

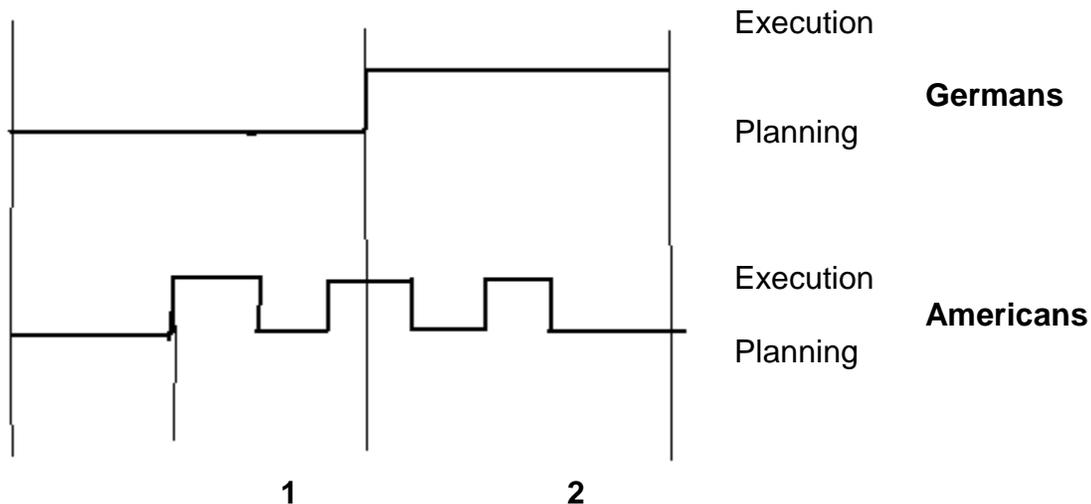
“Do What It Takes” vs. “Make No Mistakes”

How cultural differences between Germans and Americans affect the decision making and problem solving process in engineering and project development – two strategic functions for global success.

“Why aren’t they moving forward?” and “How can they decide without knowing anything?” are statements often heard when German and American engineers are working together.

German engineers often need more time and deep analysis before they make a decision (typically based on group consensus), while their American colleagues move forward more quickly, often based on brainstorming outcomes. While Americans often don’t expect to get it right the first time, they expect changes throughout the process. Germans, on the other hand, expect a quick execution after a decision has been made without any changes (because every possible aspect should have been considered).

This leads to the following conflict scenario:



1. Conflicts based on timing

- Americans are frustrated about a perceived lack of progress
- Germans are wondering about quick decisions based on a perceived lack of data

2. Conflicts based on changes

- Germans are frustrated about ongoing changes
- Americans are wondering about the reaction of the Germans

Over time this can lead to high frustration levels, personal conflicts, increased mistrust, and will reduce the effectiveness, speed and quality of a project. It will express itself in missing deadlines or budgets as well as low product quality and a lack of customer satisfaction.

The following three step process can help to limit or reduce the negative impact of these differences and make German/American engineering departments and project teams more productive.

1. Increase the awareness about the differences
2. Understand why people operate this way
3. Define a suitable approach for a given situation

1. Increase the awareness about the differences

Department or project leaders should be able to explain the process in picture 1 to better prepare their people for potential conflict areas.

2. Understand why people operate this way

Most people take cultural conflicts personal (“They don’t care about us”). Understanding the motivation of cultural behaviors helps to “depersonalize” problems and become less emotional and be more open for the best approach in a given situation. While Germans and Americans have many things in common, their approach to decision making and problem solving is 180° different.

Most cultural differences are the result of different experiences of a country or region in the past (history), which leads to different beliefs and values which drive people’s behaviors.

The following paragraphs try to give a quick overview about some of the factors which influenced the development of the current belief system in the US and Germany.

US:

The country was founded by people who rejected many old world traditions and/or people who were looking for a better life and new opportunities. To cross the Atlantic in the 16./17. century required a high level of risk taking, pragmatism and optimism. Together with other factors (protestant work ethic, frontier experience, ideas of the French revolution...) the culture developed a belief that security comes from relying on oneself and not being dependent on others. The best way to accomplish that is by pursuing opportunities and accumulating personal wealth. Therefore risk taking, pragmatism and a focus on quick, short

term results (“Time is Money”) is highly valued. From this perspective “Do what it takes” and making quick decisions and changes when necessary ensures organizational progress and therefore personal success.

Germany:

Germany’s culture on the other hand is rooted in an experience of more than 1000 years of war with high levels of fear, uncertainty and suffering. Another important influence which added to the feeling of uncertainty is the late creation of a nation state (1871) under Prussian leadership, which was based on strict military rules, order as well as logic, analysis and formality.

From these and other experiences (tribes, walled cities..) the culture developed the belief that security comes from being part of a group and from avoiding uncertainty and minimizing risk and instability.

The approach of “Make no Mistakes” is therefore a logical strategy and expresses itself during the decision making and problem solving process as being careful, slow and consensus oriented.

Considering these different backgrounds, it is no surprise that a “risk taking culture” and a “risk avoiding culture” has difficulties in working together in certain areas.

3. Define a suitable approach in a given situation

Today’s global automotive environment requires more and more a synergistic approach. Reduced development times ask for the American approach of speed and quick decisions, while the strive for high quality builds on the values of deep analysis, few late changes and minimizing risk.

The time given to planning and analysis compared to the time spent on execution should be determined at the beginning of a multicultural project based on the following factors:

- Customer Behavior
The more likely it is that late changes are initiated by the customer the more flexible the team needs to be during the execution phase
- Level of innovation and complexity of the product
The higher the innovation or complexity level the more time should be spent on analysis and planning to avoid predictable problems
- Experience level of leader or team
The less experienced the members, the more likely it is that late changes will become necessary which should be reflected in the time schedule

Cultural synergies promise huge benefits and are more and more required to succeed in global projects. However, it takes leaders who become aware of the underlying beliefs and assumptions of the involved cultures, hard work and patience to unlock the full potential.

Engineering and project teams who accomplish this faster than others will establish a significant strategic advantage in today's competitive environment.