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Knowledge Management as a facilitator of Cross-Cultural Communication

Abstract

Purpose: The purpose of this article is to examine the issue of knowledge management from a cross-cultural perspective, exploring ways in which multi-national enterprises (MNEs) may be better able to meet some of their communication challenges.

Design: (Method/Approach)

This article presents an exploratory case study of Grundfos; a Danish based MNE, specifically focusing on the relationship between R&D Headquarters and the Indian R&D subsidiary. Grounded theory is applied to connect theory to what is happening in the 'real world' of business practice. Hermeneutics is also applied; continually analyzing and reanalyzing theory and practice, for the purpose of presenting the most informed understanding possible of the issues discussed. Conducting semi-structured interviews in both Denmark and India has also been found useful for the purpose of obtaining a better understanding of the issues being dealt with, while probing for additional issues that could be of importance.

Findings:

This article presents a micro/macro six-point framework for cross-cultural communication. On the micro level, it is proposed that cognitive psychology can offer insight by focusing on intra/inter personal human characteristics, exemplifying a need for *process habitualization*, *trust,* and *face-to-face communication*. On the macro level, it is proposed that complexity/chaos theory can help firms by expanding these characteristics into inclusive and expansive practices, namely having a *goal-vision orientation*, a *web of confidence*, and a *pit group of facilitators*.

Research limitations/implications:

The article explores current literature on knowledge management, and as an area that is becoming increasingly relevant for businesses worldwide, this literature promises new insights for a broad array of management practices. It is understood that context (in time and space) is important both for understanding and for the effective application of practices. Therefore, the macro-level practices that are described in this paper are understood in the specific context of the particular case study presented, and may not be applicable for all or even most MNEs generally.

Practical implications:

Managers of today's MNEs may be able to learn from a better understanding of the individuals that comprise the chaotic global environment in which they find themselves, where the communication choices made between and among individuals are of extreme importance. This understanding of individuals may aid MNEs to create similar or different practices than those presented in this article, for the purpose of facilitating more and better cross-cultural communication.

What is original/what is the value of the paper?

The landscape of cross-boarder management is neither straightforward nor automatic, and attention is needed to be drawn towards communicational behavior that is often taken-for-granted. This paper explores the possibility that cognitive psychology can offer insight on a micro level, focusing on basic human characteristics which become magnified within the context of cross-cultural communication; and further that complexity/chaos theory can aid on the macro level by directing attention to practices which incorporate individual characteristics and expand them in a space where new ideas and different meanings create synergy rather than destructive cycles of activity.

Keywords: Knowledge Management, Cognitive Psychology, Complexity, Chaos theory, Cross-Cultural Communication.

Introduction

When competing in today's global marketplace, multi-national enterprise (MNEs) face a number of communication choices. Which company values are most important for a company to communicate internally, and how will they be interpreted in cross-border subsidiaries? How will these similar or different interpretations of values affect performance? To what degree should subsidiaries follow general company policies and practices, and to what degree should they adapt their own mechanisms for communication? How can communication best take place, when key members of the organization are physically located in different places around the globe? The very idea of cross-cultural communication deals with collaboration between individuals, where the communication choices made between and among individuals and the contextual underpinnings are of extreme importance.

Companies are no longer defined by the boundaries of their countries of origin. For businesses, globalization has created a need to adapt to working across distance, time and culture. If we allow ourselves to refocus on the types of knowledge being transmitted between and among individuals, this may facilitate collaboration across the various cultures, creating greater ease in cross-cultural communication. This understanding is reaffirmed by the acknowledgement that "the core task of cross cultural management in a globalizing business world is to facilitate and direct this synergistic interaction and learning at interfaces, where knowledge, values and experience can be transferred into multicultural domains of implementation." (Søderberg and Holden 2002; see also Claes 2009).

Cross-cultural management has historically focused on delineating cultural differences. Many researchers have focused on diagnosing the symptoms of conflicting national cultures (e.g. differences in how different cultures understand human nature, their relation to time and space, and how they understand and perceive actions). Rather than focusing on differences, this paper sets out, through refocusing on understanding in a human context (micro level), to propose a set of practices that may facilitate collaboration within a Danish based MNE (macro level).

Theoretical positioning, foundation and focus: Knowledge in the context of cross-cultural management

The idea that the key to business excellence and achieving a competitive edge is the ability to manage the 'global knowledge engine' has fuelled a great deal of focus in the area of knowledge management. (Moitra 2002) For example, a bibliometric analysis published in 2004 identified 2727 authors contributing to 1407 knowledge management publications from 1975. (Gu 2004 in Nonaka & Peltokorpi 2006) And this focus is seen not only in academic literature, but also in the business strategies of today's multi-national enterprises. However, in order for knowledge management to add value to these MNEs living the reality of cross-cultural communication on a daily basis, effective and pragmatic approaches are needed, and identified as still lacking in the literature. (Moitra 2002) This article proposes what we believe to be a set of pragmatic tools, but before doing so, it is necessary to gain a basic understanding of the KM concepts that will give the foundation for such an approach.

Scholars studying knowledge management have, over time, come to recognize the concept of knowledge as 'much more than information.' It is understood that knowledge consists of a wide range of inputs including: 'information, experiences, beliefs, relationships and techniques' (Becerra-Fernandez et al., 2004; cf. Pierce et al., 2006), as well as 'framed experience, values, contextual information, and expert insight' (Davenport and Prusak, 1998), all of which can provide a basis for individuals (the knowers) to assess and combine new information and experiences in a meaningful way. When applying this to an organizational context, knowledge has been identified as becoming embedded "not only in documents or repositories but also in organizational routines, processes, practices, and norms."[1] (Noorderhaven & Harzing, 2009, 721)

Past studies of cross-cultural communication tend to place great importance on national differences, such as Hofstede and his cultural dimensions. However, as many MNEs begin to attract a workforce of individuals with diverse backgrounds, whether we are speaking about gender, ethnicity, religion, etc., 'this assumption of culture equals nation may no longer be adequate,' (Sackmann and Phillips, 2004). This evolving diversity in the workplace has been seen as a contextual environment providing the prospect for developing the study of organizational culture 'in some fascinating directions,' (Hajro 2009, 38) and we propose that one such direction draws from cognitive psychology. As the above definition of knowledge illustrates, knowledge is intimately linked to individuals (the knowers), and an understanding of these 'knowers,' otherwise known as humans, has been discussed by surprisingly few scholars in organizational studies (Nonaka & Peltokorpi, 2006). This is one gap that this article intends to fill by examining what cognitive psychology can offer in terms of basic human characteristics needed for communication in a cross-cultural management context.

In organizational studies generally, a new paradigm, namely that of complexity and chaos, is seen as arising. Contrary to previous rigid 'systems' perspectives that follow linear processes, complexity is seen as a 'turn away from linearization.' (Boje 2008) We believe that seeing knowledge management as a complex, non-linear process is one of the keys to creating successful business strategy. One prominent scholar who shares this view is Ikujiro Nonaka who, along with his colleagues, describes knowledge as created in a spiral "that goes through two seemingly antithetical concepts such as order and chaos, micro and macro, part and whole, mind and body, tacit and explicit, self and other, deduction and induction, and creativity and control." (Nonaka, Toyama & Konno 2000, 7) This 'knowledge spiral' does a good job of explaining the dynamism of organizational processes, and particularly (for present purposes) in it's identification of micro (which we may consider the individual or groups of individuals) and its interdependence with the macro (which we may consider the organization and broader environment).

Approach

In identifying gaps in literature that focus on knowledge strategies, Murray and Blackman (2006) recognize a need for addressing issues in the domain of product development. This gap can be

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[1] Noorderhaven and Harzing (2009) p. 721

narrowed through the case presented in this article, examining *R&D India*; the software subsidiary of the Danish based MNE Grundfos. This case was chosen for recent successes that have been achieved in cross-cultural communication between Denmark and India, as well as for the opportunity to examine possibilities for deeper and more/better communication in the future.

As stated above, this article attempts to present a pragmatic and effective approach to knowledge management in a cross-cultural context. Our approach is to look at basic human characteristics, rather than national culture characteristics, and to use this as a platform for proposing expansive practices that can include the chaotic and non-linear progress of the Danish based MNE Grundfos. Through focusing away from national characteristics that place emphasis on differences between people, and towards an understanding of basic human nature through cognitive psychology, it is proposed that *process habitualization*, *face-to-face* communication, and *trust*, can build bridges across cultures. Further, it is proposed that these three bridge-building characteristics can be carried further through complexity and chaos theory, for creating inclusive practices such as *goal-vision orientation*, a *pit-group of facilitators*, and a *web of confidence*.

In the area of cross-cultural management, a need for rich context has been identified that includes (among other things) case histories, interviews, and grounded theory (Hajro 2009). This article will include a case history for the purpose of providing a degree of 'richness' that is understood as necessary for gaining insight into the context in which Grundfos operates. By presenting the history of interaction between *Bjerringbro* (Danish headquarters) and *R&D India*; the successes achieved in cross-cultural communication; and the opportunities for more/better communication in the future, the empirical analysis will be supported by a more complete understanding of the time and space in which Grundfos manages its cross-cultural communication today.

Qualitative, semi-structured interviews have been conducted in this study for the purpose of approaching knowledge management in the context of cross-cultural communication with "depth, openness, and detail… [in an] attempt to understand the categories of information that emerge from the data."[2] (Blanche et.al. 2006, p.47) Six, one-hour long, interviews were conducted, and with the exception of one telephone interview with a manager in India, all interviews were conducted in person at *Bjerringbro* headquarters. In order to gain understanding from a variety of relevant perspectives, two top-managers, two facilitating managers, and two technical experts were interviewed, all of whom work directly with *R&D India*. All interviews were digitally recorded, and there was always the possibility to ask follow-up questions via email, which happened in several instances for the purpose of clarification and gaining further insight.

Grounded theory, combined with hermeneutics, has also been applied in this case study. As stated Murray & Blackman, "Knowledge emerges grounded in practice. Actions and social relationships are created through social process and interplay between individuals." (2006, p. 134; see also Newell et al.

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[2] Blanche, M.T., Durrheim, K., Painter, D. (eds) (2006), *Research in Practice*, University of Cape Town Press (Pty) Ltd, Cape Town. P. 47

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2002) As identified here, tying theory to practice allows for an understanding related to how people dealing with cross-cultural business communication on a daily basis perceive and understand what is taking place. Applying the hermeneutic circle is deemed important because, "Fundamentally, understanding is always a movement in [a] kind of circle, [repeatedly turning] from the whole to the parts, and vice versa, [which] is essential. Moreover, this circle is constantly expanding, since the concept of the whole is relative, and being integrated in ever larger contexts always affects the understanding of the individual part."[3] (Gadamer, 1994, p. 190) In this way, the more pieces of relevant theory and business practice that are understood, the better they will be able to be merged to provide an accurate, and hopefully useful, understanding of the issues being discussed.

In the following, our micro/macro six-point framework for cross-cultural communication will be presented, followed by the case history of Grundfos. After providing a basic understanding of the case, the empirical analysis will examine the viewpoints of the respondents, adding their insights to create a deeper understanding of the concepts being discussed. The conclusion will forward the key understandings gained from the article, as well as discuss possibilities for future work.

Micro/macro six-point framework for cross-cultural communication

Through the process of constantly analyzing and re-analyzing theory and practice in a hermeneutic circle, we have come to understand what we believe to be a pragmatic, and what we hope to be an effective, approach to knowledge management in the cross-cultural context.

This approach is that of the *micro/macro six-point framework for cross-cultural communication*. On the micro level, cognitive psychology provides the foundation for understanding three basic human characteristics necessary for the creation of meaningful knowledge-oriented activity. On the macro level complexity and chaos theory lead to practices that may be able to create conditions for dynamically and actively creating knowledge. It is important to stress that although we separate our six-point framework for conceptual clarity: "In organizational knowledge creation, neither micro nor macro dominates. Rather, both interact with each other to evolve into a higher self." (Nonaka, Toyama & Konno, 2000 p. 19)

1) Micro - process habitualization

The first basic cognitive characteristic of human beings that we have identified as being particularly important for knowledge management in a cross-cultural context is the need for process habitualization. Process habitualization can be defined as an alignment of routine processes that can be carried out in the same way across time and space. The importance of habitualization is that it "frees the individual from the burden of 'all those decisions', providing a psychological relief that has its basis in man's undirected instinctual structure. Habitualization provides the direction and the specialization of activity that is lacking in man's biological equipment, thus relieving the accumulation of tensions that result fro undirected drives." (Berger & Luckmann 1966, p. 71) This is particularly pertinent for the combination

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[3] Gadamer, Hans-Georg (1994) *Truth and Method*. Continuum, New York, p. 190

and generation of knowledge because "habitualized activity opens up a foreground for deliberation and innovation" (Berger & Luckmann 1966, p. 71) So, by having a certain set of business processes in place which are the same no matter where operations are taking place (whether they be in India, Denmark, the U.S. or China), the individuals using these processes over and over again no longer have to think about the process, but can instead be 'free' to focus their attention elsewhere.

This conceptualization of process habitualization is also very closely related to what Nonaka, Toyama & Konno (2000) term 'redundancy,' which they define as, *"intentional overlapping of information about business activities, management responsibilities and the company as a whole."* Redundancy is identified as creating a deeper, more tacit understanding of the organization, which then opens up the opportunity for providing information from different perspectives and the ability for organizational members to direct their own ways of thinking and action. The term redundancy as identified here takes the cognitive understanding of habitualization and places it in the context of business practice. When talking specifically about the increasing complexities of MNEs (through expansion and globalization) Revilla et al. (2010) identify a need for 'effective coordination mechanisms.' One important aspect of coordination mechanisms seems to be process habitualization, which is we understand as needed in order to make sure that information and knowledge can be transferred in a similar way in over space and time.

Process habitualization forwards the understanding that humans, by their general nature, benefit from routine process occurring, and that these processes can act as a stabilizer to direct and focus their attention in a meaningful way. The next step, within the context of this article, is to take this concept of process habitualization and use it for the creation of inclusive practices that can further knowledge management in the context of cross-cultural communication.

2) Macro – goal-vision orientation

One practice that may help MNEs (and Grundfos in particular) in their knowledge management across-borders is to have process habitualization in the area of goal-vision orientation. Because company goals and vision are most often created in way that aims to encompass all of the company's activities, a deep understanding of these goals and vision could be conceived of as providing perhaps *the* most inclusive view of the company. Process habitualization here might include reinforcing the goals and vision in various media forms: repetition from top management, repetition in company documentation and employee literature, or repetition of goals and vision in workshops and team-building activities.

In relation to chaos and complexity theory, Nonaka and Peltokorpi state: "enabled by creative chaos, information redundancy and requisite variety, this process forms a spiral moving through interrelated organizational levels." Nonaka & Peltokorpi, 2006, p. 79) We have already established that process habitualization creates information redundancy, and now we may also consider that goal-vision orientation could be a way of creating requisite variety, by providing a platform for promoting new perspectives and interpretations, as well as thinking about how to actualize abstract concepts in every-day work. By internalizing company goals and vision through process habitualization, individuals can discuss with each other in a context of mutual understanding about what the company strives to achieve

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on the broadest level of abstraction. This may allow different interpretations of how to reach these goals and vision to be voiced and discussed openly, where employees feel that even though they may not agree, they can consider each-others perspectives in a non-threatening way. However, if the goal-vision orientation is not habitualized in processes of the organization cross-culturally, differences in opinions may be seen as threatening to differing goals of individuals, creating negative, counterproductive conflict, especially when national orientations differ. By habitualizing routines that focus on common goals and vision, differences can be evaluated in a space where there is no conflict or difference in what differing approaches should achieve.

3) Micro – 3 forms of trust

The third and final cognitive characteristic of human beings that is particularly important for knowledge management in a cross-cultural context is that of trust. Trust is seen as the adhesive for communication and collaboration. Trust can be defined as "loyalty to an agreement or to a partner, even if there are both opportunities and incentives for opportunism." (Nooteboom (2002, p.192) Trust can further be defined as the boundaries into various layers of confidence in different contexts, identifying 'where trust starts' and 'where we lay its limits,' which is of extreme importance in building relationships (Nooteboom, 2002).

Figure 1- 3 Forms of Trust
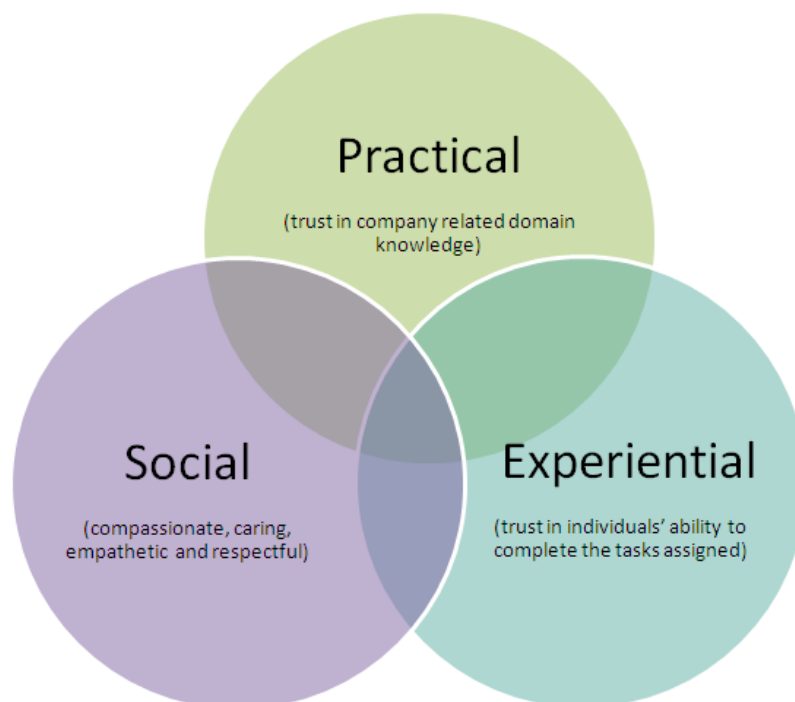
Source: *Santiesteban-Jensen & Baca-Greif 2010*

We acknowledge three forms of trust needed in an organizational context: practical (trust in company related domain knowledge), experiential (trust in individuals' ability to complete the tasks assigned) and social (compassionate, caring and empathetic). Practical trust is that which needs to be introduced as soon as a new employee joins the organization. Although individuals may have worked with similar tasks before, knowing how a specific company uses the tools it has available can be very different from another company which uses the same or similar tools. It is very important, especially when working across-cultures, that everyone has the same orientation towards the specific tasks that are being worked on.

Experiential trust is unique to the individual and developed over time; it is trust that is developed through experience, while successfully completing tasks. Internally the individual builds confidence and improved know-how while externally others acknowledge this development and trust the individual's competency and skills to do the job.

Lastly, and perhaps the most difficult to identify, is social trust. Social trust is composed of layers of emotions and cognitive based decisions, and is often equated with emotional intelligence, or "sets of personal competencies that guide how we deal with others: self-awareness, self-management, social awareness and relationship management." (Goleman et al 2002 p. 39) Employees exemplify social trust by building personal relationships for themselves through the course of working with others, and by being 'compassionate,' 'caring' and 'empathetic' towards their colleagues. This type of trust may be particularly important for managers because, at least to a certain extent, managers need to exemplify qualities which they desire from their subordinates. The above figure shows the interrelatedness of the three forms of trust. Although it is possible to have one type of trust without the others present, building up all three forms of trust, and ending in the center of this figure is the desired outcome in an organizational context.

4) Macro – web of confidence

One final practice that may help Grundfos (and perhaps other MNEs as well) in their knowledge management across-borders is to create a web of confidence through building trust in the three forms identified above. The idea behind the web of confidence is that over time, organizational members build trust through an understanding of company tools and practices (practical), in each-other (social), and in their own competencies (experiential). This trust then forms a web between and among the individuals of the organization, which is mutually reinforced and expanded across time and space. Therefore, for example, it would be possible for one organizational member to trust another (in the area of practical trust, for example) solely on a recommendation alone, because the person giving the recommendation is trusted. It is very important to maintain this trust once the web is built, because breaking this trust even once, yet alone repeatedly, will take considerably longer to rebuild.

5) Micro – face-to-face communication

The second cognitive characteristic of human beings that is particularly important for knowledge management in a cross-cultural context is the need for face-to-face communication. Scholars such as

Davenport and Prusak (1998) Dixon (2000) and Nigel Holden (2001) forward the importance of face-to-face communication, stating emphatically that the most productive form of knowledge transfer is through face-to-face interactions, both in formal and (of equal or more importance) informal settings.

From a psychological standpoint, the reason for this need of face-to-face communication is that "In face-to-face situation the other is fully real. … To be sure, another may be real to you without having encountered him face to face – by reputation, say, or by having corresponded with him. Never-the-less, he becomes real to you in the fullest sense of the word only when you meet him face to face." (Berger & Luckmann 1966, p.44) And in this quotation, perhaps the word 'sense' is of particular importance, in its relation to the senses… In face-to-face interaction, it is possible to touch the other person on the shoulder; smell common smells of the place or cologne/ perfume, walk around the person and see nuances in the way that they gesture or use facial expressions, as well as hear them clearly. In any other form of communication, only one of these may be possible, or as in one of the most common modes of communication, namely emails, only a written form of communication is available. The bottom line seems to be, that in order for human beings to fully comprehend one another, there is a need for face-to-face communication.

### 6) Macro – communication pit-group of facilitators

Although any manager or knowledge worker could probably tell you that face-to-face communication is important, it is also well understood that any globalizing MNE also needs to pay close attention to the scarce time and financial resources that would be necessary for all members of the business to meet face-to-face on a regular basis. Basically, it is just not considered feasible. However, there may be a middle ground. We propose that another practice that may help MNEs (and again, Grundfos in particular) in their knowledge management across-borders is to have face-to-face interaction with a *communication pit-group of facilitators*. Here there are two terms that need to be defined, namely a pit-group and a facilitator. We understand a pit-group to be a group of individuals whose job it is to be available for employees to use for accessing information about challenges (in this case communication challenges) in the organization. A facilitator is defined as a person who is not a member of the decision-making process of a given team, but rather is an observer who has a base of information in the area, who can give timely suggestions and feedback to a given process. These two definitions are closely related, which combined create our concept of a *communication pit-group of facilitators*.

A key aspect of this pit-group (a team of employees specifically hired/organized to maintain collaboration between global employees), is that they meet face-to-face with each new employee as s/he enters the organization, and make it known to the employees that they are always available for questions related to their area of expertise. The *communication pit-group of facilitators*, from each of the subsidiaries then meets face-to-face at company headquarters on regular intervals, to gain an understanding of employees' communication experiences in other regions. Although this will cost the company time and money, it is considerably less than if all cross-cultural work-teams met together. The knowledge that is built up in the pit-groups over time benefits employees who are able to get help with their communication challenges face-to-face. Also, the knowledge that is shared between pit-groups

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allows for an inclusive and possibly chaotic mix of ideas about communication, with the possibility of being turned into constructive feedback for employees about how best to meet their communication needs cross-culturally.

The micro understandings of human nature, and macro practices that build on these understandings, combine to form a: *micro/macro six-point framework for cross-cultural communication*. The figure below illustrates this framework, exemplifying a dynamic, non-linear process that may facilitate more and better cross-cultural communication.

Figure 2- Micro/macro six-point framework for cross-cultural communication
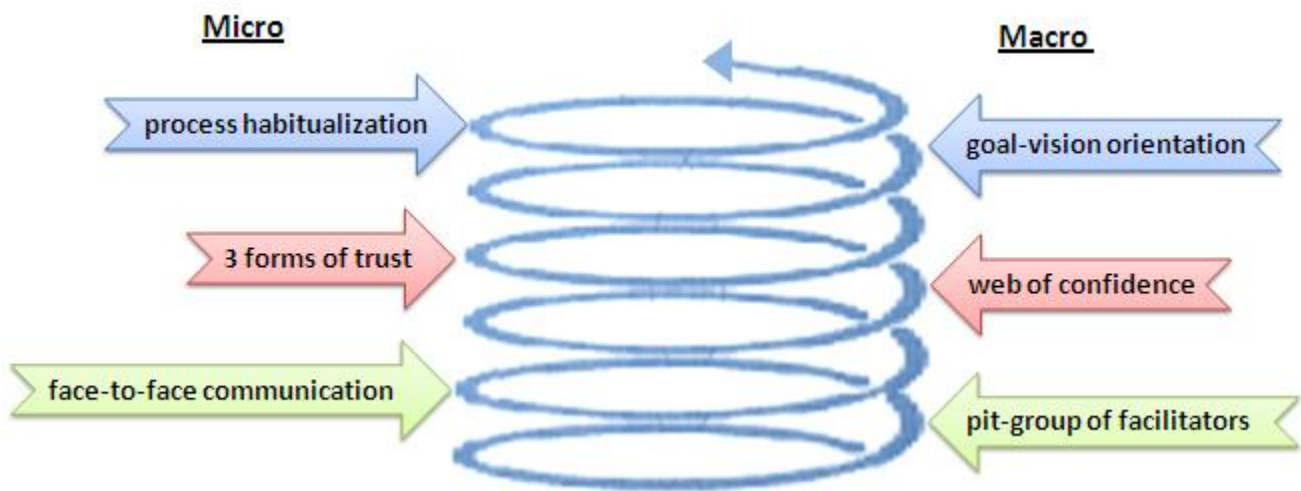
Source: *Baca-Greif & Santiesteban-Jensen (2010)*

Case

In 1945 Grundfos was established as a small Danish manufacturing company, which today has grown to be one of the leading pump manufacturers in the world. A key element that Grundfos sees as vital to their success is that the company continuously strives to obtain closer contact with customers; proactively listening and pre-empting customer needs. Since the 1960's, with the establishment of the first manufacturing plant in Germany, proximity to customers has led Grundfos to internationalize, and the company is currently represented by 82 companies in 45 countries.

In order to maintain a leading market position, Grundfos has also attached great importance to Research and Development (R&D), and in 1999, the first step towards the internationalization of Grundfos R&D process started with India (now known as *R&D India*). Grundfos bought a local Indian software company in New Delhi, in order to support its R&D activities and to look after the development of embedded pump software and PC software. The main motives behind this move were the potential cost savings and availability of qualified IT personnel in India. However, over time it

became apparent that interaction with India were neither straightforward nor automatic, and in 2007 the company decided it was time to take action towards achieving better communication with *R&D India*. At this time, a team of facilitators was appointed to observe communication with *R&D India*, making suggestions for more and better communication, and instating a SCRUM model for project follow through - working in small iterations with a greater degree of contact and feedback.

The positive results achieved between 2007 and 2009 were considerable, and a greater degree of unification and specific project-based synergies were shown in interaction between the Danish headquarters and *R&D India*. In light of the successes achieved with *R&D India*, as well as a desire from top management to achieve a Global Mindset in the company as a whole, R&D Denmark has been in the process of evolving *R&D India* from a support staff working on back office processes towards more complete participation. However, projects which have begun to include *R&D India* in the complete development process have caused a new set of communication challenges, which are currently being addressed in the company.

This leads us towards the focus of this article. The current challenges faced by Grundfos are seen as an opportunity to integrate knowledge and experience gained previously to create synergies for future collaboration. The next phase for Grundfos is to create long-lasting relationships in India, making sure that employees in *R&D India* understand their involvement in the company as a whole, and making sure that employees in Denmark understand that there are also opportunities to learn from their Indian counterparts. We believe that these outcomes can only be achieved through communication, and that the *micro/macro six-point framework for cross-cultural communication* may add specific value toward this end, as the framework was created out of an understanding of the specific advantages that Grundfos holds, and the specific challenges that the company is currently facing. The following analysis describes each point in the six-point framework in the context of Grundfos, using the experiences and knowledge that Grundfos managers and employees have gained to explore possibilities for achieving a higher level of cross-cultural communication in the future.

Analysis

The following will discuss each of the six points in the framework separately and in the context of Grundfos, using the experiences and knowledge that Grundfos managers and employees have gained to explore possibilities for achieving a higher level of cross-cultural communication in the future.

1) Micro - process habitualization

As stated above, process habitualization is important because of a human need for order. Through repeating processes we come to know them well. This intimate understanding that is achieved through process habitualization provides internal relief from otherwise disorganized drives, allowing us to focus our actions in a meaningful way.

In the case of Grundfos, Indian colleagues are, to a large extent, understood as desiring process habitualization for their work. When asked weather Indian employees would welcome more structure

in working processes at Grundfos, Facilitator A states: *"They would like as much structure as possible,"* going on to say that it was a topic which they discuss often with employees and managers at *R&D India*. When describing the way management in India perceives process habitualization, Facilitator A identifies that: *"He (Manager B, located in India) wants to introduce some ways of working across projects, across all projects they are doing in India, so they can do things in the same ways, or they can have knowledge sharing on how to do group development."* This statement also recognizes that process habitualization could promote knowledge sharing, which makes sense from a theoretical standpoint as well; Working in the same way gives individuals a same base of understanding, which then 'frees' a collective mental space, enabling concentration on other issues (such as knowledge sharing).

Process habitualization has also been identified as needed on a cross-cultural level at Grundfos (between Indian and Danish colleagues). However, processes are habitualized over time (becoming habit), and if new habits (or processes) are introduced to harmonize cross-cultural interaction, these changes can be difficult to accept. In this context, it is not hard to see that once process habitualization is established, changing the process may be very difficult because the 'relief' obtained through process habitualization will no longer be present, until the new process becomes 'habit.' In Grundfos, processes in Denmark have been habitualized over many years, and throughout interviews it became clear that *"when you try to introduce new ways of working to the Grundfos organization here in Bjerringbro (Denmark), well, that's not easy."* In addition to destabilizing the 'relief' that comes from process habitualization, harmonizing practices is also difficult in the context of Grundfos because the need for changing processes to harmonize across cultures is not always understood by employees. Statements such as: *"is it really necessary?,* or *'now we have done this for 20 years, and it has always worked'"* were identified as feelings that are expressed among some of the Danish colleagues. As a company that has continued to grow and prosper over many years, the processes that have become habitualized at Grundfos are perceived as working well, which may add extra hesitation about changing processes.

However, if processes are not habitualized across the organization as a whole, the processes used by some will likely be confusing to others, and rather than 'relieving mental tensions stemming from undirected drives', this difference is likely to *create* tensions, as actions may be directed in *conflicting* ways. For example, Facilitator B states: *"If you are not aligned, you are expecting something different, and then you start building up walls between the sights."* The identification of 'walls being built' between sights makes the idea of conflict and tension arising out of non-aligned processes explicit. This is also exactly the opposite outcome of that which is desired through cross-cultural communication.

And although some employees at Grundfos question the need for alignment of cross-cultural process habitualization, a general awareness of its importance is beginning to be built. For example, in the interviews conducted for this study, not only was the need for cross-cultural process habitualization acknowledged, but many respondents also expressed thinking about how to create alignment, as well as explaining particular ways in which this alignment was already in the process of being created. When asked about how to facilitate communication, Facilitator B has discovered that: *"in the initiation of the projects it is very important to put up all these rules for collaboration, in order to align expectations. I*

think that is one of the key words." Similarly, Facilitator A states: *"personally I think that it is important that we are using the same processes. When we have a project, the project must use the same process (both in Denmark and India)."* One way that Grundfos is facilitating process habitualization cross-culturally on a large scale, as described by Manager A, is through: *"a new focus on platforms and components. We want to use the same approach on this (in both Denmark and India)… which is a mix between Danish and the Indian set-up with different focuses… We are trying to make a pattern where we have not Denmark and India but the whole package, with some focuses in Denmark and some in India."* The use of platforms is one way that process habitualization is in the process of being aligned on a macro level throughout the company.

2) Macro – goal-vision orientation

As has just been identified, aligning practices through process habitualization is seen as important in a cross-cultural context at Grundfos. Taking this concept of process habitualization one step further, we propose that that for meeting current cross-cultural communication challenges, directing the practice of process habitualization towards a goal and vision orientation might achieve an even greater degree of knowledge sharing and results between Denmark and India.

Grundfos' vision is identified as tied to an element of Danish national culture, namely questioning, discussing and sharing knowledge openly. For example, Manager A states: *"It is very much about a Danish philosophy that if you have some knowledge that you are happy to share it."* The value of questioning different methods for reaching goals was also identified by Technical Expert A, when he states: *"I think it is important that people can challenge you in your position."*

In the case of *R&D India* however, these Grundfos values stemming from Danish culture have been shown as not that easy to adapt in India. Manager B articulated this situation very well by saying: *"people fall back on their underlying* (national) *value systems* (which were previously identified as hierarchical) *very easily. Whatever comfort, camaraderie, my door is always open, non hierarchical, lets discuss things in an open manner, lets discuss everything that is on your mind* (here he was describing Grundfos values)… *Even though that atmosphere is there* (in *R&D India*), *that atmosphere is not engrained into the people, it has not replaced their value system* (of hierarchy)." Once again, it is identified that habitualization (in this case of values) becomes deeply entrenched over time, and are extremely difficult to change. And because Grundfos values collide with those that have been habitualized in Indian culture, the reason for difficulty in achieving a high level of cross-cultural communication is not hard to understand. However, in addition to being part of the problem, habitualization may also be part of the solution.

In order to achieving a greater level of cross-cultural communication, we propose that directing process habitualization specifically towards the Grundfos values of being open, discussing, and challenging ideas, through various forms of repetition may be beneficial. The idea behind focusing on 'various forms' of process habitualization is to continually reinforce the vision in a number of different contexts, and throughout interviews, a number of communication forms were identified, such as: facilitating

initiatives, providing basic structure and building up understanding of Grundfos vision through more moderate goals, employee programs, and top management repetition.

In terms of facilitating initiatives, Technical Expert A explained: *"Grundfos managers practice being coaches. Indian employees are missing taking initiative. I think we have come a long way with our colleagues in India to try to challenge their reliance on the hierarchy and by asking the question 'what do you think?' Some can do it, and some cannot."* Here, facilitating the behavior desired through the values at Grundfos may, over time, lead Indian colleagues to adapt to using this vision in their work. Also, providing basic structure for achieving Grundfos vision was identified by Facilitator B, who said: *"They (Indian colleagues) follow the recipe and after a while they start understanding how to use the freedom by questioning and analyzing in another way."* Facilitator B went on to describe that working towards more moderate goals could also lead to a better understanding of overall vision: *"Put up the framework for them, give them the overall vision and ideas and the scope and let them translate that into their own ideas and listen to what they are saying. And let them implement some of their ideas."* When giving a specific example, Facilitator B stated "Performance; I have put up a goal or vision of that… find a solution for how to test easier and faster." Here, Facilitator B describes the way in which providing a more moderate goal or vision could challenge Indian colleagues to think in a broader, vision oriented way.

Another form of repetition (habitualization) through which the Grundfos vision could be reinforced is through employee programs. Manager B identifies that currently: *"the Grundfos values have been played up more. A lot of investment has been put into a program called the Global Citizen program. This is a people development program, as well as a skills and methods development program."* Manager B went on to describe that the objective of this program is to get employees to 'think more holistically.' This is yet another process that, if habitualized over time, could lead employees to better understand Grundfos vision, and in turn lead to better cross-cultural communication. In terms of top management repetition, Manager B understands this as one of the keys to success, stating that today in India, communication *"is 'a lot better, but it is not something that can be left alone, it needs to be encouraged and you need to keep the ball rolling."* Manager B also reaffirmed this later in the interview by saying: *"we cannot do anything else, other than to keep encouraging, coaching, providing open cooperative, respectful atmosphere."* These last statements provide a very clear understanding of process habitualization in relation to Grundfos' vision, and the identification of this leading to improvement in cross-cultural communication. Taken together, these different processes that present Grundfos goal and vision orientation, if habitualized over time, may create an alignment in the company globally, enabling improved cross-cultural communication and results.

3) Micro – 3 forms of trust

While the literature acknowledges the complexity of the trust concept, our analysis of the Grundfos R&D Software Unit will emphasize 3 forms of trust, which will be separated here for conceptual clarity. Following this section, we will also show how, if all three forms are united at the macro level,

all 3 forms could unite collectively at the macro level, improving communication and collaboration through a 'web of confidence.'

Practical

As defined above practical trust is necessary to maneuver within the organization, it is routines and processes specific to the company. Without it individuals would only focus on their own agendas and unique interpretations of what the company desires to accomplish. As discussed in the case Grundfos, facilitating positions were created where individuals could observe and impartially moderate global collaborations; freeing project managers so they can direct their focus on the content and development of software.

Facilitator B tells of a time in the beginning of a project where both the Danish and Indian teams were not delivering on the expectations of the other. What they did not realize was that the Danish team had additional implicit expectations than those outlined, and what the Indian team failed to understand was the routine of thought-processes that the Danes were used to working with; this freedom of abstract thought was foreign to Indian colleagues that are used to tighter and more detailed requirements in part to the hierarchical nature of their culture. The project was at an impasse. Facilitator B decided to provide the Indian team with a type of recipe for Danish thought process/flow.

Indeed the sentiments expressed by Facilitator B above have also been heard from Expert B where they comment on how in the beginning the Indian team was missing the *"basement of Grundfos knowledge"* what we have here labeled practical trust. This is exactly why we have identified this type of knowledge as trust; if your colleagues do not believe you have it, they will tend not to trust you. This is especially crucial when working in a field such as R&D, where knowledge and what you produce from it will determine your and your company's success. Because all company strategies are based on intellectual skills, it is more like the foundation for the Grundfos future that is being molded by practical trust. Manager A emphasizes how vital this is when expressing the following, *"We put our future in the hands of the skills of these employees."*

Manager B also emphasizes one of the key factors for facilitating successfully across-cultures is to provide employees with the continuous opportunity to, "*gain an understanding of and appreciation for the business operations, the underlying business and its people (not culture) and their motivations for those business operations in the two locations.*" Practical trust is reciprocal; from the company to the employee and from the employee to the company. For a business that revolves around knowledge, it is necessary for the company to acknowledge the ideas individuals believe will improve/benefit the company.

Social

Key people in key places within the organization will dictate how much employees participate. Manager A shares how it is hoped that: *"employees feel free to come up with proposals and ways we could do things more efficiently",* and continues to describe that the reason for the positive situation

they find themselves in right now is primarily that many: *"employees propose ways of doing things"*. *"I am the one that facilitates and listens, there are so many good ideas and so many years of experience both in Denmark and in India; they come up with ideas all the time"*. It is essential to distinguish the ability of managers to candidly express their own process of creating synergies for organizational improvements. These attributes: respect for what employees are saying, and care and interest in taking ideas seriously, uncover social trust, which we believe to be an essential tool in collaborating across cultures.

Emotions and business tends to be a slippery slope. However, it is a critical area to address, especially in industries where the information is stored in individuals. Human beings are emotionally driven and employees will always feel, think, perceive and behave; primarily lead by how they perceive the context of any given situation. Therefore, it is essential to understand and align employee feelings in order to harness this social trust. Creating an environment where employees feel free to propose improvements that can have a direct impact in the direction of the business, is one of the ways that Manager B encourages trust. Facilitator A calls this environment a *'no-blame zone'*, where Indian colleagues are able to challenge and contribute to the process with out any type of reprisal, which they would expect from such behavior due to their underlying value system. The concept of social trust sounds too good to be true to more economic driven business minds, however as Manager A reiterates all you have to do to create a positive environment is, *"treat [employees] properly, give them the right attention, listen to them and take their ideas into account"*. Manager A affirms this is why Grundfos has *"such a good flow right now"*; they have many employees that are proactively take a role in the change processes for continual improvements.

Experiential

The third form of trust focuses on experiential trust, trust gained over time from succeeding at your work. As Facilitator B confirms, it is something you gain from experience; *"as you try it, getting more confident with every successful experience."* Moreover, Facilitator A also confirms this need by explaining that, *"in order to trust people, [one] of course also needs to see in-fact that the person is succeeding in what [they] are doing"*. There is a dual process of valuation happening here. On the one side it is necessary for individuals to ascertain the competency level of their colleagues. On the other side it is important for an employee to acknowledge their own long-term improvement in the tasks they perform, otherwise not only do colleagues and managers start to doubt an individuals capabilities, but the individual themselves might also do the same. Manager A reasserts the need for employees to be able to, *"prove that they can deliver quality in time."*[4]

Facilitator B indicates that one way of gaining overall experiential trust is by, *"aligning expectations as it adds everything to the overall collaboration"*. Furthermore, they add that if colleagues are not aligned then their will be a miss-match of expectations and this results in, *'building up walls between sights'* (between Denmark and India). There is hope in that the natural Grundfos culture is that people

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are very helpful and all the interviewees mentioned the openness and willingness to share knowledge. This is exceptionally important for the creation and continuous development of experiential trust. Facilitator B tells of an experience where they wanted to challenge Indian colleagues to break their dependency on hierarchical behavior by having them initiate contact to Danish colleagues that could aid with their technical expertise. Those colleagues that have been with Grundfos for a couple of years went ahead and contacted Danish colleagues directly without hesitation while two new Indian employees were reluctant to do so. In this context the local project manager in India assisted the new employees on how to formulate correspondence so that they felt comfortable and at ease in communicating. Facilitator B continues to emphasize to the Indian colleagues the importance that, "*we are all alike and that we should be able to collaborate on all levels and respect each other*." The issue here may be the high contrast in underlying value systems between those of the Danes as egalitarian in nature and those of the Indians as hierarchical in nature. The general idea is that the Indian colleagues should become more '*self [reliant]*' and vocal about their concerns or problems they may face. This comes from confidence building. Experiential trust allows for increased self-awareness and the opportunity to demonstrate competence and skills to others.

4) Macro – web of confidence

The concept of trust is, as many of the respondents reiterated, quite complex. In an attempt to unravel the specifics of how it is perceived, desired and needed in the context of cross-cultural communication at Grundfos, we have identified 3 forms of trust. From a macro perspective it is our belief that these 3 forms of trust could be viewed as a cohesive 'web of confidence' between and among individuals, and throughout the organization as a whole. The idea with this 'web of confidence' is to build trust in all three areas, so that each individual moves into the center of figure 1 (where all forms of trust are present). With all forms of trust present, individuals are seen as able to form a 'sticky' or 'thick' bonds in the web, maximizing the positive outcomes created through trust, and leading to even greater levels of confidence.

In contemplating the future of Grundfos Technical Expert B considers how in the future employees could build trust, *"If you can build trust in another way..., perhaps it is about changing your mindset and your self confidence."*[5] By using the 3 forms of trust will be focusing on the positive in trust as Facilitator A describes, *"You might need to trust that the people are doing their very best. They do not cheat, they are honest. It is important to build up a kind of company culture"*. In addition to creating a culture that promotes this type of trust Facilitator A also considers it a possibility of creating a space where honest considerations are made as to what type of work can be completed by what deadlines, *"we should within a certain confidence sphere, be able to trust each other"*. By understanding the company's way of working (through practical trust), and that individuals will treat one with respect (through social trust), as well as having a firm understanding of ones own capabilities in a domain area (building experiential trust), saying no, or giving accurate feedback about deadlines may become easier. In other words, the 3 forms of trust that we have identified work together to create this 'web of

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confidence', where experience, empathy and professionalism unite to provide a fruitful working environment where productivity may be more easily attainable.

Technical Expert A's experience has shown them that in order create a web of confidence with Indian employees, Grundfos may considering facilitating knowledge flow that has little to do with where they are located. *"This is not specific issue to India. I think this is a human issue. You need to know what you are dealing with before you can challenge it. And if you want the people to get up to speed you need to transfer the knowledge".* It is about building the common vision (through practical trust) to empower employees to understand how to challenge not only the company but one another through being, thinking and innovating. It needs to start by trusting one another and sharing knowledge; unless you transfer this knowledge they will not know how they need to create and develop the work towards future goals and company's vision.

Trust has an experiential quality. With this we mean that it has to 1) be thought of as longitudinal and 2) psychologically speaking, previous experiences affect present perceptions as well as future ones. We propose that by creating a greater self-awareness (through social, practical and experiential trust) individuals will gain an understanding of the dependence upon others and the need for trust to be continually nurtured for the purpose of sustaining meaningful relationships. Facilitator B illustrates what can happen if this trust is not maintained, in the form of a ladder: *"if you have negative experiences with trusting people that [will make] you go down the ladder again instead of increasing trust."*[6] And Manager B also emphasizes the point that if we let trust get too low it is almost impossible to bring up again. These understandings confirm the importance of not only supporting but also maintaining trust, to form a greater bond or 'web of confidence'. By building upon each other, the 3 forms of trust create employees that understand the business and motivations guiding the future aspirations, a heightened perception of emotions and intuitive responses as well as an ability to learn and build confidence internally while mirroring this confidence in his/her colleagues to gain their respect; trust.

5) Micro – face-to-face communication

The importance of face-to-face communication, as identified above, is that it is only through this form of communication that another individual can become 'real' in the fullest sense of the word. This is seen as particularly important in the area of research and development, where the knowledge held is specific to the individual, and the sharing of this knowledge is key in achieving successes. Throughout interviews conducted at Grundfos, a number of reasons were given for face-to-face communication being vital to the business. Technical Expert A emphasizes the significance that meeting face-to-face adds to cross-cultural communication when stating: *"transferring knowledge more easily"* and being able to *"get to know your colleagues".* Thus meeting face-to-face provides 1) a better environment for sharing knowledge by finding out what colleagues know in order to trust them as well as 2) getting to

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know the person on a more personal basis, both of which can be seen as giving a more complete understanding of the individual.

Manager B also recognizes that when working globally across projects, "*it is always best when we meet in person*". "*It is very much about seeing each other, being there and understanding one another at all levels.*" Manager B's identification of understanding on 'all levels' emphasizes the point made above, that individuals can only be completely understood by each-other if they meet face-to-face. Facilitator B adds that the most important consideration necessary for individuals to feel comfortable with and during a change process is to, '*start by meeting in person*'.

Face-to-face communication grants opportunities that no other forms of communication can provide. This is because as stated by Facilitator B, "*The more media you put on a conversation the more information you get.*" In other words when you write emails you do not have any dialogue, tone, or any non-verbal communication. For example, when you write email you cannot get the tone, facial expressions, or body language. When writing, you also have to consider the best way to formulate and use language, so that the points you want to make come across as effectively as possible. When you use the telephone you can here the tone of the voice, which can help in decoding the messages that are being sent. Telephone conversations are dialogues that occur interactively (where instant responses to questions and comments are facilitated), and individuals are able to listen for changes in tonality providing opportunities for better understanding. While in theory video conferencing is logically the next best step to being face-to-face, most interviews voiced concerns with the tools currently available.

Technical Expert B is concerned with the dependence on video conferencing tools, stating: "*We can not just have the video*". It was important for colleagues to understand: how they are working (practically); how they are in a more private setting (socially); their skills and competencies (experientially); and understanding the working environment (practically). Technical Expert B considers how much time it would have taken to understand Indian colleagues' working style (if not having met in person), something that is much more easily understand when sitting close together, e.g. when Indian colleagues visit Denmark or vice versa. As opposed to working via video conferencing it was also acknowledged that colleagues were able to better understand each others problems because of the rich context of the communication.

The final point that several interviewees maintain regarding face-to-face communication is that it is "*important that people are together from time to time*". The focus should be on the task as Technical Expert A puts it, "*They need to be more self-running and in order to achieve this we need to give them the knowledge of what the company wants them to do.*" By transferring the knowledge in person it makes the knowledge tangible, attaching it to the expert that delivers it.

6) Macro – communication pit-group of facilitators

The previous section described the importance of face-to-face communication in the case of Grundfos. However, cross-cultural employees meeting face-to-face on a regular basis would not only take a lot of time and resources away from employees, but would also cost a lot of money. And here in lies a

challenge that Grundfos (as well as any other MNE operating globally) faces: how do you achieve the level of cooperation and understanding that face to face communication facilitates, without the practical availability of doing this on a regular basis? In other words: face-to-face communication is necessary, but not always possible, so what can be done?

We propose that the benefits of face-to-face communication may still be able to be achieved, at least to a certain extent, through the creation of 'communication pit-groups of facilitators'. This concept takes two practices that Grundfos already utilizes, namely pit-groups and facilitators, and combines and extends these practices in a new direction, namely towards creating a 'communication pit-groups of facilitators'.

The pit group is designed to focus on collaboration and communication both internally with employees at local sites as well as externally across other local pit groups at other subsidiaries around the world. The job of a pit group is ongoing and evolving; it brings process habitualization through the unification of social and practical trust, repeating the company's goals and vision orientation. When considering the future aims of Grundfos as an expanding and globalizing company, the need for creating links to otherwise impossible demands with regards to face-to-face communication can clearly be seen, and the benefits of face-to-face communication discussed above could be exemplified by the use of these communication pit groups of facilitators. Through the use of these pit-groups, it may be possible to achieve some of the benefits acquired by face-to-face communication without having the unrealistic task of facilitating face-to-face communication between every single employee in a global organization.

Below, the key elements of these pit groups will be identified, and quotations from interviews conducted at Grundfos will exemplify the importance of each of these elements.

First, it is important to understand what the *facilitators* that make up a 'communication pit-group' should be communicating to employees. Facilitator B explained this very eloquently by saying that a facilitators' role lies in: *"not trying to dictate the road but more the end of the road."* 'Communication facilitators' may be able to refocus frustrated colleagues on seeing the bigger picture, and give employees the room to come up with solutions to their communication challenges on their own. Put another way, facilitators can aid employees by being open and understanding; not judging employees who are already frustrated; and helping them to understand the Grundfos vision. Facilitator B again explains a facilitator role in the area of communication by saying: *"also here we might need to go in and facilitate on how to do this kind of work; Being forward-looking and things like that. Again, giving them support in the process, but not the actual work."* Overall, the role of these facilitators comprising communication pit-groups would not be to tell employees how to do their job, but rather to support them when they are having difficulty communicating cross-culturally.

Next, it is important to understand where the face-to-face communication might be most important between and among the 'communication pit-groups of facilitators' and employees. One key element of this communication is that each country of operation has their own pit-group, which employees can contact face to face. Another key element of this communication is that all new employees, when

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entering the company in any given country (in this case both India and Denmark), are introduced to these 'communication facilitators', so that the face-to-face relationships can be built up over time.

Also, at the start and end of each company project, teams could meet with 'communication pit-group' members so that the communication challenges and breakthroughs can be shared to create a greater knowledge base for communication in the future. Technical Expert B stated something similar to this when saying: *"They (project teams) will try to do a follow-up at the end of a project. There is an assessment report created out of that. This knowledge is for the pits, who are responsible for going out in the new projects and giving our knowledge on."* Having this process be face-to-face with *communication pit-group members* may ensure that more complete information and understanding is transferred on to each new project team that is formed.

Facilitator A also described what could be considered to be a 'communication pit-group of facilitators' in a statement about identifying keys to overcoming challenges, saying: *"And then that we have a small team of key people in our projects that have a very close contact* (to employees). *And when we define requirements in Denmark, and introduce new requirements to the Indian team, we will do it in this group, and we will meet physically every 3rd month."* If we identify what Facilitator A is describing here as a communication pit-group of facilitators, then we can also point to a need for new company requirements to be introduced by this communication pit-group who can meet with employees face-to-face, and answer questions and concerns, as well as be available for discussing with employees later, if and when employees have questions or problems. It is also important that 'facilitator pit-groups' from each country meet face-to-face (perhaps every three months), to discuss with other pit-group members, creating a deeper understanding of opportunities and concerns for greater communication at a company level, which they can then pass on to employees in the form of face-to-face knowledge sharing. Creating 'communication pit-groups of facilitators' may be another practice that Grundfos could use to achieve some of the benefits of face-to-face communication; leading to a higher level of cross-cultural communication in their global organization.

Conclusion

Grundfos R&D is driven by innovation, continuously striving to develop positive relationships with customers, as well as employees. A global environment creates strengths as well as challenges for a company like Grundfos; in needing to take advantage of the opportunities while minimizing the costs. It is in continuing to meet challenges proactively that will allow for evolving opportunities to develop and improve. In the area of research and development, the need to collaborate and communicate is even greater between and among employees that aspire to discover and create. (See also Goleman 1998, book 221). This is where the model we are presenting may be able to add value.

In a continual spiral between micro and macro, the 6 point framework that we have developed through this article illustrates the process through which a company may be able to move, towards the goal of achieving more and better cross cultural communication among global employees. On a micro level, cognitive psychology provides some basic human characteristics that are necessary for communication on a very fundamental level. These basic human characteristics are then observed from the macro

perspective of complexity and chaos theory, for the purpose of describing inclusive practices that could be put to practical use in the case of Grundfos.

Qualitative interviews were conducted and analyzed together with theoretical literature in a hermeneutic circle, with the aim of coming to the most complete understanding possible of the concepts being described, as well as the practices being suggested.

In the first of the three micro points that are described in the six-point framework, process habitualization is understood as important for new, aligned processes in a cross-cultural context, to create 'relief' for ease of communication and ability to have the mental 'freedom' to use and develop knowledge.

Next, the macro point relating to process habitualization is goal-vision orientation. Process habitualization seen as used in India for achieving greater knowledge sharing, by repeating Grundfos values of being open, sharing and challenging ideas, through repetition in various forms, such as: facilitating initiatives, providing basic structure and building up understanding of Grundfos vision through more moderate goals, employee programs, and top management repetition.

In the second of the three micro points in the six-point framework, three forms of trust are forwarded. Social trust is seen as achieved when colleagues are respectful, compassionate, caring and empathetic. Practical trust is seen as a reciprocal relationship between the company and its employees, the organization provides their company-specific domain knowledge, and employees share and develop this knowledge in new directions. This knowledge that is built by employees over time becomes experiential trust, where employees develop their skills and competencies as they create innovation, thus advancing company objectives.

The macro practice related to the three forms of trust is what we term the 'web of confidence.' The idea behind the web of confidence is that by building each form of trust, an employee would evolve into a respectful, professional and self-aware individual who would not only consider his/her own needs, but also the needs of his/her colleagues as well of those of the company.

The third and final micro point in our six-point framework is face-to-face communication. This is seen as making knowledge tangible, by bringing people together and allowing them to have a dialogue in a context where the existing nuances and understanding is possible on 'all levels.'

The third and final macro practice in the six-point framework is what we term a 'communication pit-group of facilitators.' In the context of face-to-face communication, we suggest that these pit-groups meet with employees on a regular basis: when entering the company, when starting a project group, upon completion of project, when introducing new requirements, and also to be available when employees have communication related questions or problems. Face-to-face communication may also be facilitated with pit-group members at company headquarters for knowledge sharing and communication purposes.

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Together, this comprises the micro/macro six-point framework of cross-cultural communication. Because the discussions in this article are formed around the case study of Grundfos R&D, the practices proposed for this company (in time and space) my not be generally applicable to MNEs outside of this situation.

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