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# Cultural Aspects of Offshoring to India

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## 1   Possible answers

### 1.1   What could be possible cultural explanations for the three complaints? Why don't Indians tell Americans when they are falling behind? Why do Indians say they understand something when apparently they do not (and feel they have to guess what the Americans want)? Why do the Indians feel they give honest feedback, but the Americans insist they do not?

With regard to the first issue, through interviews it became apparent that the Indians were keeping Americans informed, but that the way they communicated they were falling behind was so different from the American way that Americans never got the message. The Indians favoured an indirect, face-saving communication style in which implicit messages had to be given meaning by the Americans.

Some of the more common techniques were to ask Americans to remind them of the deadline, to ask Americans if (a given date) was still the deadline, to mention they were working overtime and even coming in on weekends, or to send an unsolicited update that did not specifically state they were behind but did show where they were on the timeline (which was not where they needed to be if they were still on schedule). Indians assumed Americans were reading these messages correctly (since they did not react) and the deadline was being pushed back. But none of these techniques signalled a problem to the Americans – this is not how Americans communicate they are falling behind – so they did not get the message. By the time Americans did get the message, on or just before the deadline, it was too late.

This dynamic explained a curious (to Americans) challenge commonly noted by Indians in the pre-follow-up questionnaire, that "Americans always want things done at the last minute". Actually, Americans never want things done at the last minute if they can help it, so they were puzzled why Indians thought this. But if Americans were missing the "requests" for more time from the Indians and only realized at the last minute that they had fallen behind, then of course they needed a very fast turnaround.

The second issue the Americans mentioned – that the Indians say they understand something when in fact they do not, and as a result much of their work has to be redone – likewise had a strong cultural component. In the hierarchy-sensitive Indian culture, it would be inappropriate for direct reports to tell a superior that they did not understand something the superior had explained because this could embarrass the superior by implying he/she did not give a very good explanation. And because they know this, managers in India usually don't directly ask staff if they understand; instead, they verify their understanding or lack thereof by frequently checking in with staff and asking how their work is progressing (something which most Americans would find annoying and intrusive).

Americans find out if people have understood something by asking them, largely because there is no cultural prohibition on saying "no." When GBS managers asked their Indian colleagues the question, they would have casually said "yes" and then fully expected the Americans to follow up, checking in regularly to see if the Indians had any questions. When the Americans did not follow up, in effect, taking "yes" for an answer, the Indians were forced to work on their own rather than approach the Americans and potentially embarrass them by asking for further explanations.

The reader will note that when Americans pressed the Indians on this behaviour, their response was: You don't give us very much guidance, so we have to try to guess what you're looking for, and sometimes we guess wrong. The Indians obviously felt that it was management's responsibility proactively to offer guidance (the follow-up conversations Indians were expecting) rather than the subordinates' responsibility to ask for it. The American reluctance to be intrusive and the Indian expectation to be intruded upon was not a formula for success.

The third issue, expressed by the Americans – that the Indians don't tell us when they think something we have asked for is not possible, won't work, or when they know a better way of doing it; they don't give honest feedback – dealt with the question of "face." India is a face-saving culture and America by and large is not. In face-saving cultures, one has to be careful about how one gives negative feedback, especially if the feedback is from lower-level people to higher-level people (the hierarchy theme once again).

In American culture, negative feedback typically involves saying something critical in a way regarded as appropriately polite in US culture: "I see a problem with that" or "Are you sure about that?" Sometimes it can mean giving face to the person receiving feedback before threatening the person's face with the critical remark: "I see why you are suggesting that but…" or "We can try that, but I don't think it will work because…".

In Indian culture, it is necessary to be more subtle (up the chain of command, that is, although not to one's peers), and accordingly negative feedback often takes the form of conspicuously not saying anything positive or just not offering any feedback at all when a suggestion has been made. The absence of positive feedback, in short, is read as negative feedback. In American culture the absence of feedback is … the absence of feedback. Hence, when Indians "commented" on suggestions from GBS folks by not saying anything, Americans interpreted this as agreement and approval.

The same dynamic explains the other part of the Americans' complaint – the Indians don't tell us when they know a better way – because once again Indians would be very sensitive to the implied criticism of suggesting a better way. They might ask: "Have you ever thought of … ?" or "Raj has a lot of experience with that application", suggesting that alternatives are available and should perhaps be explored. But this would be too subtle for a lot of Americans, who would accordingly conclude: "The Indians don't tell us when they know a better way."

## 1.2 Suggest the elements of an intercultural competence development programme which a trainer/consultant could implement for the US and Indian employees of GBS.

The theme of the training was not that Indians or Americans are a problem but rather that the two cultures differ in some important respects, and ignorance of these differences – not the differences themselves – could cause confusion and frustration, thereby undermining smooth working relations and productivity.

Because most of the complaints originated in the US, GBS initially decided that cultural training should only be given to Americans, but it was persuaded early on that the very nature of cultural differences meant that even if Indians were not as vocal as their US colleagues, they too must have complaints of their own. So two separate training programmes were designed, with a common core and appropriate variations.

At the core of the training was a very simple proposition: People do what they do for a reason. If they do something you would never do, they must reason differently. Find the reasons, and you will understand the behaviour.

The goal of the training, therefore, was to equip each group with a basic understanding of the other group's fundamental cultural values or mindset – where the Indians or where the Americans were "coming from" – thereby accounting for many common workplace behaviours and attitudes. Wherever there are significant differences in the two mindsets, there are bound to be corresponding differences in behaviour. If you understand how people think, their cultural logic, then you understand why they behave the way they do. It may not be how you would behave; indeed, you might find the behaviour annoying or even offensive, but you have to accept that it is how you would behave if this is the way you think. While this description makes the training sound somewhat theoretical, in fact it was completely behaviour-based, specifically designed to address and explain the behaviours at the root of the most common complaints (see below).

Over time GBS decided to add a follow-up cultural training, 6–8 weeks after the initial training, to reinforce the content and to add additional content. After all, the development of understanding and skills takes time. The follow-up session differed from the original training in that the Indians and Americans "attended" it together (by webinar); the first training was delivered separately to the two audiences as it had somewhat different content. The idea for the follow-up was that the two sides could "talk" to each other, and time was set aside at the end of the webinar for participants to discuss any concerns or issues they had or to ask questions.

It immediately became apparent that while Americans were comfortable with this discussion segment, Indians were not comfortable discussing issues "publicly." Since the goal was to surface the issues each side had vis à vis the other, a more culturally appropriate approach was devised: a questionnaire was sent out in advance of the follow-up session, asking three questions:

1. Describe one of the most common cultural challenges you face in working with colleagues in India/in the US.

2. Describe any technique or strategy you have used to address that challenge.

3. Give one piece of advice or describe a lesson you have learned about working across cultures.

Answers from this anonymous survey were then collated and presented at the end of the follow-up session. This approach accomplished the goal – to have the two sides "talk" to each other – but got around the Indian reluctance to appear to be critical in public.

Eventually GBS added another feature to its awareness-raising initiative. Part of the company's 14-week new hire orientation taught at the Indian site was a 3-day simulation. This simulation was redesigned to build in specific examples of common cultural misunderstandings, including the three core issues described earlier.

## 1.3 What other measures could GBS take to improve the communication and cooperation between GBS USA and GBS India?

Recruiting interculturally qualified and experienced staff – Job rotation programmes USA/India

Placing Indians and Americans who know each other's culture in "cultural broker" positions where they can translate messages in both directions.

## 1.4 How should GBS introduce the subject of culture/cultural differences after it had been explicitly and very publicly downplayed?

The consultant made the case to GBS that while culture was in fact an "issue" (there were differences) and should not have been minimized, that doesn't mean that culture is a problem. Cultural differences, like most other differences, are only a problem if people are not aware of them. After all, people deal with various kinds of difference all the time in the workplace –differences in personality and work style, differences between how people think about marketing, finance, and IT, generational differences, educational differences – and they work out ways to manage and even leverage these differences. Culture is just one more type of difference, a variation on the theme but not an entirely new theme, and it too can be managed and leveraged once people are aware of it. If it was wrong to take culture off the table, putting it back on the table was not something to be afraid of.

## 1.5 What synergies can GBS expect to create by raising company-wide awareness of the cultural issue? What leverage can GBS gain by acknowledging the reality of cultural differences?

Once GBS accepted that it had nothing to fear from culture and that cultural differences were only a problem if they were not recognized, the company realized a number of benefits. One benefit was that for the first time colleagues in India and the US felt comfortable talking about culture. So long as culture had effectively been made into a taboo topic (by the "you-won't-notice-any difference" theme), a degree of self-censorship prevailed about the subject. Indeed, colleagues in India and the US in effect had to pretend that they were just like each other.

When it became clear through the cultural training that differences were not a problem as long as they were understood and anticipated, then people were not afraid to discuss their differences. Indeed, they were eager to do so. And that in turn meant that for the first time Indians and Americans began to learn about each other. As they learned more about each other, their personal relationships deepened and their working relations likewise improved.

Another benefit was that once the two sides started talking about cultural differences, they discovered things about the other culture that they could use in their own workplace to improve performance. Some Americans, for example, liked the way the Indians built consensus on controversial issues before a meeting so that the meeting itself was less contentious and shorter. Some Indians liked the way American managers empowered their direct reports to make certain decisions, thus eliminating bottlenecks as everything got bumped up the chain of command. It's safe to say that these and other practices were adapted and given a local flavour for the respective workplaces, but they were important contributions nonetheless.

In some instances, where yawning gaps were discovered between how Indians and Americans typically approached a particular task or situation, a "third way", combining the strengths of the Indian and American approaches, was worked out. The spirit of compromise and the ability to compromise was a boon to both groups, not just in interacting with each other but inside their own workplace.

As the Indians and Americans became more aware of and sensitive to each other's culture, they naturally transferred this sensitivity to other contexts. In the US, GBS employees were more attuned to and understanding of cultural differences in their own workplace, with respect to recent immigrants, for example, and others from cultures and ethnic groups outside the US mainstream. The same thing happened in India, where lessons learned from working with the Americans were applied to the bewildering variety of ethnic diversity within the GBS India workforce.

This increased awareness of and sensitivity to cultural difference was likewise applicable to GBS's domestic market where it had numerous clients that were global companies. The more experience US staff had with cultural difference and the more they were attuned to the varieties of human behaviour, the better they could serve such clients.

GBS itself is proud to be a global company, but in the end it can only be as global as its least culturally aware employees. In going offshore, GBS took a giant step in enhancing the cultural awareness of much of its workforce.

# 2 Further reading for the lecturer

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