

Why national culture is so important for business strategy

The net effect of increasing diversity in the workplace and amongst our customers is not some sort of averaging where the significance of national culture is diluted but rather the exact opposite. Globalisation increases intercultural interactions and also increases the probability of cultural misunderstandings, tensions and conflicts. That is, a greater proportion of the workforce is operating outside of their own national culture context and are managed by and work with people and serve customers from different cultural backgrounds. Consequently, the need for managers to accommodate national culture within their strategies for management of their staff and engagement with their customers is heightened not lessened.

CUSTOMERS' NATIONAL CULTURES

National culture - single biggest influence in how people think, behave and make decisions.

When they told us that the secret to marketing was to understand the customers' needs and fill them - they didn't mention that would depend on where the customer comes from.

YOUR CUSTOMERS



THEIR NATIONAL CULTURE

You need to manage your staff in a way that accommodates their national culture - even if it's the same as your own, plus equip them to deal with people from other cultures so you avoid costly faux pas while making the most of your business opportunities.

Here's how Kiwis are viewed in some of our markets*:

- Focused on short-term transactional relationships;
- Highly risk averse and weak negotiators;
- Reluctant to understand culture and consumer needs;
- Inflexible with a "take-it-or-leave-it" attitude.

ENGAGE
RELATE
NEGOTIATE
SELL

* New Zealand Trade & Enterprise

"Culture eats strategy for breakfast"
Peter Drucker

YOUR STRATEGY

YOUR BUSINESS CULTURE

YOUR STAFF



THEIR NATIONAL CULTURE

According to HBR - the single most significant individual influence on your business performance.

If you've come to NZ from another culture, ask yourself "How easy is it to get a direct answer in NZ?" "Impossible" right? That's an example of national culture.

Most people are surprised at how "distinct" Kiwi national culture actually is.

KIWI NATIONAL CULTURE