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Leading Across Cultures at Michelin (B)

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This case was prepared by Erin Meyer, Adjunct Professor of Organisational Behaviour at INSEAD and case writer Sapna Gupta. It is intended to be used as a basis for class discussion rather than to illustrate either effective or ineffective handling of personal or professional circumstances.

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From Awareness to Action

Olivier Chalon's initial meeting with the consultant lasted an hour and a half. Despite his initial scepticism, the meeting raised issues that Chalon had not been aware of. The consultant had asked him to describe how he gave praise and encouragement. Chalon explained that he believed in pushing his staff to stretch them beyond their current capacities, to achieve more than they thought was possible, and that he would accept nothing but excellence from his staff. He explained that he provided very little or no positive feedback and was relentless when asking for improvement. *"In order to succeed one must always strive for improvement, even if real excellence is rarely achieved,"* was something he liked to say to colleagues and to his family. He had heard that refrain from others all his life – in grade school, high school, and university, as well as at home. It was a belief that permeated all realms of Chalon's life, from the way he managed teams to the way he raised his children.

The consultant explained that American managers are trained to manage in a very different way from French managers and how they are taught to use a considerable amount of positive feedback to build self-esteem, encourage initiative-taking, and motivate employees. They are often trained to give three positives for every negative. When they use the term "constructive criticism" they generally mean a type of criticism that both encourages the employee to feel proud and appreciated for what he or she has done well, while recognising changes that could be made to bring about improvement. This emphasis on positive feedback is deeply rooted in the American education system and starts with a strong emphasis on building children's confidence and self-esteem. Americans receive praise at all stages of their lives and they expect their managers to explicitly recognise all work done well. The consultant explained that very often, the French and Northern Europeans interpret this type of praise as effusive, superficial, or empty. However, for any global leader managing in an American context, it is important to be aware that if you really want your team to give 110%, it is imperative to understand their expectation for explicit appreciation.

A comment from the meeting that stuck in Chalon's mind was *"You get an A for effort"* is a common expression in the US." What a contrast with the French! Chalon explained:

"In France, a grade of 16 out of 20 is considered to be excellent, and 18 out of 20 is almost unattainable. And you get graded on what you put down on the paper, not on the effort you put in!"

He continued:

I was convinced the training course would be valuable after meeting with the consultant just once. I began to realise that Europeans and Americans have very different approaches towards rewarding and motivating employees. Americans expect more praise than Europeans, and they really respond to it. If you say something negative about their work, you also have to say something positive with it.

This was a real discovery for me. French people expect to receive criticism and can read between the lines when it comes to positive feedback. They will be suspicious of effusive or excessive praise. I was particularly amused by the system of giving three

positives for every negative. Here, I had been giving three negatives for every positive! No wonder my staff had reacted poorly. The American system sounded a bit over the top to me, but I did recognise the behaviour in the American managers working around me. It's not that the French or American approach is better than the other – you need to be aware that this difference exists and learn how to work effectively in different environments.”

Chalon began to think about other differences that the consultant had brought up between his team in Greenville and the teams he had led at his former companies:

“I was very demanding and I was also very direct with my feedback – and I expected others to be direct with theirs. I was surprised by how little I was challenged here. In France, people always have a counter-argument for everything; it is the Cartesian “thèse-antithèse-synthèse” approach. That is how we are trained in school from the very start and we value discussion with counter-arguments. You are also expected to provide counter-arguments to your boss so that all options have been properly considered, but then it is up to the manager to make the final decision. In contrast, Americans don't present counter-arguments, at least not to your face. French colleagues will argue back with you if you criticise their performance, and they are expected to do so. Here, my team members just nodded and didn't push back. To my mind, they gave every indication that they were listening and felt okay about my comments. I mistook this as a sign that they were in agreement.

I also noticed how different small talk at the office was in Greenville. My colleagues and subordinates openly talked about their family life, about their children and how they were going to spend their weekends and evenings. I was surprised by that openness. Some afternoons, a manager might walk by my office in order to introduce me to his wife who had stopped by for lunch, and then I would notice him parade his spouse throughout the team making introductions. In France, you can work with someone for years and still not know very much about their family. With French colleagues, you really have to know someone very well for them to talk about their personal life with you. There is a very strong separation between professional and personal life.”

Now that Chalon was aware of how his own management style was affecting his team, he began to think about what he should do differently.

Discussion question: What specific strategies should Chalon employ when he returns to his office in Greenville? Would it be best for him to adapt his style in order to be more American in the way he manages? Would he even be able to do this without losing his strength as a leader? Or would it be better for him to remain consistent and authentic in the way that he manages and hope that his staff can learn to adapt to his style?