

# It doesn't do to ignore culture

**BPO companies especially need to be sensitive, but it will help if they can get the client to understand too.**

## SUNIT JILLA

If the mind is hardware, then culture is software. As this analogy describes, we are all hardwired in much the same way, but the programs that make us run can be quite dissimilar. The challenge facing cross-cultural adaptation and business success is making these programs compatible with each other.

In today's turbulent world of global communications, there has never been a greater need to understand differences in culture. More misunderstanding and tension arise due to cultural differences and prejudices than any other factor. Unfortunately for us, when it comes to international business the same unsettling parameters apply, creating both winners and losers.

### THE CHANGING WORLD OF IT

The IT outsourcing world has gone through a period of phenomenal change since programmers first stepped into that brave new world of onsite engagements. Business patterns have been radically altered too, affecting offshore models significantly due to changing onsite/offshore ratios and the ever increasing trend of relocation of jobs due to the BPO and call centre wave apparently sweeping across India. Alongside these changes, a whole new IT generation has come to the forefront on both the software supplier and customer side.

However, throughout all this change, one factor has remained constant – the need to do business with people who understand people. Rather surprisingly, many of the earlier lessons learnt from the previous generation have not been passed down to the next or have not been absorbed as intended. Thus, a growing chasm can be seen to develop between the mindsets of both the customer and supplier which cannot simply be bridged by knowledge management principles alone.

### DIAGNOSING THE PROBLEM

In spite of its success, awareness of cultural differences within the Indian IT industry still remains at a disappointingly low level. Ask any customer what his main concern is while outsourcing to India and you get the same answer, time and time again – how do we improve awareness of cultural differences and learn to tackle them without having to re-invent the wheel every time? Unfortunately, this problem starts from the CEO downwards. In large organisations, the well-travelled CEO may indeed be extremely 'culture-savvy', yet with a lack of direct interaction with the customers on a daily basis, the nuances in business communication are handed down the chain of command to the onsite marketing/resident managers to interpret.

In many cases, the problem begins even before the customer acquisition stage. This has resulted in many customers looking towards outsourcing consultants to bridge the gap and wash their hands off this perennial vexing problem of managing these cultural hoops. However, the downside of this approach is that customers must then face up to these problems when the ink has dried on the contract and the outsourcing relationship has begun. At this late stage, many customers as a last resort turn to management consultants who specialise in cross-cultural issues to make the relationship work. But by this time, much angst is felt as overheads estimated during the planning phase of outsourcing budgets have significantly increased, with goodwill and understanding between both parties being in short supply.

### IMPORTANCE OF LOCAL

#### KNOWLEDGE

Caution is also advised in first understanding the added complexity which the prevailing political dimension may bring. Currently in many western countries there is seen to be the ever-present threat of 'taking jobs away', where the lack of growth and nourishment of latent local talent makes frequent headline reading. Understanding these undercurrents and being able to provide strong arguments to both potential customers and the local industry at large requires a fair amount of maturity and cultural sensitivity. This lack of sensitivity if left unchecked will seriously dent the competitiveness of the Indian industry as a whole.

### CULTURAL AWARENESS AS A DIFFERENTIATOR

Getting the right cultural fit is especially important for customers looking for suppliers in the BPO space, since there is little or no onsite content. It is often accepted that suppliers already possess the right expertise in terms of technical infrastructure, domain experience etc. However, the key differentiator/value-add which customers are looking for, is the final piece of the jigsaw – the cultural understanding of doing business with British companies. It is therefore vital that marketing managers who interact with potential customers have high levels of cultural sensitivity and proficiency in dealing with international business but are comfortable with local customs and traditions. Marketing managers become both ambassadors of their company and also their own home country, particularly if the potential customer has never outsourced to India. However, 'awareness' should not stop at the first point of interaction. It must permeate into the whole organisation creating a 'global perspective' in every individual employee that stands out as a competitive differentiator and which gets high-

lighted during customer visits to India.

As BPO suppliers mature and more companies enter the global marketplace, there will be little to differentiate one from the other. As margins become tighter and technology increasingly becomes commoditised, the softer issues will gain a higher profile in enticing customers to your doorstep. This has already happened with the software services industry and BPO/ITES will be no different.

The field of 'managing cultural differences' can be the subject of several books, especially when 'developing' economies sell to 'developed' ones. However, here are some practical recommendations for different functional areas:

#### MANAGEMENT

- Recognise the importance of 'cross cultural' differences in business
- Make it an integral part of company culture and globalisation/ export strategy
- Develop a specialised function

#### HUMAN RESOURCES

- Be responsive to feedback from employees at client sites
- Ensure HR has relevant experience of cultural issues
- Strengthen offshore teams by including people with UK/US work experience
- 'Listen' to the client and watch for hidden signals before things go wrong

#### TRAINING

- Offer client teams 'training programs' on Indian culture and conduct cross-cultural training programs at all levels
- Tailor training programs to function and country
- Have debriefing sessions on 'culture-clashes'

The benefits to supplier organisations in overhauling their policies in tune with today's global requirements cannot be understated. Ideally, there should be a separate department for handling 'cross culture management'. It will be one of the key determinants of success for the Indian BPO/ITES industry. Organisations are nothing but people in various roles buying and selling to and from each other. The difficulty in selling will be alleviated if the cultural dimension is given its right place in the corporate structure.

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