# Developing Cross Cultural Competency of Local Staffs and Expatriates to Contribute to Job Satisfaction through action research in the Business Development Unit (BDU) in MICTDC

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## Abstract

The aim of this research was to highlight the effects of cross cultural training on job satisfaction of local staff in dealing with foreign expatriates in business organizations in Myanmar. This research used an organizational development intervention (ODI) to assess the concept of cross-cultural competence (CCC) to the Myanmar ICT Development Corporation (MICTDC). Both quantitative (survey) and qualitative (interview) approaches were employed. The research was conducted in Myanmar from January 2015 to November 2015. The data collected was analyzed using SPSS software (for survey) and content analysis (for interview). The findings indicated there was a positive change in recognition of cultural issues in the organization after the ODI. During the pre-ODI stage, interviewees recognized in principle that cultural awareness was a problem for the organization as employees avoided working with expatriate workers or expressed frustration in working with them. However, during the post-ODI stage there was a much stronger recognition of the importance of cross-cultural awareness across the organization, while the perspective of the pre-ODI stage was largely that CCC was important only for those who worked with expatriate workers or international clients. Another noticeable outcome was the connection between CCC and level of job satisfaction in the organization. The ODI resulted in an increased level of CCC and increased level of job satisfaction on the part of both the local and expatriate staff. Both local staff and expatriate staff reported that the cross-cultural training improved their knowledge and skill levels which in turn improved their level of job satisfaction and work experience.

*Keywords:* cross cultural competency, job satisfaction, action research and organization development intervention

## Introduction

MICTDC is in a unique position as one of the few established public companies in Myanmar, a country that has only recently opened up to foreign investment and trade. There is so little academic research on Myanmar, especially in terms of its business activities and intercultural communications practices, that it is uncertain how to predict and examine the business situation. For example, one of the most common cultural frameworks, the dimensions of culture framework, does not include Myanmar in its dimensional structure (Hofstede, Hofstede, & Minkov, 2010). Myanmar has also not been included in other common cultural frameworks such as the Lewis framework or the GLOBE study, conducted

by Richard House and Associates (House, 2004; Lewis, 2006). This means there is a very little knowledge base for understanding Myanmar's national culture and its impact on organizational culture. There are also very few academic studies on Myanmar as a place of business and economic development.

One recent study has examined performance assessment practices in the hotel sector in Yangon, the country's capital city (Walsh & Lin, 2013). This study suggested that, culturally, workers in Myanmar may not be comfortable with performance reviews because of a reluctance to be straightforward with their supervisors. However, the findings showed that in general the process was tolerated (especially by those that received good performance reviews). There are not many other studies that place Myanmar in the modern business world. Thus, there is a dual gap in the academic literature related to this situation. First, there is little formalized knowledge of Myanmar's national culture as compared to others, which could preclude application of standard stereotypical models to the research situation. Second, there is little analysis of Myanmar's development as a modern place of business, including its intercultural awareness or use of expatriate workers.

There is also a practical problem to be addressed in this research. MICTDC has been one of the earliest companies to deal with expatriate workers in Myanmar, since it was one of the few companies that was in the right position when the country's trade and business barriers began to come down. It could be one of the first companies in the country to experience cross-cultural communication difficulties or it might need to develop intercultural awareness in order to facilitate knowledge absorption from expatriate workers. Currently, there is some internal evidence that the company does not have a strong approach to cross-cultural knowledge or awareness for its Myanmarese workers. By taking an action research approach to the problem and introducing cross-cultural training (CCT), it is possible to both help MICTDC develop strong connections with its expatriate workers and international partners and also begin to develop an understanding of cross-cultural issues in Myanmar generally.

There is also the question of cross cultural competency's impact on job satisfaction, particularly for employees that work in cross-cultural environments. A number of studies have examined the relationship between cross-cultural competency, or individual aspects of it, and job satisfaction (Bebenroth & Ismael, 2014; Froese & Peltokorpi, 2013; Harvey, Kiessling & Moeller, 2011; Lloyd & Hartel, 2010; Palthe, 2014; Simkhoyvych, 2009; Yesil, 2013). Taking place across a wide variety of cultures and organizational contexts, these studies generally agreed that there was a positive relationship between cross-cultural competency and job satisfaction, especially in situations where employees come into contact with other cultures. For example, employees with higher cultural openness showed higher levels of job satisfaction after a merger of a Japanese and foreign company (Bebenroth & Ismael, 2014). Similarly, a study of in patriate managers showed that higher levels of cross-cultural competence led to higher job satisfaction because managers were more comfortable in their new environment (Harvey, et al., 2011). However, as expected given the relatively new international business environment in Myanmar, there have been no studies there. Thus,

the focus  of the research was to determine  whether cross cultural competency was related to job satisfaction at MICTDC, and if so how. The research problem was the lack of Cross Cultural Competence (CCC) in terms of awareness and skills of the staff who interact with international businesses and the effect that a lack of CCC might have on job satisfaction of local staff.

Research Aim and Objectives

The main purpose of this paper is to highlight the effects of CCC on job satisfaction of local staff in dealing with foreign expatriates in business organizations in Myanmar, only recently opened to foreign business dealings. The objectives of the study were:
1. To identify the current level of CCC of local staff and expat workers
2. To identify the current level of job satisfaction of local staff and expat workers
3. To develop, design and implement appropriate ODI to address the impact of CCC on job satisfaction of local staff and expat workers
4. To determine the level of CCC of local staff and expat workers after ODI
5. To determine the level of job satisfaction of local staff and expat workers after ODI
6. To examine the difference between pre and post ODI of CCC and job satisfaction of local staff and expat workers
7. To develop a CCC training program for BDU

**Review of Literature**

Cross Cultural Competence

In order to be effective at communicating with people from other cultures, especially on a longer-term or more detailed basis, individuals need to develop cross-cultural competence (CCC). Cross-cultural competence has been defined and examined as a concept from different perspectives, such as the international business perspective, the workplace diversity perspective, and the intercultural communications perspective (Johnson, Lepartowicz, & Apud, 2006). Johnson, et al.'s (2006) classification of CCC definitions does not include other potential definitions, such as an anthropological perspective, but it does contain the organizational theory approach. These varying definitions share some elements, although they are concerned with different areas. For example, while intercultural communications is primarily concerned with individual-level outcomes (successful communication between individuals), the international business and workplace diversity perspectives are often concerned with broader issues, such as success of international business units or internal organizational outcomes.

In this research, the international business perspective was the most relevant because the issue MICTDC was currently facing was growing internationalization with the need to interact with international business partners and workers. An integrated model of CCC as shown through the international business perspective is presented in Figure 1. Johnson, et al. (2006) derived the model from previous work by a number of other authors, who have identified various aspects of CCC (Bandura, 1986; Black & Mendenhall, 1990; Daniels,

Radebaugh, & Sullivan, 2004; Earley, 2002; Early & Ang, 2003; Tan & Chua, 2003; Von Glinow, Shapiro, & Brett, 2004). For example, Bandura's (1986) model of behavioral learning provided support for understanding how employees learn through modeling, while Black and Mendenhall (1990) provided the concept of cross-cultural training. The main package of individual traits (including attributes, personal skills, and cultural knowledge) was defined by Tan and Chua's (2003) cross-cultural competency inventory. Previous researchers have classified these groupings together in order to explain cultural intelligence (Early, 2002; Early and Ang, 2003). Other authors have also added external factors (Daniels, et al.; Von Glinow, et al, 2004) and internal factors, which help explain the contextual environment. Johnson, et al. (2006) added characteristics of institutional ethnocentrism and cultural distance to explain the relationship between the culture and the organization. These factors combine to better explain CCC from an international business perspective.

This integrated model as created by Johnson, et al. (2006), shows that while individual traits are at the heart of the model, there are a number of organizational and external interactions that also influence CCC and its outcomes. CCC is important in international business because of the potential impact of failed communications between employees and business partners, according to Johnson, et al. (2006).  For example, it can be difficult for employees working in intercultural teams to communicate effectively to complete the team's goals or tasks (Lustig & Koester, 2013). Likewise expatriate employees, or those working in a culture that is not their own native culture, may find themselves not as effective (Maude, 2011). Challenges can result from a combination of resistance from local workers, lack of CCC on the part of both local and expatriate workers, and failure of the organization to plan for and support the development of CCC (Johnson, et al., 2006).
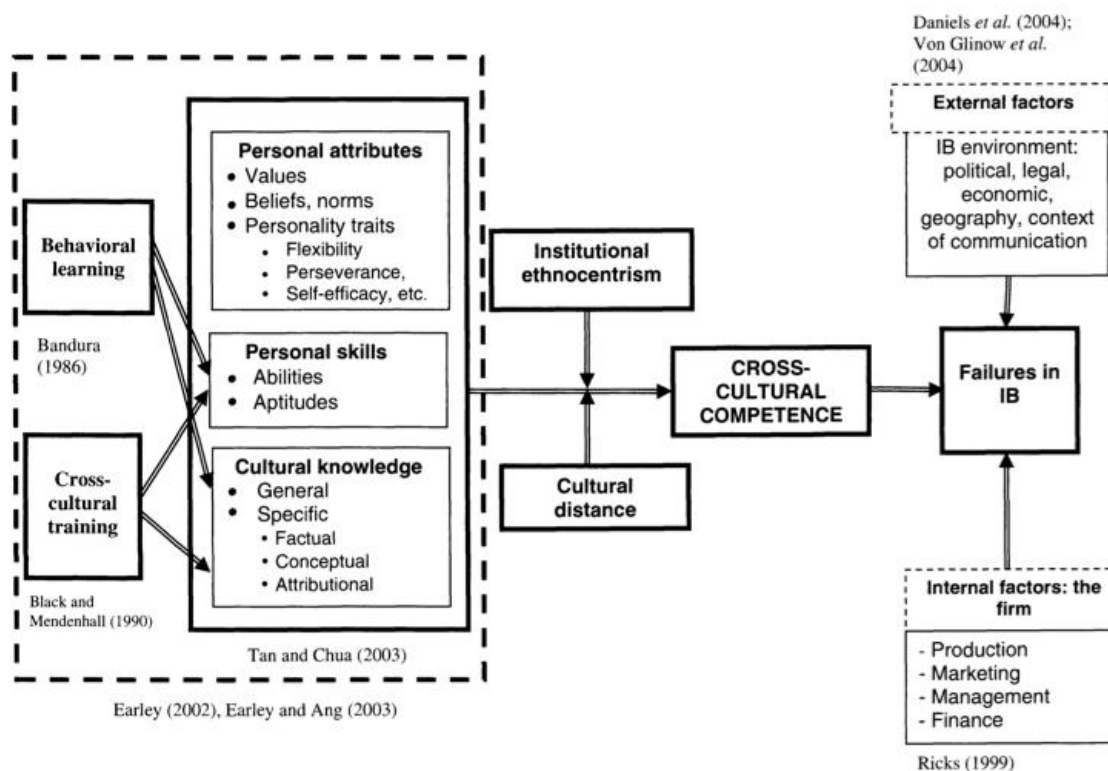
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*Figure 1* An integrated model of CCC (Source: Johnson, et al., 2006, p. 536)

Some organizations take a proactive approach to CCC, using training to encourage employees to develop skills and use them in the workplace (Hampden-Turner & Trompenaars, 2008). Cross-cultural competence can serve as a significant competitive advantage particularly for international firms, since it allows them to use more flexible working approaches and achieve improved results compared to firms where CCC is not valued. However, not all organizations develop CCC because in some cases the concept is not valued due to institutional ethnocentrism or lack of experience (Hampden-Turner & Trompenaars, 2008). Institutional ethnocentrism refers to preference of the home country of the organization (Hampden-Turner & Trompenaars, 2008). This often results in organizational policies and procedures that are more aligned with the culture of the home country and which do not take into account different cultural needs. Organizations with a high level of institutional ethnocentrism may not see the need for CCC and may not encourage or support its development, leading ultimately to difficulties in engaging in the international business arena (Johnson, et al., 2006). However, some firms do not encourage or develop CCC simply because they have not had significant interactions with firms or customers in other countries and do not have a large intercultural workforce (Hampden-Turner & Trompenaars, 2008). This is the category that MICTDC fell into.

Determinants and Components of CCC

According to Caligiuri, et al (2011), there are four basic components of CCC: knowledge and cognition, skills and abilities, motivation, and personality. With this model, acquiring CCC on the individual level is a function of learning and innate characteristics. The specific dimensions are as follows:

- Knowledge and cognition – Knowledge specific to the culture that one is interacting with includes geopolitical issues, history, cultural and regional knowledge, self-awareness of how one is perceived, and the aspects of one's own culture that can influence communication practices and techniques. This is primarily gained through learning and exposure (formal or informal).
- Skills and abilities – Communication and interaction skills, such as varying contexts, differing styles, negotiation, influence, language skills, and diplomacy, as well as basic cognitive abilities. This dimension is also primarily gained through learning and exposure (though influenced by natural ability).
- Motivation – Willingness to suspend prejudices and judgment about other cultures and learning to develop the skills and abilities needed to interact cross-culturally. This dimension is personality-based, though learning and exposure can also influence it.
- Personality traits – Intellectual curiosity, extraversion, emotional resilience and stability, flexibility, and willingness to tolerate ambiguity influence CCC. These traits are primarily personality-based (though they can be changed over time through some interventions) (Caligiuri, et al., 2011).

There are also other factors that are involved in the development of CCC in the individual. For example, aptitudes and attitudes about intercultural interaction influence the extent CCC is developed (Johnson, et al., 2006). A reduced model of the traits and abilities that is measured in this study is shown in Figure 2. This reduced model represents the factors that could be readily measured at the scale of interaction of this study, as well as those identified as most important by researchers.
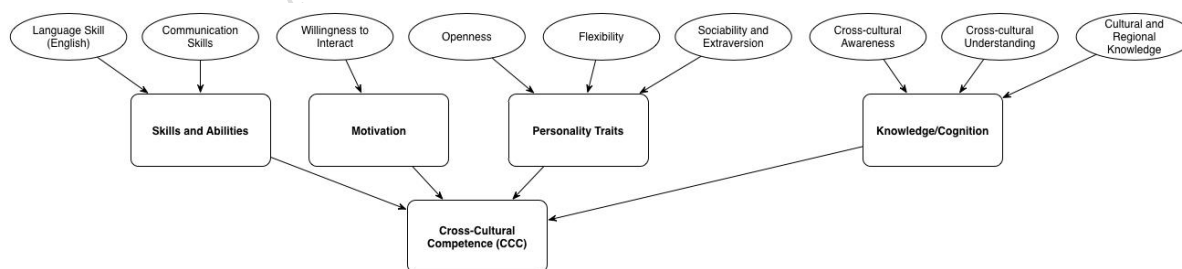


*Figure 2* Model of CCC in this study (Caligiuri, et al., 2011; Johnson, et al., 2006; Lustig & Koester, 2013)

While training can help develop some level of CCC, there are components of CCC which cannot be taught, such as psychological and personality trait characteristics, or not easily changed (Caligiuri, et al., 2011). This means that individuals given the same training can be expected to develop different levels of CCC. This difference extends to practical

applications of CCC, such as adjustment to expatriate work and living in another culture (Molinsky, 2007). Psychological flexibility and resilience have been key characteristics of those who can adapt well to other cultures, since this shields the individual from excessive stress related to cultural differences (Molinsky, 2007). However, this does not imply that CCC cannot be taught. In fact, most of the required skills and knowledge associated with CCC can be learned (Caligiuri, et al., 2011). Some kind of attitudes, psychological traits, and personality traits may impede learning, but this is not different from other work-related skills. Thus, it should *not* be assumed that CCC is a trait rather than a set of skills.

The literature review indicated that not all individuals require or develop the same level of CCC. For example, expatriate workers may have special challenges since they need to work routinely within an organization and broader culture that is different from their own (Yamazaki & Kayes, 2004). Expatriate worker preparation varies depending on the expected length of their stay. Those in the country for a few weeks require limited preparation, those posted to a country for a longer period require training and preparation that is greater than the basic level discussed above. In particular, expatriate workers usually require training in the native language. Those in leadership positions also need training to adapt their leadership styles to local expectations (Yamazaki & Kayes, 2004).

Furthermore, expatriate workers need to be psychologically prepared for problems, such as understanding different communication contexts (such as different levels of formality or different social environments) and code-switching (changing communication styles to meet the needs of different communication partners), both of which are known to cause severe psychological strain and culture shock (Molinsky, 2007). Additionally, local staff members that interact routinely with expatriate workers need training in order to understand the intercultural issues that may evolve (Yamazaki & Kayes, 2004).

Impact of Cross Cultural Competence on Employee Job Satisfaction

One of the dimensions of the study was the impact of CCC on employee job satisfaction. This was a question that has been addressed from a number of perspectives by organizational researchers.  However, research is incomplete. Direct testing of CCC on employee job satisfaction is still relatively rare, with many studies either choosing an anecdotal or theoretical approach or testing job satisfaction as an ancillary or intervening variable. There is still a research gap in this area.

Table 1

*Summary of Studies on CCC and Employee Job Satisfaction*

| Researchers and topic | Methods | Findings and Implications |
|---|---|---|
| Comparison of cross-generational differences in cultural openness and job satisfaction in Japan (Bebenroth & Ismael, 2014) | Quantitative case study of a Japanese company after M&A | This study found that cultural openness (a component of CCC) mediated the relationship between interpersonal justice (related to interpersonal relationships, particularly with supervisors) following a merger in a Japanese company. This study showed that more senior employees were both more open minded and less satisfied with their jobs than younger employees. However, this could have been due to other factors, such as loss of organizational seniority and position following a shift in the organizational structure. |
| Comparing job satisfaction between self-initiated and organizational expatriates in Tokyo (Froese & Peltokorpi, 2013) | Quantitative survey | Self-initiated expatriates had higher cultural adjustment and CCC, but lower job satisfaction because they did not work in organizations that promote CCC development in supervisors. Organizational expatriates had higher job satisfaction because of supervisor CCC. This suggested it was the total CCC of the organization, rather than individual CCC, that makes a difference. |
| Studying factors in the performance of inpatriate managers (Harvey, Kiessling & Moeller, 2011) | Practice-based discussion | This discussion focused on some of the problems faced by inpatriate managers (employees brought by an international firm from its international operations to its home country). These employees had many of the same problems as expatriate managers, and similar techniques (such as CCC training and language training) could be used for initial introduction of the required skills and knowledge. This could lead to improved job satisfaction for inpatriate managers, who felt more comfortable in their new organizational situation. This analysis did not include any empirical studies, so it was not certain whether these results were generalizable. |

| | | |
|---|---|---|
| The impact of intercultural competence (IC) on the performance and outcomes of multicultural work teams (Lloyd & Hartel, 2010) | Quantitative survey | The authors used intercultural competence (IC) as the model for CCC. This concept overlaps with what has been identified as CCC in this research. They found that IC had an impact on a number of outcomes for individuals who worked in intercultural work teams, including remote teams and geographically situated teams. One of these outcomes was that employees with higher IC had a higher job satisfaction, especially in areas related to their team performance. |
| Analysis of multiple levels of cultural congruence (individual, organizational, and national) on performance outcomes (Palthe, 2014) | Conceptual analysis | This paper presented a literature review of the literature surrounding the issue of culture and its impact on performance. Job satisfaction was one of the individual outcomes that resulted from cultural congruence in this area (along with performance) The author suggested that CCC could help improve the individual and organizational outcomes by increasing cultural congruence. |
| Study of intercultural effectiveness and team performance in international development (Simkhoyvych, 2009) | Quantitative survey | The author used intercultural effectiveness (IE), a similar concept to CCC. He found that flexibility (a component of both IE and CCC) was related to job satisfaction in the international teams he studied. This provided support for some of the components in the current analysis. |
| Analysis of the impact of cultural intelligence on job satisfaction and performance in international employees (Yesil, 2013) | Quantitative survey of international textile workers in Turkey | The author examined cultural intelligence (CQ) as the determining value, a related concept to CCC, primarily focused on cognitive and emotional traits. The author found that there was a positive, significant relationship between CQ and cross-cultural job satisfaction related to the cross-cultural employment situation. They also found a strong relationship to job performance of international employees. |

Table 1 summarizes previous studies focused on the impact of CCC and employee satisfaction. The methods used in these studies varied from quantitative survey methods and

conceptual analysis to practice-based discussion. The results showed a positive relationship between CCC (or related concepts, such as cultural intelligence, intercultural competence, and intercultural effectiveness) and employee job satisfaction. Generally, these studies showed a positive effect between the factors.

Organization Development and Organization Development Interventions

Burke (1982) described organization development (OD) as a planned change process in an organization's culture which can be done through behavioral science technology, research and theory. Cumming and Worley (2014) defined OD as a system-wide application that transfers behavioral science knowledge to the planned development, improvement and enhancement of organization strategies, structures and processes, which in turn creates organization effectiveness. French, Bell and Zawacki (1994) stated that OD was a change management strategy in organizations that mainly emphasized people and organization to enhance employee and organizational effectiveness.

For the purposes of this study, OD was viewed as a change process system that enhances congruence among organizational culture, people, structure and processes. OD was applied through collaboration of employees working with a change agent utilizing behavioral science theory, research and technology.

The main tool used in this research was the organizational development intervention (ODI), an initiative intended to make changes to organizational culture and practice in order to improve the organization's performance (Williams, Champion, & Hall, 2010). The ODI has been more closely defined as "a long-term, systematic and prescriptive approach to planned organizational change" (Champoux, 2010, p. 463). Organization development can be conducted at a number of different levels: individual, team, subsystem, organization, or inter-organizational levels (Champoux, 2010; Williams, et al., 2010). ODIs are designed for a specific situation within the organization to make specific changes, using insights from social science and organizational behavior. The goals of organizational development can be defined as: "(1) enhancing congruence among organizational structure, processes, strategy, people, and culture; (2) developing new and creative organizational solutions; and (3) developing the organization's self-renewing capacity" (Champoux, 2010, p. 463).

ODIs differ from other forms of organizational change in a number of ways. Although they are often designed and implemented by consultants, they can also be undertaken internally within the organization (Williams, 2010). An internal structure may follow a Plan-Act-Observe-Reflect approach (Williams, et al., 2010). ODIs are designed to make long-term changes in the organizational culture, rather than simply implementing new processes (Champoux, 2010) and they are usually implemented as a structured process (Cummings & Worley, 2014). A more complex approach is used when consultants are involved in the change process. For example, a standard organizational development process model includes eight stages: entry, contracting, diagnosis, feedback, planning, intervention, evaluation, and termination. These stages are led by a change agent or contractor, who uses technical

expertise to guide the change. Whether internally directed or led by a consultant, ODIs require buy-in from top management and management support in order to successfully embed the changes within the organization  (Champoux, 2010; Cummings & Worley, 2014).

Research Framework and Hypotheses

The research framework, shown in Figure 3, was derived from the academic research as well as consideration of MICTDC's organizational needs. This framework provided a significant contribution to MICTDC as it helped improve the CCC of local staff and expatriates which in turn enhanced their job satisfaction.

The first hypothesis of the study was concerned with the effect of the ODI on the CCC of the employees involved in the intervention. The literature on ODI states that as a long-term process, ODI can make a difference in organizational culture and performance metrics (Champoux, 2010; Cummings & Worley, 2014). The literature review supported the idea that ODI could improve the performance on culture (Carter, 2003; Egan & Bendick, 2008; Gertsen & Søderberg, 2010; Williams, 2005). The literature also reinforced the idea that there needed to be a careful design of the process and that individual performance and outcomes may vary widely among individuals (Carter, 2003). There was sufficient support for the ODI's effectiveness in training in CCC, as well as in other areas, to test the outcomes in the third area. However, the impact of ODI on CCC was tested on local employees (since they were engaged in the ODI training). H1 was stated as:

- H1: CCT can positively enhance CCC of local employees.

The second hypothesis related CCT to employee satisfaction for both local and expatriate employees. This hypothesis was based on research that suggested (though it does not always prove) that increased CCC can increase employee satisfaction in different groups (Bebenroth & Ismael, 2014; Froese & Peltokorpi, 2013; Harvey, et al., 2011; Lloyd & Härtel, 2010; Palthe, 2014; Simkhoyvych, 2009; Sizoo, 2006; Sizoo, et al., 2005; Yesil, 2013). These studies did not conclusively prove that CCT improved job satisfaction, but there was enough evidence to justify testing this relationship. Thus, the second hypothesis proposed:

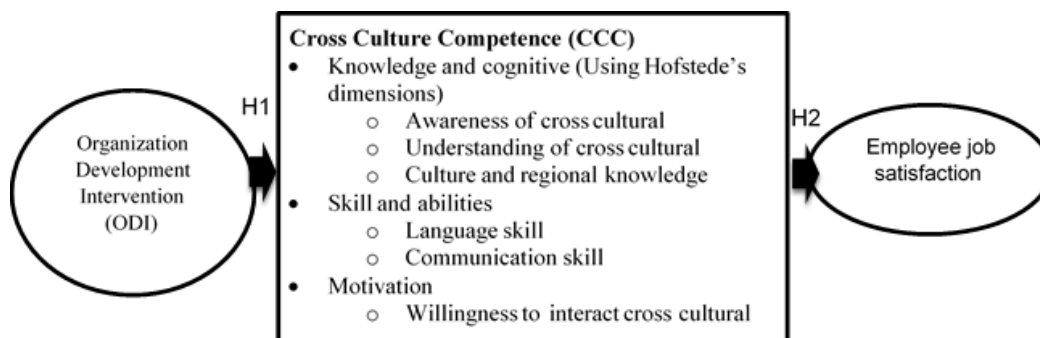- H2: CCC has a positive impact on local employee job satisfaction

*Figure 3* Research Conceptual Framework (Developed by The Author)

The two hypotheses proposed in this research framework were tested using statistical analysis of the pre-test/post-test outcomes. The analysis for these tests were conducted in SPSS. Figure 4 shows the four stages of the ODI used in this study:

1. Assessing (situation analysis): This stage consisted of qualitative interviews and quantitative questionnaires, in order to assess the current organizational situation. The first stage consisted of interviews with board members, HR professionals and operational manager on the role CCT would play to enhance the cross-cultural competence of the organization. This was required to assess the perceived role of CCT at the strategic and leadership level. Questionnaires were distributed to local staff in order to assess cross-cultural awareness and understanding (Section 3.2.1)
2. Action (Implementation): Based on the results from stage 1, an ODI on CCT was developed and conducted for local staff at MICTDC.
3. Observation (Evaluation): A second round of post-evaluation for cross-cultural awareness and understanding of local staff and their job satisfaction was conducted using the same instruments as the first round.
4. Reflection: The ODI plan was adapted based on the results of the post-test in order to improve future job satisfaction outcomes and was presented to the organization for future use in training. Organizational policies were developed along with engaging top management stakeholders in order to integrate cross-cultural awareness as part of the organization's culture and strategies.
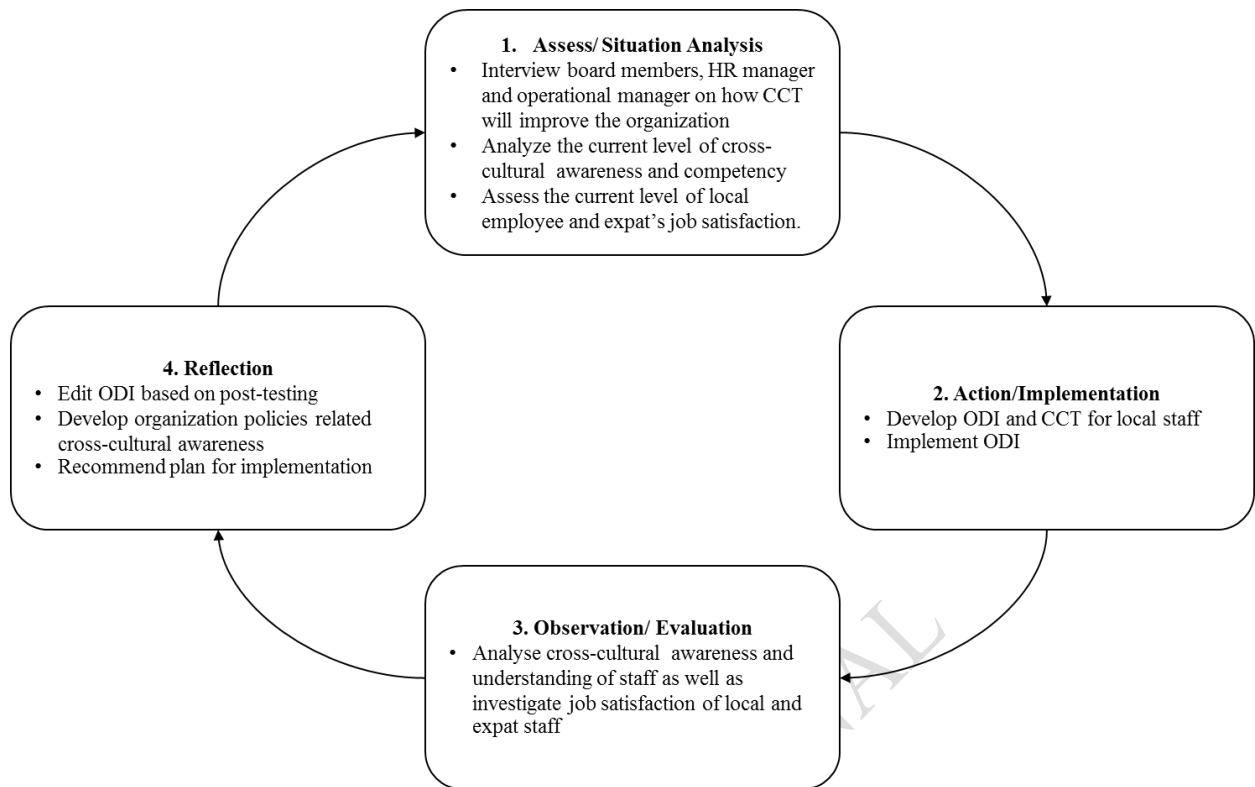
*Figure 4* Action Research Model (Developed by The Author)

Action Research Model

A brief description of the research approach is provided in Figure 5. Action research is a pragmatic model that emphasizes making positive changes as well as engaging the research population in the research process (Stringer, 2007). To be effective, the approach needs to fit into the organization's needs, culture, and existing processes as well as meeting other organizational demands. The approach also must consider stakeholder perceptions and needs (Stringer, 2007).
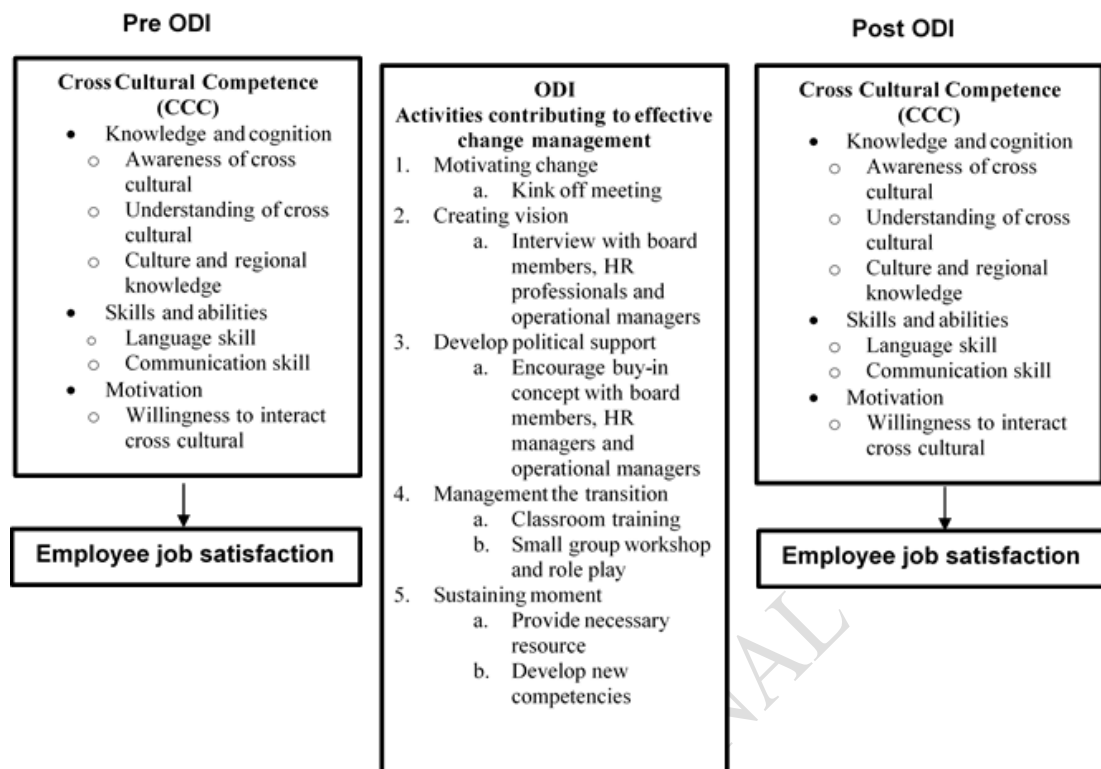
*Figure 5* Action Research Model for This Study (Developed by The Author)

## Research Methodology

This study used an ODI, employing qualitative and quantitative methods during the planning and reflection stages. Stakeholder groups included board members, managers, local staff members, and expatriate staff members. Qualitative methodology aimed for collecting in-depth information which mainly focused on a small group of participants. The quantitative methodology gathered board information from a large group of respondents.

Research Tools: Board Interviews

The pre-analysis stage used face-to-face semi-structured qualitative interviews with board members in order to identify the importance of cross-cultural awareness in the current organizational strategy as well as to identify resources available for training and development (the ODI stage). As many board members, HR professionals and operational managers who agreed to participate were included to gather the broadest possible view of the organization's goals. Interviews were repeated following the training process to collect information about the board members' views on the outcomes and their perceptions of the value. Semi-structured approaches were used for both stages.

The semi-structured interview approach began with a set list of items relevant to the research but used a discussion or conversation approach that allowed for deeper participation and examination of the issues (Schensul, 1999). Thus, seeking out the opinions of the board

members, HR professionals, operational manager and local staff (n=5) on cross-cultural issues and their perception of the need for cross-cultural training determined the direction of the ODI and the embedding of CCT into the organizational culture. This was the part of the process of action research which requires support from within the organization (Stringer, 2007).

Research Tools: Pre- and Post- Training Questionnaires

Measurement of local staff cross-cultural awareness and job satisfaction was conducted using a pre and post-test design at two points in time. These are commonly done before and after some intervention or treatment (Mitchell & Jolley, 2009). The reason for using the pre-test/post-test design was to determine whether there is any difference made by the ODI in local staff's job satisfaction.

The questionnaires were designed based on feedback from the pre-planning interviews as well as the literature. These sources offered information about how to measure CCC as well as job satisfaction. The pre-test/post-tests include one set of questionnaires. The questionnaires for the local staff assessed CCC and employment satisfaction. According to the pre-planning interviews, this group totaled about 100 employees. Then 50 employees were selected from this group using simple random sampling (SRS). Also, there were about 50 expatriates in the company who also received questionnaires.

There were two pre-existing instruments used in the questionnaires in order to measure cross-cultural competence and job satisfaction. To measure job satisfaction, the Andrews and Withey Job Satisfaction Scale was used. This scale included five items, which were scored on a seven-point reverse-scored Likert scale, where 1 = Delighted and 7 = Terrible (Rentsch & Steel, 1992). The Andrews and Withey instrument, developed in 1976 and further researched and validated by Rentsch and Steel (1992), was very simple and quick to complete. It was also a reliable and valid job satisfaction instrument. The Andrews and Withey scale correlated at about 0.70 with the much longer (100-item) Minnesota Satisfaction Questionnaire (MSQ) (Rentsch & Steel, 1992). Further research has shown that this instrument has been positively correlated with job satisfaction measures like organizational commitment, performance evaluation, learning opportunities, and employment freedom, and negatively correlated with turnover intentions (Field, 2002).

Cultural assessment was performed using an adaptation of Solomon and Schell's (2009) 30-item cultural assessment tool. This tool included six scales (Motivation/Work-Life Balance, Change Tolerance, Time Orientation, Communication Styles, Egalitarian/Hierarchical, and Group Focus), with five items each. Solomon and Schell (2009) derived their questionnaire from a variety of sources, including theoretical models and issues of culture from theorists such as Hall and Schein. The authors proposed that it was best used as a functional tool, that is, designed for use in the organization at the individual level to draw out cultural norms and preferences (Solomon & Schell, 2009). The adaptation focused on the workplace oriented concerns, including Change Tolerance, Communication Styles, and

Group Focus. Two items were selected from each of the five items available. This reduction was because the original questionnaire is quite lengthy and, in the current author's opinion, has significant overlapping items and repetition. Moreover, some items were also adapted from previous studies (Miville et al., 1999; Fuertes et al., 2000).

ODI Design

The ODI approach selected was a large system intervention, intended to introduce the idea of CCT to the entire organization and embed it in the organizational culture (Williams, Champion, & Hall, 2010). The work began in the pre-planning stage, which served to both collect information about the organization's current approach to CCT and to build support at the top level of management for the introduction of CCT. This also included elements of person-focused ODI (training), designed to provide specific skills and knowledge to employees (Williams, et al., 2010). The ODI tools were chosen in consultation with MICTDC's management regarding the resources available for the interventions and how they could be implemented. All local employees were included in the interventions.

There were three training stages during the intervention itself as well as the pre-planning and evaluation stages. The first stage of the training was a kick-off meeting that included all employees in the organization--a large system intervention based on Williams, et al.'s (2010) classification. This stage introduced the concept of cross-cultural awareness and CCT, explained its importance, and introduced the other interventions that would take place.

The second stage was a training course, based on the outcomes of the pre-test and pre-planning interviews. This was an individual-level intervention directed at those who engaged with expatriate workers. This group was selected for the initial training because they were the employees that had the most intensive intercultural engagement. The training sessions were conducted in small groups, with employees assigned randomly in order to increase interaction across the organization. The material and activities of the small-group training sessions included information presentation, discussion, and learning assessments. Table 3.1 summarizes the course objectives and learning outcomes of the training course, though they were modified during the ODI based on feedback from the board members, HR professionals and operational manager. The final stage of ODI was a small-group workshop and roleplaying session. The objective of this session was skill-building to provide situations for employees to deal with and act out. This helped participants practice the knowledge learned in the training sessions, reinforcing the learning process and improving learning outcomes. Figure 6 shows the activities of the ODI in context, with the training session activities outlined.
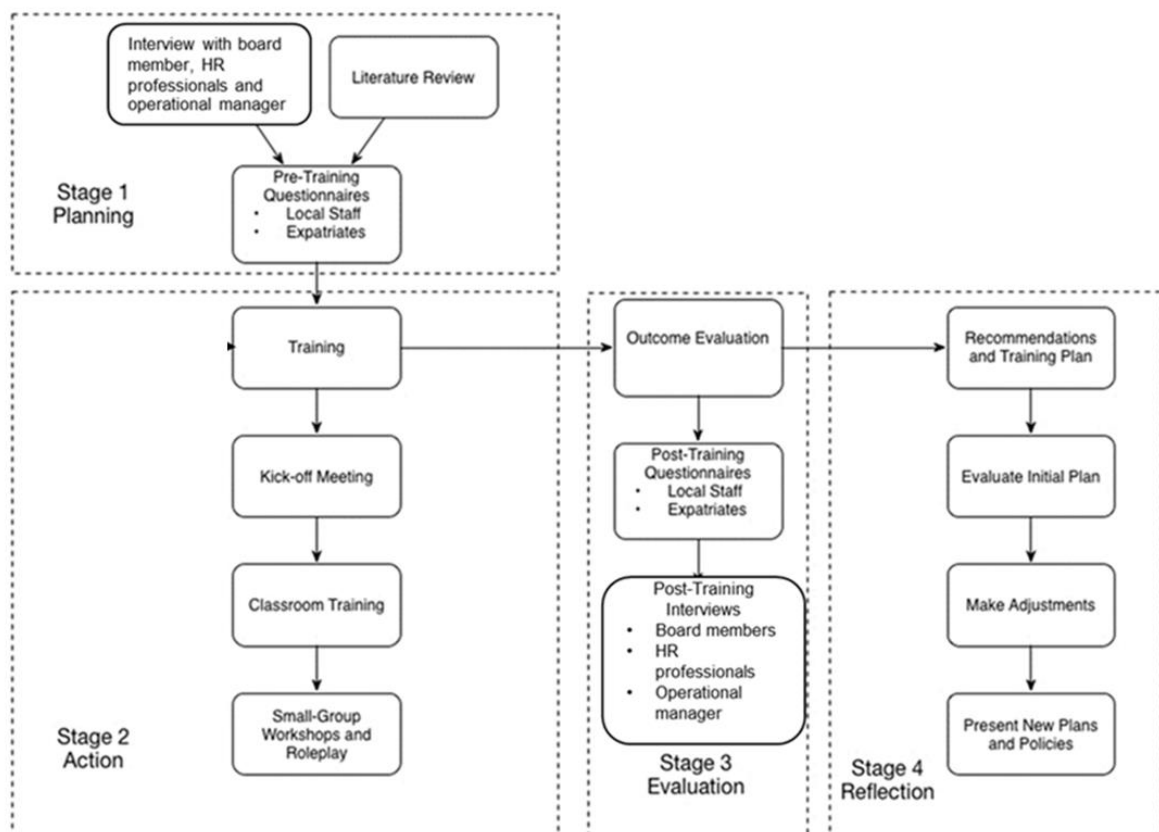
*Figure 6* ODI activities in context with the stage development model of the research
         (Developed by The Author)

Data Analysis Tools

There were two stages of data analysis. The first stage was content analysis, used for the interviews with board members. Content analysis is a qualitative analysis approach that focuses on finding the meaning of information, rather than specific words. The content analysis was conducted on transcripts and notes from the interviews. It focused on identifying strategic goals, resources, and the current state of cross-cultural awareness and needs as perceived by the organization's leaders.

For the pre-test and post-test questionnaires, statistical analysis was conducted in SPSS. Descriptive statistics and pair t-tests were prepared individually for each stage. Descriptive statistics are statistics of one variable that indicate the variable's characteristics (such as central tendency and variation) in a standard form (Freedman, Pisani, & Purves, 2007). Linear or scalar variables (such as Likert scale variables) were analyzed using mean and standard deviation. Frequency and percentage were used for categorical variables. For both pre-test and post-test stages, paired t-test was used to determine how the ODI affected CCC and employee satisfaction.

## Results and Discussion

Pre-ODI and Post-ODI Stage Findings

The comparison of the pre-ODI and post-ODI stage findings was conducted first for the overlapping information in the qualitative interviews, and then for the quantitative findings. This section closes with an extended discussion of the overall outcomes of the process in terms of the literature review.

Comparison of interview outcomes

In the pre-ODI period, CCC was seen as a path for improving international competitive advantages and performance of the firm and attracting international talent. At the time, however, staff had little experience with international workers. They avoided communicating and working with expatriate managers and sometimes even complained to HR about the problem of working with them. Communication difficulties and other problems were seen as negatively impacting job satisfaction. Cross-cultural communication was seen as an immediate problem for some participants, but others viewed it as more of an eventual problem that would occur as the company grew. It was agreed that CCC would be a helpful approach to improve understanding of other cultures and worker communication skills, as well as to help cement CCC in the organizational culture.

The post-ODI interviews revealed that the intervention was successful in achieving the goals that were expressed in the pre-ODI interviews and the overall research objectives. The interviews with workers showed that they had achieved more understanding and knowledge of different cultures, and as a result there was less confusion and uncertainty. From the management perspective, the organization as a whole was more aware of cultural issues and had more understanding of why they were important. Critically, cross-cultural communication was identified as an issue that affected not just management or professional staff, but also staff on the shop floor. Thus, there was an increased understanding of cross-cultural awareness as important for the company on the whole.

Staff members identified benefits from the training, including being able to work with cross-cultural staff members better and having a better understanding of their cultural norms and behaviors. Changes included skills and abilities, knowledge, and behaviors as well as motivations. There was also a perception that the training had improved job satisfaction, both generally and in the specific cases of interviewees. The interviewees agreed that CCI would be an effective goal for the company in the long term, although there were some barriers (especially management and staff acceptance). On the whole the project was considered successful in its implementation, as it succeeded in demonstrating the importance of CCC and the successful use of CCI in the organization. Implementing a long-term strategy of cross-cultural training and awareness in the organization requires a commitment from the organization's top management and leaders, which has not yet been accomplished. However,

this was anticipated in the planning of the ODI, since it had to both change the organization and serve as a demonstration of the importance and achievability of CCC.

Comparison of quantitative outcomes

Pre-ODI and post-ODI job satisfaction and cultural competence assessment outcomes were compared using paired t-tests, which assessed statistically significant differences for the same instrument at two times. This test was chosen because it identifies mean differences in individual outcomes, unlike a standard independent t-test. These tests were conducted separately on the local staff and expatriate staff sub-samples.  Significance was assessed at p < 0.05.

Local staff members experienced significant mean changes on almost every measure of job satisfaction and cultural competence, except for group focus (one of the dimensions of cultural competence) (Table 2). Job satisfaction scores in the post-ODI stage fell (Mean difference = -0.78). Since the Andrews and Withey Job Satisfaction Survey is reverse-scored (Rentsch & Steel, 1992), this indicated that job satisfaction was higher during the post-ODI period. In terms of cultural competence, there were significant increases in cultural awareness and knowledge (mean difference = 2.04), change tolerance (mean difference = 1.87), skills and abilities (mean difference = 1.83), and motivation (mean difference = -1.71). Motivation was reverse-scored, with higher numbers indicating a lower level of comfort with intercultural communication and intercultural co-workers. Thus, this negative mean difference also represents a positive increase in cultural awareness.

Table 2

*Comparison between pre and post ODI of local staff using paired t-test*

| | **Mean** | | **t** | **Sig.** |
|---|---|---|---|---|
| | **Pre-ODI** | **Post-ODI** | | |
| **Job satisfaction** | 3.36 | 2.58 | -14.034 | 0.000** |
| **Cultural awareness and knowledge** | 2.35 | 4.39 | -16.398 | 0.000** |
| **Change tolerance** | 2.47 | 4.34 | -11.67 | 0.000** |
| **Skill and abilities styles** | 2.67 | 4.5 | -13.603 | 0.000** |
| **Group focus** | 3.36 | 3.28 | .658 | .513 |
| **Motivation** | 4.02 | 2.31 | 16.354 | 0.000** |

Noted **Significant at the 0.01 level (2-tailed)

Expatriate staff members also experienced some significant improvements in job satisfaction and cultural competence, although these were less extensive. During the post-ODI stage, there was a drop in the job satisfaction mean (mean difference = -0.69). As with the local staff, this indicated a significant improvement in overall job satisfaction. Some of the dimensions of cultural competence also improved significantly. These included cultural awareness and knowledge (mean difference = 0.45), skills and abilities (mean difference =

2.14), and motivation (mean difference = -1.54). Change tolerance and group focus did not change significantly for expatriate staff members during the pre- and post-period.

Table 3

*Comparison between pre and post ODI of expat staff using paired t-test*

|  | Mean | | t | Sig. |
|---|---|---|---|---|
|  | **Pre-ODI** | **Post-ODI** |  |  |
| **Job satisfaction** | 3.61 | 2.92 | -8.851 | 0.000** |
| **Cultural awareness and knowledge** | 3.77 | 4.22 | -3.48 | 0.002* |
| **Change tolerance** | 3.75 | 4.13 | -1.643 | 0.111 |
| **Skill and abilities styles** | 2.32 | 4.47 | -13.789 | 0.000** |
| **Group focus** | 4.03 | 4.22 | -1.459 | .155 |
| **Motivation** | 4.21 | 2.67 | 8.768 | 0.000** |

Noted *Significant at the 0.05 level (2-tailed)

   **Significant at the 0.01 level (2-tailed)

Hypothesis Results

The two hypotheses proposed for the study were:

*Hypothesis 1: CCT can positively enhance CCC of local employees.*

*Hypothesis 2: CCC has a positive influence on local employee job satisfaction.*

A comparison of pre-ODI and post-ODI CCC of local and expatriate workers was conducted, using the Solomon and Schell (2009) Cultural Assessment Tool. Both local and expatriate employees showed improvement between the pre-ODI and post-ODI periods. Both groups showed significant improvements in cultural awareness and knowledge, skills and abilities, and motivation. The local employee group also showed a significant improvement in change tolerance. While expatriate workers did not show a significant improvement, they had a higher change tolerance in the pre-ODI period. Based on these results, H1 was supported as CCT positively enhanced CCC of both local and expatriate employees.

Interviewees identified a potential relationship between CCC and job satisfaction, identifying better communication with coworkers and better understanding as a cause of improved job satisfaction. Job satisfaction was assessed in the pre-ODI and post-ODI periods using the Andrews and Withey Job Satisfaction Survey (Rentsch & Steel, 1992). The independent t-tests between the pre-ODI and post-ODI assessments showed a significant improvement in job satisfaction for both local and expatriate staff members. Post-ODI interviews with management and staff also indicated a higher level of job satisfaction, resulting from improved communication and understanding of co-workers. Thus, the second hypothesis (H2) was also supported by the research findings.

Critical Reflections

The final element of the ODI was a reflective stage, in which participants were asked to critically reflect on their experience during the training and workshop sessions and consider their awareness, appreciation and confidence in their own CCC. Not all participants submitted a response to this item, and some had brief or superficial responses to the reflection questions. A total of 22 participants (including five expats and 17 local workers) submitted meaningful reflections on the ODI and their post-ODI understanding of CCC. Of these participants, 14 expressed interest in further information on CCC or further classes and workshops to develop their cross-cultural competence.

Overall, the critical reflections offered a sense that employees had improved their knowledge and confidence somewhat, although more work still needed to be done. The level of awareness of CCC and its importance was significantly higher. This suggested that further training could improve CCC knowledge and confidence even for the respondents who did not get as much out of the first training.

## Conclusions

Research conclusions are focused in three areas: identifying cultural issues in MICTDC, the connection between CCC and job satisfaction, and the suitability of ODI as a tool for addressing this organizational problem.

1. One of the most noticeable changes over the course of the study was a change in recognition of cultural issues in the organization. During the pre-ODI stage, interviewees recognized in principle that cultural awareness was a challenge for the organization and cited instances where employees avoided working with expatriate workers or expressed frustration. During the post-ODI stage there was a much stronger recognition of the importance of cross-cultural awareness in the organization. While the perspective of the pre-ODI stage was largely that CCC was important for those who worked with expatriate workers or international clients, by the post-ODI stage, the shared perspective was that CCC was important throughout the organization. Thus, the ODI resulted in a much broader understanding of CCC and its importance to the organization.

2. Another significant finding was the connection between CCC and job satisfaction in the organization. The quantitative assessments demonstrated that the ODI resulted in both an increased level of CCC and increased level of job satisfaction in both the local and expatriate staff. This research did not statistically assess the relationship between the two; however, the interviews supported the relationship between CCC and job satisfaction. Both local staff and expatriate staff reported that the CCT and resulting improved knowledge and skills had improved their job satisfaction and work experience.

3. A final research conclusion was regarding the suitability of ODI as an approach to improve CCC at MICTDC. The ODI proved to be a highly effective tool, not just for the initial CCT process, but also for implementing changes in the organization

that would lead to a long-term change in company policy and culture. The ODI was designed to not fully accomplish a change in cultural competence or awareness policies. Instead, it was intended as an introduction to the concept and demonstration that CCT could benefit the company. This proved highly successful, and at the close of the post-FDI period company board members and managers were considering ways to introduce CCT across the organization. The ODI was an effective tool for developing long-term strategies and goals, although more work needs to be done and the process still needs commitment from the management of the firm.

## Recommendations

Post-ODI Recommendations

The most fundamental recommendation of this research is that there *must* be support from upper and line management in order to successfully implement CCC into the organization's corporate culture. Managerial support is critical in establishing CCC as a principle of corporate culture from which flows both explicit policies of the firm and the statements and actions of its managers, who agree to  explicitly and implicitly set and enforce organizational values (Schein, 2010). Management involvement affects the organization's knowledge sharing, change management processes, and other methodologies related to implementing such a change (Al-Alawi, et al., 2007; Jones, et al., 2005; Schein, 2010). Pragmatically, upper managers control spending and resource priorities and as a result have control over whether resources will be assigned to further CCT efforts. In order to successfully implement CCC as a principle of organizational culture and, as suggested by both managers and employees, roll out training organization-wide, the organization's board managers and upper management need to be vocally in support of the process.

While upper management support is required, employee engagement is also important for successful CCC program implementation. A few employees touched on this in interviews, when they stated that programs should be voluntary and managers should try to gain employee support. CCC program failures often result from lack of appropriate support (Johnson, et al., 2006). Since unit culture could also affect practices and outcomes (Chatman & Spataro, 2005; Scott & Pollock, 2008; Thiel & Ghosh, 2008), line managers need to support the implementation of CCT and CCC as a principle. Thus, the second recommendation is that future programs focus on building support throughout the organization using standard change management practices.

The final recommendation is that expatriate workers should be included in CCC training, as suggested by one employee. Expatriate workers also face challenges related to the intercultural work environment (Maude, 2011) and are likely to have gaps in their own CCC (Schmidt, 2012). Specifically, they may need knowledge about Burmese culture, since knowledge about the specific culture is key for understanding (Waxin & Panaccio, 2005). This is particularly important since Myanmar has been closed to the international business community for so long, resulting in little knowledge about Burmese culture in other

countries. By including expatriate workers in CCT, the firm has an opportunity to build direct experience into the training as well as supporting intercultural knowledge of all employees.


Recommendations for Future Research

There is very little research in Western academic sources on Myanmar's culture or business and organizational practices. This is not surprising given that the country's long-term isolation has only ended within the past few years, and it is likely that this will be corrected over time. It is worth emphasizing that organizational and cultural research in Myanmar is essential for establishing basic knowledge about national culture characteristics and organizational structures and preferences.

There are gaps in the research on CCC, particularly the use of ODI for developing CCC at the individual and organizational levels. There have been a few studies that have been conducted in this area (Gertsen & Søderberg, 2010; Williams, 2005). These studies, along with the research reported here, have demonstrated that the ODI was a successful approach to improving CCC in the organization that is committed to this goal. More research into how to use the ODI approach to improve CCC could help fulfill this research gap. Unfortunately, this may be challenging as organizations often do not recognize the importance of organization-wide CCC and may not be willing to devote the required resources to the process.

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