

# Understanding cultural differences can strengthen a multicultural team

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Researcher Nils Brede Moe says Norwegian developers working in Australia and USA think that efficiency is low. "Moreover, it's impossible to calculate the real costs of a project. We don't want overtime worked on agile software development projects. A standard 40-hour week is sufficient", he says. Credit: Jan Are Hansen

Scandinavian companies have been less than successful at developing software abroad. But there are scientific answers to the challenge.



"We assume too easily that what works well in Scandinavia will also be successful abroad," says Nils Brede Moe at SINTEF, a Norwegian independent research institute. After some extended trips to the U.S., Asia and Europe, Moe now recognizes some of the differences thatscandinavian parent companies often forget when they establish themselves overseas.

So-called 'agile software development' is here to stay. Daily meetings, small teams, flexibility and close contact with clients have all resulted in major improvements, but there is currently no widely established approach to global software development.

This is why ICT researchers at SINTEF have developed new methods tailored to the demands of global software development.

# Effective development means a competitive advantage

Several companies supply software products to demanding clients outside Norway, and software development on a global scale is crucial to their future success in these markets.

"There's no doubt that an effective development approach will be an important competitive advantage," say Moe and his colleague Torgeir Dingsøyr. "Some companies have agile development systems in place in Norway and have started to test them globally, but getting them to work on the international stage is a demanding task. Factors such as sociocultural differences, geographical distances and working across time zones all present major challenges," they say.

The three SINTEF researchers have been traveling around the world observing how teams work, talking to employees, and organizing group processes.



Their aim is to find out how the method should be adapted to specific situations. For example, how should an organization and its personnel modify their ways of working? What approach will work well, and what will never work in an international team, regardless of the situation?

The search for techniques that work well across many time zones also presents challenges. For example, a department at DNV-GL will soon have personnel in China, Norway, Poland, England and the U.S..

"We want to develop the right methods for projects with development activities taking place in the same time zone, and for projects being carried out across time zones" explains Moe.

#### Different choice of technology and process

Two things came under the spotlight while the researchers were on their travels. The first was to put in place technology aimed at helping people work together and at getting processes in small teams to work without hitches.

"In order to create a network and engage in dialog, employees rely entirely on video conferences and Skype, which require good screen and sound quality," says Torgeir Dingsøyr. "It's easy to forget this when you're sitting here in Norway with a large screen and a good broadband connection," he says.

Secondly, when it comes to process, many factors play a role. Such as cultural differences. These have a major influence on how meetings go.

Dingsøyr tells us about stories presented at group meetings and during other discussions. Like the one about the Swedish company operating in China with a Swedish boss and his Chinese deputy.



"While the boss was away for a day, he asked his deputy to complete a report. The deputy said okay. Later in the day, the deputy confirmed that everything was okay. But the next day the report wasn't ready. Who was responsible? The Swedes would argue that it was the deputy who had failed in her duties," says Dingsøyr. "But the Chinese would argue that it was the boss. He should have known that she had more than enough on her plate and couldn't finish the report. Perceptions like this are worth examining more closely," he says.

# Working hours and employment contracts

While on his travels he heard about other <u>cultural differences</u> which hold up the system. Such as working hours. Norwegians start work at 8 in the morning and go home just before 4 to collect their kids from pre-school. In contrast, it's common in the U.S. to work long days and even unpaid in order to impress the boss in the scramble for promotion. In Australia too there is a culture of working until as late as 6 p.m.

"We have talked to Norwegian developers working in Australia and they think that efficiency is low," says Moe. "Moreover, it's impossible to calculate the real costs of a project. We don't want overtime worked on agile software development projects. A standard 40-hour week is sufficient," he says.

Further challenges encountered by the researchers include employment contracts and their stability. Personnel in countries such as Ukraine, the U.S. and Poland are frequently employed under short-term contracts. In some cases they're just hired for the project in question. How is it possible to establish trust and confidence within a team under such conditions?

### Taking responsibility—not always easy



While in Norway it is commonplace to work within flat hierarchies with widespread delegation of responsibility, the Norwegian companies encounter other systems in countries such as China and India.

"A Swedish company operating in China tells us that it selects its employees straight from university. This is more easy because students are open to untraditional approaches," says Moe.

Moe also points to the far eastern 'loss of face' culture. It's often difficult for Chinese developers to report project delays because they fear being perceived as letting their managers down. The habit of not showing what you're thinking and feeling, but simply answering 'yes' and smiling in order not to 'lose face," can result in major misunderstandings between western and eastern cultures.

"In spite of this, we're seeing that the rest of the world is catching up when it comes to agile development," say Moe and Dingsøyr. "There are major benefits to be had, and we believe in our values and our way of organizing work. This approach to organizing development work will help to enhance the innovation capability of Norwegian companies," they say.

**More information:** Darja Šmite et al, Overcoming cultural barriers to being agile in distributed teams, *Information and Software Technology* (2021). DOI: 10.1016/j.infsof.2021.106612

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