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# LEADERSHIP IN A MULTI-CULTURAL BUSINESS ENVIRONMENT

**How Asian employees at Snellman group experience the company's leadership strategy**

**ABSTRACT**

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The aim of this thesis was to identify how the leadership strategy at Snellman group is experienced by their Asian employees. Nepalese and Bangladeshi employees were chosen as a control group as they were the largest group of non-native employees in the company. The objective was to conduct a quantitative study on the chosen group regarding multi-cultural leadership issues. The research was carried out using an electronic quantitative questionnaire powered by Webropol.

The theory part of this thesis covers the topics of leadership and cultural differences. The emphasis was placed on communication between different cultures and how to overcome these differences. Studies in cultural dimensions have been highlighted as a tool for insight into how cultures vary from each other in different matters and can build a foundation for understanding people from other cultures. The theory part also investigates leadership culture and how one can achieve a thriving working environment. General ideas on leading in a multi-cultural environment are brought up as well as broad differences in Finnish and Asian leadership style.

The results of the study showed that the Asian employers were satisfied with the way their manager was leading and overall content with their working situation. The control group seemed to agree on leadership being different in Snellman than in their home country. The respondents were more satisfied with the way their manager was acting at Snellman than in their home countries. The results showed that the Asian employers have adopted the Finnish business in which managers and employers are equal and the relationship between the two is open and honest. However, The Asian employers at Snellman were displeased with the manager's willingness to learn from other cultures and experienced the treatment of employees as unequal.

| **Key words** Leadership, Multi-cultural leadership, Intercultural communication |
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# 1 INTRODUCTION

Globalization is the norm in today's society, as people from different cultures are connecting both digitally and in real life. Globalization gives us the possibility for both learning new ways of thinking but also cultivate misunderstandings. Being a leader today one must be willing to learn from other cultures in order to communicate properly and lead in an authentic and successful way. This thesis focused on what is required of both leaders and employees when building a thriving multi-cultural organization.

The aim of this thesis was to identify how the leadership strategy at Snellman group is experienced by their Asian employees. The emphasis was placed on cultural differences in communication and leadership. Snellman group has an open and relationship-driven leadership style, and they take pride in being a company that takes care of their employees. The company conducts an annual survey to make sure their employees can make their voices heard. The non-native employees have never before been looked upon as a group since Snellman treats all their employees equally. The writer's wish is that the information achieved in this study can help the commissioner when continuing to work with the development of their multi-cultural leadership strategies and harvest a business environment where all employees despite cultural differences can be satisfied and feel that they are heard.

The objective of this study was to conduct research on the Nepalese and Bangladeshi employees at Snellman regarding leadership and multicultural issues. The findings are analyzed, and further suggestions are made on how to improve and handle multicultural leadership matters in the company in the future.

This thesis was conducted by applying the quantitative research methods. The chosen form of research method was based on the assumption that there will be more honest answers if the respondents can be completely anonymous. The research was carried out as a questionnaire with both closed and open question. The survey mainly focused on communication, information flow and general perceptions of the leadership at Snellman group. The survey was made and filled in electronically in Webropol.

The theory part of this thesis covers the topics of leadership and cultural differences. The emphasis is placed on communication between different cultures and how to overcome these differences. Studies in cultural dimensions are highlighted as a tool for insight into how cultures vary from each other in different matters and builds a foundation for understanding people from other cultures. Hofstede's cultural dimensions were used to compare Finland, Bangladesh and Nepal, the nations presented in this study. Comparisons are made on power distance, individualism, masculinity, uncertainty avoidance, long-term versus short-term orientation and indulgence. The theory also looks into leadership culture and how one can achieve a thriving working environment. General ideas on leading in a multi-cultural environment are brought up as well as the broad differences in Finnish and Asian leadership style.

The commissioner, Snellman group is a family owned company that has been producing high quality Finnish meet and charcuterie products since the 1950's. Snellman Köttförädling AB is the biggest part of Snellman group and their factory in Pietarsaari employs around 1000 persons. Snellman's business policy is built on honest and close relationships together with high standard business ethics. Snellman recognizes their employees as being worth their weight in gold and takes care of them as follows. Employees are supported in managing a healthy lifestyle with exercise and individual coaching as well as developing professionally through education. The company's slogan is "We do, We dare and We care". In their products Snellman emphasizes quality over quantity and is prone to go the more natural way without additives and by only handling fresh Finnish meat.

## 2 SNELLMAN GROUP

The commissioner of this thesis was a family owned company from Pietarsaari founded in 1951. The concern (FIGURE 1) consists of five different subsidiaries with a total of 1500 employees and a turnover of EUR296 million in 2017. (Snellmangroup 2017)

| ORGANIZATION | BUSINESSES | BRAND | PERSONNEL | TURNOVER |
|---|---|---|---|---|
| **THE GROUP** The Snellman group consists of the parent company Oy Snellman Ab and five different business areas: Meat processing, Ready meals, Food service, Panini and Animal food | Oy Snellman Ab | SNELLMAN KONSERNI – KONCERNEN | Totalt 1500 | Totalt 296 milj. € |
| **MEAT PROCESSING** In the meat processing factory high quality meat- and charcuterie products are being produced. | Snellmans Kottförädling Ab S-Frost Oy Figen Ab | Snellman figen | 1032 | 219 milj. € |
| **READY MEALS** The food factory that want to give people the oppurtunity to eat better ready made meals | Snellmanin Kokkikartano Oy Carolines Kök AB | KOKKIKARTANO Carolines KÖK | 290 | 53 milj. € |
| **FOOD SERVICE** Snellman Pro offers high quality product- and servicesolutions for professional kitchens. | Snellman Pro Oy | SNELLMAN pro PARASTA MEILTÄ, JA MAAILMALTA. | 22 | 24 milj. € |
| **PANINI** A product concept with easy fast food from fresh domestic bread. | Mr. Panini Oy | Mr.Panini | 65 | 12 milj. € |
| **ANIMAL FOOD** 100 % natural. high quality animal feed for dogs and cats. | Oy MUSH Ltd MUSH Sverige AB | MUSH | 50 | 9 milj. € |

### CONCERN STRUCTURE

SNELLMAN

MEAT PROCESSING | READY MEALS | FOOD SERVICE | PANINI | ANIMAL FOOD

FIGURE 1. Snellman group structure (Snellmangroup 2018)

Snellman group's biggest contributor is Snellman Köttförädling AB. The company produces meat and charcuterie products from high quality Finnish meat. Snellman Köttförädling AB is located in Granholmen outside Pietarsaari and employs around 1000 people.The other branches in the concern include Kokkikartano and Caroline's kök that make ready meals, Food Service that caters professional kitchens with product- and service solutions, Panini that makes fast food from domestic bread and Mush that is an all-natural animal food factory. Out of the 1500 employees in Snellman group 78 employees are from Nepal and Bangladesh. (Snellman.fi 2018)

Snellman's business policy is built on honest and close relationships together with high standard business ethics. The company's values are built on treating others how one would want to be treated and they believe success is earned by doing good. It is an innovative company that has a close relationship with both their customers and producers. They are keen on maintaining a high standard concerning the quality of their meat products as well as staying ahead with product development. The meat products are exerted from most additives and contain a high percentage of meat to keep them as natural and clean as possible. (Snellman.fi 2018)

The CEO of Snellman Köttförädling Ab, Roland Snellman, ephasizes the importance of creating a company culture where employees feel safe. He portraits the Snellman employees as humble and curious with a willingness to learn new things. Snellman employees have a strong sense of group identity and often use the word 'we' when referring to the company. Snellman stresses the idea of daring to make long-term decisions, allowing processes to take time and develop without time pressure to ensure the best results and quality. (Herra Snellman 2017)

Snellman emphasizes the importance of a healthy work environment. The company is devoted to taking care of their employees in the best way possible. Snellman applies a model where the employees' health is being monitored by discussions and coaching sessions to prevent burn outs and sick leaves. The model recognizes the employee in a holistic manner where health problems, work related issues, problems with coworkers and overall life situation are analyzed. The company has a health coach working full time with physical training and ergonomics to maintain the employees working ability. There is a gym available for the workers at

the company's facilities and opportunities for coaching and achieving help in all areas of life are provided to the employees regularly. The Snellman Ab health strategy aims at preventing health related issues before they arise. (Snellmans Personaltidning Kuttern 2017, 48)

# 3  LEADERSHIP

Leadership is not about getting people to perform tasks, but it is the art of having people to do tasks willingly. Leadership is about modelling people's behaviors, wishes and priorities. In that way one can influence people rather than have them to obey orders. Leadership as opposed to management is a process in which people are exercised to understand problems and together come to a collective conclusion concerning what measures are needed to take. Leaders are inspiring visionaries that evoke passion while managers are prioritizing control and stability. Both leaders and managers are needed within a company. It is important to know the difference between the two and also to have an understanding for what kinds of undertakings they will be best at performing. (Elmholdt, Keller & Tanggaard 2015, 9-10)

## 3.1  Great leadership

Kousez and Posner (2012) found through thorough research that there are five different habits that form outstanding leaders. To be a great leader one must act as one wants the other team members to act, as people do as the leader does and not as they say. Being able to look at things differently and challenge the process of matters is a key habit for successful leaders. Inspiring people and encouraging them is clearly important, since all people thrive when being seen and appreciated. Having the ability to make others act is crucial for enabling a victorious team.

Empathy is one of the most important qualities a leader needs to have in order to foster a supportive climate where the company's employees are convinced they are in a safe and trusting environment. A company that understand the needs, ambitions and opinions of one's employees can more easily create an environment of collaboration, service and transparency. The more the company cares and is aware of how their employees are doing, the more likely it is for them to maintain a healthy and translucent relationship. (Cutler 2014, 148-149) Research show that if leaders show positive expectancy towards their employees it will foster greater performances. People form their own realties and make up the structure of what they can do by the expectations of their leader. When people start to realize that they are indeed capable of performing extraordinarily, they will start to expect remarkable thing from themselves. The

trust of the leader affects how the people behave both towards others and how they execute their tasks. The leader needs to see the constituents as winners and treat them as such by giving them positive encouragement, listen to their inputs and provide them with plentiful resources so they are able to execute their tasks successfully. (Kouzes & Posner 2012, 277-279)

Barsade and O'Neill (2014) have done research on how love affects the work environment. They found that employees that worked in a loving environment were more satisfied and had higher team working skills. They also came to work more frequently than others. People working in an environment where it was safe to show care and compassion committed more to their work and were more accountable for their performance. This kind of loving environment also fostered an atmosphere that were directly related to customer satisfaction.

## 3.2 Leadership communication

When staff are asked about the biggest shortcomings of the company they work for they often point out poor communication. Communication might be the most essential leadership skill of all. To build a great communication environment both parties need to be involved. The employer is obligated to create an open and transparent way of communicating through the company and the employees needs to be honest and open about how they are feeling. Employees that do not trust their leaders are silently discontent until they have enough and they react towards the leader in a resentful way. When employees are left out and are not properly informed they tend to feel vulnerable and threatened, and this may lead to false rumors and perceptions. (Cutler 2014, 148-150)

> 'Leaders must avoid the temptation to "sugar coat" bad news and "hype" the good news. If leaders communicate often, they will earn the trust of their employees.' - David Fairhurst, Chief people officer, Europe, McDonald's restaurants (Cutler 2014, 148-150).

Kouzer and Posner (2012) emphasize the importance of giving feedback. They point out that without feedback there will be no learning and that negative feedback is better than none.

Feedback and recognition should be given personally and from the heart. It is important to both give constructive and positive feedback. We all need recognition and appraisal from time to time. (Kouzes & Posner 2012, 286-287)

Great leaders need to know how to communicate in different situations. There are rhetorical rules for various situations and encounters. To become a great communicator, one needs to know the rhetorical rules and learn to use them correctly. There are three different rhetorical states that each demand a certain set of guidelines. The three states are: to accuse and defend, to consider and advise and to praise and condemn. People often use one of these states as their automatic setup. Knowing this one can recognize which state a person is in and by analyzing the situation one can wisely chose to use the best suitable state to reply in. Rhetoric competence greatly supports multi-cultural know-how. Different cultures have various ways of expressing the same feelings. For example, if a Swede and a Spaniard are greatly upset they are likely to show it in different ways. Knowing differences in the way various cultures communicate is the key to handling communication in multi-cultural environments. (Capotondi 2007, 131-133)

## 3.3 Future Leadership

The most important future leadership skill is the ability to be empathic and feel the need of the group. Emotional intelligence is the key factor in succeeding as a leader. Jackson & Parry (2008) suggest that instead of educating only leaders, the focus should be shifted upon building bilateral trusting relationships with the whole team. In this case instead of developing leadership skills the company could build social capital and educate both leaders and followers in what it means to be a great employee in all roles. In this way the focus lays on erasing the gap between leaders and followers and instead create collective understanding and cut out all hierarchical leadership models.

The leaders of the future will be faced with new challenges. According to Cutler (2014) these challenges are innovation, talent management, globalization and communications, especially social media. These challenges require a new way of handling and thinking. Leaders need to

learn and be aware of both the psychological and the philosophical factors in their role of influencing others. Leaders must develop and strengthen their understanding of how they interact with their followers. Cutler (2014) suggests five approaches that will enhance the leaders of tomorrow in understanding and influencing followers. The approaches he suggests are engaging leadership and the integrated psychological approach, these are based on the phycological relationship between leaders and followers. Further on there are three more approaches, philosophical in their essence, servant leadership, authentic leadership and ethical leadership.

Engaging leadership contains employees who are motivated and want to contribute to the company's success they find the leaders trustworthy and inspiring and feel that their well-being is taken care of. Everyone from the CEO to the floor worker needs to get engaged, and leaders must understand the individual needs of the workers and know what they expect from their working life. In the integrated psychological approach leadership is looked upon as a process achieving and defining objectives by a chain of actions and choices. The idea here is that the function of the leader is to make sure there is leadership instead of just a leader, meaning that a certain set of dimensions are being met.  This indicates that the leader does not always have to lead from the front, but the leaders can delegate and share part of the responsibility with others. (Cutler 2014, 236)

Servant leaders always consider the need of others as the top priority. Typical characteristics of a servant leader are their great listening skills and empathy. They are good at persuading and their love building a community. They are committed to the growth of their followers and are aware of all matters including ethics and values. Servant leaders use their given position to ensure that their followers are equipped with all they need to reach their personal and organizational objectives. (Cutler 2014, 241-242)

Leaders of the future need to be authentic and true towards themselves to build the trust of their followers. By being transparent they can transform and develop their follower's own leadership mentality. Authentic leadership is about generating open, honest and trustworthy relationships between employees. To be a great authentic leader one must be present physically, mentally and emotionally. Authentic leaders have integrity and they lead on the basis of their own values. They do not care for status and power but instead they want to be honest and always follow their own inner guidelines. (Elmholdt, Keller & Tanggaard 2015, 34-36)
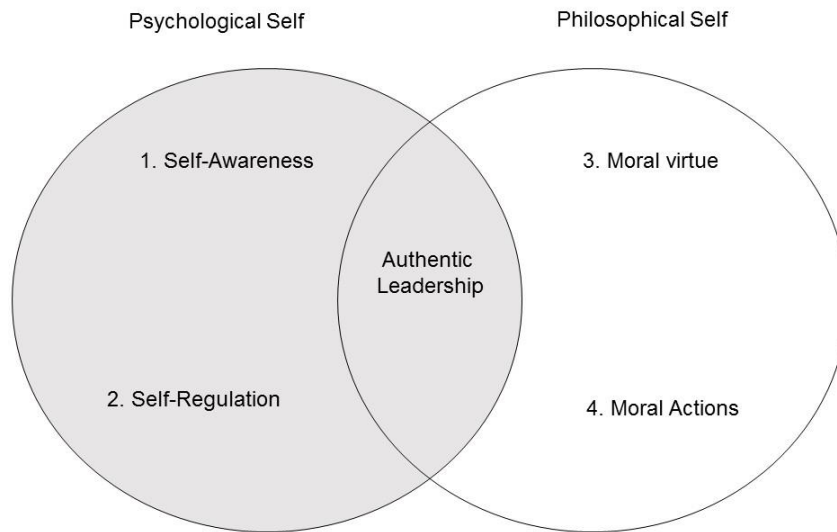
FIGURE 2. Beddoes-Jones's authentic leadership model (Cutler 2014)

As seen in figure 2 authentic leadership takes in consideration both psychological and philo-sophical aspects. An authentic leader acts from self-awareness and by following one's own beliefs and values. At the same time an authentic leader incorporates ethical thinking and acts accordingly. The authentic leader is concerned for all parties involved, customers, employees, stakeholders but he also cares for society and highlights environmental aspects. Servant lead-ers are pleasing but authentic leaders are not, and they follow their inner guidance and are not afraid to let people go if they do not follow through. Authentic leaders have a long-term per-spective and are into building sustainable businesses. They care for work-life balance and building personal relationships both in and out of office. (Cutler 2014, 244-246)

Ethics and business are two elements that are becoming increasingly interconnected in the future. To thrive in business, one cannot only rely on profit. The world needs organizations that look further and consider their own impact on the society at large. A survey carried out on human research managers found that 67% believed ethics would be highly important for busi-nesses in the future. The vision of a company always starts with the leader. Therefore, ethical leaders who value honesty, community building, equality and respecting employees as well as the society are the leaders of the future. (Mendonca & Kanungo 2007, 1-4)

# 4 CULTURE

Cultural differences affect our behavior and also need to be considered in a business environment. How we lead and manage a company is based on our cultural norms and values. Gately and Lessem (1995) argue that managers in the East are group-oriented, Southern management emphasizes family values, Western management focuses on action and in the North, management is thought-oriented. Cultural influences affect how people behave in meetings and in what ways they react to feedback and conflicts. Even people's body language is influenced by their culture. It is beneficial to see patterns in how people behave within cultures, but oversimplifying the complex variables that a culture is made off can be dangerous. To create open and productive relationships we need to understand these issues and how they affect the leadership and management styles within companies. (Silverthorne 2005, 3)

## 4.1 What is culture

Culture is a way of feeling, thinking and acting in a collective way. It is a programming of the mind that differentiates one group of people from another. Culture is a collective matter, and one single person has no culture, but he or she has a personality. A culture is made by a number of people that are programmed in the same way, a programming we do not share with other groups. Cultures can be detected in nationalities, in one's occupation, gender and so on. (Brzozowska & Wladyslaw 2015, 2) In this thesis culture refers to national societies of the countries in which one was born and raised.

The word 'culture' is defined in Oxford dictionary as:

1. The arts and other manifestations of human intellectual achievement regarded collectively.
2. The ideas, customs, and social behaviour of a particular people or society.
3. The attitudes and behaviour characteristic of a particular social group. (Oxford Living Dictionaries 2018)

Arts

Language

Behaviours          Food

Dress          Celebrations

Beliefs          Values

Customs

Tradition          Roles

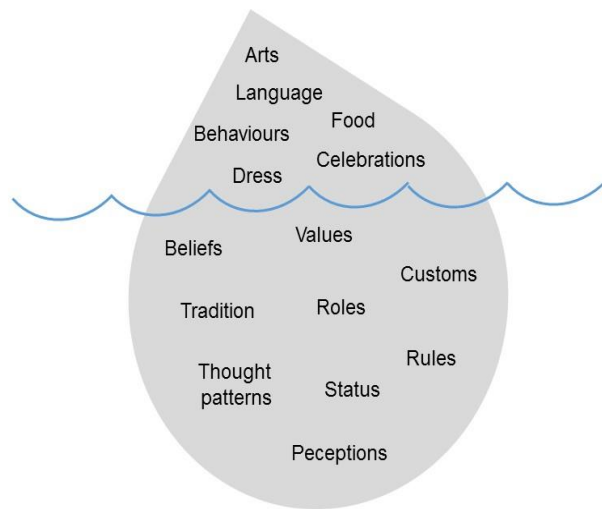Thought          Rules
patterns          Status

Peceptions

FIGURE 3. The iceberg model of culture by Edward T. Hall (Lustig & Koester 2013)

Culture can be compared to an iceberg (FIGURE 3), as it has a visible part that is easy to detect and a hidden part below the surface that is more difficult to notice. The hidden part compounds 90 percent of a culture and contains most of the important features and compo-nents. The visible part is what we can perceive with our senses and is directly observable. Food, music, tools, behavioral differences and other preferences are components present in the visible part of a culture. The hidden part of a culture is put together by the deeply held beliefs, values and norms of a culture that affects the way interpreting the world around them. This includes the way people act and behave according to what is right for them based on their cultural values. The components that make up the hidden part of a culture are often unspoken and are typically not alerted even though they to a great extent affect how and in what way representatives of a culture communicate. (Lustig & Koester 2013, 20-21) Cultural patterns are unconsciously experienced in a day to day environment. People learn from early age how to behave, what traits to admire and how to perceive the world. These core beliefs are reinforced continuously throughout one's life. (Lustig & Koester 2013, 78-79)

Components that make up cultural patterns in the hidden part of a culture are beliefs, values, norms and social practices. Beliefs are ideas of what is true and logical. Beliefs vary a great deal from culture to culture. As an example people from India believe that colds come from evil spirits, whereas in European American culture evil spirits are a ridiculous idea to believe in and

clearly not the cause of infections. Values on the other hand involve what a culture thinks is good or bad, valuable or worthless and fair or unfair. In North American culture they value youth and respect for elders is not of the highest importance. On the other hand, in Asian culture elders are highly respected and appreciated for their knowledge and wisdom.

Norms are the collectively shared expectations of how to behave correctly. Norms can, unlike values and beliefs, change over time and take on a new appearance. Good manners and greeting behaviors are based on norms. Norms guide people in how to engage in conversations and how to disengage from them, and they also steer the topic of the discussions. Social practices are the expected action patterns that a representative of a culture typically follows. In the United States lunch is usually eaten by 1:30 pm while in Italy lunch might not have even started at the same time. Social practices includes eating manners, rituals, ceremonies, dressing and how to receive gifts in an appropriate way. (Lustig & Koester 2013, 79-82)

## 4.2 Multi-cultural communication

There is no antidote for prejudice and racism and therefore no simple answer to the problem with interpersonal communication between people from different cultures. With globalization the benefits of embracing an intercultural world are many, and differences among cultures are advantages if looked upon from the right angle. Modern technologies together with easier access to transportation worldwide have created an interconnected world. People from different cultures are communicating more than ever and this increases the need for intercultural competencies. (Lustig & Koester 2013, 7-8, 20-22)

> 'I knew we differed culturally, but different isn't wrong; different is merely different. Basically we're all human.' - Deon Meyer (Lustig & Koester 2013, 7-8, 20-22).

When communicating with people from other cultures one needs to match the communication style with one's counterpart. There are different parameters to take into consideration when communicating with different cultures. Reading between the lines for example, is a well-known way of communicating in Japan. Some cultures are more prone to be polite than truthful. In

some cultures, showing emotions means losing one's face and is not favorable while in other countries showing one's human side is a part of building trust. There are cultures that love to tell stories and others who cut the small talk and go right down to business. To effectively communicate with persons from different cultures one needs to learn the differences and read the situations. Playing along with the other parties' communication style is the key to successful communication. (Tomalin & Nicks 2010, 89-94)

Communicating cross-culturally demands a proactive approach. The first impression are made quickly and overcoming a cultural misdeed is difficult, no matter how unintentionally meant. Cotton (2013) describes how she changed her teaching style when she moved from the U.S. to Europe. In the U.S. people are loud and entertaining while in Europe people appreciated a more sophisticated and low-key approach. Cotton (2013) intentionally modified her behavior to change the stereotypical cultural perceptions, she had working against herself.

Understanding other cultures begins with understanding one's own cultural style. It is the only practice by which one can usefully compare one's own way of approaching life with other people. When practicing cultural awareness, the way one feels about matters plays a major role. The way one sees things from one's own perspective is called perception. One's perception can be affected and change due to different circumstances, for example if one begins to better understand the people one is dealing with, one's perception might change. Perception is an important thing since it affects one's willingness to cooperate with other cultures and reactions towards them. Even if the behavior of people from other cultures does not appeal to one self, one can, by learning and understanding their way of seeing things adapt both one's own and their behaviors. For example, if the persons from another culture are continuously late, understanding their background and culture allows for adapting in behavior from both parties. (Tomalin & Nicks 2010, 56)

## 4.3 Leading in a multi-cultural environment

The objectives of multi-cultural leadership can be divided into three categories, which are ethical, organizational and human resources. These three matters need to be balanced and equally important, and they need to show in the management team's actions and in day-to-day

activities within the organization. For developing human resources and organizational matters the best precondition is strong ethical motives. It is impossible for an organization to act ethically on the market and on the contrary non-ethical towards the personnel, as these two go hand in hand and reflect each other. (Lahti 2008, 36-37)

**Ethical Arguments**

Societal accountability
Equity
Equal human rights
Respect and appreciation for all
individuals

**Skills and Resources**

Company image and attraction
Optimization of resources
Staff permanency
Motivation and Commitment
Versatile role models
Open dialogue and willingness to
learn

**Profit, Performance and Effectiveness**

Understand the market needs
Diverse and broad service
Innovative
Responsive
Flexible and Adaptable
Effective
Dynamic decision making

FIGURE 4. Multi-cultural leadership business case. (Lahti 2008)

A successful multi-cultural organization embodies ethical perspectives, profit and performance, effectiveness, skills and resources. (FIGURE 4). All elements are of equal importance and work together in building a long-term thriving organization. (Lahti 2008, 36-37)

Lahti (2008, 19-20) stresses the fact that multi-cultural management is about finding opportunities that work for all and not going backwards leaning on the old ways of managing and leading. Lahti accentuates that Europe and especially Finland handle multi-cultural matters poorly and there are not many open discussions about race and heritage. A pitfall in multi-cultural management is thinking that a company only exists to please the owners and customers which in turn leads to not wanting to put time and effort on handling complex questions such as cultural differences. There is a common employee strategy where all workers are looked at and handled equally, this might be a fallacious way of administrating a multi-cultural work force, since there are clearly vast cultural differences.

Leaders must understand their followers and their cultural expectations. It is important that leaders continually check their employees' attitude towards leadership. Leaders need to be aware of and incorporate cultural matters of their employees when deciding their leadership style. To understand differences in leadership styles is not enough since the perception and understanding of the styles vary from culture to culture. (Silverthorne 2005, 96-97)

Motivation does not look the same in all countries, it is a national phenomenon and is likely to vary a great deal between countries. Leaders within multi-cultural businesses who are unaware or neglect the way in which different cultures are motivated are doing themselves a disservice. Failing at motivating foreign staff will lead to resistance, discontent frustration and separation. Multicultural leaders will succeed by trying to understand their partners and colleagues and by adapting their unique viewpoint. Eastern culture places emphasis on relationships rather than the products and socializing and building trust is a major part of business. (Lewis 2006, 143-144)

Experience has shown that achieving good results in multi-cultural leadership comes down to a few crucial factors. First, the management needs to respect the individuals and the humanitarian matters of the employees. Secondly, the management team is closely examined by their subordinates and needs to act fairly, transparently and professionally with a sense of humor, both among their fellow management team but also towards their employees. Another success factor in multi-cultural management is balancing up the management team with people from different cultures and backgrounds. (Lahti 2008, 19-20)

Succeeding as a multi-cultural organization is mainly up to the leaders and the management group. The management group can install strategic processes and operatively monitor them. They have the power to introduce objectives for change and follow through on the objectives. There are concrete matters to take into consideration when approaching a multi-culturally thriving organization. The management team needs to develop daily and annual routines as well as policies and measurement tools for verifying the success of change processes. The organization needs senior consultants that will investigate, supervise, evaluate, rapport and announce processes and results. It is important to set clear objectives and encourage every middle manager to follow through on these matters, and the company may also have the manager's sign an up-to-date multi-cultural contract including clear guidelines. The organization

must set criteria for how to lead in a multi-cultural way and follow up and reward accordingly. The multi-cultural strategy needs to be clearly communicated to all levels of the organization and further on to the company's cooperating partners and contractors. (Lahti 2008, 198-199)

## 4.4 Asian leadership culture

Cultural values play a greater role in Asian leadership than they do in Western leadership, as they dominate the organization, structure and behavior of Eastern businesses more than in the West. In the East religion and philosophy are deeply rooted in the culture and are almost inevitable codes of conduct. There are varieties in religious views in Asia ranging from Buddhist to Muslim, and although there are national differences in the concept of leadership, status and organization there is clearly an overall Eastern model that is accordant to Asian values. Family is on top of the list in the Asian values, one is included in a group and not seen as an individual only. Stability in a society is, as in a family, based on un-equal relationships. In the past loyalty to one's father and the ruler as well as living righteously would lead to a balanced social order. Moderation, staying calm and protecting the weak were also recommended. (Lewis 2006, 121)

In Asia the main focus when leading a business lays on paternal authorativeness. This means that the leaders are seen as a father figure to the people in the company. The role of the father as a leader can both be authorative and caring, depending on where the leader places his focus. The leader can emphasize tasks and duties or loyalty and empathy or all of them. (Silverthorne 2005, 84) The economic success of Asia can be an indicator that the Asian family model is efficient. Whether this is true or not it will not be easy for Westerners to start following the Asian model. Westerners are guided by individualism, material achievements, out-of-control consumerism, environmental concerns and an obsession with the quality of life (a strange way of viewing life in Asia). Globalization will force East and West to find solutions and agreements on shared viewpoints concerning goals and organizational structure, but in terms of values and worldview the diversity's will sustain well into the twenty-first century. (Lewis 2006, 124)

Asians are typically very bound to the concept of their culture. They constantly ponder over their behavior both socially and professionally, whether in the implementation of the duties to the group or by being supported and finding solidarity in it. (Lewis 2006, 123)
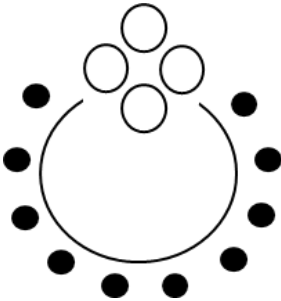


FIGURE 5. Asian leadership style - Consensus rule (Lewis 2016)

The consensus rule is defined by decisions being made only when all participants can agree fully (FIGURE 5). Negotiations to achieve a decision are based on a win-win mindset. Building consensus demands willingness from all parties to compromise. Consensus practices depend upon all parties agreeing on all parts of the decisions that are being made. The advantages of consensus rule is that when a decision is made all parties can be satisfied and fully support the outcome. The disadvantages are slow processes and the high risk of failure. If the decision is required quickly consensus rule is not favorable. (University of Colorado 1998)

## 4.5 Finnish leadership culture

Finnish leadership methods are intact. Leaders in Finland have accumulated the right balance between the authorative and consultative leadership style. In Finland bureaucracy is minimized and leaders are not overburden by too many manuals, hierarchical paths or systems. Finnish employees are punctual, honest and reliable. Finns are known to be shy and speak little, and in Finnish culture silence is not seen as failure when communicating. Boasting do not impress Finns keep a low key and relaxed attitude is a success strategy. In Finnish work environment a clear aim and defined goals are essential. (Bjerke 1998, 143)
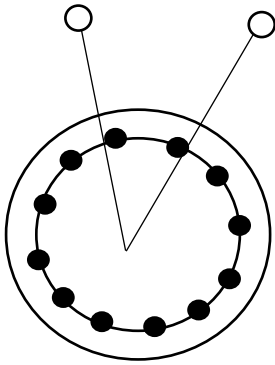
FIGURE 6. Finnish leadership style - Officer helps out in crises (Lewis 2016)

As seen in figure 6, Finnish leaders exercise control near the middle managers, who are granted the permission to make day-to-day arrangements. Finnish top leaders are decisive and are willing to help out their employees whenever needed, even on the production floor if necessary. (Lewis 2006, 120)

# 5 CULTURAL DIMENSIONS

In order to be a great leader or manager one has to have an open mind and understand different cultures. It is important that managers know how to compare various cultures with each other when working in multi-cultural environments. To be a global leader one needs to not only take into consideration manners and cultural codes. The greatest challenge lies in understanding other cultures deeply and being able to compare and evaluate the chosen approach when leading people from all over the world. Learning and comparing cultural dimensions give leaders usable and easily accessible knowledge when working with these questions. (Javidan, Dorfman, Sully de Luque & House 2006, 67, 85-86)

## 5.1 The GLOBE project

The Global leadership and Organizational Behavior Effectiveness (GLOBE) project is a study of global leadership where 170 researchers collected and analyzed data for over ten years on cultural values and leadership manners. The researchers collected data from over 17,000 managers in 62 cultures. In the GLOBE project cultures were studied in terms of culture values defining the way things should be and in terms of cultural practices defining how things are. Nine cultural dimensions were found in the study. They are performance orientation, assertiveness, future orientation, humane orientation, institutional collectivism, in-group collectivism, gender egalitarianism and power distance. (Javidan et al. 2006, 69) These nine dimensions are presented in more detail in this chapter.

Performance orientation defines how a community rewards and encourages the members of the group when it comes to performance improvement and excellence. Countries that score high in performance orientation have a business culture where leaders are prone to emphasize development and training among the employees. In countries with low scores, family structure and background are more important when advancing in one's career. (Javidan et al. 2006, 69)

Assertiveness is the second dimension and defines in what degree people are confrontational, assertive and act aggressively in relation to others. People in highly assertive cultures are

prone to enjoy competing in business and have a positive attitude towards challenges. In less assertive nations people tend to prefer harmonious relationships and emphasize solidarity and loyalty. (Javidan et al. 2006, 69) Assertiveness may be linked to being aggressive but it is also defined as being confident and persistent in a positive way. Assertive attitude is often used in sales, and Nike's "Just do it" slogan is a great example of using assertive attitude in marketing. (House, Hanges, Javidan, Dorfamn & Gupta 2004, 395-396)

Future orientation is a dimension that characterizes how people engage in future-oriented behaviors for example planning, delaying gratification and exploring of the future. Companies in nations with high scores in future orientation tend to look longer ahead and have more systematic planning processes. Nations with low scores are, on the other hand, less systematic and more prone to exploiting immediate opportunities. (Javidan et al. 2006, 69)

In humane orientation the scores are measured by how well the collective gives encouragement and rewards their group members for acting fairly, altruistically, generously and caringly. (Javidan et al. 2006, 69) Societies with strong humane orientation are motivated by guidelines that consist of kindness, love generosity and altruism. In these cultures the need for belonging and affiliating is high, rather than self-fulfillment and power that motivate in cultures with low humane orientation scores. (House et al. 2004, 565-566)

Institutional collectivism points out to which degree societal and organizational institutional rules reward and encourage collective action and distribution of resources. Companies and organizations in collectivistic nations tend to emphazise group performance and rewards whereas nations with more individualistic approach are prone to emphasize individual achievements and rewards. (Javidan et al. 2006, 69) The cause of motivation varies between individualist and collectivist cultures. In individualist nations the motivation is steered by personal needs and individual strivings, whereas collectivist nations are motivated by fulfilling obligations and duties of the group. In collectivist countries the subordinates seek acceptance and guidance from their managers and are unlikely to make any decisions of their own. (House et al. 2004, 455) In-group collectivist countries, people tend to take pride in their families and in the companies that are employing them. This dimension focuses on how individuals express loyalty, pride and cohesiveness in their families and business environment. (Javidan et al. 2006, 70)

Gender egalitarianism is the degree to which a nation diminishes gender inequality. Companies operating in gender egalitarian countries are prone to encourage tolerance for diversity. (Javidan et al. 2006, 70) In societies where gender egalitarianism is minimized, the gaps between the gender roles are actively persuaded to erase. Whereas there are cultures where they tend to instead highlight the differences and the gap between the genders. The GLOBE project studied gender egalitarianism on the basis of gender equality, discrimination stereotypes and ideology in a country. (House et al. 2004, 343)

Power distance reflects to what extent the culture endorses and accepts difference in power, status and authority. This dimension is an important facet of a nation's culture. The power distance phenomenon has been broadly studied and discussed in literature throughout centuries. The GLOBE project found that depending on cultural values in power distance, different cultures preferred different kinds of leadership styles. In countries with high power distance index the self-protective leadership was appreciated while in countries with low scores in power index people preferred leaders that were value based and participative.(House et al. 2004, 552-553)

Uncertainty avoidance is the last dimension defining to which extent a society relies on rules, social norms and procedures to ease the pain of unpredictable future events. The more a nation tries to avoid uncertainty, the more rules and regulations are needed to make the people feel secure in their daily lives. High uncertainty avoidance countries tend to prefer detailed and thought-through strategies whereas nations scoring low in this dimension are prone to take risks and prefer simple processes. (Javidan et al. 2006, 70)

## 5.2 Hofstede's cultural dimensions

In the 1970's Hofstede conducted a study with IBM employees in more than fifty nations worldwide. Hofstede compared the employees' national value systems. He found four dimensions of culture that set aside one culture from the other and can be measured relatively to other cultures. The four dimensions found, where power distance, collectivism versus individualism, femininity versus masculinity and uncertainty avoidance. (Hofstede, Hofstede & Minkov 2010,

29-31) Later on, when more research had been carried out, two more dimensions were added. Those dimensions are long- to short-term orientation in time perspective and indulgence and restraint when handling natural drives. (Brzozowska & Wladyslaw 2015, 4) this chapter discusses the six dimensions as well as in what way they affect people's behaviors and approaches to work related situations. In this chapter there will be comparisons between Finland, Nepal and Bangladesh in these six dimensions according to Hofstede et al. 2010. In this thesis the research survey was answered by Nepalese and Bangladeshi employees at Snellman AB.

TABLE 1. Country comparison on Hofstedes 6 dimensions (Hofstede Insights 2018)
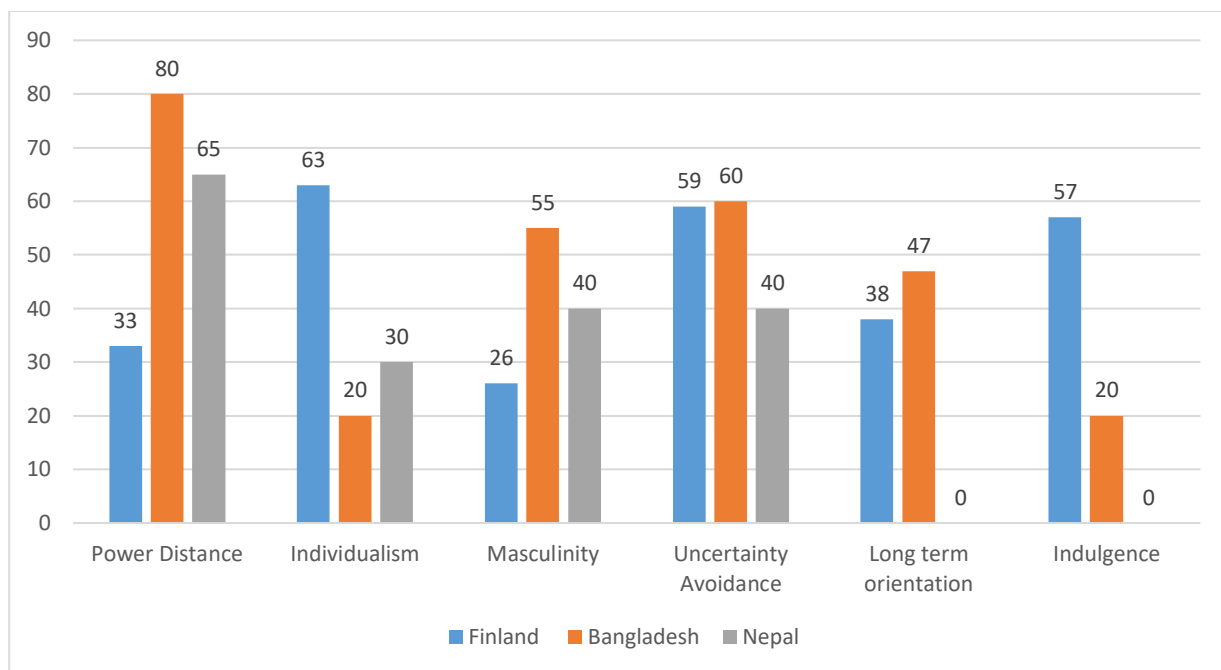


## 5.2.1 Power Distance

Power distance is the first of the four dimensions that Hofstede found. The central matter in this dimension is how a nation handles human inequality. Inequality can occur in the field of wealth, power and prestige, different cultures values and emphasize the different fields differently. In organizations inequality in power is inescapable and useful. This inequality usually takes the form of supervisor-subordinate relationships. (Hofstede 2001, 79) Power distance scores how the dependence relationship is in a nation. In countries where the PDI scores are low, people prefer interdependence between leaders and subordinates. The emotional distance between them is short, and the employees can easily approach and even encounter their

leader with negative feedback. In nations with high PDI scores the employees are greatly dependent on their managers. They either prefer this way of leading (autocratic or paternalistic management) or they reject it solely. Either way, the emotional distance between the leaders and employees is vast, and employees are unlikely to approach their manager directly. (Hofstede et al. 2010, 61)

Finland scores a low number on the power distance index (TABLE 1) compared to Bangladesh and Nepal. A High power distance index means that people of that society accept hierarchy and in a working environment the subordinates are told what do and they know their place without questioning the leaders. Finland's score is low meaning people like coaching leaders, equal rights and being independent. The power in companies is decentralized and the leaders trust their team members will to perform. Communication is open and honest. (Hofstede Insights 2018)

## 5.2.2 Individualism vs. Collectivism

In individualist societies the ties between individuals are disconnected, and everyone is supposed to look after themselves and their closest family members. On the opposite side collectivism gather people from birth into closely connected groups, which throughout life keeps them protected in exchange for complete loyalty. In the IBM survey the employees from individualist societies emphasized having a challenging job where one can feel a sense of personal accomplishment, freedom to adopt one's own approaches to work tasks and a job that leaves space for personal and family time. In collectivist societies however, employees wanted a job where skills and abilities of the personnel could be fully used and also opportunities for training to improve one's skills. The collectivist group was serious about the physical conditions of the workplace, good ventilation, fair work space and sound lighting to mention a few points. (Hofstede et al. 2010, 93)

Nepal and Bangladesh are considered collectivistic societies scoring low on individualism (TABLE 1). In collective societies offensive behavior leads to shame and losing one's face. Loyalty is the most important trait in a collectivist culture and it overrides all other societal rules. Finland scores high on individualism (TABLE 1) which means individuals take care of themselves. In

an individualist society offensive behavior causes damaged self-esteem and guilt. (Hofstede Insights 2018)

### 5.2.3 Masculinity vs. Femininity

Men are expected to be confident, tough and keen on material success, whereas women are supposed to act more modestly, be tender and concerned with the quality of life. A society is called masculine when the roles of emotional genders are specific. In feminine societies emotional gender roles overlap, and both women and men emphasize the qualities of women, such as modesty, tenderness and concern with the quality of life. (Hofstede et al. 2010, 138-140)

In masculine cultures people strive to earn much money. People want to conquer work related challenges to get a personal sense of accomplishment, get appraisal when doing a good job and opportunities to advance and climb the career ladder. In feminine cultures people appreciate having a good relationship with their manager and working with collages who can cooperate well with others. Feminine societies are keen on working for companies where there are secure terms of employment and one can be loyal to a company for as long as one chooses to. People in feminine cultures like to live in areas that are desirable for them and their families. (Hofstede et al. 2010, 138-140)

Bangladesh scores 55 (TABLE 1) and is therefore considered a masculine society. In masculine societies people are motivated by competition and the emphasis is placed on performance. Nepal and Finland are considered feminine societies meaning that people emphasize solidarity, supportive managers and well-being. (Hofstede Insights 2018)

### 5.2.4 Uncertainty avoidance

Uncertainty is a subjective feeling learned and acquired, and the way people cope with this feeling depends on their cultural heritage. Feelings of uncertainty are reinforced and transferred through the state, school and family. They are made up of collectively held values and their origin is non-rational. (Hofstede et al. 2010, 189-190) Uncertainty avoidance is how a

nation approaches ambiguity. It measures the resistance people in a nation have against un-familiar, new or unpredictable ideas, people or things. Nations that are uncertainty avoiding gravitate towards preferring absolute truths, they like structure and tend to be good at produc-ing precision products such as watches. New ideas are likely to derive from uncertainty toler-ating nations thus are the innovations often produced in the uncertainty avoiding nations (Brzozowska & Wladyslaw 2015, 12)

Finland and Bangladesh both score high on uncertainty avoidance (TABLE 1) and in these societies there is an emotional need for regulations and rules. People are punctual and work hard. Security is important for people to feel motivated and sometimes innovations are resisted. Nepal has a medium low score on uncertainty avoidance (TABLE 1) meaning that emotions and aggression are not shown much. In these societies people are relaxed and accepting of new ideas, they are willing to try new things and rules are more adjustable. (Hofstede Insights 2018)

## 5.2.5 Long-term vs. Short-term orientation

Long-term oriented cultures are more likely to be literate, while short-term cultures tend to more orally put. Short-term oriented cultures tend to be more interested in social media, where one can get visibility and have many acquaintances. Long-term cultures on the other hand prefer contacts to remain unknown to the masses and keep their social media friends at a minimum. In short-term oriented cultures there is a need for self-enhancement and making a great deal of personal contacts. Long-term oriented cultures emphasize modesty and anonymity. (Brzozowska & Wladyslaw 2015, 8-10)

As for this dimension there are no available data on Nepal. (TABLE 1). Both Finland and Bang-ladesh, however, have low scores on long term orientation (TABLE 1) meaning people in these countries have a strong interest in installing the absolute truth. They have great respect for traditions and focus on achieving fast results. (Hofstede Insights 2018)

## 5.2.6 Indulgence vs. Restraint

Indulgence implies that a society looks freely upon natural and basic human desires such as enjoying one's life and having fun. Restraint implies that a society is controlled and that the people's needs are regulated by strict social norms. In societies that are indulgent a higher percentage of people claim that they are happy, the freedom of speech plays an important role and leisure time is highly significant. On the other hand, restrained societies have fewer people claiming that they are happy, they have more police officers than indulgent countries and stricter sexual norms. There is also an attitude of helplessness and people do not take control of their personal life as much as in indulgent countries where people feel a sense of responsibility when it comes to managing their own life. (Hofstede 2011)

As for this dimension there are no available data on Nepal. (TABLE 1). The relatively high score for Finland (TABLE 1) in this dimension means that it is an indulgent country. People in indulgent countries have a positive attitude towards life, they spend money as they wish and enjoy themselves. Bangladesh on the other hand has a low score (TABLE 1) which means it is a restrained nation. There is a habit of being cynic and pessimistic in restrained countries. People often feel that enjoying is wrong and are not prone to enjoy leisure time. (Hofstede Insights 2018)

# 6 THE STUDY

The theory part of this study stands on scientifically based research. Books, articles and audio visual material were used as the foundation for the theoretical framework. In the theory part the aim was to establish an up-to-date view over the topic researched in the empirical part of the study. This is achieved by reviewing and paraphrasing only current and relevant sources of information.

The empirical part of this thesis was conducted via quantitative research methods. The chosen form of research method was based on the assumption that more honest answers will be received if the respondents can be completely anonymous. The research was carried out as a questionnaire with both closed and open statements and question. The survey mainly focused on communication, information flow and general perceptions of the leadership at Snellman. The survey was made and filled in electronically in Webropol. The answers are analyzed and presented in graphs and quotations.

In this study the control group of Nepalese and Bangladeshi employees at Snellman included 78 persons. The control group was chosen on the basis of the fact that it is the largest group of non-native employees at Snellman and both nations reside in Asia. The questionnaire was sent out to all middle managers at Snellman. An e-mail was sent out by the HR manager requesting them to share the information with the respondents. An information letter instructing where the employees can read about the study and providing the link and QR-code to the questionnaire was put together. This information letter was attached to the e-mail they received, ready for them to be printed out and handed out to the respondents.

## 6.1 Quantitative research method

Quantitative research methods are used when it is important to be able to put figures on collected data. When preparing a functioning questionnaire one needs to take in consideration the topic as a whole and have a clear structure of the questions. It is important to do proper preparations when conducting quantitative research since there are minimal chances of adding

data afterwards. The advantage of quantitative studies is that the post-production is relatively quick. Considering the survey is done in a ready programmed program, the data is often ready to be analyzed as soon as the participants have answered the questionnaire. (Eliasson 2013, 29-30)

Quantitative research is predominantly conducted by questionnaires or interview surveys. The surveys consist of a questionnaire with questions derived from the theory and assumptions on the study cases. Questionnaires can be done both on paper or electronically, and there is no evidence of either method effecting the result of the answers in one way or the other. When conducting quantitative research, it is important to get as many participants as possible to answer in order to obtain a fair and valid result. (Eliasson 2013, 28-29)

When sending out a questionnaire one needs to set a date for when the survey ends. Usually the responses are greater at the beginning when the questionnaire is sent out and the number of responses decreases as time passes. It can be wise to plan dates with certain intervals when reminders will be sent out to the target group. If the survey is completely anonymous, the reminder will be sent out to the whole group, also to the ones who have already answered the questionnaire since there are no records on specific persons connected to a specific answer. When collecting data, it is crucial to get as many responses as possible from the control group. Studies show that people who answer questionnaires and participates in studies usually differ from those who choose not to answer, this implies that the vaster fall off the more inaccurate the study is. (Bell 2006, 151-152)

In this thesis the survey was accessible for a month. The number of responses remained low for the first two weeks, it was then decided, in collaboration with the commissioner and Centria AMK, to put together a prize that could be won by participating in the survey. The previous participants were requested to contact the writer by e-mail for an equal chance to participate in the lottery. This was a successful strategy as there were twice as many answers in the following two weeks. Reminders were sent out both in the first two weeks and in the last two weeks. In the last two weeks the writer sent out an e-mail to Centria AMK student's school mail where all Snellman employees from Nepal and Bangladesh were invited to answer the survey. The HR manager at Snellman also e-mailed directly all employees that were accessible by mail

from the control group. The survey was conducted from the 19th of March until 15th of April 2018.


## 6.2 Validity and reliability

Presupposed, when conducting reliable and valid research, is continuous critical assessment of the information and formulation of questions. The author needs to monitor the research thoroughly for systematical or randomized errors or mistakes, both when developing the research questions and when collecting the data. Reliability is determined by how the measurements are conducted and how accurately the author handles the processing of the information. Validity on the other hand is dependent on what we are measuring and if these matters are clear and understandable in the formulated questions. (Holme & Solvang 1997, 163)

Reliability is, as correlation, a measure of relation. It can be measured in different ways depending on the chosen method of the research. The t est-retest reliability measurement means that if one were to conduct the exact same research in a short period of time the second study need to have the same outcome as in the first one to give the first study high reliability. (Björkqvist 2012, 65) The author's task is to minimize the number of errors in the research to ensure the reliability. Since there is usually not enough time or money to do retest the survey, it is the author's obligation to monitor the research process so that errors are reduced to a minimum. (Holme & Solvang 1997, 163-165)

To have reliable information in a study is not enough but we also need validity. Reliability measures the relations of the study and if the collected data are accurately obtained. Validity on the other hand is more intimate, and it makes sure the information collected and questions answered are understood and interpreted in the same way by the researcher and the respondents. Therefore, one can have a reliable study without validity. (Holme & Solvang 1997, 167)

Validity is testing that the survey one is conducting really measures the data and phenomena one is set out to measure. Validity is tested differently depending on the methods used to conduct the research. One way to measure validity when conducting quantitative research is to examine if the questions in the survey are perceived equally by both the researcher and the

respondents. This can be done by having the same question appearing twice, in the normal and the reverse form. For example, the statement in the normal form can be "I am satisfied with my manager" and in reverse form "I am not satisfied with my manager". The answering span is a scale from 1-5 with 1 meaning "Strongly disagree" and 4 meaning "Strongly agree". The answers to the reverse question need to correlate with the answer to the normal question for the question to be valid. (Björkqvist 2012, 66-68)

In this study almost half of the control group participated in the study. If the study was to be conducted again in a short period of time, one can assume that the percentage of participation would be alike. Moreover, as the percentage of the responses is high there would not likely be any major fluctuations in the answers. Common English words were used in the questionnaire and the statements were formed to be as simple as possible. Before the questionnaire was sent out a small control group read through the questions and gave feedback. The control group consisted of people with poor or medium poor English skills, as the statements needed to be understandable for all, despite the level of language skills. This was to ensure that the statements would be understood and answered in a correct way.

# 7 RESULT AND ANALYSIS

The survey conducted in this study was a questionnaire with 15 statements. The questionnaire consisted of 14 statement and 1 open ended question. The questionnaire was aimed at Nepalese and Bangladeshi employees at Snellman group. The control group consisted of 78 persons out of which 52 were Nepalese employees and 26 employees were from Bangladesh. All in all 29 people responded the survey out of which 22 were Nepalese and 7 Bangladeshi. The survey was responded by 37% of the control group. The data was collected from the 19th of March until 15th of April 2018. The questionnaire was made in Webropol and the respondents filled in the survey electronically.

The questionnaire was build up by first establishing the nationality and gender of the respondents. The following three questions concerned the employee's relationship with the manager. Statements concerning the willingness to share issues with the manager and the respondents' overall satisfaction with the leader were asked. The seven following statements examined multi-cultural mattes. In addition, statements on differences in leadership style and understanding as well as inclusion of foreign cultures, both concerning leaders and colleagues were presented. The last three statements considered communication between managers and employees. The aim was to investigate if the information received was fully understood and if not, could the respondent speak up and ask for explanation.

The statements could be ranked a scale from 1-5, where 1 is 'strongly disagree', 2 is 'disagree', 3 is 'undecided', 4 is 'agree' and 5 is 'strongly agree'. In this chapter the statements and answers of the survey will be presented in the same order as they were in the original questionnaire. The results are presented in tables representing each statement and with further explanations and additional data underneath. In chapter 7.5 the results are analyzed based on the theoretical part of this thesis. In the last chapter 7.6, suggestions are given for further developing of multi-cultural business strategies in the commissioning company based on the results shown in the study.

## 7.1 Nationality and gender

Since the control group consisted of two different nationalities the first question aimed to establish which nationality the respondents had. The second statement was to establish of which gender the respondents were.

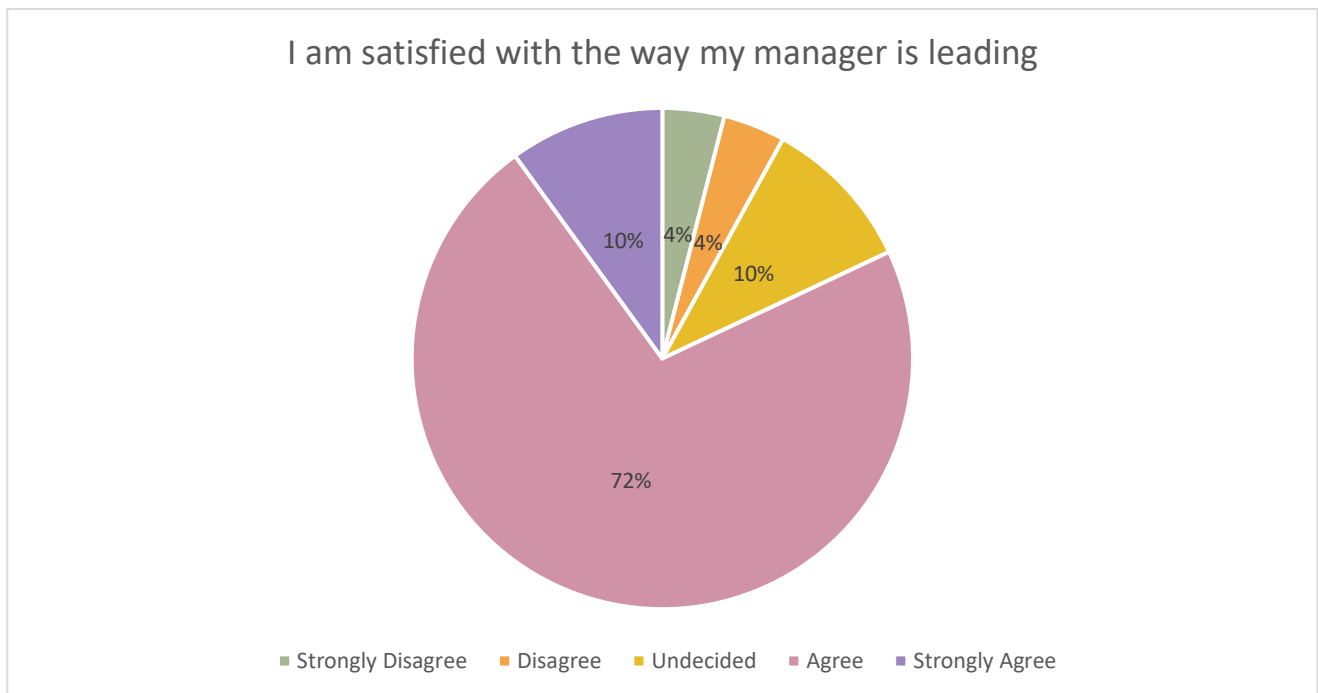TABLE 2. Nationality and gender of the respondents
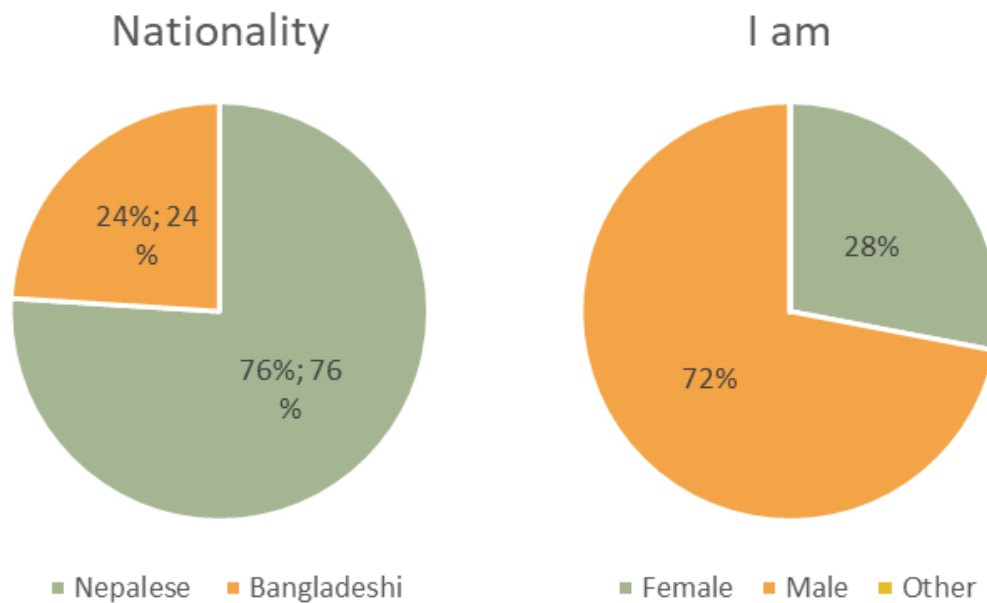


The largest group answering the survey were from Nepal. There was 22 respondents from Nepal and 7 from Bangladesh. Male respondents were in the majority, as there were 21 male and 8 female respondents (TABLE 2).

## 7.2 Employee manager relationship

Statements 3, 4 and 5 all relate to what kind of a relationship the employees had with their manager. The aim was to examine how satisfied the employees where with their manager in general and how honest and straight-forward they are with the manager in both personal and work related issues.
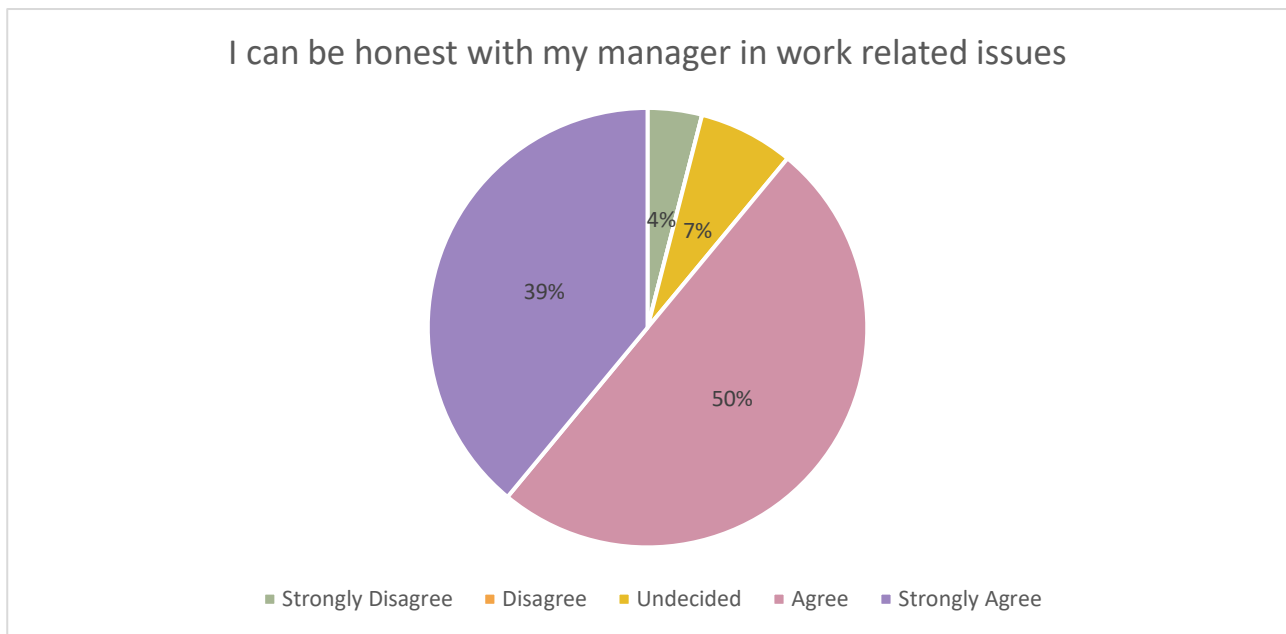
TABLE 3. Satisfaction with the manager



I am satisfied with the way my manager is leading

Legend: Strongly Disagree, Disagree, Undecided, Agree, Strongly Agree

Slices: 4%, 4%, 10%, 72%, 10%

The answers to this statement show that the respondents are satisfied with the leading style of their manager. As seen in table 3 the largest part of the control group answered with 'agree' on how satisfied they were with their manager, 21 persons answered 'agree'. 3 persons were strongly agreeing, 3 were undecided, 1 disagreed and 1 strongly disagreed. The average grade for the question on a scale from 1-5 was 3,83.

In statement number 4 (TABLE 4) the objective was to find out if the respondents were able to communicate honestly with their manager when it comes to work related matters. In question number 5 (TABLE 5) the aim was to examine if the respondents were able to be honest with their manager in personal matters. The questions were derived from the knowledge of both Nepal and Bangladesh scoring high in power distance index (chapter 5.2.1) meaning they are supposed to have tendencies towards hierarchical structures. In countries with a high power distance index the manager and the subordinate do not have an open and honest relationship and are unlikely to share personal issues. It is even unlikely for the subordinate to speak up and question the manager at all. (Hofstede Insights 2018)

TABLE 4. Honesty in work related issues



I can be honest with my manager in work related issues

- Strongly Disagree
- Disagree
- Undecided
- Agree
- Strongly Agree

Out of the whole control group altogether 89% of the respondents agreed or strongly agreed that they can be honest with their manager in work related issues, and that is 25 persons in total (TABLE 4). Only 2 persons could not decide and 1 strongly disagreed. The average rate on this question is 4,21.

TABLE 5. Honesty in personal issues



I can be honest with my manager in personal issues

- Strongly Disagree
- Disagree
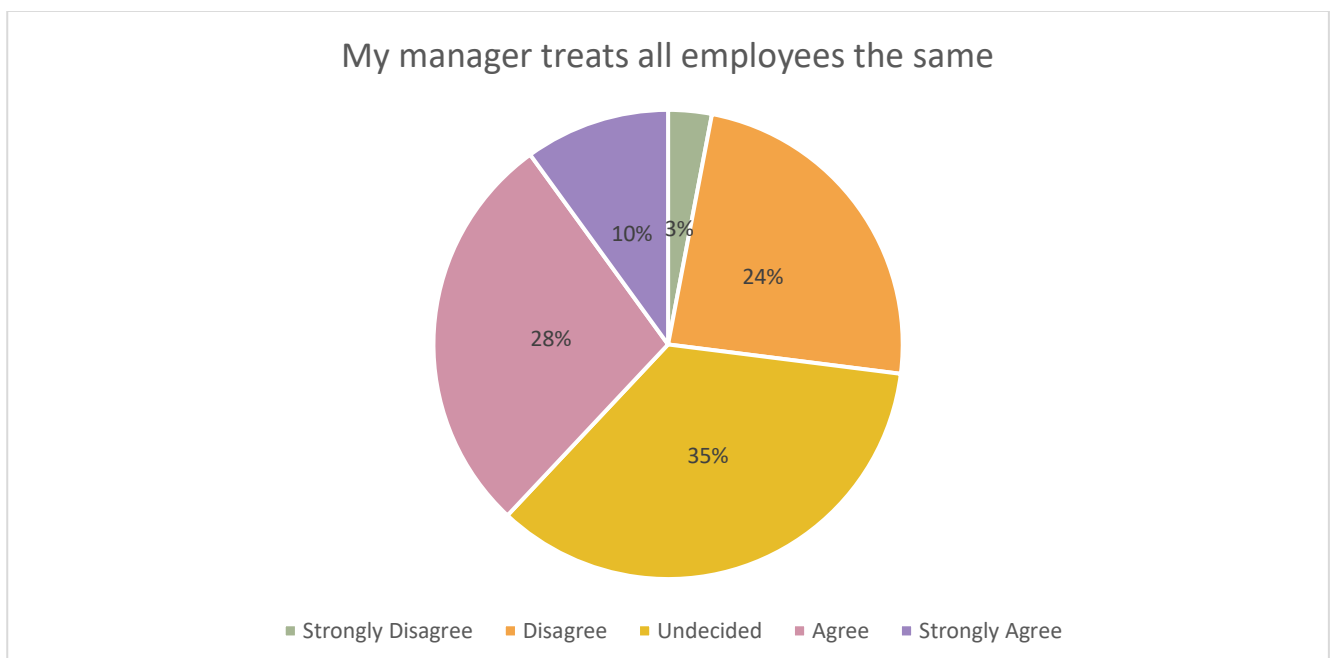- Undecided
- Agree
- Strongly Agree
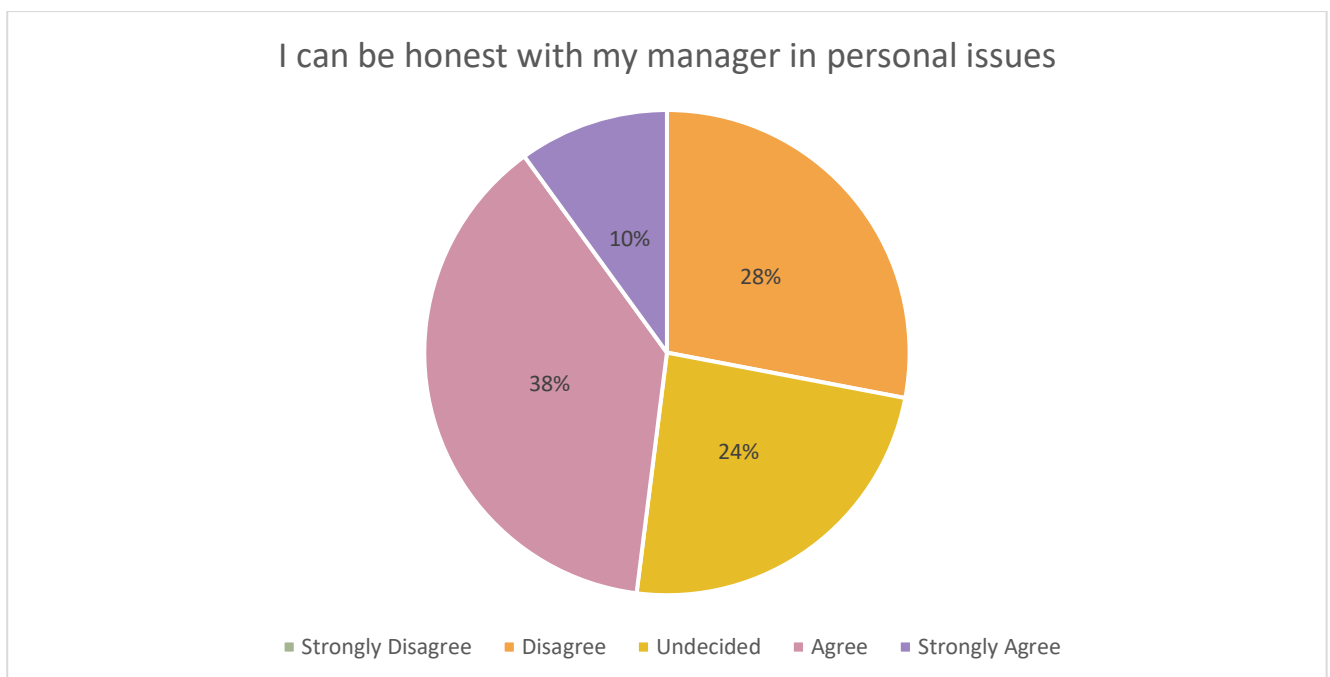
As seen in table 5, a total of 48% of the respondents were strongly agreed or agreed that they can be honest with their manager in personal issues. Out of 28 persons 7 could not decide and 8 disagreed. No one strongly disagreed. The average grade on this question is 3,31.

## 7.3 Multi-cultural issues

Statements 6-12 in the questionnaire were about multi-cultural matters. The aim was to map out the multi-cultural environment at Snellman and see how the non-native employees were treated due to cultural differences. There was one open question in the survey, question 9, where respondents were able to elaborate on why they believe leaders at Snellman are different from leaders in their home country.

In question number 6 the writer wanted to find out if the managers at Snellman was treating all employees equally and not favoring some of them. The question is simple and asked from a broad perspective, integrating all kind of differences not only multi-cultural ones.

TABLE 6. Equal treatment of employees



My manager treats all employees the same

- 3% Strongly Disagree
- 24% Disagree
- 35% Undecided
- 28% Agree
- 10% Strongly Agree

In this statement 38% (11 persons) of respondents agreed or strongly agreed on that their manager treated all employees equally (TABLE 6). 10 persons could not decide and 7 disagreed. One person strongly disagreed on the manager treating all employees the same. The average grade on this question was 3,17.

In statement number 7 the aim was to find out how willing the managers at Snellman are to learn from other cultures.

TABLE 7. Willingness to learn from other cultures
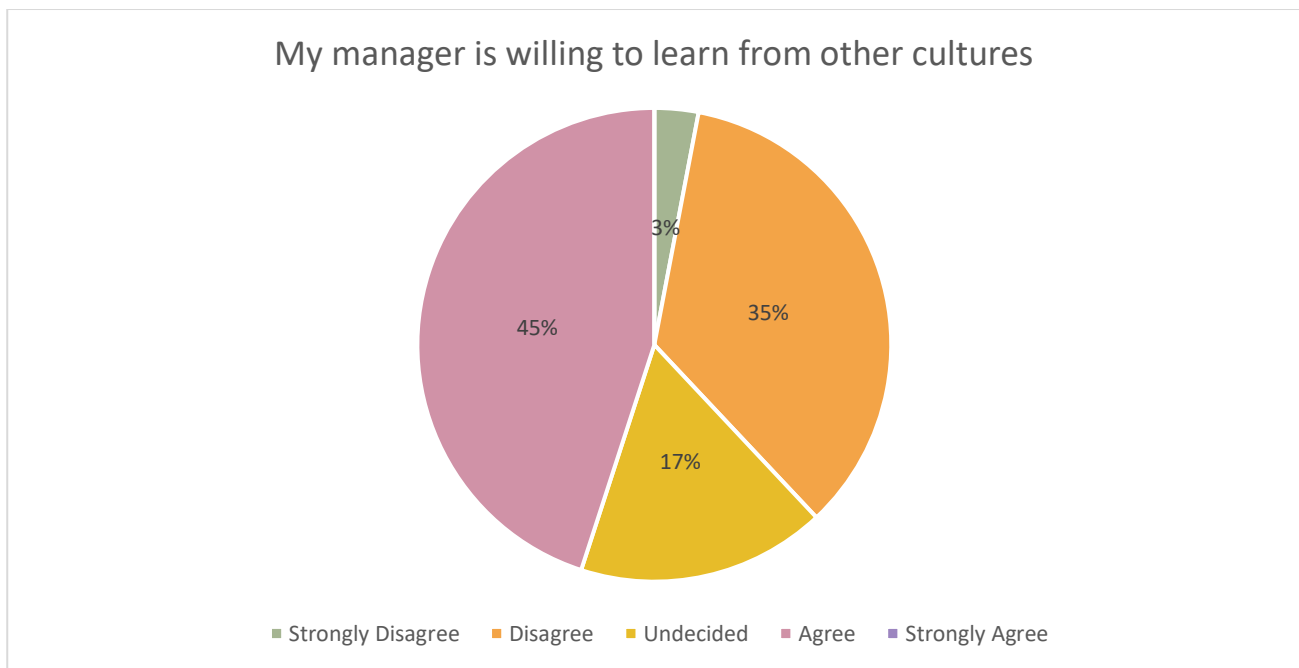


As seen in table 7, altogether 45% of respondents, which was 13 persons, considered their managers to be willing to learn from other cultures. 10 people disagreed with the statement, 5 could not decide and 1 strongly disagreed. The average grade is 3,03.

Statement 8 and question 9 in the survey was linked together. In statement 8 the writer wanted to know if leaders at Snellman are different from leaders in the respondent's home countries Nepal and Bangladesh. The respondents could either answer yes or no on statement 8. The respondents that had a positive answer to the question and believed that the leaders at Snellman differed from leaders in the respondent's home country could move on to question 9. The

respondents answering negatively were moved on to statement 10. In question 9 the respondents were able to elaborate and give their opinion on why and in what way the leaders were different.

TABLE 8. Differences in leadership Snellman vs. Asia

Leaders at Snellman are different from leaders in my home country

31%

69%

■ Yes ■ No
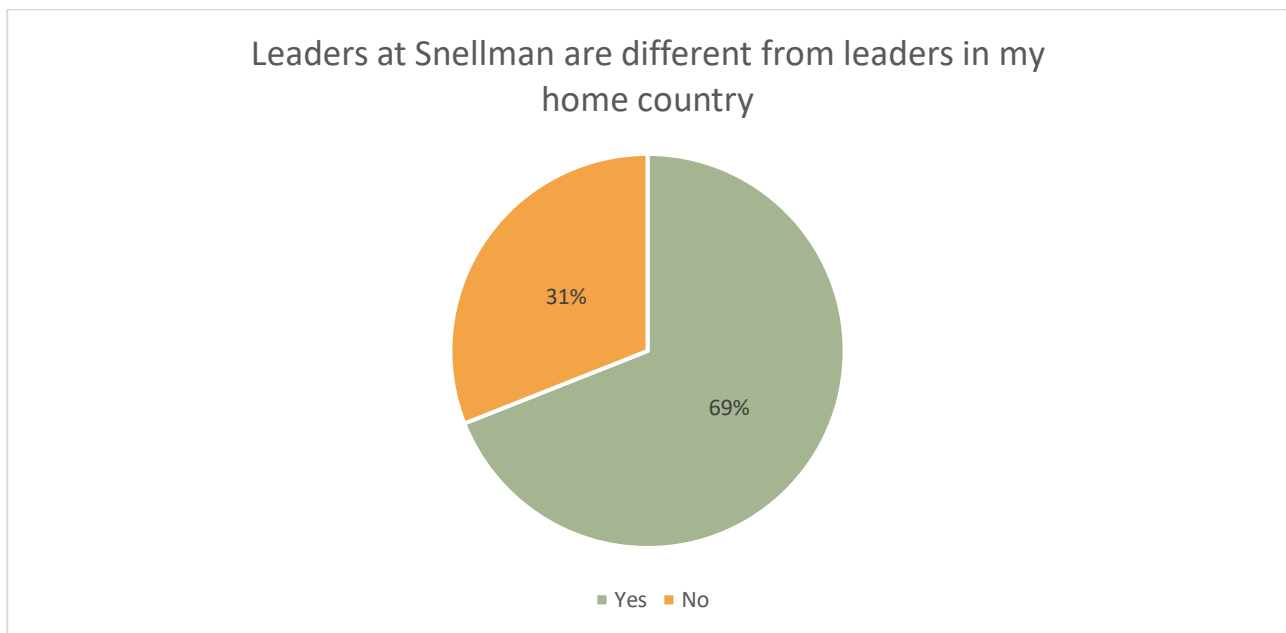
In this question, 20 people said that the leaders at Snellman were different from the leaders in their home country. Altogether 9 persons disagreed with the statement. Out of the 20 persons answering positively 13 respondents elaborated on why the leaders are different in the various places. The answers were as follows:

> They are more punctual than our country's leader and their behavior is very much appreciable. The people of Finland are good not only the leaders.

> Understand us more both in personal and cultural ways

> They care and respect their employees and also take suggestions and advices from their juniors..They treat like their family..

> Leaders and employees are treated equally and are friendly.

> They treat all employees in equal way and don't have any attitude .

> Frank and understand any kind of problems in snellman and vice versa.

systematic management and good implemention of system in snellman but not in my home country.

I heard that, they are not co-operative with the foreign workers. Thay give them hard work compare to finnish citizen workers. Recently, they changed the sector of some worker who works almost 4 years in the same place.

Leaders in nepal are corrupted and think only for thenselves .

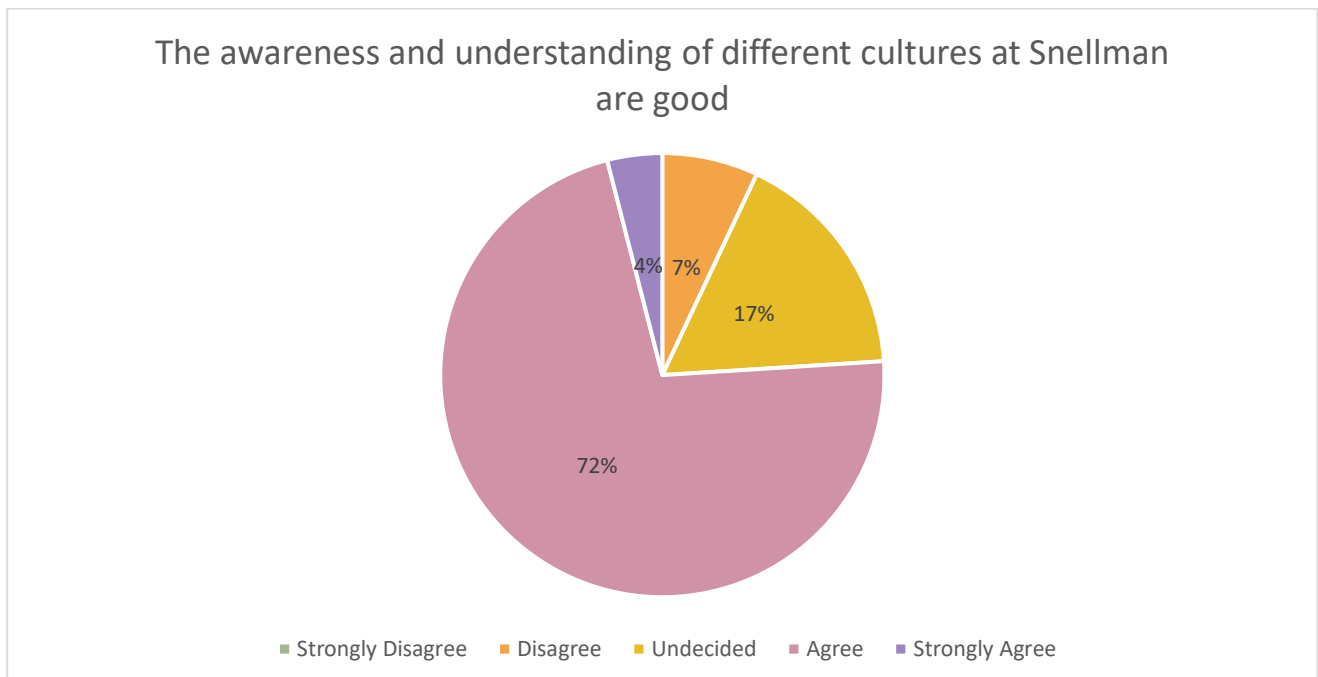in motivation, friendly behavior.

In my country some manager are acting like boss but here my boss are acting like leader.

there is no equality in my country according to his work.

They are straight forward and precise

In question 10 the aim was to get a view of the overall awareness and understanding of different cultures in the company.  The question concerned the company's whole employee environment and not only the leaders.

TABLE 9. Understanding and awareness of cultural differences



The awareness and understanding of different cultures at Snellman are good

7%
17%
4%
72%

Strongly Disagree   Disagree   Undecided   Agree   Strongly Agree

The majority of the respondents agreed with the statement that Snellman has an environment where the understanding of different cultures is good (TABLE 9), as 21 persons agreed and 1 person strongly agreed. A total of 5 respondents could not decide, 2 disagreed and no one strongly disagreed. The average rate was 3,72.

Statement 11 also focused on the overall treatment of people from foreign countries at Snellman. The aim was to not only focus on the leaders but to also include the whole employee environment. The objective was to find out if the respondents were satisfied with the way the foreign employees of the organization were treated.

TABLE 10. Treatment of foreign employers
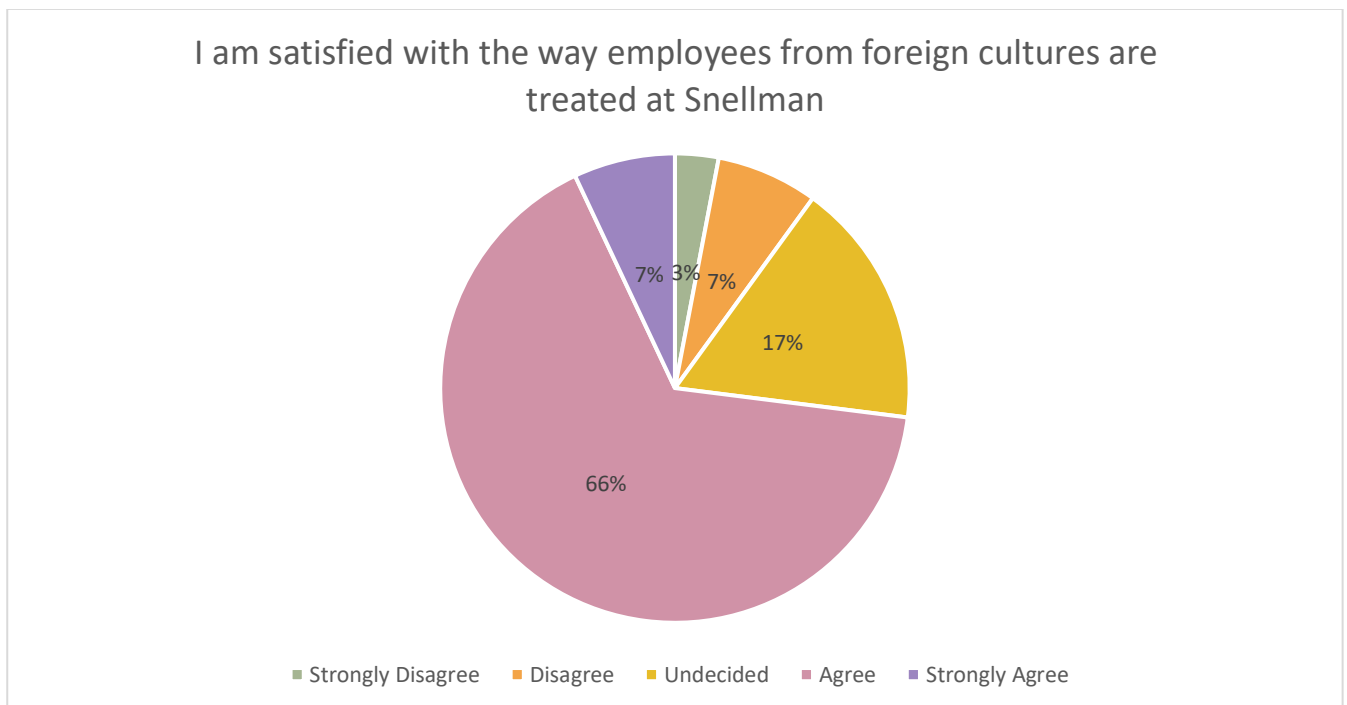


The majority of the respondents agreed with the statement that Snellman has a company environment where foreign employees are treated fairly (TABLE 10). Of all respondents 2 agreed strongly, 19 agreed, 5 could not decide, 2 disagreed and 1 strongly disagreed. The average grade on the satisfaction of treatment of the employees from foreign cultures was 3,66.

Statement 12 focused directly on the colleagues of the respondents and did not include the manager or leaders. The aim was to examine if the colleagues accepted and included people from foreign cultures. In an organization multi-cultural awareness and inclusion starts from the

leaders and are passed down to the followers and employees. Therefore the aim was to examine how the Asian employees perceived the culture within the colleagues and if they felt accepted and included in their work situation.

TABLE 11. Acceptance and inclusion of people from foreign cultures
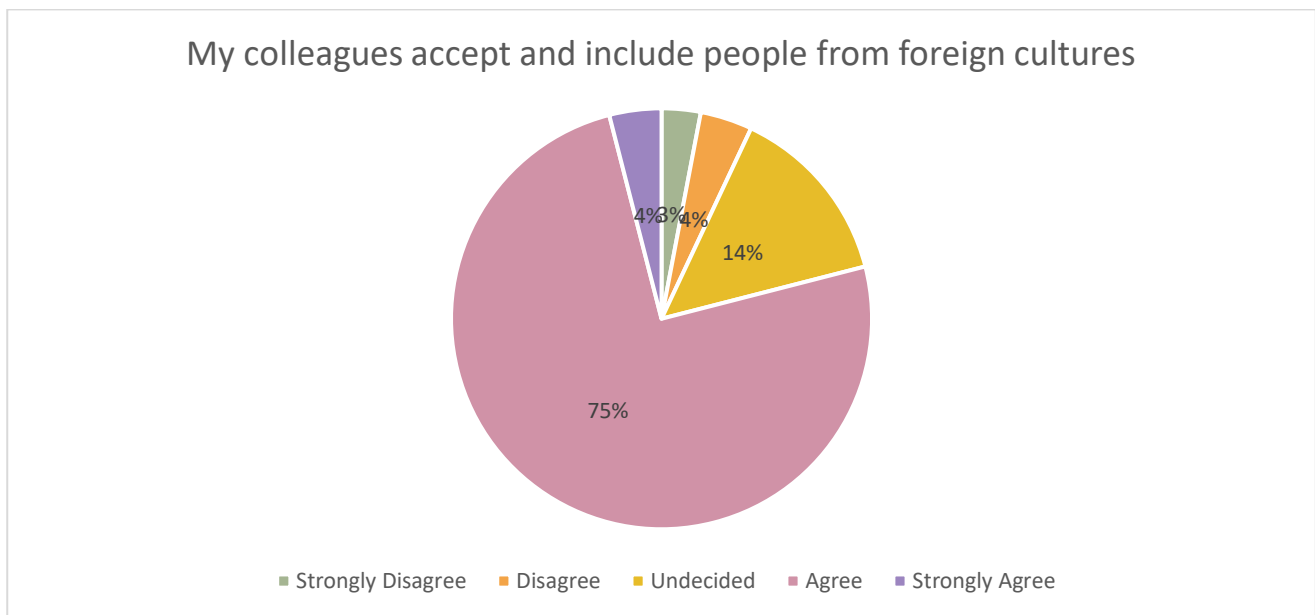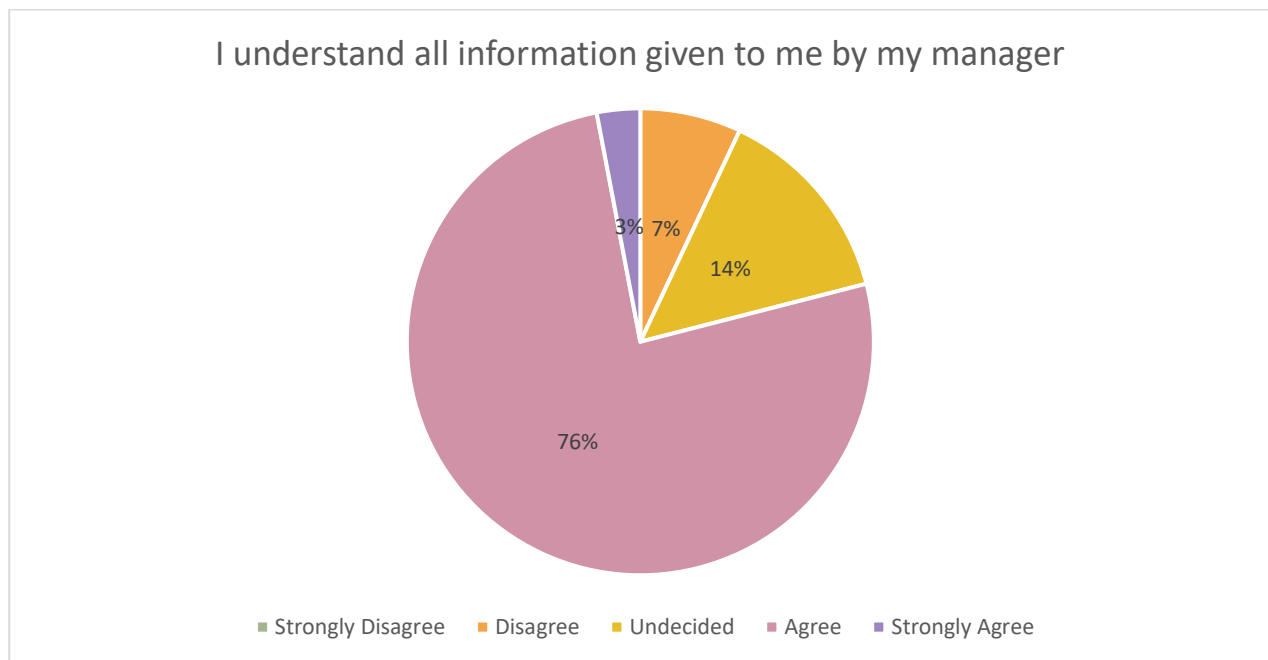


The responses on statement 12 show that the majority of respondents felt that people from foreign cultures are accepted and included by their colleagues (TABLE 11). Out of all respondents 21 agreed with the statement, 1 strongly agreed, 4 could not decide, 1 disagreed and 1 strongly disagreed. The average score was 3,71.

## 7.4 Communication

The last three statements in the survey were about communication and information flow. The aim was to find out if the respondents had understood the information they had recieved from there manager since there might be misunderstandings in both language and culture. The objective was also to examine how well the employee and manager were communicating, and the aim was to get a look at in what way the employees were approaching the manager and if there were hierarchy issues in their communication.

Statement 13 aimed at examining how well the respondents had received the information given to them by the manager. This statement was requested by Snellman as they were wondering whether or not there is a language barrier that causes problems.

TABLE 12. Understanding of information

I understand all information given to me by my manager

3% 7%

14%

76%

Strongly Disagree ■ Disagree ■ Undecided ■ Agree ■ Strongly Agree

As seen in table 12, the majority of respondents were positive. Out of all respondents there were 22 persons agreeing, 1 strongly agreed, 4 could not decide, 2 people disagreed and no one disagreed strongly. The average score was 3,76.

In question 14 the aim was to see if the respondents had the courage to ask the manager to explain himself or herself, if the respondent did not understand the information he/she had received.

TABLE 13. Explaining of information when not understanding
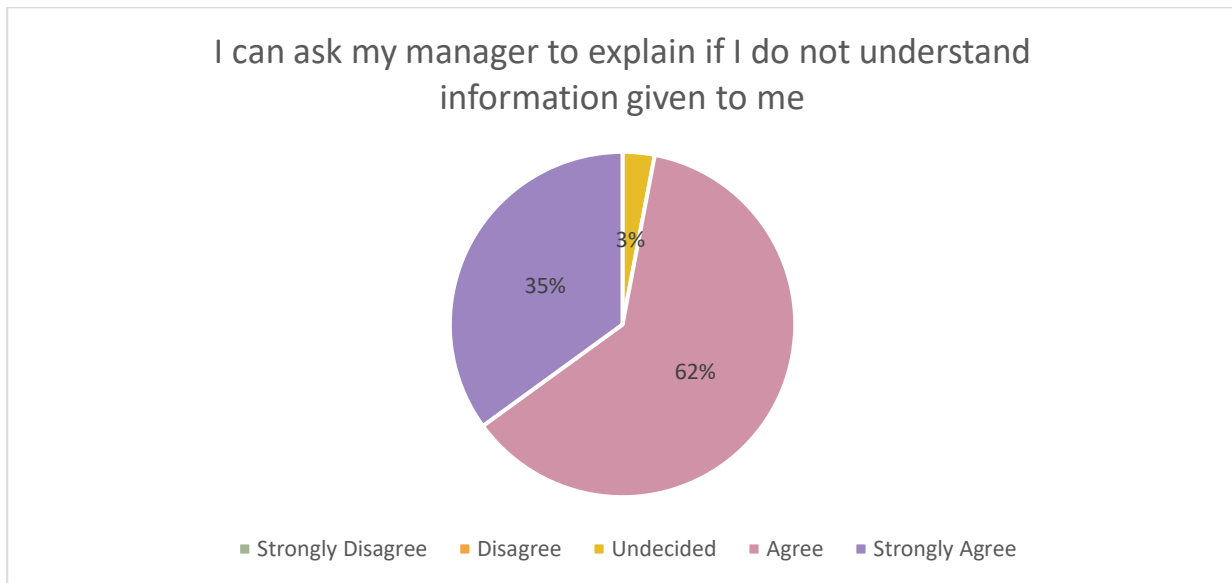


Most of the control group felt they are able to ask their manager to explain when they do not understand the information given to them (TABLE 13). The replies showed that 18 people agreed with the statement, 10 strongly agreed, 1 could not decide and no one disagreed or strongly disagreed. The average score was 4,31, meaning that the employees were able to approach their manager fearlessly.

Statement 15 continued the theme of statement number 14. The aim was to examine if the respondents would speak up in case they had disagreement with their manager.

TABLE 14. Speaking up when disagreeing
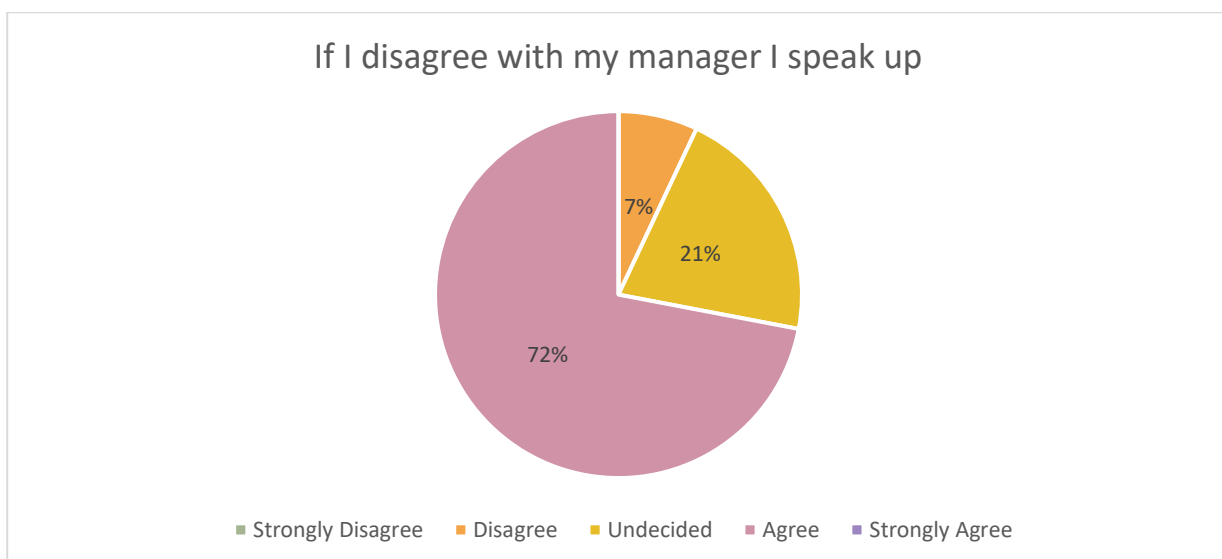
In this question no one strongly agreed or strongly disagreed (TABLE 14). The biggest part of the respondents, 21 persons agreed, 6 could not decide and 2 disagreed. The average score was 3,66.

## 7.5 Analysis

In this chapter the findings of the study are summerized and those results that were unexpected or deviant in either a positive or a negative sense are highlighted. The whole study will be looked upon and conclusions are drawn and the results derived from the survey are reflected to the theoretical part of the thesis.

When looking upon the survey as a whole, the majority of the results and answers were positive. However, there was one respondent answering strongly negatively on almost all question. One can draw the conclusion that this person is dissatisfied with the work situation overall or even with personal issues and is not a representative of the whole group. The Nepalese respondents accounted for 76% of the replies, and 24% of the respondents were Bangladeshi (TABLE 2). At Snellman group there are 52 Nepalese employees and 26 Bangladeshi employees, meaning that the Nepalese employees are made up of 67% of the whole control group and the Bangladeshi employees are 33%. The majority of respondents were male (78%), and only 28% of the respondents were female. (TABLE 2)

The second block of statements concerned the relationship with the manager. When the respondents were asked if they were satisfied with the manager 82% answered positively (TABLE 3). In question 4 and 5 the respondents were asked if they are able to be honest with the manager in both personal and work related matters. In the work related issues, 89% of the respondents felt they can be honest with their manager (TABLE 4). With personal matters the score was lower, but still 48% found it possible to be open and honest with the manager, 24% could not say and 28% disagreed (TABLE 5). These results was a little unexpected since both Nepal and Bangladesh score high on power distance, meaning they are cultures where the relationship between the manager and the subordinate is strictly hierarchical and the emotional

distance between them is vast. Employees in nations with high power distance index are un-likely to approach their manager directly and would not question their leader. (Hofstede et al. 2010, 61)

In statement 14 and 15 the respondent were asked to consider whether or not they would ask for explanation when not understanding the information given to them by the manager and if they would be able to speak up when disagreeing with their manager. The majority of the re-spondents felt that they would be able to ask for further explanation, as a total of 97% agreed on having the courage to ask for an explanation (TABLE 13). When asked if the respondents would speak up if disagreeing with the manager altogether 72% agreed to have the courage to do so (TABLE 14). Considering that both Nepal and Bangladesh are cultures of high power distance the results are surprising. Based on this it could be concluded that the Nepalese and Bangladeshi employees have adopted the Finnish culture, since Finland scores low on power distance index and has a culture in which the communication between managers and subordi-nates is open and honest. (Hofstede insight 2018).

Another explanation could be that Snellman places much emphasis on team building and de-veloping tightly connected groups that feel strongly for the company. They are keen on keeping their employees curious about new things and willing to learn. (Herra Snellman 2017) This openness might be an explanation to why the foreign employees are courageous and honest with the manager as well. Asian culture tends to emphasize relationships rather than product and building trust is important (Lewis 2006, 143-144).

Of the respondents 69% had the opinion that the leaders in their home country differ from the leaders at Snellman (TABLE 8). In question 9 the respondents elaborated on the fact that they thought leaders in their home country were different from leaders at Snellman. The answers were mostly positive, and matters such as punctuality, friendliness, equality and understanding were brought up. One comment stood out as an example of Snellman slogan, 'We do, We dare and We care', being fully incorporated in the working environment. The respondent's feedback was 'They care and respect their employees and also take suggestions and advices from their juniors. They treat like their family'.

The majority of the respondents (73%) were positive towards how employees from foreign cultures were treated at Snellman (TABLE 10). The respondents were also mostly (76%) satisfied with the awareness and understanding of foreign cultures at the company (TABLE 9). However, when asked if the manager was treating all employees in the same way, only 38% agreed, 35% was undecided and 27% was dissatisfied (TABLE 6). More than half of the respondents did not feel that the manager would be willing to learn from other cultures, AS 38 % disagreed and 17% were undecided, leaving 45% on agreeing.

Based on the results of the study it seems that the Nepalese and Bangladeshi employees have adapted to the Finnish leadership strategy well and are satisfied with the way they are treated at the work place. Communication seems to be open and honest and there are no hierarchical structures between the managers and subordinates. Snellman is a company that clearly has managed to build an open and welcoming environment for all employees. However, the results leave room for improvement on multi-cultural issues. The respondents were not satisfied with the willingness to learn from other cultures and did not agree on leaders treating all employees equally. These are matters the company could look into. By paying more interest in foreign cultures and have the willingness to understand different cultures the company can gain new knowledge and thrive.

## 7.6 Propositions for improvement

As seen in the results of this study, the Asian employers at Snellman were displeased with the manager's willingness to learn from other cultures and experienced the treatment of employees as unequal. As mentioned, having a multi-cultural work force is a great opportunity to learn new things both personally and business wise. Snellman would benefit from highlighting the foreign employees and have them integrate their own culture into the company and make their culture a part of the organization.

Lahti (2008) suggests abandoning the common strategy where all employees are treated and looked upon equally. She means that companies can hide behind this strategy and avoid handling complex questions such as cultural differences. The first step in raising the awareness of multi-cultural issues is to openly talk about the subject even if it feels unfamiliar and uncomfortable. The Snellman group would benefit from collecting a group of foreign workers to further

examine the opportunities for broadening their multi-cultural awareness. Discussions with the groups of both foreign and national employees could be gathered to open up the discussion and brainstorm ideas before taking further action.

Lahti (2008) argues that a thriving multi-cultural business environment needs to be ethical, organizational and involve human resources. These three factors need to be of equal importance and stressed both in the management group and in the daily activities. She continues by explaining that a company cannot be ethical on the market and non-ethical in-house, as these two matters reflect each other. Snellman could work on strategies that would both in-house and openly outwards towards customer and producers show more multi-cultural awareness. To do so the company could for example, gather a group of foreigners from the company and have them make a dish from their own country using Snellman's meat. This recipe could be posted on the Snellman blog and marketed in social media. The company would then both internally and externally show their willingness to foster multi-cultural awareness.

Another example would be to have a recreational day in which the theme would be multi-culturalism, involving all of Snellman's employees. Multi-cultural events where employees from foreign cultures could show parts of their culture by reading poems, dancing and talking about their countries to inform fellow colleagues. Since Snellman Köttförädling has its own canteen for their employees, the company could together with foreign employees and the chefs organize days where the dishes would reflect the home countries of the foreign employees.

Motivation varies greatly from culture to culture. Employees with foreign background that work at Snellman could get individual coaching and help in learning the national languages as an aiming point and motivation for them to climb the career ladder within the company. In the individual coaching the differences in cultural motivation could be brought up and the employees would have the chance to openly discuss their plans and visions for the future.

Achieving a thriving multi-cultural organization takes time and effort. The management team needs to apply strategic processes and set objectives and see them through by introducing annual and daily routines. (Lahti 2008) Having people from different cultures and background in the management team is also a great way of increasing the awareness and understanding of multi-culturalism.

**8 CONCLUSION**


The process of writing this thesis was educating and encouraging. I decided to write a thesis on leadership and I am greatly thankful for the opportunity to collaborate with Snellman and add multi-cultural awareness to broaden the topic. Snellman asked for a study made on their non-native employees since this particular group had never before been singled out in studies. The Asian employees were chosen as the control group. The Nepalese and Bangladeshi employers were the biggest group of foreign employees and were therefore chosen for the study.

After discussing with foreign workers about the best way to conduct the study, a quantitative survey was considered to be the most suitable for the research. This based on the assumption of honest answers would be cultivated when the respondent had the opportunity to be completely anonymous. The process of collecting data was prolonged due to little interest in answering. Altogether 29 replies were received in a months' time. The writer was satisfied with the questions in the survey. However, in hindsight the opportunities to elaborate on the answers were too few. There would have been better to have added more open ended questions to figure out why the respondents answered in a particular way.

The theoretical part of this study focuses on leadership and leading in a multi-cultural environment. Albeit multi-cultural communication and awareness are required of all persons in a company, the willingness and the influences always start from the leaders. Multi-cultural awareness in companies will continue to increase in the future. The companies that understand to take advantage of a broad cultural work force will be thriving in the future. Mixing people from different cultures and backgrounds in a company increases the opportunities for new ideas and more objective outlooks on all matters.

The results of the study showed that the Asian employees were satisfied with the way their manager was leading and with their overall working situation. The control group seemed to agree on leadership being different in Snellman than in their home country. The respondents were more satisfied with the way their manager was acting at Snellman than in their home countries. The results show that the Asian employers have adopted the Finnish business culture in which managers and employers are equal and the relationship between the two is open

and honest. However, The Asian employers at Snellman were displeased with the manager's willingness to learn from other cultures and experienced the treatment of employees as unequal. The company would benefit from working on a multi-cultural strategy where the employees from foreign countries would play a more important role.

There is much work to be done in companies on multi-cultural matters. The knowledge on multi-culturalism seems to be low in most companies and in Finland overall. There is a large number of other issues to handle and multi-culturalism is not a top priority for most companies. Nevertheless the future will demand companies to take these matters into consideration. The world is becoming more and more globalized and the need for open discussion and strategies for multi-cultural matters will increase. Companies that are willing to develop their awareness and highlight these matters will have a competitive advantage in the future.

The aim of this thesis was to examine the role of the leader in multi-cultural environments. The study shows that to be a great leader one needs to be a good human. Good humans and great leaders feel empathy and show love and appreciation towards their fellow people. We are all the same, even if we are brought up differently and modelled by our culture. All humans need love, support and understanding. Being a thriving multi-cultural organization is not more complex than showing interest in people and their culture. Recognizing the differences and being willing to understand goes a long way. With the hopes of a prosperous multi-cultural future.

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**QESTIONNAIRE**

# Multicultural leadership at Snellman AB

**1. Nationality**
- o  Nepalese
- o  Bangladeshi

**2. I am**
- o  Female
- o  Male
- o  Other

**3. I am satisfied with the way my manager is leading**
- o  Strongly Disagree
- o  Disagree
- o  Undecided
- o  Agree
- o  Strongly Agree

**4.I can be honest with my manager in work related issues**
- o  Strongly Disagree
- o  Disagree
- o  Undecided
- o  Agree
- o  Strongly Agree

**5.I can be honest with my manager in personal issues**
- o  Strongly Disagree
- o  Disagree
- o  Undecided
- o  Agree
- o  Strongly Agree

**6. My manager treats all employees the same**
- o  Strongly Disagree
- o  Disagree
- o  Undecided
- o  Agree
- o  Strongly Agree

**7. My manager is willing to learn from other cultures**
- o  Strongly Disagree
- o  Disagree
- o  Undecided
- o  Agree
- o  Strongly Agree

**8. Leaders at Snellman are different from leaders in my home country**
- o  Yes
- o  No

**9. If Yes, In what way?**

**10. The awareness and understanding of different cultures at Snellman are good**
- o Strongly Disagree
- o Disagree
- o Undecided
- o Agree
- o Strongly Agree

**11. I am satisfied with the way employees from foreign cultures are treated at Snellman**
- o Strongly Disagree
- o Disagree
- o Undecided
- o Agree
- o Strongly Agree

**12. My colleagues accept and include people from foreign cultures**
- o Strongly Disagree
- o Disagree
- o Undecided
- o Agree
- o Strongly Agree

**13. I understand all information given to me by my manager**
- o Strongly Disagree
- o Disagree
- o Undecided
- o Agree
- o Strongly Agree

**14. I can ask my manager to explain if I do not understand information given to me**
- o Strongly Disagree
- o Disagree
- o Undecided
- o Agree
- o Strongly Agree

**15. If I disagree with my manager I speak up**
- o Strongly Disagree
- o Disagree
- o Undecided
- o Agree
- o Strongly Agree

**16. Please enter your e-mail to have the chance to win a goodie bag**