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How Cultures Filter Knowledge and What Can Be Done About It

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Many global organizations that embrace knowledge management as a key strategic initiative are finding their knowledge management programs frequently sabotaged by a common culprit: culture. That is, the stumbles in knowledge communication and coordination that appear to be inherent in multinational organizations—those made up of multinational or multicultural teams—can be linked to an inability to integrate diverse national and regional cultural "rules" and "norms" into the organizations' knowledge management programs.

Culture can be understood as the evolved patterns of collective beliefs, roles, and symbols that provide people with rules of behavior and common identity. It is a means by which people (and some animals) communicate their knowledge about how life should be lived and how to go about doing things.[1] As Raymond Williams noted in *Keywords: A Vocabulary of Culture and Society*, "Culture is one of the two or three most complicated words in the English language."[2] It is also a very complicated concept to work with as it is the ultimate intangible—it is invisible, difficult to define, even more difficult to manage, and impossible to quantify.

Because cultural differences may be either too controversial or prove difficult to work with, focusing on them has seemingly become taboo in many work environments. However, it is only by recognizing and appreciating these cultural differences that organizations can develop frameworks to enhance cultural understanding and improve how employees work together and engage in decision making.

The field of knowledge management has tended to ignore this subject, working under the assumption that knowledge is the same thing to all people, at all times, and in all places. Since cultures cannot be quantified or "proven," they are often left alone or demoted to a "soft factor," which implies that the notion of culture is not important or "hard." Additionally, culture is often used as a "weasel" term. Because the term cannot be readily defined, organizations can easily gloss over the issue and "weasel out of" giving it its due. Far too frequently, therefore, knowledge management projects are rolled out globally as a one-size-fits-all initiative. Just as frequently, such activities have led to disappointing results.

To state the obvious, cultures differ, and these differences matter! National and regional cultures, which do not always conform to a global corporate culture, affect how knowledge is manifested in the workplace. According to "In Praise of Cultural Bias," an article by David Pauleen and Peter Murphy, "Culture affects the very concept of knowledge—what counts as knowledge in the first place and the degree of certainty ascribed to it."[3] So, if culture is complex and difficult, the notion of knowledge is only marginally less so.

In addition, the complexity of working with "culture" as a variable is compounded by the various types and forms of cultures that are all part of the makeup of any individual working in an organization. In addition to the national and regional culture we are discussing in this paper, there are specific corporate and organizational cultures, practice and occupational cultures[4] and managerial cultures.[5] All of these cultural forces overlap,

intersect, and sometimes conflict with each other in helping to determine behavior in organizations. While understanding that this presents a huge challenge to cross-cultural teams at every level, ignoring them almost guarantees failure of one sort or another.

The actual intersection of culture and knowledge is rarely addressed in business schools. Rather, cases and studies of culture and knowledge as critical factors in firm operations are left to executive educational programs and ad hoc conferences. They often are not part of the discussions managers have when rolling out global teams. When they do make the discourse, they are written off as soft, intangible, and (because they are not quantifiable) not worth managing.

The overriding challenge, then, is for organizations to find or create common ground that makes better communications and collaboration (and, therefore, knowledge management) possible, while acknowledging and benefiting from a rich diversity of perspectives and behaviors.

To this end, this article attempts to outline some cultural continua that can be used to define cultures for the purpose of knowledge management. These continua are based on national and regional cultures and are, therefore, reflected and represented in organizational cultures, but not in a simple or reductionist way. Our work is meant to provide some frameworks around what are, in essence, very complex phenomena.

We have developed these continua based on:

- Our experiences living and working in other cultures

- Our reading

- Our discussions with 30 knowledge management managers in large firms who live with these issues day in and day out

Each of these continua, or factors, is bracketed by extremes: for example, short- versus long-term orientation. By plotting their positions on the following continua, organizations can better define what their cultures look and feel like from within, as well as gain awareness of the cultures of others. Organizations also can better discern the strengths and weaknesses in their knowledge management initiatives and then tailor those initiatives accordingly.

It is important to note, of course, that organizations rarely, if ever, reside at the extreme poles of these cross-cultural factors. Rather, they tend to occupy different spots between the poles of a number of continua. Furthermore, neither end of the spectrum can nor should be defined as purely good or bad. There are characteristics at both ends of the continuum that both inhibit and encourage cross-cultural knowledge management. Finally, the continua we discuss below are illustrative, as we recognize that our list is by no means exhaustive.

Cross-Cultural Continua

Individualistic–Holistic
It has long been argued that Westerners reason analytically, by focusing on, categorizing, and explaining an object or issue according to its individual attributes. In contrast, most Asian cultures incorporate a wider environment in the process of perceiving and understanding, and they reason holistically by focusing on an object or issue in the context of its surroundings.

This continuum translates to personal interactions and relationships as well. Individualistic cultures see the individual as independent of a group, and the focus of one's life is on individual needs and efforts. Competition is a derivative of individualism. In holistic cultures, the group is one's identity. Forging consensus and encouraging cooperation are derivatives of holism.[6]

Short Term–Long Term
The values of long-term orientation emphasize perseverance, persistence, and the sacrifice of short-term gains for long-term prospects. Cultures with a higher long-term orientation give greater weight to the future than to the present. The concept of long-term orientation, for example, is considered an important aspect of Japanese and Chinese culture, where the time horizon is seen in terms of hundreds of years. Anglo-American cultures have a low degree of long-term orientation.

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High Context–Low Context

The notion of high- and low-context cultures directly correlates to the process of communication and how much information is needed, or taken for granted, in conversations and decision making. In high-context cultures, typically found in much of the Middle East, Africa, and Asia, meaning is understood not just by words but also by the surrounding situation and environment. The way a message is delivered (via nonverbal cues) can be more important than the message itself. High-context communications also tend to be more formal and less direct, patterns of custom and ritual are more sophisticated, and interpersonal relationships and the development of trust (particularly in business transactions) are emphasized.

In low-context cultures, which are found in Western Europe and North America, there are markedly fewer structures and rituals. Communications are more precise and direct. Words, rather than nonverbal cues, are the key to understanding. Reliance on words, explicitly spelled out in legal contracts, can reduce, or even eliminate, the need to build relationships and trust between parties.

Public–Private

There are cultural differences as to the size of, and access to, an individual's public and private space, as well as the firmness of the boundaries between those spaces. In the United States, for example, Americans are friendly and accessible and are typically willing to allow others to enter layers of their public space. Being granted access to a public layer, however, does not represent a close relationship. Neither does it assume access to the individual's core private space. Relationships also are segmented; an individual may be superior to another in the workplace but be his equal socially.

In a number of cultures, public space is smaller, private space is much larger, and the boundary between them is firmer. Access to an individual's private space is more guarded. Furthermore, relationships are close, long-lasting, and they are not segmented.

Shame–Guilt

Cultures also can be described by their use of either shame or guilt to regulate the behavior of their members or citizens. In shame cultures, social mores are built upon the ideas of duty, honor, and social approval. Behavior is guided by obligations to and identity with groups, such as family, school, and the like. Imperial Japan is frequently referenced in discussions of shame cultures. A guilt culture, on the other hand, places emphasis on individual responsibility, irrespective of social stigma or approval. Europe and the U.S. are considered to be guilt cultures.

Agency–Destiny

This continuum considers free will versus the affect of an external force such as divine will, and whether individuals are inner directed (i.e., internally motivated) or outer directed (i.e., adjusting themselves to the flow of external events). In the modern Western world, since the Protestant Reformation, there is more of a sense of agency: individuals are active agents in their lives and they create their destinies. Destiny implies that an individual's future is affected and shaped by the outside world, nature, fate, or the will of a deity. In many non-Western parts of the world, outcomes are held to be foreordained.

Direct–Indirect

In direct cultures, communicating facts accurately and expediently is of the utmost importance. Criticism is straightforward. Confrontation and saying "no" are acceptable behavior. Conversely, understatement is valued in indirect cultures; establishing rapport and maintaining harmony are the goals of any conversation. Speakers imply or suggest, and listeners read between the lines. Criticism is given delicately. Confrontation is avoided when possible, and individuals have difficulty saying "no." Japan is obviously the most salient example of an indirect culture. For an individual accustomed to living and working in a direct culture, doing business in or with an indirect culture can feel very time consuming.

Tangible–Intangible

Tangible cultures value explicit knowledge, which is written down or expressed in a tangible form. Implicit or tacit knowledge, valued by intangible cultures, is more difficult to formalize as it is communicated via observations, on-the-job learning, conversations, and even hunches. In Asian cultures, where learning and knowledge are the result of intuition and sustained experimentation, "the invisible, the tacit, the spoken and the implied are inevitably privileged over the visible, explicit, the written and the articulated," according to "From Knowledge Creation to the Perfecting of Action: Tao, Basho and Pure Experience as the Ultimate Ground of Knowing" by Robert Chia.[7]

Low Trust–High Trust

In *Trust: The Social Virtues and the Creation of Prosperity*, Francis Fukuyama discusses the culture of trust as a source of "spontaneous sociability" that enables family-run businesses to grow into professionally managed organizations.[8] In high-trust environments, ideas and knowledge are shared openly. Examples of high-trust societies are Germany, Japan, and the U.S. In low-trust cultures, ideas and knowledge are more closely guarded. Low-trust societies include Italy, Korea, and France.

Local–Cosmopolitan

Local cultures typically confine their interests to the immediate community in which they live. They are generally attached to their community, have a desire to know a large number of people within that community, and

are able to exert influence based on the number of people they know. Cosmopolitan cultures also have some interest in the local community, but this is accompanied by a wider interest in the world outside. They are more mobile, they have a preference for knowing people with whom they share common interests, and the organizations they join are more skills based in nature. For cosmopolitan cultures, the exertion of influence rests not on being known by those who live nearby but on the prestige of an individual's previous achievements, acquired skills, and world experience.[9]

Universalist–Particularist

In a universalist culture, rules and laws are developed that are applied uniformly, across the board. These rules are given greater weight, in many cases, than are relationships. Particularist cultures are more inclined to adopt rules that have a local impact and that are subject to modification based on local factors. Rather than emphasize moral absolutes, particularistic societies are more attuned to exceptions and particular cases.

In their book *Building Cross-Cultural Competence: How to Create Wealth from Conflicting Values*, Charles M. Hampden-Turner and Fons Trompenaars write that citizens of predominantly Protestant democracies (Switzerland, Canada, the U.S., and Sweden) consider it more important to uphold the law than to protect a friend. Citizens of Catholic countries (Spain, France, Brazil, and Mexico) stated that it is more important to help a

friend than obey the law. But citizens of Buddhist, Hindu, and Confucian countries (China, South Korea, and Japan) were even more adamant about protecting a friend than obeying the law.[10]

Three Areas of Focus within Knowledge Management

There is a growing consensus among researchers that there are three categories of activities, or areas of focus, that can be applied to knowledge in knowledge management projects. We will briefly examine these categories and then discuss how they relate to the cross-cultural continua.

Knowledge Development—This includes buying knowledge (i.e., acquiring other organizations because they have knowledge), developing knowledge, leasing knowledge, and any other means of, in short, obtaining new knowledge.

Knowledge Retention—The concept of retention deals with how knowledge becomes embedded in the routines, processes, or ways of working within the organization, and how knowledge becomes embodied in human practices, communities, or groups of people who learn and know how to perform tasks and fulfill roles.

Knowledge Transfer—The notion of knowledge transfer is more complex than the word "transfer" would imply. Unlike land, labor, and capital, ownership of knowledge cannot simply be shifted around. But firms do attempt to optimize, disseminate, and adapt their innovative practices and effective knowledge-based activ-

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ities throughout the organization, if and when possible.

What, then, is the relevance of the cross-cultural continua to these knowledge management activities? More to the point, how should the continua be used with respect to these activities and an organization's knowledge management strategy? It is our recommendation that people engaged in knowledge management consider each continuum individually, and apply each of them to specific knowledge management activities (and not to knowledge management as a whole).

Few firms invest equal amounts of time and money in all three areas: knowledge development, retention, and transfer. Based on their strategic goals, as well as where various members of multinational teams or partnerships fall on a variety of continua, organizations can gain a better perspective on how to customize their knowledge management activities. Instead of trying to change the culture (a tactic that rarely succeeds), organizations can structure the appropriate knowledge management activity to match the relevant cultures.

For example, one specific decision in the discipline of knowledge management is how much an organization will invest in the development of new knowledge.

The long- versus short-term cultural orientation can certainly influence the approach to such an investment in knowledge development.

Or consider the individualistic–holistic continuum. Activities by which firms organize and retain knowledge can be considered in the context of this continuum. For instance, groups or communities of practice may have a different role in organizations in individualistic cultures than they will have in organizations in holistic cultures.

With respect to knowledge transfer, whether a culture is high context or low context has a direct bearing on how that knowledge is best communicated and disseminated: live (high context) or via documents, videos, and the like (low context).

Finally, when individuals work together who are from different cultures that reside at different points on a variety of continua, how should an organization design specific knowledge management activities that both use the different strengths of each culture and provide a comfortable, common basis for these people to work together?

Culture Counts

Our experiences, discussions, and observations of how cultures filter knowledge are the first step in our ongoing research with respect to cross-cultural knowledge management.

At this point, we have formulated a few recommendations that may help organizations better understand—and manage—culture. Among them:

- *Be Aware of Cultural Differences*—Recognition of such differences enables organizations to tailor their activities and behaviors to better meet knowledge management strategies and objectives.

- *Make Use of the Continua*—By using the analytics we are offering, organizations can support their strategic goals and equip their employees with the cross-cultural awareness and understanding they need to engage in effective knowledge activities.

- *Develop Cultural Understanding and Learn About Other Cultures*—Take the time to really learn how cultures work in general and how specific cultures work within the organization. Read fiction that illustrates this as well as more traditional sources, and try to develop a richer understanding of how knowledge is affected by culture. Candid conversations with reflective people from other countries also is a good source.

But perhaps the most important recommendation is this: **Understand that culture counts.** Culture is a real issue; it is a basis for individual behavior; and it has enormous

impact on the development, retention, and transfer of knowledge within the organization. To ignore the subtle cultural differences within an organization, or to assume that a corporate mandate will supersede national or regional cultures, far too often proves to be an exercise in frustration and futility. Not to mention it is a recipe for failure.

We have used endnotes sparingly in this article, as we feared that a surfeit would result in an infinite regress. However, the books and articles listed below proved to be the most salient pieces in our research on this topic:

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Endnotes

[1] Much of our thinking with respect to the term "culture" has been strongly influenced by the eminent anthropologist Clifford Geertz and, in particular, his book *The Interpretation of Cultures* (New York: Basic Books, 1973).

[2] Raymond Williams, *Keywords: A Vocabulary of Culture and Society* (Oxford, UK: Oxford University Press, 1985).

[3] David Pauleen and Peter Murphy, "In Praise of Cultural Bias," *Sloan Management Review*. Vol. 46, No. 2 (Winter 2005): 21-22.

[4] See "Occupational Communities: Culture and Control in Organizations" by John Van Maanen and Stephen R. Barley.

[5] See Edgar H. Schein's work on both organizational and managerial cultures.

[6] Our description of the Individualistic–Holistic continuum is drawn from *The Geography of Thought: How Asians and Westerners Think Differently … and Why* by Richard E. Nisbett (New York: Free Press, 2003).

[7] Robert Chia, "From Knowledge Creation to the Perfecting of Action: Tao, Basho and Pure Experience as the Ultimate Ground of Knowing," *Human Relations*, 56/8 (2003).

[8] Francis Fukuyama, *Trust: The Social Virtues and the Creation of Prosperity* (New York: Free Press, 1996).

[9] Our definition of Local–Cosmopolitan is drawn from *Social Theory and Social Structure* by Robert Merton (New York: Free Press, 1968) and "Cosmopolitans and Locals: Toward an Analysis of Latent Social Roles. II" by Alvin Gouldner (*Administrative Science Quarterly*. Vol. 2, 1968).

[10] Charles Hampden-Turner and Fons Trompenaars, *Building Cross-Cultural Competence: How to Create Wealth from Conflicting Values* (New Haven, CT: Yale University Press, 2000).