Why managing multiple cultural identities matters

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This short article presents some thoughts and reflections I shared and learned in the Conference on Knowledge Transfer and Cultural Diversity, which took place in Neuchâtel, Switzerland in July 2015. I would like to express my sincere gratitude to the organizers Lamia Ben Hamida, Alain Max Guénette, and Christophe Lejeune for their kind invitation and my pleasure and honor to join Dr. John Cantwell, Dr. Tina Ambos, and Dr. Riikka Salara as speakers of this event, from whom I have learned a lot.

Coming from Taiwan with strong identification to the Chinese cultural roots, I arrived in Europe 15 years ago to pursue my PhD study (in Lausanne, Switzerland) with the interests of understanding cultural differences and their effects on organizational behavior and managerial practices. As a result, my doctoral dissertation tried to understand how the effects of person-environment fit vary across multiple cultures. However, after my PhD study, my heart was increasingly attracted by the phenomenon of individuals holding multiple cultural identities and how they interact and behave in multicultural contexts – probably because I was becoming one of them with the unexpected career development in Europe (specifically in Switzerland, France, and Spain). I often feel that I am in an ongoing process of developing multiple cultural identities – in addition to my original Chinese cultural identity, I started to feel a bit Swiss, French, and Spaniard at certain point of time. What is even more surprising is
that sometimes I feel being a mix of all the cultures above, and sometimes “culturally homeless” – that I cannot clearly spell out one single culture that represents my “home”. Such experiences push me to examine deeper into this phenomenon, for both academic and personal interests.

Popularized by the seminal work of Hofstede on culture’s consequences, models of cultural dimensions have been widely incorporated in management research seeking to explain cross-cultural variations in managerial behaviors and practices. Recently, unsatisfied with its achievement in confirming the existence of cultural differences, scholars started to investigate how one can handle cultural differences effectively, and proposed frameworks of cultural intelligence (see Ang & Van Dyne, 2008; Earley & Ang, 2003; Thomas, 2006). Furthermore, challenging the assumption that cultures are internally homogeneous and externally distinctive, certain scholars also started to pay attention to the fact that individuals may internalize various sets of cultural identities and norms (hence becoming multicultural), and activate them depending on the situation. Whereas these three lines of study are interrelated and built on one another, personally I found the last the most exciting.

As the world becomes more globalized, business activities frequently expand across cultural boundaries. People increasingly work in a multicultural context and interact more frequently with people from different cultural backgrounds. As a result, people are more likely to expose to multiple cultural influences, develop bicultural or multicultural identities, and eventually become bicultural or multicultural. As a key component of self-concept, identity is one of the most significant regulators of cognition, affect, and behavior. Basically, identity (i.e., how one defines oneself) serves as a dynamic interpretative structure that mediates a wide range of intrapersonal processes (e.g., information processing, affect regulation) and interpersonal processes (e.g., social perception, interaction strategy. Cultural identity is an individual’s sense of self derived from formal or informal membership in groups that transmit and inculcate knowledge, beliefs, values, attitudes, traditions, and ways of life. Individuals with multiple cultural identities are those who define themselves not as the citizen of one single culture. As more people become bicultural or multicultural (or developed bicultural/multiple cultural identities), it is interesting to scrutiny their unique strengths and contributions to cross-cultural collaboration. Please note that I adopt a broader definition of individuals with multiple cultural identities – in other words, the term not only refer to those who have exposed to more than two cultural norms in the formation age, but also to those who developed multiple cultural identities related to international experiences at elder age as adult.

Research has shown multiple cultural identities have effect on the holders themselves (i.e., the effect of how one categorizes oneself) as well as on how these individuals are perceived by others in social interactions (i.e., the effect of how one is categorized by others). Multiple cultural identities, if understood and managed properly, can have far-reaching implications for managers in global leadership positions. First, individuals with multiple cultural identities are found to possess certain advantages in cross-cultural
settings because of process of acculturation they have gone through. In other words, as a consequence of exposing to two or more cultures, individuals will experience changes in their cultural values, behaviors, and even identities over time. I am particularly interested in understanding whether and how different identity configurations and acculturation strategies affect behavior and cultural competencies in cross-cultural settings. Research has demonstrated that when individuals become bicultural (or develop bicultural identities; e.g., someone who defines him/herself as both Canadian and French), they usually enjoy high levels of cognitive complexity, have less bias toward out-groups, are better equipped for cultural code-switching, and adjust better to new cultural environment with higher well-being. However, if individuals opt for different approaches to identify only to one culture in the acculturation process (e.g., if the Canadian French defining oneself only as Canadian or only as French), they may not enjoy the advantages described above, even if they have gone through very similar cultural exposures.

Recently, we have started to investigate another type of identity configuration – cultural marginality (or “culturally homeless”; i.e., the feeling of not strongly identifying to any culture), whose values and potential strengths have not been fully recognized. In fact, certain empirical works on multicultural individuals have “accidentally” found that those who do not strongly identified to neither home nor host cultures are sometimes related to better outcomes (in terms of integrative complexity and adjustment). Fueled by my personal experience of sometimes feeling culturally homeless, I have conducted research on cultural marginality and the results generally confirmed such pattern. In other words, different from traditional perspective viewing marginalization as the worst identity configuration, recent evidence suggests that individuals who do not stronger identify to any culture may in fact possess competences and strengths, and outperform their monocultural counterparts (or those who identify only to one single culture). Furthermore, my colleagues and I suggest that cultural marginals may excel as global leaders because they are capable of handling a heightened level of diversity, complexity, and uncertainty in global context due to their status of dynamic “in-betweenness” among multiple cultures.

In addition to the strengths associated with multicultural individuals, they also enjoy the benefit of their multicultural status in terms of how people perceive them and categorize them in cultural groups. When individuals can connect to and identify with both or more cultures, they may be perceived by multiple cultural groups as one of them. They can hence more easily play the role of cultural bridge and facilitate mutual understanding and collaboration. Sometimes, when someone has multiple cultural backgrounds or does not identify oneself with one single culture (i.e., cultural marginality, as discussed above), other people may have difficulty in categorizing this person neatly into one cultural group. As a result of such decategorization, he/she may receive more individualized treatment and be seen as more neutral from all the cultural groups and considered as “fair” to assume the leadership role. I suspect that multicultural individuals, conscious of their multiple identities and their social effect, are also more
aware of the configuration of their work teams – including the geographical and cultural distances and possible imbalance and isolation within unit that would influence effective knowledge sharing, indicated by Dr. Ambos in the conference.

I have the privilege to observe concrete examples in which individuals with multiple cultural identities effectively achieved significant results in organizational settings. The first one is Mr. Du Jingguo, former CEO and President of Haier Asia. Headquartered in Qingdao, China, the Haier Group has developed itself into global leader of home appliances within 30 years, led by its visionary president Mr. Zhang Ruimin. In order to best serve the needs of clients in the internet era with rapid changes, Mr. Zhang designed innovative management systems and organizational structure that empower employees to take the responsibility to make critical decisions and “be one’s own CEO”. In a snapshot, from 2006 to 2012, they adopted the structure of inverted triangle which places customers on the top, followed by many self-managed units in charge of product design, manufacturing, and sales. Middle management does not give direct command and only plays the role of resource provider.

When Haier acquired Sanyo, a well-known brand and long-standing Japanese company in 2012, one critical challenge faced by the country manager of Haier in Japan is to manage the newly acquired unit such that the company can maintain global consistency in its strategy and management system while being sensitive and adaptive to local culture. Those who know a little about Japan can easily see potential cultural tensions between Haier’s inverted triangle and Japanese culture that emphasizes collective spirit (hence preferring collective rewards) and hierarchy (hence respecting command of seniority and hierarchical line). Should Mr. Du, then nominated as CEO of Haier Japan, impose the Haier system to keep its global consistency? Or should he adapt the system to respect Japanese culture, implying that he may no longer be faithful to the spirit of Haier system so dear to Mr. Zhang’s vision and strategy? Being a bicultural in Chinese and Japanese (i.e., Chinese immigrated to Japan and married to a Japanese wife), Mr. Du has handled this dilemma beautifully. To make a long story short, Mr. Du avoided the trap of viewing the situation as an either-or dilemma – while he understood the importance of putting the Haier system in place, he skillfully used culturally adequate ways to win the trust of Japanese workers to accept the Haier system. Interested readers may learn more details of this incident from a mini case we published in Financial Times and a longer business case we developed for teaching purpose.

The second person is Mr. Yoshiaki Ito, the successor of Mr. Du as the CEO and President of Haier Asia based in Japan since 2014. At that time, Haier Japan still needs to continue the process of integrating the previous Sanyo workforce, with its own mindset and culture, into the new Haier system. Especially reforms in the salary and promotion system, as well as the process of product development, are seriously in need to revitalize its workforce. A Japanese national born and raised in Thailand with higher education from USA, Mr. Ito is fully aware of the cultural obstacles and consciously and selectively projected his Japanese, Thai and American selves to his staff according to the need of the situation. Almost 15 years younger than other members of his
executive team, Mr. Ito was able to gain acceptance from his team and pushed through a series of reform and launch highly innovative products in Japan. His multicultural background not only enabled him to approach challenges from a wider perspective, but also offered him the possibility to switch freely between Japanese/Thai/American to accomplish the reform that would be extremely challenging, if not impossible, if he were a mono-cultural Japanese executive. When listening to Dr. John Cantwell’s presentation in the conference, I was thinking that a multicultural country manager may be particularly capable of negotiating and defining the role of the subsidiary as either competence-exploiting or competence-creating in the dynamics of knowledge exchange.

Mr. Carlos Ghosn, the CEO of Nissan-Renault, is an even more well-known case. He once commented that one big advantage he had when sent to turn Nissan around is that the Japanese did not associate him with one particular culture (similar to culturally homeless), given his Lebanese-Brazilian-French background. He thus enjoyed the neutrality and was free from cultural stereotypes and expectations when making critical changes inside Nissan. These examples may illustrate how multicultural individuals can contribute to achieving organizational cultural crossvergence, that may foster the emergence of new value systems and identity in organizations, as discussed by Dr. Sarala in the conference.

Multiple cultural identities have important implications for managers and organizations, and it is critical to know more about this phenomenon so that global leaders and managers can benefit from such knowledge. For example, individuals with multiple cultural identities may sometimes feel confused with the multiple selves and may not be always conscious of the advantages they possess. It is therefore beneficial to develop frameworks that can help them make sense of their multiple cultural identities and multiple selves, and become more aware of their unique competences. Similarly, managing multiple cultural identities also involves how to selectively project ones’ multiple selves to others. Research works in this domain may also help multicultural individuals to perform code-switch that is profoundly connected to one’s sense of selves hence helping them to be perceived as authentic. Researchers have just started to discover this exciting and burgeoning field and more research is needed. Here I would like to take the liberty to make a call: If you feel that you can relate to the phenomenon described in this article, if you consider yourself a multicultural individual (or having multiple cultural identities) at a managerial position, and if you are willing to share your experiences and contribute to the ongoing research project on this topic, please do contact me – I would greatly appreciate your inputs to help further advance research in this exciting topic.

In sum, the conference was highly inspiring and stimulating, in which people found common grounds to connect, exchange knowledge and ideas, and build a sense of belonging (also a kind of identity?). Thanks again to the dear organizers, colleagues, and presenters, who have made this enjoyable mutual learning possible.