global Relocation Trends Survey.

³ 2007 Corporate Leavers Survey conducted by Korn/Ferry Institute.

To request a copy of the complete research study [click here](#).

When Values Collide: Employee Responses to Perceived Values-based Differences between Employees and their Foreign Employers

Working for a foreign employer can have its rewards as well as its challenges. Such challenges can be particularly acute when the employee's value system differs from that of their employer. In this study 25 people, representing 16 countries, working for employers from eight different countries, were interviewed to understand how perceived differences in values might escalate into perceived values-based conflicts, and how employees reacted when such perceived differences or conflicts arose.

Using an interpretive (also known as qualitative) grounded theory methodology and several tools and concepts from Human Systems Dynamics, it was discovered that while participants did not typically encounter what they defined as conflicts in their current work situations, they did describe them in former foreign employer work experiences. From current work situations emerged examples of difficulties that had not yet risen to what the employee perceived as a level of conflict.

From the data analysis arose three predominant themes, which focused on values, support and adaptation. Further analysis led to one final theory which concluded that individuals experience less transitional turbulence into a new culture when they perceive their personal principles are respected by their employer, and when they have higher levels of support, cultural education and cultural experiences.

A note about Grounded Theory

The premise of grounded theory research is that one does not begin the research study with a hypothesis or theory. Rather, grounded theory follows an approach that begins with preliminary questions, which guide the direction of inquiry during the data collection stage. The final theory emerges from the data, through the analysis, which consists of a variety of coding methods and ongoing reflection through researcher memos.

A note about Human Systems Dynamics

Human Systems Dynamics (HSD) was named a field of study in 2000 and played a crucial role in the design and analysis of this research study. HSD extends many of the concepts found in nonlinear dynamics, chaos science and complexity theory by applying a non-linear approach to how humans interact in systems such as communities, organizations, groups and as individuals.

HSD tools used in this study include:

- Simple Rules
- Eoyang C, D, E Model
- Landscape Assessment Tool
- Decision Map

Responses to Preliminary and Secondary Research Questions

This research study investigated two primary and four secondary questions:

Primary question one: In cases in which employees perceive that their individual values differ from their foreign employer's values, what causes such perceived differences to escalate into conflicts?

- Most participants did not experience what they considered conflicts in current jobs but did experience them in former positions.
- Conflicts typically arose when individuals perceived a lack of respect from their employers for their personal principles or individual values.
- Conflicts of this type tend to be less about culture and more about leadership, especially when employees experience a lack of support and/or inconsistencies between stated and actual values, or where actual company or leader values conflict with individual personal principles.

Primary question two: How do employees respond when they perceive that differences and/or conflicts between their values and the values of their foreign employers have arisen?

- When perceived differences existed between the employee and her or his foreign employer, the employee tended to adapt.
- If the employee perceived that a conflict existed between her or his values and those of her or his foreign employer, the employee typically transferred to a job in another part of the company or left the company all together.

- Most adaptations were made in alignment with the values of the company; however, if there was a lack of support and/or cultural understanding on behalf of the employer, such adaptations might have run contrary to company interests.

Secondary question one: Are there certain values-based differences that matter more than others to employees which then result in a higher potential for transformation into perceived conflicts?

- Those values that made the most difference were based on personal principles, and when those principles were thought to be disrespected, the person typically would leave her or his position or their employer.
- When cultural values such as communication, time, pride and ego or the global experiences or cultural openness of an employee's work colleagues or foreign employer arose, unless those differences encroached upon violating their personal principles, participants would find a way to make things work, either by switching jobs within the organization or by adapting to those differences in their current position.

Secondary question two: Are there certain values in general that tend to create perceptions of conflict more in employees?

- The values that tended to create perceptions of conflict the most in employees were when personal principles were perceived to have been disrespected by the employer.
- Other values, such as those based on cultural differences, tended to create irritation or annoyance, but typically did not escalate to the point of conflict unless they crossed the boundaries of one's personal principles.
- A lack of support, cultural education or cultural experiences by the employee tended to create higher levels of turmoil in the employee's transition into the culture of the foreign employer, but such turmoil did not typically result in a perceived conflict unless one thought her or his personal principles had been disrespected.

Secondary question three: What, if any, role(s) do employers play in influencing employee actions for conflict resolutions?

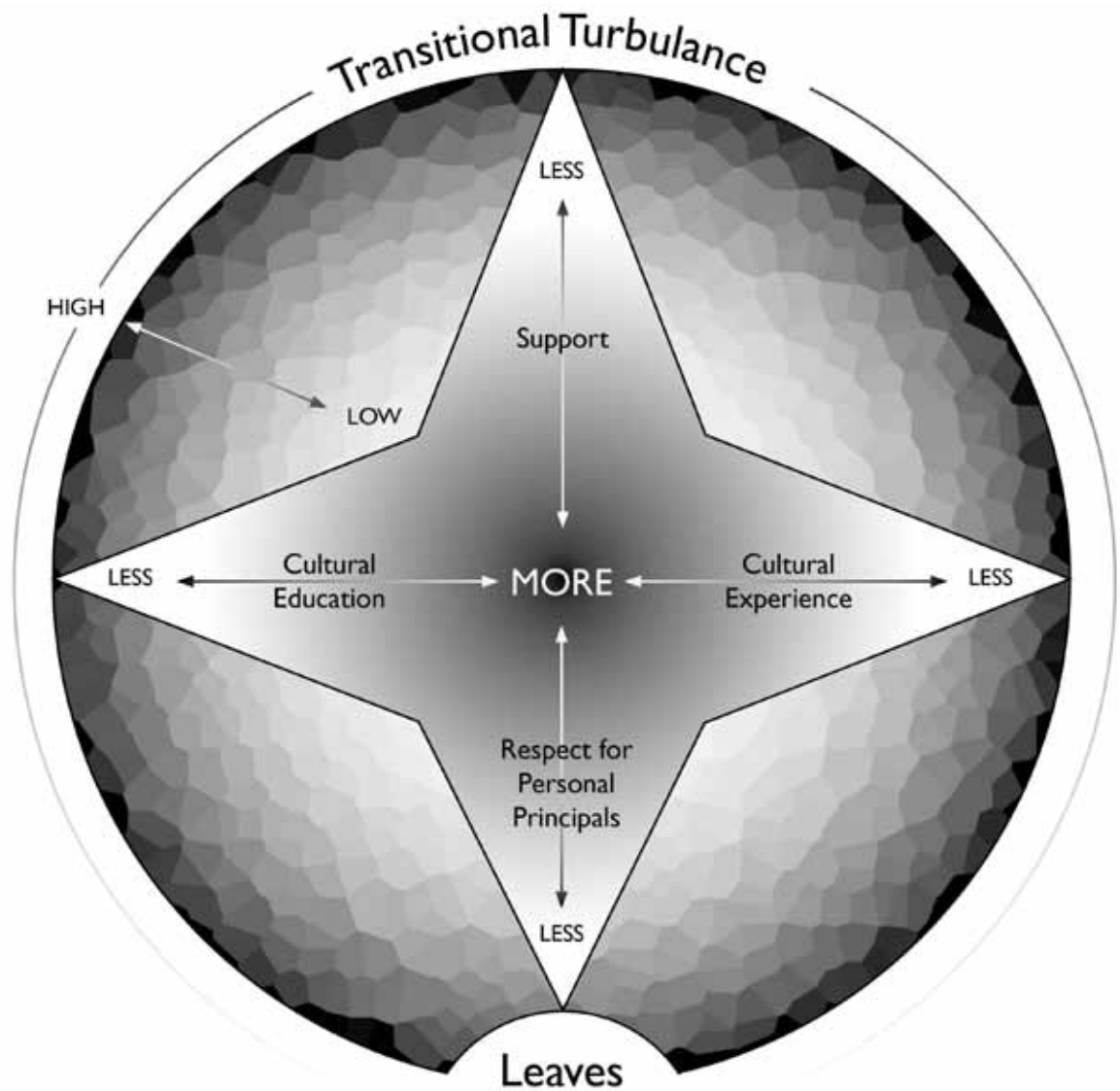
- It appears as though employer support, whether by the supervisor, colleagues, or more formal channels such as Human Resources or specific training programs, had an impact on employee perceptions when faced with values-based differences.

- When employees encountered differences that escalated to conflicts, the primary element that contributed to that escalation appeared to be a lack of support, especially by their employers.
- Whether it was support by direct supervisors, by leadership in guiding and enforcing consistency in the values of the company, through formal cultural education training or the establishment of other support networks for foreign employees, employer support was crucial for a smooth transition into the new culture by foreign employees and their ability to work through conflicts if/when they arose.

Secondary question four: What, if anything, can employers do to support employees when faced with such values-based conflicts?

- Establish clear guidelines, demonstrate them and enforce them.
- Provide cultural training or education; whether more formal classroom style training, support for on-the-job experiential training or assistance with providing experienced mentors.
- Recognize, understand and address the issues faced by foreign employees.

Final Theory



The more an individual had of support, cultural education, cultural experience and employer respect for personal principles, the smoother her or his transition into a foreign work environment was; the less one had of any of those four components, the more turbulent the individual's transition into the new culture.

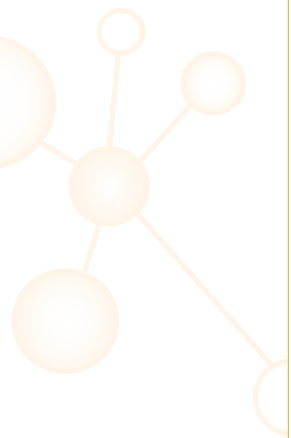


Implications of This Study

- This research suggests that employers are not aware of the cultural issues their foreign employees likely face when working for a foreign employer.
- A lack of cultural awareness or sensitivity by participant's colleagues was also noted as areas where participants experienced difficulty.
- Employers should consider the impact that such unawareness can have on foreign employees and take measures to prevent such difficulties from arising when possible.
- The approach that employers take to ensure consistency in values throughout the organization, especially with regards to managers and supervisors, as well as other ways in which foreign employees feel supported, should be consciously considered.

Benefits of This Study

- Employers that employ foreign workers, or who send employees on foreign assignments, can better understand the issues such employees face and can take measures to better address those issues.
- This research can be helpful to employers considering expansion into the global arena by using the information to better prepare for the human and cultural side of such efforts.
- This study may be helpful to employees currently working for foreign employers, as they may identify with some or all of the participant examples, and/or the various elements in the final theory.
- People with limited cross-cultural experience may be able to learn more about the potential difficulties colleagues from other cultures experience when entering the work environment of a different culture.
- Prospective employees of foreign employers may benefit from learning about the key success characteristics of people working for foreign employers, as identified by the study participants. Similarly, employers can utilize such information in tailoring their hiring policies for global assignments or positions requiring cross-cultural interactions.



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The art and science of maintaining high work *performance* during cross-*culture* transitions and organization *change*.

For more information and a copy of the complete research study, or to learn more about how *perculcha* can help your organization and employees improve performance, contact:

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