



Challenges in Cross-Cultural Information Systems Management

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ABSTRACT

As modern business activities become increasingly global, so too does information resource management (IRM). To manage information resources successfully in this global environment, one great challenge facing the management team is how to deal with national cultural differences. In this chapter, national cultural differences are discussed to indicate the substance of IRM challenges in a cross-cultural environment. Many recently published cases are studied to clarify management challenges of cross-cultural ISM. Primary management issues of mismatch between information presentation and information procurement are analyzed in particular detail.

Further, management solutions oriented for IRM in a cross-cultural environment are explored. Due to the lack of similar research topics, this study could supply a gap for cross-cultural IRM. The contribution of this chapter will be twofold: one is to set up a sound management mechanism for cross-cultural IRM; the other is to create sharable information resources in a cross-cultural environment.

KEYWORDS

Cross Culture, Challenge, information resource management

INTRODUCTION

The rapid expansion of Western influence on a global basis created an environment under the cross-currents of Western corporate culture and regional cultures. Nations in the Pacific Basin have established close relationships with the Western world. Heavy Western investments have transformed these nations into showcases for Western systems. However, underneath the formal display of the Western culture, local cultures retained strong influence on their societies. An influx of immigrants holding on to their traditions further diluted the penetration of Western influence in these regions. The predominating regional workforce challenged Western corporate culture through their deep-rooted traditions and work habits. For example, a massive absenteeism could be expected on festival days, even without approved leaves or holidays. Timely arrival at a meeting would be accepted as 15 minutes to several hours after the scheduled time. Mandated reports could be excused without penalty, and the uttermost concern, over efficiency, was to preserve group harmony. Sometimes, this meant ignoring facts to restore stability and group harmony. Periodic acquisition of technology would be celebrated even without the appropriate infrastructure support, preventing usage of the technology. Experience in the Pacific Basin provided a sampling of information resources management issues that became significant challenges in cross-cultural environments.

Challenge One: The design objectives of an information system must expand from efficiency orientation to adaptive accommodation of cultural habits. It becomes desirable to allow and to track dynamic modification of data-processing procedures according to shifting organizational and cultural influences.

While a primary design objective of an information system was to provide efficient transaction processing, often, the affected human system was slow to accept the implicit MIS culture embedded in the system design. Western culture emphasized timeliness and accuracy, which were less important to many cultures. For example, it often took months to update databases from paper documents. Some users relied on the information system for information, while others insisted on paper documents only. Hence, circulation of multiple versions of reports was common depending on the sources of the reports. Parallel operations to accommodate parallel cultures generated organizational conflict. Influential users and administrative interventions threatened the integrity

of information systems. The full potential of the information system was suppressed to a preference for cultural norms, and only system features that would not threaten cultural practices would be allowed to remain. Some local cultures emphasized protecting family members more than performance appraisal. The value of information was not as much for improving decision making, but to endorse group position, to preserve relationship, and to avoid embarrassment.

Challenge Two: There is a need for clear definitions of data ownership and responsibilities for data acquisition, data quality control, and data distribution. This is especially challenging in cultural environments, where the political attributes of information interfere with the communicative value of information.

In many Eastern cultures, credible information was deferred to leaders and elders with power and status. Political relationships dictated the availability of information and the accessibility to organizational data. This was contrary to the basic assumptions of CBISs that promoted the free exchange of information (Oz, 2002; Osterman, 1991; Rocheleau, 1999). The bureaucratic procedures for the approval of data usage defeated the designed roles of the information system. A fully developed database supported very limited applications. The lack of explicit system objectives coupled with the practice of delegating data management responsibility to the lowest-level unskilled workers created data integrity problems. For example, withholding information to gain and maintain power was acceptable among many Asian cultures. Openness would be considered a sign of weakness. It would be critical to formally establish the credibility, relevancy, and accessibility of the data resource.

Challenge Three: Management must meticulously plan data acquisition, data preparation, data distribution, and data usage, and fully understand the required organizational incentive and associated costs for maintaining information flow within the organization. This is especially important in a cultural environment where data-driven decision making is a new practice.

An uncoordinated approach to information resource management created fragmented entities to process information for narrow applications. The fad of data-driven decision making created a mad race for data reports using every available political connection. The result would be

a great assortment of data reports with massive details. Inconsistency occurred among data reports, depending on the data-processing methods and storage formats. For example, a report from an off-line, static database in a remote office could be given equal credibility as a report generated from a current database from the data center. In a cross-cultural environment, influential individuals would compete to justify the merit of their reports from their cultural perspectives. The heated debates, along with discrepancies among the reports, frustrated the end users and led to distrust of the information systems for the inability to produce usable information reports. Regretfully, the information systems were seldom designed to generate reports for decision support.

Challenge Four: Management must take leadership in establishing precise, formal data definitions, and communicate them to all potential data users and those assigned roles in data distribution. This is especially important where mastery of languages, cultural predisposition, level of information literacy, and social attitude could strongly influence the group dynamic of data usage

Technology evolution increasingly placed information systems under the direct control of end users.

However, end users often lack technical expertise, and few were committed to the development of information resources. Events and samples were confused with statistics. Relaxed practices in standards and data definitions created issues in data validity and data quality. Potential information was lost when processed data replaced raw data, while the time sensitivity of dynamic data was ignored. Time series data were deleted to preserve storage space. The information system would be blamed for the unfortunate chaos. In one incident, a user group maintained multiple versions of a database with the assistance of the data center. However, only selected workers in the user group and the data center were aware of the special arrangement. The different versions of the database were discovered only when two identical requests for information were returned with different outcomes. Top management, unwilling to escalate cultural tension, ignored the potential seriousness of the data integrity issue. In another incident, several users entered an unresolved dispute on their interpretations of a data definition according to their understanding of the language. The data definition used by the data center in maintaining the database was rejected.

Challenge Five: The increased complexity and frequency of usage of information reports is, in reality, a severe drain on budgetary resources. Management needs to develop a mechanism to track data usage and adjust resources appropriately. This could be more challenging under cultural environments that lack sophistication in information processing.

Modern management practices seek opportunities to replace physical resources with information.

When management failed to adjust budgets to support the information services, those affected would try every means to discontinue information services. On the other hand, uncontrolled access encouraged abuse, wasting valuable resources. Ethics, disciplined usage, and an understanding of information value supported the information practices in Western society. The problems would be crippling in a culture with different appreciation for information under different ethical standards. A local culture of generosity would insist on the free distribution of fully colored documents. Another practice was to circulate printed copies of e-mail to avoid offending anyone. The practices quickly depleted the budget for supplies.

Challenge Six: Management must take an active role in controlling the flow of organizational data, both within the organization and to the external environment. Management should consider endorsement of an official organizational data to ensure consistency rather than leave the official data report to random actions. This is especially important in a cultural setting where it is impractical to correct public statements of social leaders, regardless of facts.

In cultures where subordinates would not question the positions of leaders, an information system must implicitly support the decisions and public statements of the leaders (Gannon, 2001). Officials of a local organization proposed an expensive marketing campaign, pointing to a decline in demand in the primary market. However, published data actually attributed the demand decline to the collapse of an emerging market. It would be an embarrassment to point out the omission, and the wrath of the society could be on those who allowed the facts to be publicized.

Challenge Seven: Management needs to play an active role in data planning and closely align the information report designs for decision support. This is especially challenging in a cultural environment that lacks appreciation for operational planning and control. **In cultures where gesture would be more important than details,** systematic failure to collect information would be accepted and forgiven. Information systems applications were limited to payroll and accounting (Kalpic & Boyd, 2000). In some cases, the lack of adequate information was the key to assuring continued financial support. Organizations were unprepared to collect and store data to support meaningful decision support applications. Information systems were seldom utilized to their full potential under such cultural settings.

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