BALANCING CORPORATE AND LOCAL CULTURE

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Video case study can be accessed [here](#).

BALANCING CORPORATE AND LOCAL CULTURE – TEACHING GUIDE & NOTES

1. Summary of case study

In this video case you will find out about how professionals can cope and deal with the challenges of balancing corporate with local culture.

In this case an internationally operating company asked its local teams to participate in a pilot project on 'the new way of working for the future' and expected the teams to give input on this topic and report directly to HQ. Corporate assumed that this bottom-up approach would be appreciated by all local teams and how this request reflected the transparency and openness of the company's corporate culture. However, in certain countries local teams interpreted this request differently. They felt compelled to ask their local management for permission first, feeling uncomfortable to report directly to headquarters. They could not bypass their local manager and asked for approval to submit their input. The conclusion of HQ was that their corporate message of creating a direct reporting line had not been adopted by local management everywhere. This request had unintentionally created an ambiguous situation for local management and teams.

2. Suggested methodology for 'solving' case study

This case focuses on how corporate, in the name of streamlining operations and appropriating local autonomy, can unwillingly create unclarity when requesting direct input from local teams and thereby bypassing local management.

We propose that learners answer the questions below:

1. What could have been the factors that prevented local teams from reporting directly to head office as requested?

2. Why did head office launch a pilot project to be followed up by local teams? What was the main aim of corporate/head office to launch this pilot project? What were its expectations?

3. Why was corporate office disappointed with the outcome of this project?

4. What could be the advantages for local teams to deal directly with headquarters?

5. What do you see as challenges or barriers in this situation?

6. What initiatives would guarantee good communication between local work teams, management and head office?

7. How can corporate instill respect and create affinity with local teams?

3. Possible answers

What could have been the factors that prevented local teams from reporting directly to head office as requested?

Because of local custom and culture to inform local management about any information that needed to be reported to head office.

Why did head office launch a pilot project to be followed up by local teams? What was the main aim of corporate/head office to launch this pilot project? What were its expectations?

Because head office wanted to receive bottom-up feedback directly. The expectation was to create an open line of communication between head office and local offices.

Why was corporate office disappointed with the outcome of this project?

Because they were not getting direct response and participation from some local offices. The expected open line of communication was not fully achieved.

What could be the advantages for local teams when dealing directly with headquarters?

They would receive this information first-hand from corporate. If it works, then it is a very efficient approach. It helps to create engagement among employees and a feeling of being part of a worldwide company.

What do you see as challenges or barriers in this situation?

The challenge can be that you create a conflict between local and corporate agendas A local manager might expect that you consult him/her first, and a different way of communicating at corporate and local level may be in place when launching new concepts or approaches.

What initiatives would guarantee good communication between local work teams, management, and head office?

By being transparent about your input or ideas and by sharing the work you do with both local and corporate management.

How can corporate management instil respect and create affinity with local teams?

By allowing local partners to work on their strengths, by involving them from the start.

4. Extra Questions

How can you prepare your local teams for the different work norms set up by corporate/ head office?

When organizing teams across the world how would you approach this question: Should local culture or corporate culture prevail or a mix of both? What are the criteria that helped you form your decision of your chosen approach?

Should there be centrally mandated 'rules' or should local policy or work norms be appreciated (bottom-up approach)? Should company policies be set as formal regulations or as flexible guidelines? Can you explain your thoughts on this by a concrete example?

Which conditions can corporate/head office create or develop to maximize diversity and flexibility when managing local teams?