

2014

# Improving the Corporate Culture of NorYards

## Advice

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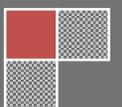
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# NORYARDS

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Appendix

*Recommendation on how to create an efficient corporate culture within NorYards by  
improving its corporate communication*

## **Preface**

*'Company culture is important because it can make or break your company' (J. Reh, n.d.)*

This advice report presents how to improve the inconsistencies between the national cultures of NorYards in order not only to maintain the workforce of the company, but also strengthen and improve the work efficiency. The advice consists of several steps that need to be undertaken. The steps are derived from the conducted research that helped defining what aspects are important and beneficial for creating an efficient corporate culture.

The report consists of 7 sections. The first section is Project Context, where the research aim is explained, and the objective of the research is defined. Section 2, Organisational Context, gives the insight into NorYards. Section 3, Theoretical Framework, contains the discussion of literature, including the concepts and theory that are relevant for conducting research and explaining the results. The theoretical framework is supposed to help analysing the research object, and answering the research questions. In section 4, Research Strategy and Methodology, the method of the research is explained, as well as the design of the survey and its analysis. This section also presents the limitations of the research. Section 5 includes the findings of the research. The data that were obtained during the research will be elaborated on in this section. This information provides the foundation to drawing conclusions and developing the advice. The conclusions are presented in Section 6, and show the interconnection between the research objective and the research results, combining the results with relevant theories. The final section is the Advice. The advice provides the solutions to the communication issues of NorYards.

## **I. Project Context**

These employees of NorYards used to work in the two different companies and did not cooperate before. The corporate cultures of these two companies are different. Therefore, there is a difference between the employees' cultural as well as corporate culture backgrounds. After the merger of the two companies, one common corporate culture should be created that would be suitable for the employees from both Ukraine and Norway. The management wants the employees to cooperate efficiently so that their collaboration helps in creating a good corporate culture and does not affect the work process.

Therefore, the objective is to develop a communication strategy on how to contribute to the improvement of the corporate communication and cross-cultural communication, in particular, within NorYards, created by the merger of the two companies, by conducting a diagnostic analysis in which the current state of the corporate communication will be researched, analysing perception, information exchange, and collaboration in order for the company's management to obtain knowledge on how to improve communication within the company and, as a result, build a strong corporate culture, influence practices and strengthen the efficiency of the workforce on the market.

## **II. Organisational Context**

NorYards is a newly created company with vertical organisational structure. It consists of Bergen Group and Zaliv Shipyard, in which the employees from two different countries-Ukraine and Norway need to work together. 'Zaliv is one of leading shipyards in the East Europe' (N. Kuzmenko, Who We Are, 2007). Zaliv's 'investments and technical programs, marketing policy are aimed at perfecting shipbuilding and ship repairing technologies, shortening delivery time, improving quality of work and services' (N. Kuzmenko, Who We Are, 2007). The company exports its services and products to a lot of countries around the world. Russia, the Netherlands,

UK, Norway, Spain, Greece and Romania are among them (Who We Are, 2007). The company consists of about 1, 500 employees.

‘Bergen Group is an innovative supplier of products, services and solutions to the offshore and maritime industry. The Group has 1.000 skilled and motivated employees, working in well-established companies strategically located along the coast of Norway’ (Bergen Group, 2013). About 500 of the employees will be working in NorYards together with the employees from Zaliv.

NorYards consists of the two yards, earlier presented by Bergen Group: NorYards Fosen, NorYards BMV and one yard, earlier presented by Zaliv, namely NorYards Zaliv (NorYards). According to NorYards, these ‘shipyards have extensive experience in delivering advanced ships to the international market’ (NorYards, 2013). NorYards also includes NorYards Design & Engineering that deal with RoPax-design and engineering services (NorYards, 2013).

The frequency of communication between the employees from Norway and the employees from Ukraine depends on the department. In some departments the employees collaborate on a daily basis, in others- only occasionally or almost never. According to Oyvind Risnes, NorYards Corporate Functions & Communications Manager, ‘the formal cooperation between Norwegian and Ukrainian employees is normally limited to some departments/positions that need to interact in order to coordinate workflow, quality, progress, purchasing etc. Employees in engineering / technical department interact most frequently, as well as in purchase division’.

Additionally, NorYards has recently launched Intranet for making information exchange more efficient. However, the information is only available in Norwegian (personal communication, March 23, 2014).

### **III. Theoretical Framework**

The theoretical framework is supposed to help analysing the research object, and also help to answer the research questions.

The preliminary research has been made, as well as relevant literature and theories on improving the state of corporate communication and cross-cultural communication have been reviewed. This knowledge provides the answer to the first central question, giving an insight on relevant theories, which in turn, should provide information on how to answer the empirical central question.

Theories on cross-cultural communication, cultural differences and corporate culture have been used in formulating research perspective variables. Additionally, Hofstede's (1991) dimensions of culture and Hall's model of cultural differences are used for the analytical part of the research, while corporate communication improvement aspects are used for the empirical data collection.

#### ***3.1 Literature Review***

##### ***Corporate Culture***

Efficient corporate communication is inevitable for creating an efficient corporate culture. Employee alignment with the corporate culture of a company is vital for the company's success (F. Ovaitt, 2011). It has been proved by corporate communications practitioners that 'a 10 percent improvement in alignment on defined measures produces a six percent improvement in employee effort – and a two percent improvement in overall corporate performance' (F. Ovaitt, 2011).

Culture is as important for an organisation's success as its strategy. 'Strategy dictates *what* needs to be done; culture dictates *how* to do it' (MPI, 2006, p.1). If an organisation's culture is not aligned, the organisation cannot function properly.

Alignment: 'the vital – and continuous– process of mobilizing resources to meet their objectives. Alignment unites a company's plans and processes with the people that execute them, and a fully aligned business can easily demonstrate how the unification of strategies, stakeholders' actions and outcomes drive success' (MPI, 2006, p.1). Alignment helps to reach unification within an organisation.

There is a strong connection between national and corporate cultures, According to Hofstede (1985), the corporate culture values explain the company's practices and work behaviour of the employees, while the national culture is related to the core values of the people and is hard to change (G. Hofstede, 1985).

Different backgrounds are also likely to lead to cultural dominance. In case of cultural dominance people do not try to adapt to other cultures, and do what is natural for their own culture, expecting others to adapt to them (Nunez, Nunez Mehdi & Popma, 2009, p. 69). Cultural dominance can also be a part of ethnocentrism, 'The attitude that one's own group is superior' (Merriam-Webster's Dictionary, 2014). These attitudes can appear because of a certain cultural blindness, - 'the incapacity to comprehend how specific situations may be seen by individuals belonging to another culture due to a strict alignment with the viewpoints, outlooks, a and morals of one's own society or culture' (Psychology Dictionary, n. d.).

If both national cultures within NorYards expect each other to adapt to their cultures, and feel superior to the other culture, it is difficult to find common ground for an efficient cooperation. Thus, it affects the corporate culture of the company.

According to Grunig and Hon (1999), particular criteria need to be met to cooperate efficiently. There should be a feeling of openness and demonstration of commitment. Moreover, tasks should be discussed, so that no one feels left out (p.15). Grunig and Hon (1999) also identify 4 outcomes to have a successful cooperation. The first outcome is control mutuality. It assumes

that both parties need to have some degree of control over each other's actions (p.19). The second outcome is trust. The overall satisfaction is the third outcome. This indicates that the parties, taking part in the communication process think positively about the relationship, and that positive aspects of the relationship outweigh the negative ones. The fourth and the last outcome is commitment, assuming that the relationship is worth to pursue.

### *Cultural Differences*

For the purpose of defining cultural differences between the employees of the two national cultures, and thus, creating a unified corporate culture and improving the company's business performance, the two cross-cultural models- Hall's Model of Cultural Differences, Hofstede's Cultural Dimensions - are analysed with regard to their applicability within NorYards.

### *Hofstede's Dimensions of Culture*

Hofstede indicates 5 dimensions of culture. These are:

1. Power Distance

Power distance is 'the degree in which the less powerful members of an organization accept that power is distributed unequally' (Nunez, Nunez Mehdi & Popma , 2009, p.48)

2. Individualism vs. Collectivism

In individualistic societies each person is responsible for themselves. Moreover, communication in an individualistic society is direct and low context. While collectivistic cultures are 'we'- oriented and use less direct ways of communication. (Nunez, Nunez Mehdi & Popma., 2009).

3. Masculinity vs. Femininity

'A masculine society is one where assertiveness, achievement and success are important values' (Nunez, Nunez Mehdi & Popma, 2009, p.55). In such societies 'gender-roles are strictly divided' (Nunez, Nunez Mehdi & Popma., 2009, p.55). In feminine cultures 'men as well as women are supposed to be modest tender and oriented towards quality-of-life' (Nunez Mehdi & Popma., 2009, p.55).

#### 4. Uncertainty Avoidance

The level of uncertainty avoidance shows how comfortable one feels in an unstructured and unplanned situation. In high uncertainty avoidance societies there are strict rules that need to be followed. In low uncertainty cultures, on the other hand, rules are flexible (Nunez, Nunez Mehdi & Popma., 2009)

#### 5. Long-term Orientation vs Short-term Orientation

In countries with long-term orientation success is important, and 'failure leads to loss of face' (Nunez, Nunez Mehdi & Popma 2009, p.61). Perseverance and thrift are of a great value. In short-term oriented cultures, fast results are important, and success and failure are 'seen as results of luck and chance' (Nunez, Nunez Mehdi & Popma, 2009, p.61).

### *Country Scores on Hofstede's Five Dimensions of Culture*

Cultural differences are the barrier in the communication between the employees of Zaliv and the employees of NorYards. The employees come from the countries with two very different backgrounds.

Hofstede did not analyse Ukraine, as by the time the research was done, Ukraine was part of the USSR. Nevertheless, Hofstede researched Russian culture. Ukraine and Russia are the countries with rather similar identities, due to the fact that historically they appeared to be one country for many centuries. Their roots come from Kievskia Rus', and later they were part of Russian Empire, and, afterwards, the USSR. (Russia- Ukraine travel, n.d.). Therefore, Hofstede's results for Russia are taken as valid results for Ukraine.

According to Hofstede's cultural dimensions (1991), Norway and Russia are two sides of the pole. The countries' scores for power distance are radical: In Norway power distance is at a very low level, while power distance in Ukraine is very noticeable. The Norwegians tend to not have hierarchies in organisations, while Hofstede's scores for Russia show that hierarchies are an important part of the organisational culture in Russia. The Norwegians are more individualistic than the Russians. This means that the Russians are more used to be a part of a group than the Norwegians, and the Russians tend to be more 'we' oriented, while the Norwegians tend to be more 'I' oriented. According to the country scores, Russia is much more masculine than

Norway. The index of masculinity in Norway is very low, implying that the division of gender roles is different from that in Ukraine. Norway has also lower scores in uncertainty avoidance than Russia, meaning that the Russians feel less comfortable in unknown situations than the Norwegians. The level of uncertainty avoidance in Russia is very high, implying that it is very important for the Russians to have everything structured and planned. Hofstede's research on long term orientation excluded Russia. The results on long term orientation in Norway show that the Norwegians are more concerned with short term results. For them free time is important and failure is considered to be a new opportunity (Nunez, Nunez Mehdi & Popma, 2009).

	Power Distance	Individualism	Masculinity	Uncertainty Avoidance	Long Term Orientation
Norway	31	69	8	50	20
Russia	93	39	36	95	-

*Table 1: Hofstede's (1991) country scores on cultural dimensions*

*Source: Intercultural Sensitivity (2009), p.64*

As it may be seen in the table, Norway and Ukraine have absolutely different indices in cultural dimensions.

### *Hall's Model of Cultural Differences*

According to Nunez C. (2009), 'Edward and Mildred Hall use a set of 6 tools, called key concepts, for more effective intercultural communication' (p.11). Three of them are applicable to the project, these are:

1. High and Low Context t Communication
2. Monochronic and Polychronic Time
3. Personal Space (p.11)

Each conversation takes place within a certain context, but the meaning, assigned to what was communicated varies from culture to culture (Nunez, C., 2009). In low context cultures messages are communicated directly and explicitly, which may seem rude and extremely straightforward to people from high context cultures. In high context cultures, on the other hand, 'most of the message is in the context (what surrounds the message)' (Nunez, C. 2009, pp. 12-13). Such messages are implicit and people from low context cultures 'can get irritated by them' because they are 'used to receiving compartmentalised information' (Nunez, C. 2009, p 15.)

In monochronic cultures people tend to do one thing at a time, without any interruptions, while people in polychronic cultures tend to find it more important to have a nice conversation while doing a task. Moreover, doing a lot of things at the same time is a norm for them (Nunez, C. 2009). In monochronic cultures meeting deadlines is rather important, compared to the polychronic cultures.

Personal space is also an important factor to consider when talking to a person from a different culture. In some cultures, personal space is rather small and can be interpreted as infringing somebody's personal space. On the other hand, for people with small personal space it may seem rude when somebody is standing too far from them.

## IV. Research Design

### *4.1 Research Objective*

NorYards' problem was identified at the beginning of preliminary research, which is insufficient corporate communication, in particular, between the employees of Bergen Group and the employees of Zaliv. Since the problem has already been defined, the intervention stage of the research is the design (Verschuren & Doorewaard, 2010). Thus, the aim is to design a feasible communication advice on how to improve the corporate communication, and communication between the employees of the two national cultures, in particular, and, as a result, improve the corporate culture.

- A) *The objective is to develop a communication strategy on how to contribute to the improvement of the corporate communication, and cross-cultural communication, in particular, within NorYards,*
- B) *by conducting a diagnostic analysis in which the current state of the corporate communication will be researched by analysing perception, information exchange, and collaboration in order for the company's management to obtain knowledge on how to improve communication within the company and, as a result, build a strong corporate culture, influence practices and strengthen the efficiency of the workforce on the market.*

## ***4.2 Research Framework***

The interrelations between the theoretical framework, research perspective and research object are presented in the research framework. Moreover, it explains the development of the final outcomes.

The conceptual model involves the aspects of the research that are of a particular significance to analysing the current state of the corporate communication. Consequently, the research object can be defined, which is the communication between the employees of Zaliv and Bergen Group. The project will be concluded with the communication advice for improving the state of the corporate communication within NorYards based on the analysis of the corporate communication, and cross/ inter-cultural communication, thus creating the ground for crafting an efficient corporate culture.

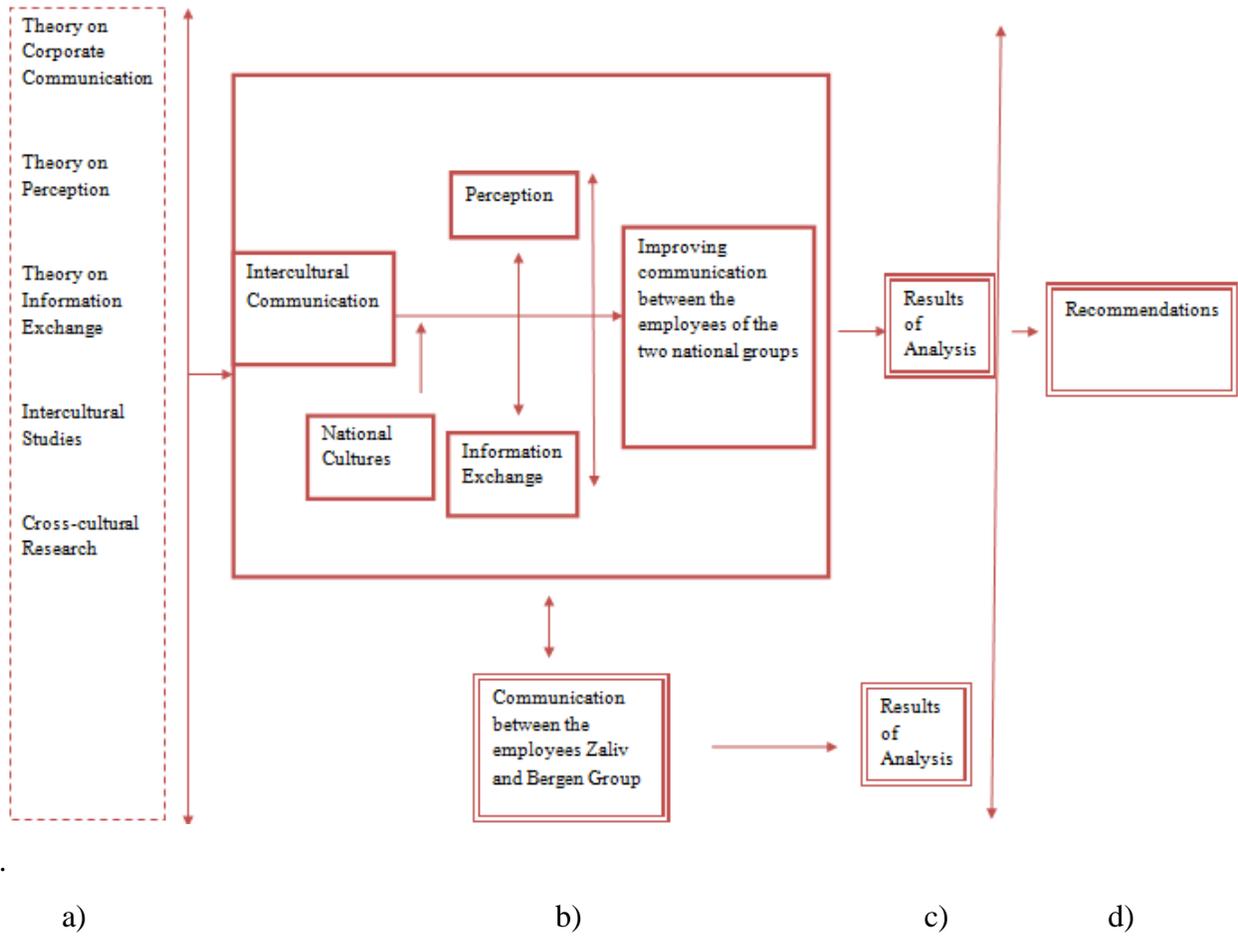
The research framework is divided into four steps - A, B, C and D, which relate to the theoretical framework, analysis of the research object, comparison of the results and, finally, recommendations.

*A) A study on the corporate communication and cross/ inter-cultural communication, supported by communication improvement strategies, corporate culture improvement strategies, intercultural and cross-cultural studies, derived from relevant literature*

*B) on the basis of which communication between the employees will be analysed.*

*C) Analysis results conclude*

*D) an advice to the management of NorYards regarding the improvement of the corporate communication*



### ***4.3 Research Object***

In order to understand what factors influence the current state of the corporate communication in a negative way and how to bring the current state closer to the desired one, communication between the employees of Zaliv and the employees of Bergen Group should be analysed.

### ***4.4 Research Questions***

*I. What aspects can be retrieved from the theory on corporate communication, perception, information exchange, collaboration, intercultural/ cross-cultural research in order improve the corporate communication of NorYards?*

*II. What is the current state of the corporate communication within NorYards?*

1. How frequently and via what channels do the employees of both national cultures communicate with each other?
2. How do the employees of different cultural groups perceive each other in terms of their cultural backgrounds?
3. How efficient do the employees find the current state of the communication between the national cultures?
4. What are the differences in values and practices of the employees of the two cultural groups?
5. Is there prejudice? If yes, what type of prejudice is it?

*III. What can be done in order to solve the communication problem between the employees of Zaliv an Bergen Group in order to improve the corporate communication and, as a result, create and maintain one unified corporate culture?*

1. What should be done in order make the employees aware of the cultural differences?
2. What has been already done to improve communication?

## **V. Research Strategy and Methodology**

The research is to be carried out in a diagnostic practice-oriented way, meaning that it is both exploratory and explanatory (Saunders, Lewis & Thornhill, 2009). Therefore, the desired outcome needs to be defined in order to provide NorYards with an accurate and feasible communication advice. Data were collected through secondary research, using induction techniques. Quantitative as well as qualitative data are important to the research, meaning that the approach is multi-method (Saunders, Lewis & Thornhill, 2009). Two main data collection techniques were used: literature review and questionnaires.

The empirical question is exploratory and should help defining the current state of corporate communication in the company. An inductive approach will be used in order to apply the relevant theories. Moreover, the questionnaires created are supposed to give an overview of how the employees from the two national cultures perceive each other and what conditions are important for them at work. Both qualitative and quantitative analysis will be provided. The questionnaires consist of likert scale questions and open-ended questions. Likert scale questions will be dealing with cultural backgrounds of the employees, taking into account Hofstede's dimensions (Individualism vs Collectivism, Power Distance, Uncertainty Avoidance, Long term orientation vs Short term orientation, Masculinity vs Femininity), as well as Hall's concepts ( High/ Low Context Communication, Personal Space and Monochronic/ Polychronic Culture). To be as objective as possible, the questionnaires will include questions already designed by a communication professional H. Johnston. The questions will be analysed with the help of statistical analysis. Open-ended questions are supposed to give an overview of how the employees of the two national groups see each other and the current state of communication, and will be used to give a better overview of the situation with the help of content analysis. The questionnaires will be sent to 200 employees (100 per country) and should be filled in anonymously. In order to have valid results, the minimum of 25 questionnaires per country should be filled in. The answers will provide the information on the cultural differences between Norway and Ukraine, and the communication between the employees from these countries, that will be supplemented with the theories. Besides, with the help of the questionnaires, it will be

easier to understand and analyse how the employees from one national culture perceive the other national culture.

### ***5.1 Designing a questionnaire***

The questionnaire has been designed according to the guidelines of Dr. James E. Grunig and Dr. Linda Childers Hon (1999), developed in the article 'Guidelines of Measuring Relationships in Public Relations'. In order to adjust the questionnaire to the cross-cultural issues, questions, designed by a communication professional Johnston, H.J. were included, presented in his work 'Leadership in Cross-cultural Environments: The Relationship Between National Culture and Corporate Culture as it Pertains to Work Ethics and Corporations'. The questionnaire targets the employees of Bergen Group and the employees of Zaliv, primarily those who are directly influenced by the cooperation. The aim of the questionnaire is to show the current state of the corporate communication and how the employees from the different national groups perceive each other. After the advice, presented in this report, will have been applied, the questionnaire can be filled in by the employees again to see how the communication has changed.

### ***5.2 Limitations***

There are a few limitations that have influenced the research process. First of all, there are time constraints: the project is to be carried out for 17 weeks. Furthermore, in order to obtain accurate information, a certain number of filled-in questionnaires was needed. It took long to receive the needed number of the filled-in questionnaires. Besides the number of the answers, in order to make the research accurate, the answers should be honest. It might have appeared as a problem for some employees who might feel uncomfortable to fill in a questionnaire, where their attitude towards a certain issue is asked.

A language barrier could have also been a limitation. English was used as the main language in designing the questionnaires. None of the employees has English as their mother tongue.

## **VI. Findings**

In the following section the data that were obtained during the research will be presented. This information provides the foundation to the strategy implementation, presented the report.

The differences in cultures become an obstacle to creating trustworthy relationships between the employees that include the overall satisfaction, control mutuality and commitment. Moreover, according to the results of the questionnaire, there tends to be no feeling of openness in such relationships.

### ***Power Distance***

According to the results of the questionnaire, Ukrainian employees prefer high power distance to low power distance which confirms the theory. The questionnaire results show that 90 % of the Ukrainian employees prefer formal hierarchies, and only 10 % were not sure which organisational structure is better. As it turned out, the Norwegian employees also prefer having a hierarchical organisational structure. 58 % of the Norwegian employees agreed that organisations function best when there is a clear hierarchy. No one disagreed with this statement (fig. 1). This is controversial to Hofstede's country scores, making the Norwegians prefer medium power distance, and not low power distance as it is presented in the literature.

The results show an extreme difference in the attitude towards the privileges for people at higher levels. 93, 3 % of the Ukrainian employees agree that the number of privileges offered depends on the position one fills, while 61, 8 % of the Norwegian employees find it incorrect (fig.2).

At the same time, 33, 3 % of the Ukrainian employees agree that everyone within an organisation should have same rights, and 16, 7 % disagree with this, showing that the Ukrainian employees are do not prefer extremely high power distance ( fig. 3). Despite some deviations, the overall results prove that Ukraine is a country with high power distance, with an overall score of 66, 2% (fig.4).

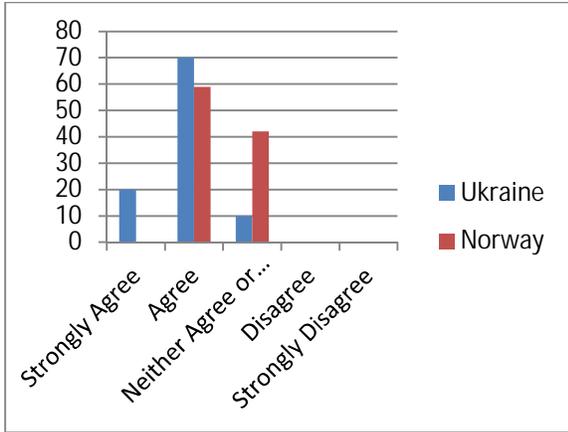


Fig. 1: Q 15: Formal hierarchies are important for an organisation's functioning.

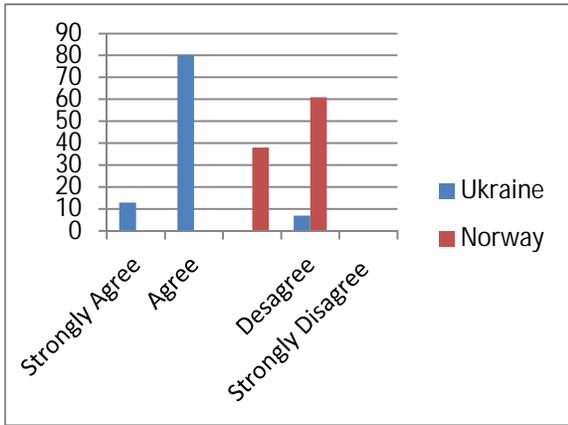


Fig.2: Q. 6: People at higher level should expect more privileges.

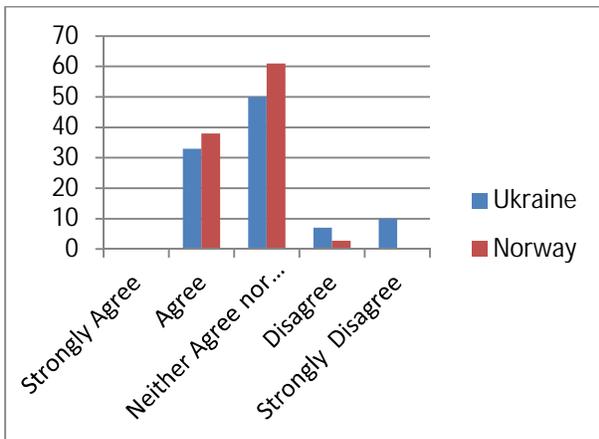


Fig. 3: Q 16 All people within an organisation should be equal.

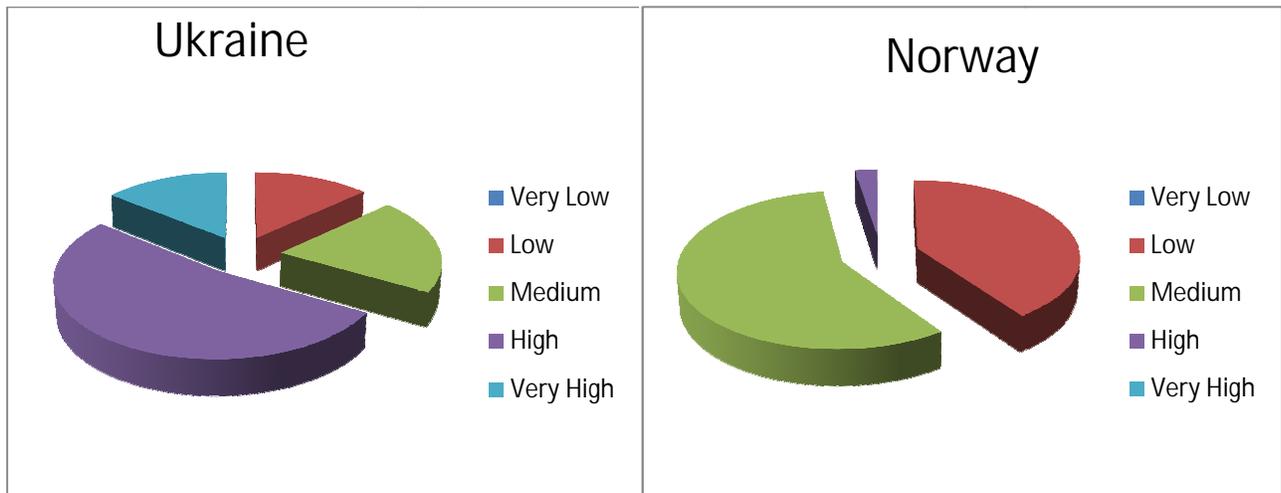


Fig. 4: Power Distance

### ***Individualism vs Collectivism & Personal Space***

80 % of the Ukrainian employees and 50 % of the Norwegian employees think that within a team everyone should be responsible for everyone, while only 10 % of the Ukrainian employees and 0 % of the Norwegian employees disagree with this statement. These scores show the collectivistic side of both cultures (fig. 5).

80 % of the Ukrainian employees agree that the interest of the group is more important than the interest of the individual, 20 % neither agree, nor disagree with the statement, and 0% did not agree with it, presenting Ukraine as a collectivistic culture. At the same time, the Norwegian employees appeared to be more individualistic from this point of view. 41, 2 % of the Norwegian employees put an individual's interest above the interest of the group. Nevertheless, more than half of the Norwegian employees agree that a group's interest is more important than that one of an individual (fig.6).

The responses to whether to rely on oneself or on the group have shown the differences in cultures. 40 % of Ukrainians disagree with the statement that it is better to rely on oneself, in

comparison to 0% of Norwegians. 60% of the Ukrainian employees and 73, 5 % of the Norwegian employees agree with the statement (fig.7).

Personal space in both countries appears to be relatively similar, but it turns out to be smaller in Norway. 60 % of the Ukrainian employees and 32 % of the Norwegian employees find it uncomfortable to have someone stand too close to them. Relatively the same number of people- 30 % of the Ukrainians and 32 % of the Norwegians think it is acceptable if a person stands very close to them (fig. 8).

The results of the survey show that the Ukrainian employees are collectivistic and the Norwegian employees are in the middle of being collectivists and individualists. The results on the Ukrainian employees confirm the theory (50 % of the responses have shown that Ukraine is a collectivistic culture), while the Norwegian employees appear to be much more collectivistic than stated in the literature. 36, 7 % of the results show that the Norwegians have an individualistic culture, while, at the same time, almost the same percentage-35, 2%- shows that Norwegians have a collectivistic culture, and 27, 9 % show that Norway is in between being a collectivistic or an individualistic culture (fig. 9).

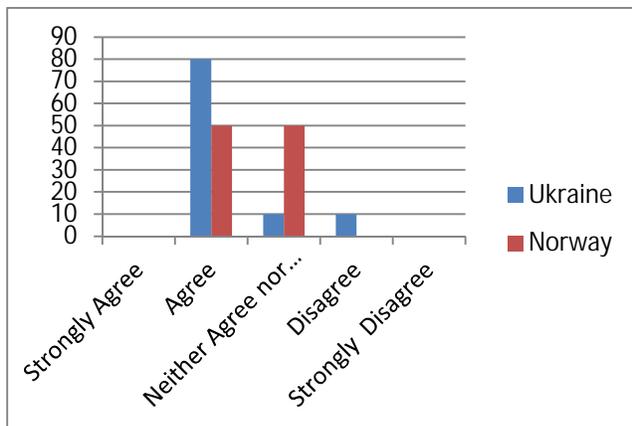


Fig. 5: Q13 All members of the group should be responsible for each other.

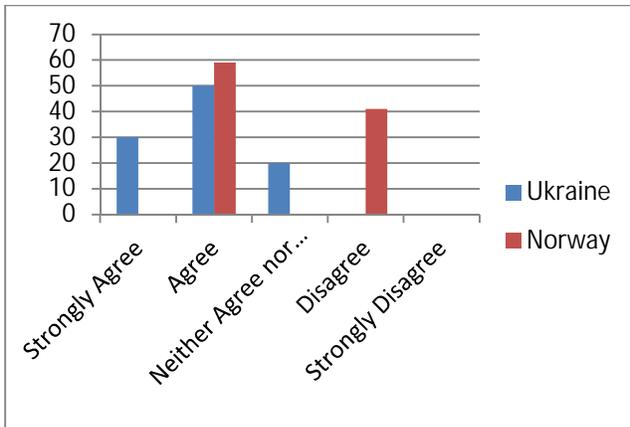


Fig. 6: Q14 The interests of the company as a whole are more important than the interests of any individual within the company.

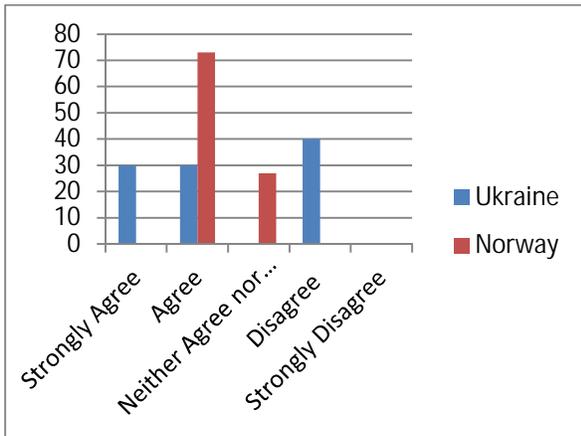


Fig.7: Q5 People who rely only on themselves will usually be successful.

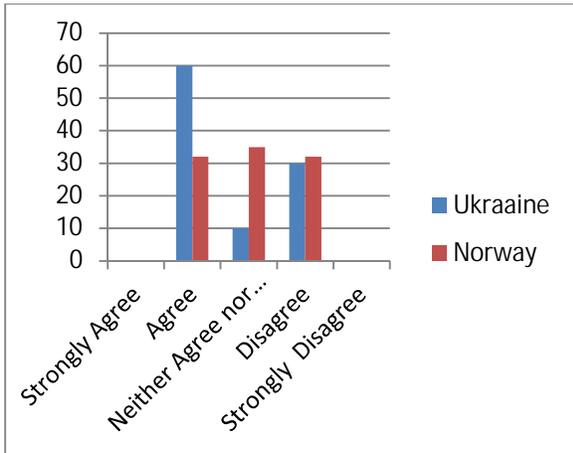


Fig. 8: Q10 I do not feel comfortable if a person stands too close to me.

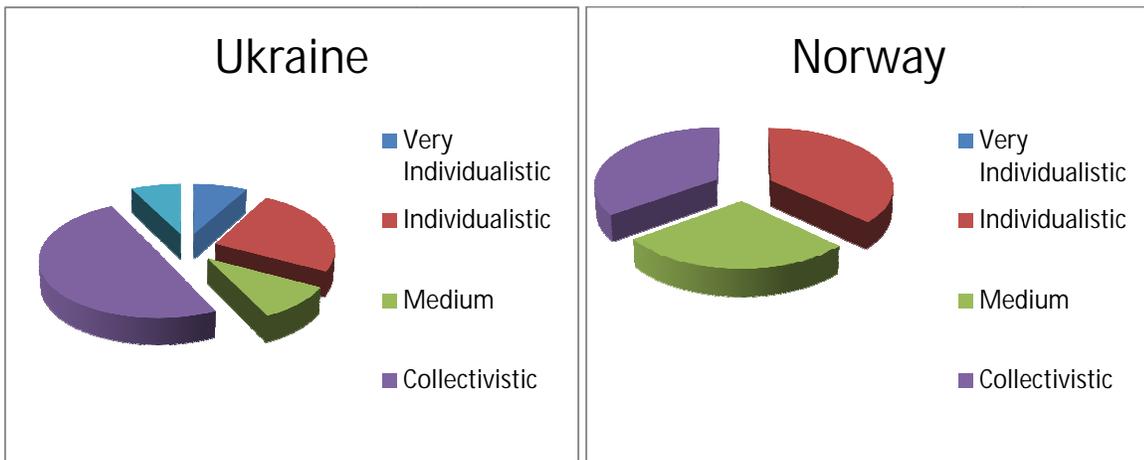


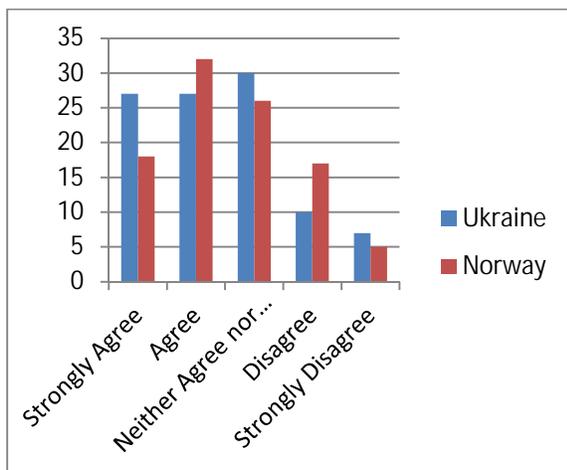
Fig. 9: Individualism vs Collectivism

### *High Context vs Low Context*

More than half of the Ukrainian employees, namely, 53, 4% and, almost half of the Norwegian employees- 49, 9 %- are straightforward when speaking up their mind. 30 % of the Ukrainians and 26, 5 % of the Norwegians neither agree, nor disagree with the statement. 16, 6 of the Ukrainians and 24, 6 % of the Norwegians disagree with it (fig.10).

The Ukrainian employees are more likely to keep silent if somebody is doing something wrong, than the Norwegians. 36, 7 % of the Ukrainians, compared to 8, 8 % of the Norwegians agree that they would say nothing. 33 % of the Ukrainians and 47 % of the Norwegians neither agree, nor disagree, and 30 % of the Ukrainians and 44, 3% of the Norwegians disagree with the statement (fig.11).

Both cultures appear to use low or medium context when communicating, rather than high context. The results show that the 41, 7 % of the Ukrainian employees and 47, 1 % of the Norwegian are low context. 31, 7 % of the Ukrainians, and 36, 8 of the Norwegians prefer medium context. 8, 3 % of the Ukrainians and 16, 2, % of the Norwegians, respectively, prefer high context (fig. 12)



*Fig. 10: Q9 I am always straightforward in speaking up my mind.*

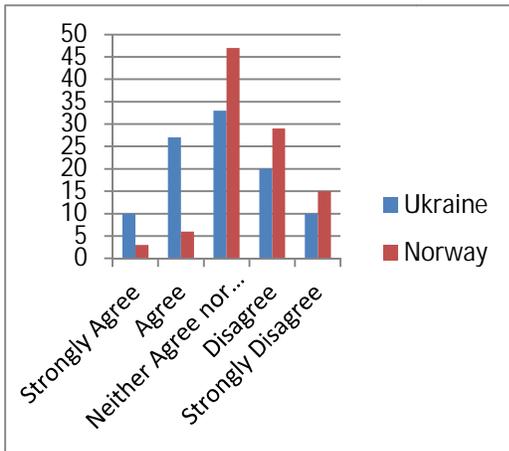


Fig. 11: Q2 If a person does something wrong, I will not tell him/her anything in order not to offend him/ her.

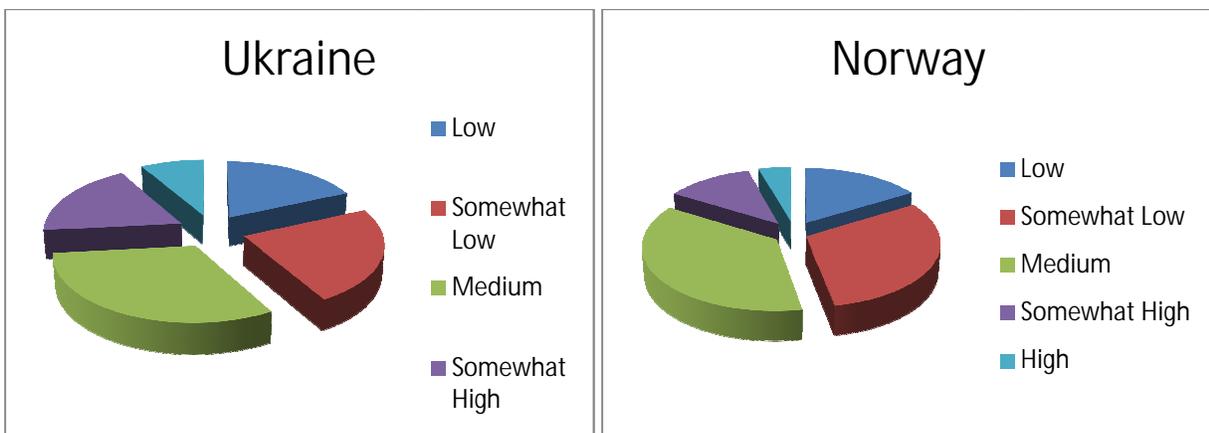


Fig. 12: High Context vs Low Context

### *Masculinity vs Femininity*

8, 8 % of the Norwegians and 20 % of the Ukrainians agree that women and men should be equal at work, and 32, 5 % of the Norwegians and 10 % of Ukrainians do not agree with the statement (fig. 13.)

The majority of the employees does not agree with the statement that women should not occupy managerial positions at work, however 20 % of the Ukrainian employees agree with it, in contrast to 0 % of the Norwegians (fig.14).

One of the traits of masculine cultures is temperance, meaning that emotions should not be shown. Ukraine appears to be more masculine in this sense than Norway. 60 % of the Ukrainian employees think it is impermissible to show one's emotions at work, while only 8, 8% of the Norwegian employees have the same opinion. 13, 3 % of the Ukrainian employees do not agree that one should hide their emotions, and 26, 7 % neither agree, nor disagree, in comparison to the Norwegian employees. 23, 6 % of the Norwegians disagree with the statement, and 67, 6% neither agree, nor disagree (fig. 15).

In contrast with the theory, the results of the survey on masculinity and femininity show that both countries are somewhere in between being masculine and feminine. However, as well as the theory, the results show that Ukraine is more masculine than Norway, and vice versa (fig.16).

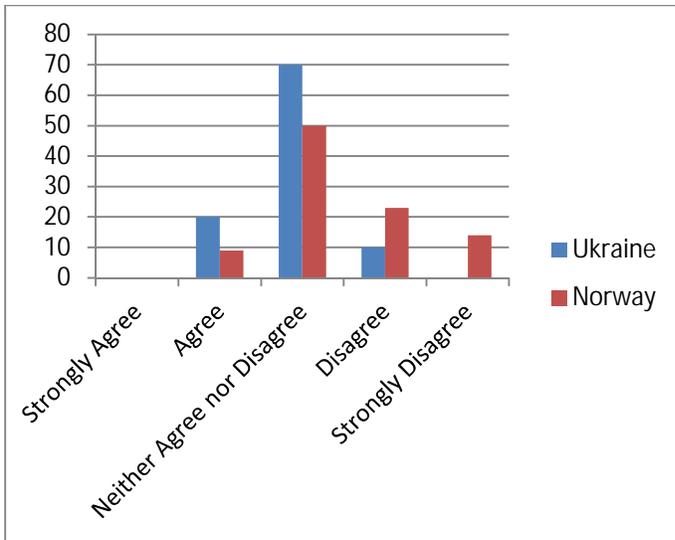


Fig. 13: Q11 Men and women should be equal at work.

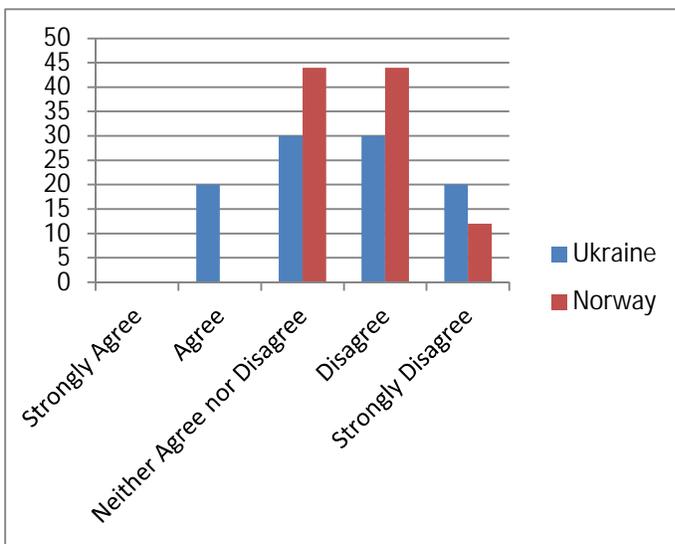


Fig. 14: Q4 Women at work should not occupy managerial positions.

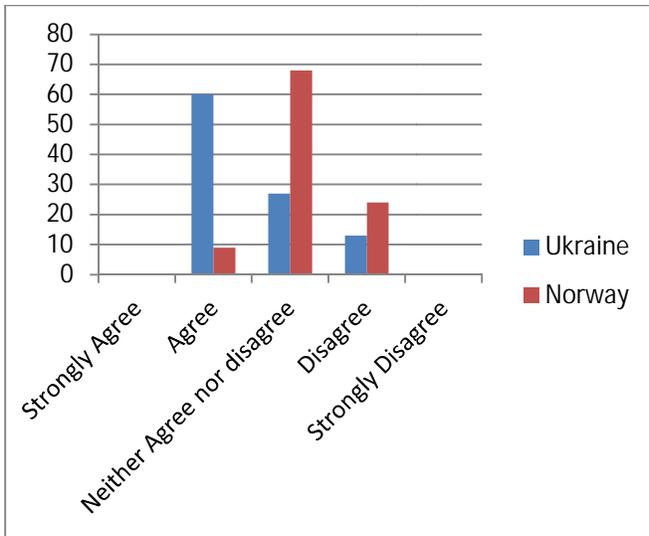


Fig. 15: Q12 Work is not a place for showing one's emotions.

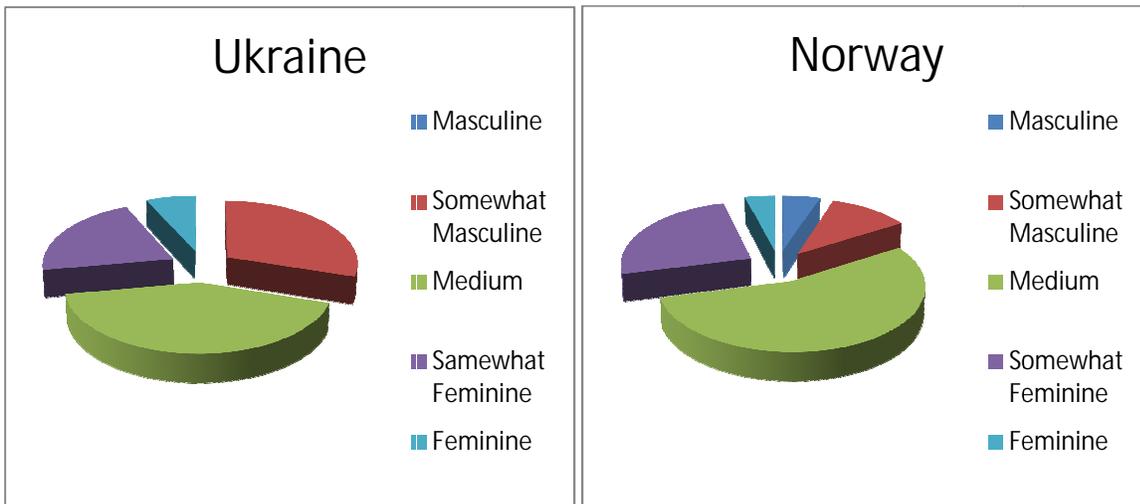


Fig. 16: Masculinity vs Femininity

## *Uncertainty Avoidance*

According to the questionnaire results, the Norwegian employees worry less about having everything planned than the Ukrainian employees. For the Norwegians it is more important to have the work done than to stick to a deadline (fig.17).

Both the Ukrainian employees and the Norwegian employees admit the importance of deadlines (Ukrainian employees: 83, 3%, Norwegian employees: 64, 7%). However, for the Norwegian employees the deadlines are of less importance than having the task done (55, 9%). 43, 4 % of the Ukrainian employees agree with that (fig. 18). This also shows that the Ukrainian employees tend to be more monochronic than Norwegians. Nevertheless, neither of the cultures is polychronic.

The Ukrainian employees prefer having everything planned beforehand. 60 % of the Ukrainians and only 16, 6 % of the Norwegians start feeling nervous when something goes not according to their plan. Only 17, 7 % of the Ukrainians and 20, 6 % of the Norwegians do not bother about the deviations in their planning (fig 19).

According to the results of the questionnaire, the Ukrainian employees are high uncertainty avoidant (60 % of the employees are high uncertainty avoidant), while the Norwegian employees are medium uncertainty avoidant (35, 7 %). This confirms Hofstede's uncertainty avoidance results (fig. 20).

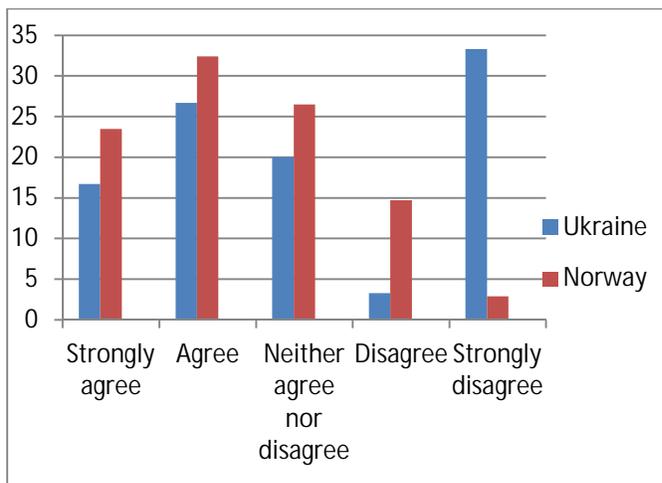


Fig. 17: Q1: Taking the necessary time to do things is more important than meeting deadlines.

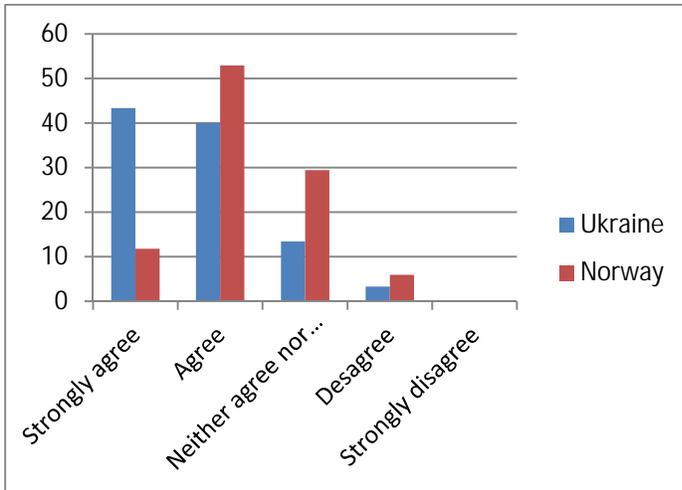


Fig. 18: Q8 Deadlines are of a great importance.

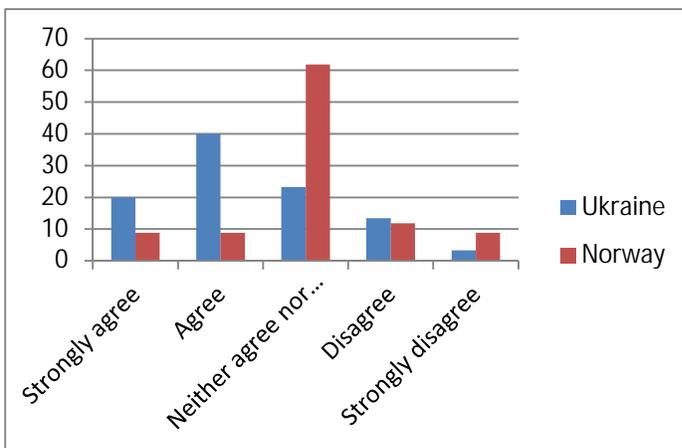


Fig. 19: Q 17 I start feeling nervous when something goes not according to my plans.

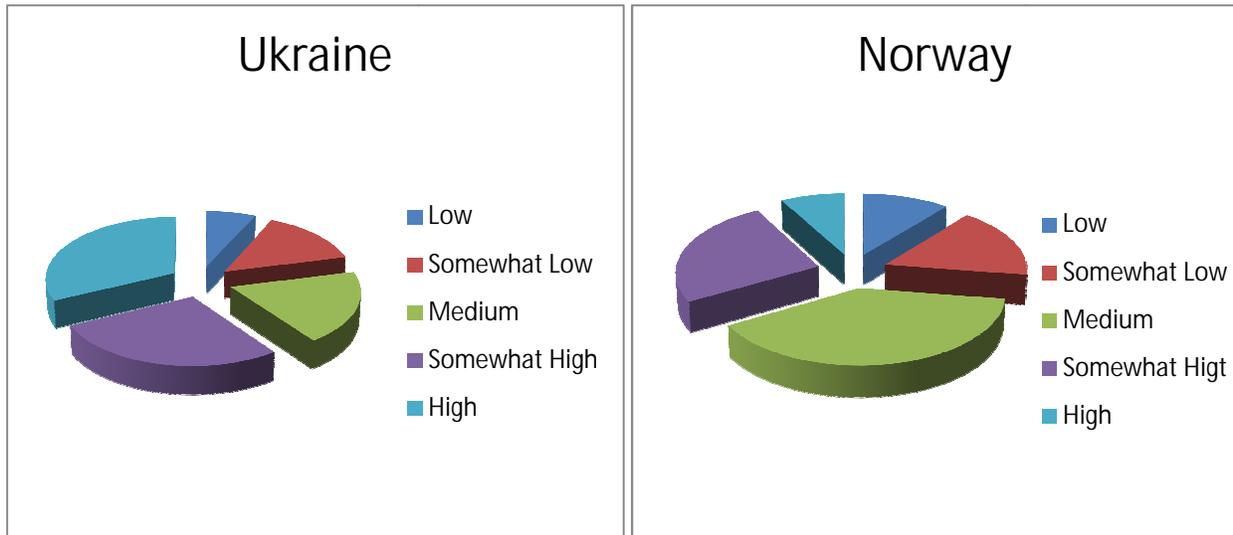


Fig. 20: Uncertainty Avoidance

### ***Long-term Orientation vs Short-term Orientation***

30, 5 % of the Ukrainian employees prefer long-term orientation, in contrast to 14, 7 % of the Norwegian employees (fig. 21). Additionally, 33, 8% of the Norwegian employees prefer short-term orientation, in comparison to 15 % of the Ukrainian employees. 66, 7% of the Ukrainians and 29, 4% of the Norwegians think that it is rather important to base the decisions on the long-term needs, while 0% of the Ukrainians and 4, 2 % of the Norwegians disagree with the statement. 30 % of the Ukrainian employees and 26, 4% of the Norwegian employees find it rather important to take into account short-term needs when allocating resources, and 26, 7 % of the Ukrainians and 0% of the Norwegians disagree with the statement (fig. 21, 22).

The results of the survey show that both countries are middle-term oriented. Nevertheless, Ukraine is more long-term oriented than Norway (fig. 23).

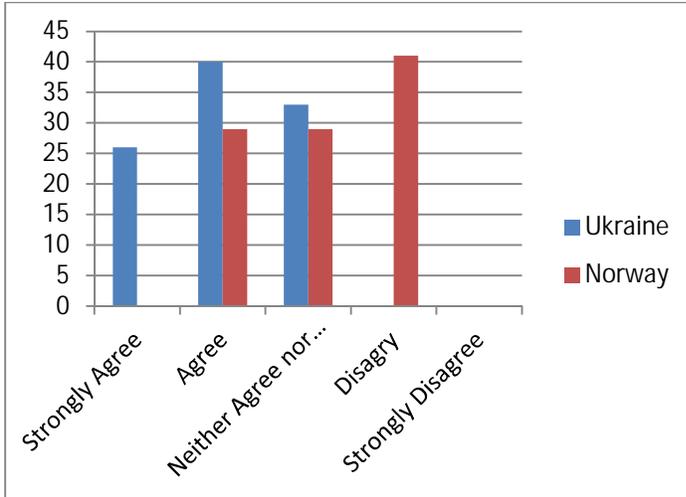


Fig. 21: Q7 When allocating resources in an organization, it is very important to base the decisions on long-term future needs.

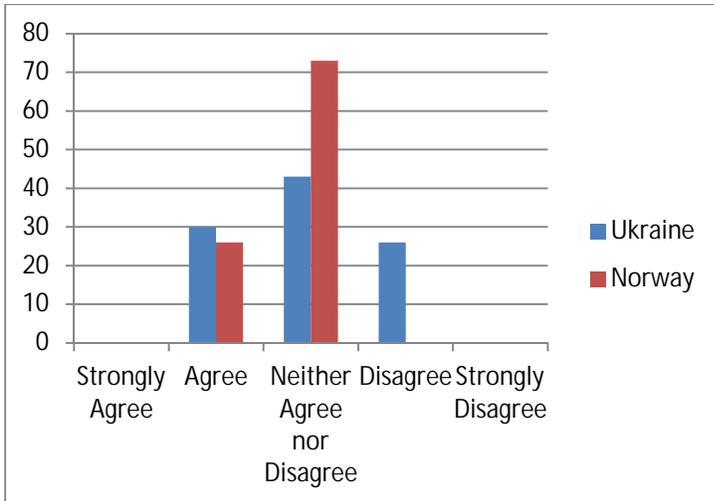


Fig. 22: Q18 When allocating resources in an organization, it is very important to base the decisions on current and short-term needs.

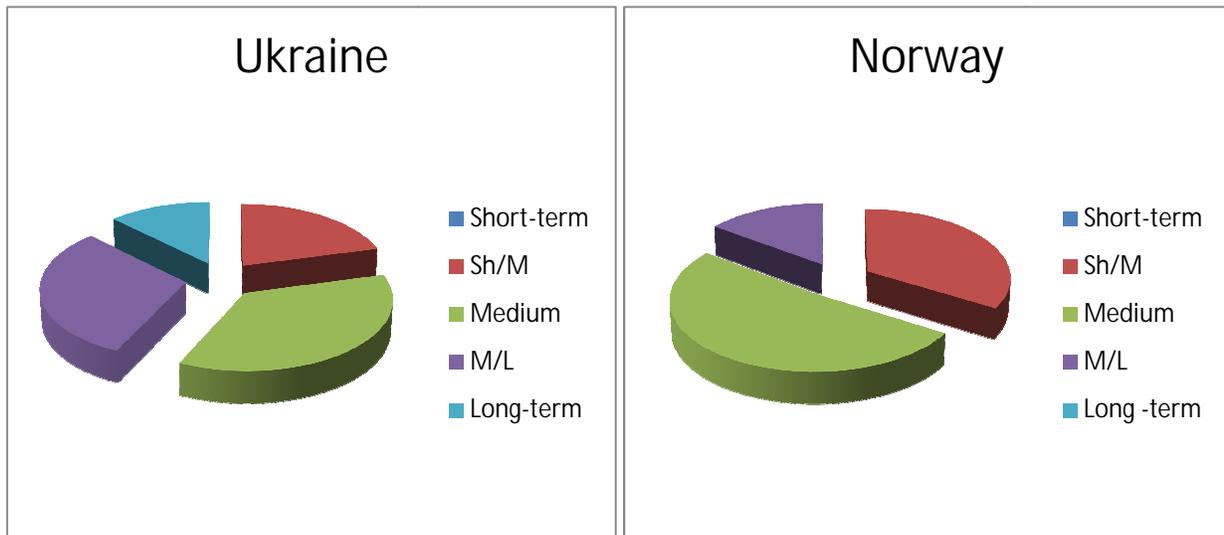


Fig.23: Long-term Orientation vs Short-term Orientation

### ***Communication efficiency***

Most of the employees find communication between the two cultural groups is relatively effective and efficient. The Norwegian respondents appear to be more satisfied with the state of communication than the Ukrainian respondents. 20 % of the Ukrainian employees admit that communication between the cultural groups is somewhat ineffective and only one respondent (3, 3 %) thinks that communication is ineffective. Neither of the Norwegian employees thinks so. 55, 3 % of the Ukrainian employees and 97 % of the Norwegian employees find it somewhat effective or effective. 20 % of the Ukrainians think that communication is very effective, 0 % of the Norwegian employees find it very effective (fig. 24). One of the responses of a Ukrainian employee was ‘We have got a good cooperation already’.

A few employees think that they do not interact as much as it is needed in order to understand each other’s cultures better: ‘Spending more time together with our foreign colleagues can help us understand each other better’. Most of the Norwegian employees, namely, 76, 4 % do not find their Ukrainian colleagues are culturally different from them, while 56, 7 % of the Ukrainian employees think there are differences in cultures (fig. 28). The differences in cultures, according

to one of the Ukrainian respondents have an influence on communication: 'They have another culture, it influences, I suppose... They have another opinion on some work moments'. The differences were observed not only at work: the difference in table manners was mentioned by one of the employees. One of the Norwegian employees mentioned that they '...do not spend much time talking about culture, but I am sure we are different'. A Ukrainian employee assumed that the differences in cultures '...might concern the way of the celebration of different holidays'. The results of the questionnaire have shown that the employees do not stereotype each other. None of the employees agreed that they stereotype people.

Most of the asked employees answered that they communicate with the employees from a different country only occasionally. Only 30 % of the Ukrainian employees and 5, 9 % of the Norwegian employees answered that they always interact (fig. 25).

30 % of the Ukrainian employees and 32, 4 % of the Norwegian employees never communicate when they are out of office (e.g. during lunch breaks). 30 % of the Ukrainians and 58, 8 % of the Norwegians communicate with each other when not in the office always or very often (fig. 26).

Most of the employees encounter a language barrier. Only 6, 7 % of the Ukrainian employees and 11, 8 % of the Norwegian employees answered that they do not encounter a language barrier at all. 47 % of the Norwegian employees and 38, 3 % of the Ukrainian employees say that misunderstandings happen from time to time (fig. 27). One of the Ukrainian employees mentioned that 'Sometimes problems with understanding appear because of pronunciation'. Nevertheless, 100 % of the respondents find it easy to work with each other, and they have never experienced any conflicts.

The employees' response to how to make the communication better was that they should spend more time together and that some events should be organised.

The Norwegian employees are more satisfied with the current state of communication between the national groups. Some of the Ukrainians are more negative, but also some are more positive about communication between the groups. All in all, both groups find the state of communication relatively efficient.

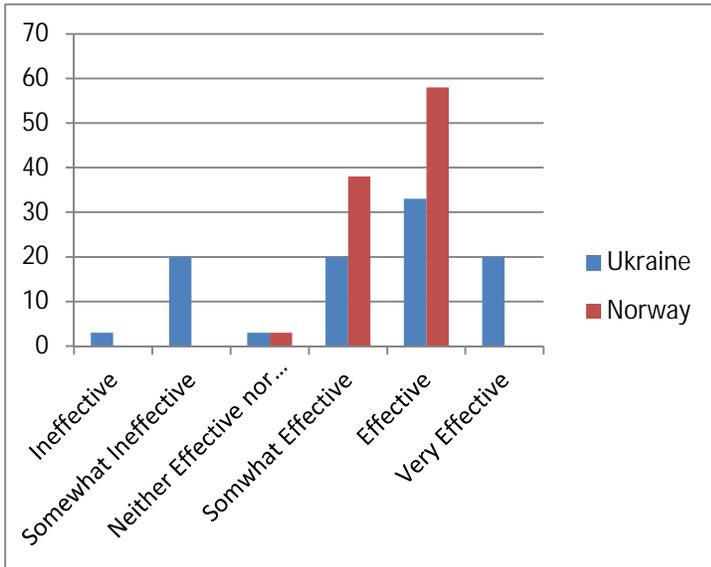


Fig. 24: Q20 How effective, in your opinion, is the communication?

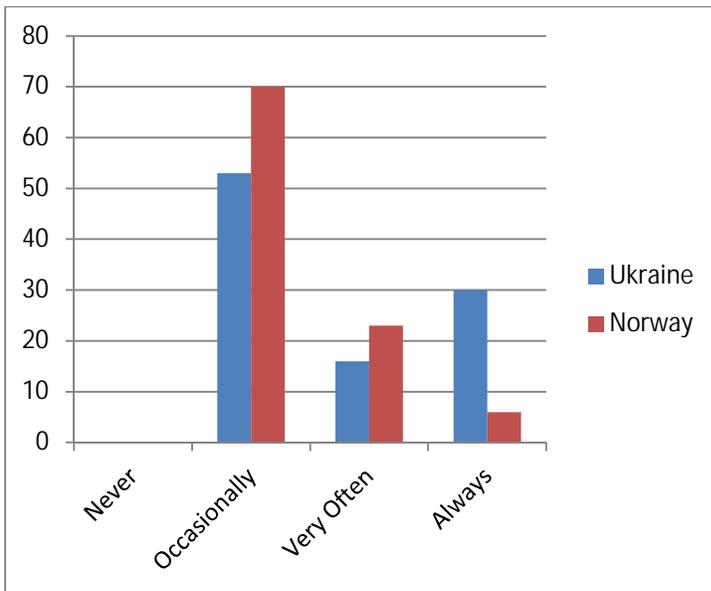


Fig. 25: Q19 How often do you communicate?

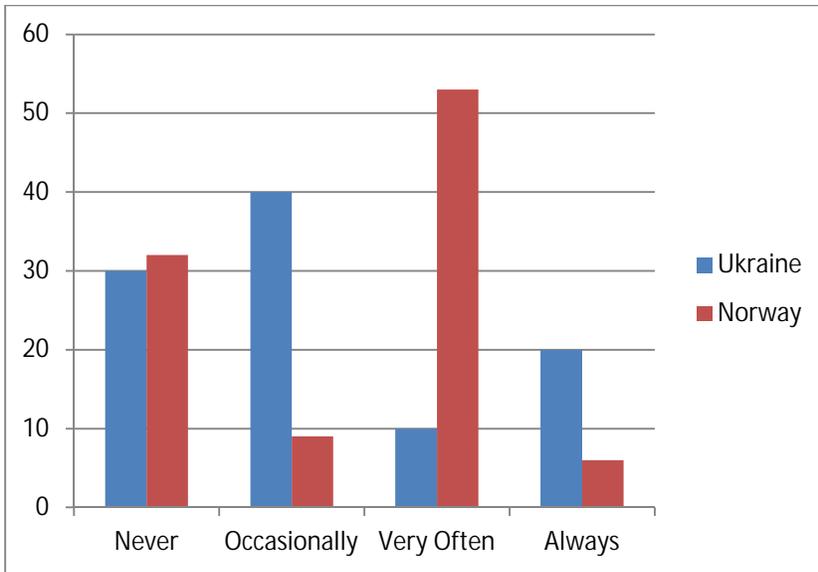


Fig. 26: Do you communicate during lunch breaks/ after work?

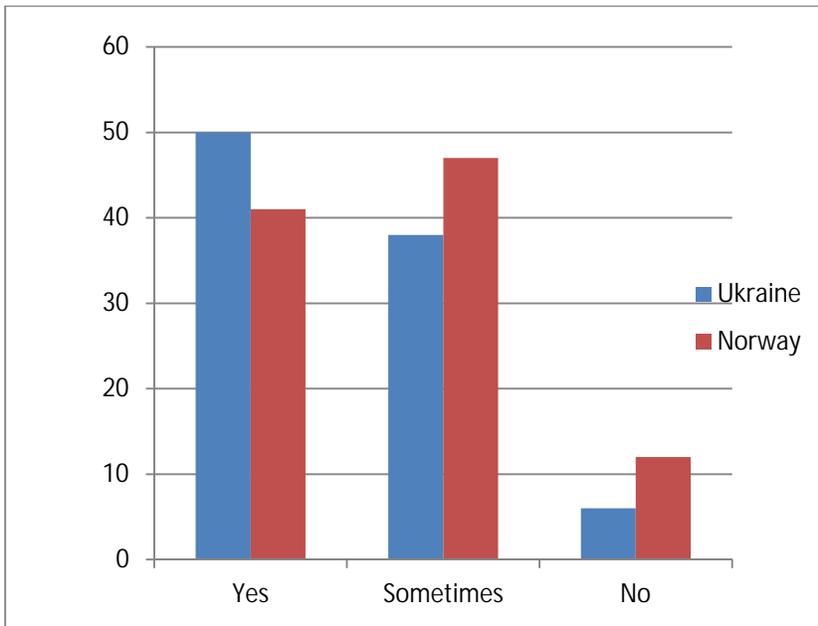


Fig. 27: Q22 Do you encounter a language barrier?

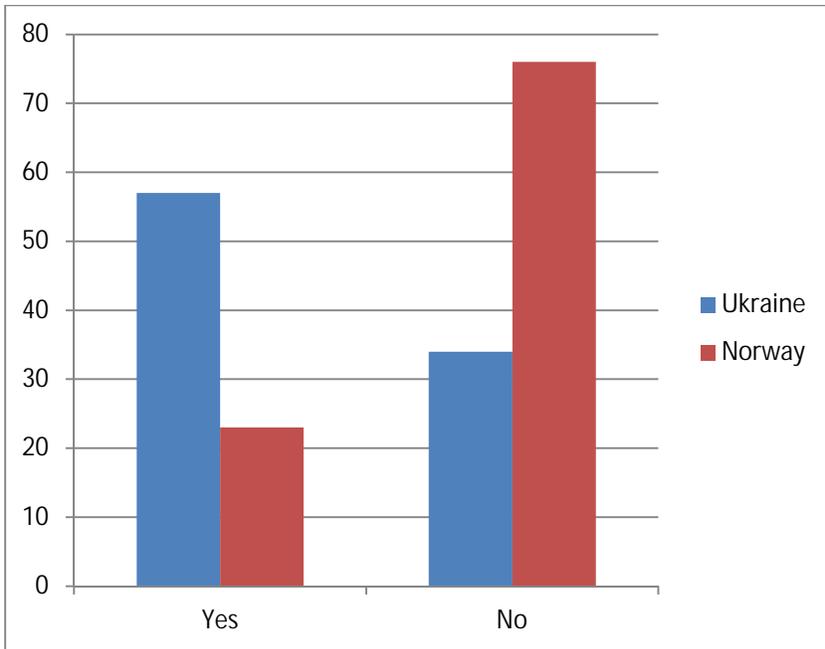


Fig. 28: Q23 Do you feel that your colleagues are culturally different from you?

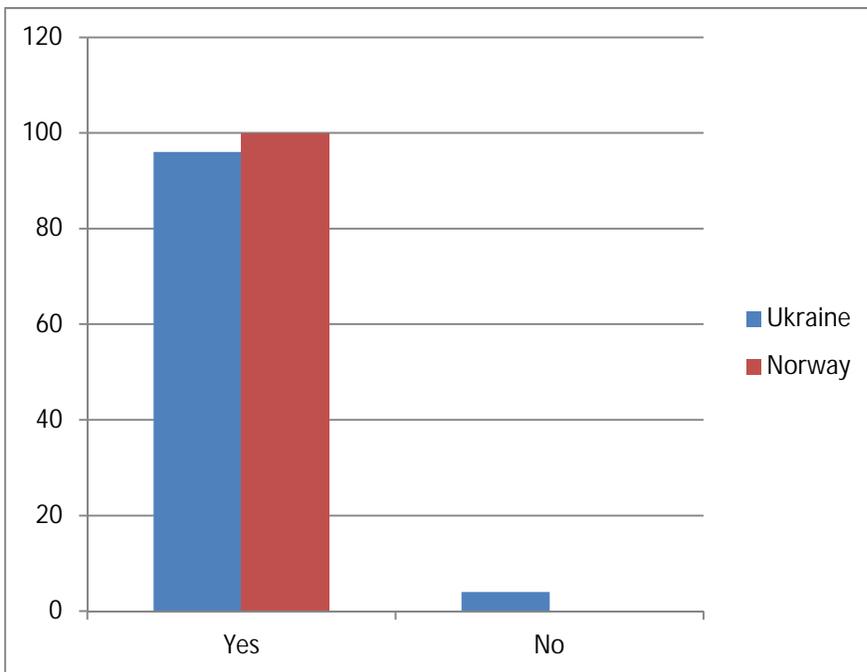
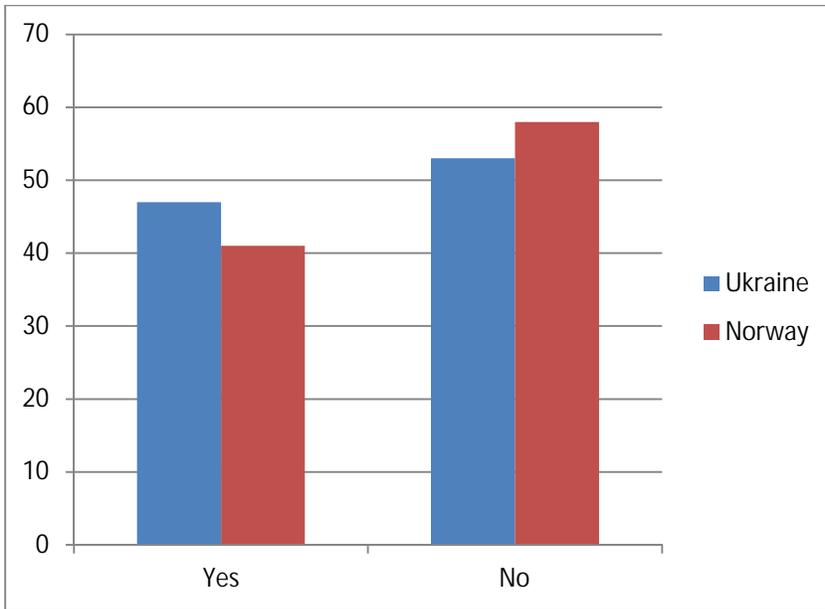


Fig. 29: Q24 Do you find it easy to work together with your colleagues?



*Fig. 30: Q25 Have you ever had any miscommunication/ misunderstanding issues with your colleagues?*

## **VII. Conclusion**

NorYards is a newly-created company; therefore its corporate culture should be crafted.

Corporate communication and corporate culture are interconnected. Hence, the first step on the way to mastering a corporate culture is making sure that communication within the company is efficient.

Trust is an important component of each and every relationship. Corporate culture becomes more effectual when there is trust between the employees. If there is trust, there is more collaboration, and its quality improves. This also is likely to improve the overall satisfaction. Moreover, there should be commitment and control mutuality.

The information exchange within NorYards cannot be called efficient. Although most of the employees find the current state of communication between the two cultural groups relatively efficient already, it is still different from the desired one.

The Norwegian respondents appear to be more satisfied with the state of communication than the Ukrainian respondents. Most of the Norwegian employees do not think that their Ukrainian colleagues are culturally different from them, while more than half of the Ukrainian employees think there are differences in cultures. Although there are differences in cultures, according to the employees there are no stereotypes.

Being unaware of values and practices of other cultures makes people culturally blind. The Ukrainian employees have more cultural experience since they have been living in a foreign country. At the same time the Norwegian employees may expect their foreign colleagues to adapt to their culture. This is likely to result in cultural dominance and ethnocentrism. To avoid this, it is important to raise awareness about each other's cultures.

NorYards is an organisation with vertical structure, meaning that communication is mostly top-down. The employees communicate in English via e-mails, phone, or person-to-person. Besides, NorYards has recently launched an Intranet. However, all the information is in Norwegian, making it impossible for the Ukrainian employees to be notified and informed via this communication channel.

The frequency of communication between the employees from Norway and the employees from Ukraine depends on the department. In some departments the employees collaborate on a daily basis, in others- only occasionally or almost never. According to Oyvind Risnes, NorYards

Corporate Functions & Communications Manager, 'the formal cooperation between Norwegian and Ukrainian employees is normally limited to some departments/positions that need to interact in order to coordinate workflow, quality, progress, purchasing etc. Employees in engineering / technical department interact most frequently, as well as in purchase division' (personal communication, March 23, 2014).

In the previously mentioned departments, the employees communicate not only regarding work-related matters, but there is also 'floor communication' going on. The 'floor communication' is in English and is very weak. Most of the asked employees say that they communicate with the employees from the other country only occasionally. Therefore, there is almost no communication outside the office. The employees find it more convenient to stay in groups with the same cultural background.

Besides the language barrier, the employees have different work-related values, making it more difficult to work together. Additionally, they need to work with people from a different culture, which makes it even more stressful for them. The Ukrainians are more collectivistic than the Norwegians. About half of the Norwegian employees put an individual's interest above the interest of the group. This can make the Ukrainian employees feel that the Norwegian employees are arrogant.

Although the employees from both countries prefer hierarchical organisations, the Norwegian employees think that the privileges for people at different levels should be similar, while most of the Ukrainian employees think that the number of privileges should depend on the position one fills. The employees from Ukraine are used to higher power distance than the Norwegian employees. Ukraine is more masculine than Norway. Therefore, there is a difference in perception of women at work. Neither of the countries is radical about working with women, but the Ukrainian employees are more concerned with the positions that a woman can occupy within the company. Moreover, Ukrainian employees think it is impermissible to show one's emotions at work, while only a few of the Norwegian employees have the same opinion. Lack of emotions or, in contrast, too many emotions can worsen the relationships.

Both countries are relatively straightforward in speaking up their mind. Nevertheless, the Ukrainian employees are more likely to stay silent if somebody is doing something incorrectly,

than Norwegians. This will not change the situation, and a person is likely to continue to do something incorrectly, making another person irritated, etc.

Ukrainian employees are more uncertainty avoidant than the Norwegians. Although, the questionnaire results showed that meeting deadlines is important for both cultural groups, the Norwegian employees are much less concerned with the deadlines than the Ukrainian employees. In this case the Ukrainian employees are likely to feel that the Norwegian employees are not responsible enough. The Norwegian employees, on the other hand, can experience pressure from the side of the Ukrainian employees.

Ukraine is more long-term oriented than Norway. For the Ukrainian employees long-term needs and short-term needs are important when taking decisions, while the Norwegian employees tend to decide taking into account short-term needs, rather than long-term ones. This means that the Ukrainians are more concerned with failures than the Norwegians, while the latter ones are more likely to see failures as new opportunities.

## VIII. Advice

The objective is to develop a communication strategy on how to contribute to the improvement of the corporate communication and cross-cultural communication, in particular, within NorYards. Therefore, a diagnostic analysis was conducted in which the current state of the corporate communication were researched, analysing perception, information exchange, and collaboration in order for the company's management to obtain knowledge on how to improve communication within the company and, as a result, build a strong corporate culture, influence practices and strengthen the efficiency of the workforce on the market.

It is hardly possible to change people's values that are embedded with their own culture. It is more important to make them aware of the differences. Making people aware helps them to understand and interpret one's actions, thus, preparing them for intercultural communication.

The advice consists of the two steps that need to be undertaken to bring communication within NorYards to an efficient level that will help to tailor the desirable corporate culture.

The steps designed influence cultural and organisational levels of NorYards.

### ***Step 1: Adjusting Communication & Information Exchange- Organisational Level***

Step 1 is aimed at improving the current state of corporate communication within the organisation by adjusting the information exchange.

#### *Hierarchy Communication*

NorYards consists of the two different organisational cultures: Ukrainian employees are used to high power distance, and vertical organisational structure, while in Norway power distance is lower and organisations tend to have horizontal structure. Therefore, there could be a balance of

the organisational structures and power distance within the company. This can be achieved by adjusting communication. Communication should be both top –down and bottom- up, as well as there should be communication between departments. This could be achieved by weekly meetings, where the main challenges/ results of the week are presented. These meetings could include the employees from different organisational levels. In order not to have the whole company present at one meeting (which is physically impossible and inefficient), each organisational level could have a representative. The representatives could disseminate information after the meeting. Everybody within an organisational level could be a representative once at a certain time, thus not leaving out anybody. In this case the employees will feel more comfortable. Additionally, this will enhance the level and quality of the information exchange within the company, and also provide control mutuality. Moreover, this would help to balance the differences in perceptions of power distance by the cultures.

### *Intranet*

Another important aspect that influences the quality of corporate communication is Intranet. Now it works only in Norwegian, leaving out the Ukrainian employees. It should be adjusted so that all the employees could use it. Thus it should either be available in two languages- in Norwegian and Ukrainian, or in English.

Moreover, since the Ukrainian employees come from a high uncertainty avoidance culture, making sure that they have all the information online and that it can be checked any time would help to avoid being stressed

### *Language courses*

One of the reasons why communication between the employees is weak is the language barrier. Therefore, it is helpful to have occasional sessions of English, where the employees will be able to improve their business English. Moreover, a few sessions can be organised where the employees will have a chance to learn some basic words in each other's language. This can be

done in pairs or in small groups. This not only will improve the situation with the language barrier, but also create a friendly atmosphere where the employees help each other.

### *Feedback loops*

Employees should be able to express their opinion concerning the work process. Discussing the situation if something goes wrong has better consequences than hidden anger. Therefore, the management of the company should organise occasional feedback sessions, where the employees will be able to give feedback on the work process.

‘Stimulating the employee voice is essential regarding topics that will impact the performance of the organization’ (F. Ovaitt, 2011). Being able to express one’s opinion will increase the overall satisfaction and commitment. Moreover, as the representatives of both national groups are relatively straightforward in speaking up their mind, this would give them a chance to give feedback without offending anyone. This would help to balance the differences in high/ low context communication.

### ***Step 2: Information, Dialogue, Engagement- Cultural Level***

Step 2 is aimed at improving communication on an intercultural level by making the national groups acquainted with each other’s cultures. Two national groups compose the company- the Ukrainian national group and the Norwegian one. There are two national groups, but one corporate culture. Therefore, it is important to bring these groups together.

### *Raising awareness - Introduction to basic cultural traits*

Making people aware of the cultural differences prepares them for intercultural communication. The employees of NorYards should become more familiar with each other's cultures, thus, understand each other's actions better.

This can be achieved by special trainings. The training should be held once or, more times in case of necessity. The training should consist of 2 parts. One of the examples of such trainings can be found in the literature of Oomkes & Thomas.

The first part of the training should include activities, called 'ice breakers'. Ice breakers 'encourage sharing, openness, listening, cooperation and discussion, providing a useful 'getting to know you' or 'group building' introduction...' (G. Knox, p.2, n.d.).

The second part is an information strategy, where basic traits of Norwegian and Ukrainian cultures should be explained, highlighting both cultural differences and similarities. The employees would be able to introduce their own culture, thus, creating a dialogue and engagement. This is supposed to make the employees less cultural blind towards each other's cultures. At this part of the training the employees should be able to talk about their observations concerning their own culture and the culture of other employees, moving to a dialogue strategy. First of all the employees should understand what their basic cultural values are, and only then try to understand the values of the others.

There should be an introduction to both cultures, where most influential traits of each of the cultures are described. For example, main holidays should be presented, how they are celebrated, common traditions, table manners, etc.

Dialogue strategy is all about mutual information exchange, discussions, etc. Explanation of particular actions will give more understanding of why people from another culture behave in a certain way.

### *Bringing Employees Together- Engagement*

Common activities and/ or events should be organised in order to bring the employees together. These could be monthly after-work gatherings or any team-building activities where the employees will be able to get to know each other and each other's cultures better. These activities will strengthen the collectivistic side of the national groups, increase trust and overall satisfaction, as well as create commitment.

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