

# THE ETHICAL IMPLICATIONS OF FEEDBACK

TRENDS IN SWISS CORPORATE CULTURE

AN ARTICLE BY

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## The Ethical Implications of Feedback by Stuart D.G. Robinson

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## **Outline:**

In this paper, I will examine the responsibility of supervisory boards and executive bodies when they endorse the use of explicit-feedback systems as a management instrument.

The issues of ethical responsibility and managerial accountability within the context of corporate governance will be approached from two perspectives:

### **A From the perspective of local cultures:**

#### **Question One:**

What are the ethical implications of endorsing feedback as a consciously-applied managerial instrument in inappropriate cultural environments?

### **B From the perspective of individual managers and employees:**

#### **Question Two:**

What are the moral implications of giving individually inappropriate feedback?

#### **Question Three:**

To what extent are the managers of an organisation qualified to give psychologically-undamaging feedback to their individual employees?

#### **Question Four:**

To what extent are the employees of an organisation qualified to give psychologically-undamaging feedback to each other and their managers?

#### **Question Five:**

To what extent can it be expected of employees and/or managers that they should be able to discern the appropriateness - or inappropriateness - of personal feedback and defend their personal integrity when confronted with potentially psychologically-damaging feedback?

Although the matter of potential legal liability and sanctions is not the focus of this paper, it is a topic which requires adequate and proactive attention. It is already foreseeable that companies and managers will find themselves not just ethically responsible, but also legally liable for pecuniary damages to large numbers of individuals, just as in cases of proven racial or gender discrimination. In the U.S.A., individual awards made to victims of inappropriate managerial statements nowadays commonly reach figures in excess of \$250'000 (see *"Survey of emotional distress and punitive damage awards in excess of \$100'000"* by John A. Barenbaum, a New York attorney who is specialised in discrimination). One jury awarded a plaintiff in the State of Maine U.S.A. \$500'000 for emotional distress, plus another \$500'000 for punitive damage, plus \$47'000 for lost wages, plus attorneys' fees and costs on the grounds of discrimination.

Before formulating answers to the five questions laid out above, I will firstly outline the concept of explicit feedback and some of the motives behind its use in corporate cultures from a more general point of view. Then, in Section 2, I will examine the issue of cultural appropriateness and, subsequently, in Section 3, the topic of individual appropriateness. Finally, I will return to the original questions in the Conclusion.

## **1. Explicit Feedback: Motives & Principles For Its Use In Corporate Cultures**

### **1.1 Introduction**

Organisations around the world and also inside Switzerland have been integrating the concept of explicit feedback into their corporate cultures increasingly in recent years. This has happened for reasons which extend beyond the mere influence of national and international trends.

The concept of explicit feedback seems, on the one hand, to resonate with certain needs on both sides of the managerial fence; these needs will be examined below. On the other hand, it seems to meet with various forms and intensities of resistance which warrant serious enquiry and reflection.

The term 'explicit feedback' is used here in the following sense:

- It refers to the practice of feedback in contexts where:
  - a) a feedback system is declared and used consciously as a managerial instrument in an organisation, i.e. where feedback is both intentionally explicit and anchored and legitimised in terms of the powers and/or rights accorded to individuals through their positions within the structure of the organisation
  - b) the exchange of feedback takes place in an oral and/or written manner.

Used in this sense, the practice of 'explicit feedback' involves a different set of motives to the sort of feedback which people may give each other directly or indirectly in everyday interactions in their social lives. It is the consciousness and therefore the intentionality of its application in an organisational setting which requires the question of ethical responsibility to be adequately addressed and resolved.

As a further introductory comment, I point to the fact that explicit-feedback systems are often found to co-occur with a number of other constituents of corporate culture such as:

commitment,  
 fairness,  
 self-responsibility,  
 initiative,  
 transparency, candidness & open conflict,  
 creative tension,  
 loyalty.

The fact that such cultural elements are commonly found to co-occur will be explained in Section 2. For the present, the discussion will inherently assume the culturally-appropriate presence of a cluster of such elements as these.

I will begin by examining the types of needs which can be addressed through the introduction and application of explicit-feedback cultures.

## 1.2 The needs of employees

### Addressing insecurity

In times of economic or personal uncertainty, employees become increasingly concerned about their individual and collective job-security. Consequently, their need to know how they are viewed by their current superiors and employers also increases. A culture of explicit feedback can go part of the way to fulfilling that need.

Whilst most employees generally like to know that their efforts are esteemed by their employers, it is in times of personal insecurity that it is especially reassuring for them to feel that their work is indispensable to the future of the organisation. If an employee finds out, e.g. through a feedback-process, that this is not the case, then he/she at least has the opportunity to begin to look for alternative employment as early as possible.

For individuals with very limited prospects of finding alternative employment, it can happen that they do not seek, but actually avoid explicit feedback. This can occur when people are, for example, in a state of unconscious denial in relation to their true employability. In such cases, explicit-feedback systems can become psychologically stressful and threatening, as will be discussed in Section 3.

### Balancing power

Certain forms of explicit-feedback cultures, the so-called 180° or 360° systems, provide

employees with the opportunity not only to be appraised by others, but also to express their perceptions and opinions about their colleagues and - more importantly sometimes - about their managers. Whilst 'upward feedback' may not always be given as freely and openly as the concept foresees, many employees do have a need to vent their feelings about the way they are treated by their managers; such systems can go at least part of the way to fulfilling that need.

In some organisations, the upward feedback is also collected anonymously, as will be discussed below (see Section 1.3). If the employees are confident that the collected feedback will be taken seriously and acted upon by their top management, the system can contribute significantly to a redressing of the distribution of perceived power in the organisation.

### **Gaining recognition**

Some employees are programmed by their psychological backgrounds to behave in such a way as to constantly attract the attention of their superiors. The reasons can vary from a lack of parental recognition during their childhood to troubled private relationships in their current lives and various other phenomena. In some instances, even negative signals from a superior will help to fulfil a person's craving for attention, i.e. if positive recognition is not attainable. The feeling of being ignored, on the other hand, can cause significant mental and emotional suffering to people in strong need of recognition. Whatever the underlying driving force, a culture of explicit feedback can help to fulfil a person's need for attention because it does ensure that superiors find the time, at prescribed intervals, to express their perceptions and opinions about their employees' performance.

There is another group of employees, particularly the highly conscientious ones, who tend to stress that they require sufficient scope to act autonomously within the guidelines and objectives given to them by their superiors. Their sense of duty and loyalty

is so high that they perceive micro-management from their managers to be a lack of trust and an insult to their conscientiousness. However, they too are highly dependent on positive recognition - despite their declared need for autonomy - in order to nurture their basic motivational drive. Whilst such employees are often able to generate the esteem which they fundamentally require by indirect means - such as observing the expressions of satisfaction on people's faces or in the tone of people's voices - a system of explicit feedback can add welcome, additional fulfilment to their underlying need for recognition, particularly if the recognition is provided in a sensitive and genuine manner (see Section 1.3, Section 3 and also "*Durch Reflexionskompetenz von Feedback zu Feedforward*" (2010) by Constantin Peer). However, if explicit feedback is inappropriately delivered, it can have a negative impact and be perceived by the receiver as an insult, just as with other forms of micro-management.

## **1.3 Managerial needs**

### **Tuning individual and team performance in a legitimised manner**

Owing to the responsibility which goes with their functions, managers need to be able to monitor and fine-tune the performance of their employees on an on-going, everyday basis in order to ensure the achievement of set goals. As an integral part of a performance-appraisal system, a culture of explicit feedback provides not only the mechanics for on-the-spot fine-tuning, but also legitimizes it. In other words, in making explicit feedback a central part of a company's culture, managers are obliged not only by their own sense of duty, but also by the system itself, to express their perceptions and opinions about employees' performance in an on-going fashion without having to worry, for example, about hurting the feelings of highly conscientious, sensitive or insecure people (see Section 1.2).

Legitimised feedback systems also provide alleviation to managers who find themselves in situations where they find it challenging to exercise both their corporate and their social responsibility at the same time. A feedback culture gives them a tool whereby they can, for example, provide early warning to certain employees that they might be in danger of losing their jobs if their performance does not improve. This is particularly alleviating in cases where a manager has worked with employees over many years and also knows them very well socially; they might even be neighbours and/or well-acquainted with each other's families. When the giving of explicit feedback is endorsed by the system, talking about performance in such constellations can overcome a major dilemma, particularly in situations where the employee's sub-optimal performance is impacting negatively on the manager's own overall area of responsibility.

Explicit-feedback cultures can also provide a way for managers to address sub-optimal levels of self-confidence and initiative in their teams. This is particularly the case with those types of employees who are reticent to take an objective view of themselves, e.g. because of an unconscious fear of facing up to the reality of the impressions they make on others. Through applying an explicit-feedback system, managers have a tool through which they can spontaneously and legitimately address the topic of an employee's impact on others in situations as they arise. In being authorised and obliged to address this topic, managers can proceed to encourage and enable such people both to accept feedback about their true impact on others and to set about modifying and improving it. As a consequence, an explicit-feedback culture has the potential to catalyse a spirit of "stand up and be counted", i.e. an atmosphere of increased self-responsibility. As such, it can help to reduce the passivity which so many managers find crippling to their efforts to improve the performance of their teams and organisations.

Thus, explicit-feedback cultures can be introduced as a way of enhancing the general

performance of employees. They can contribute to

- the implementation of continuous-improvement and business-excellence programmes,
- higher energy inside teams and therefore improved team output,
- qualitatively higher levels of decision-making,
- improved relationships and interactions with clients and suppliers,
- more effective presentations,
- higher levels of negotiation skills.

### **Keeping out of law-suits**

In many countries, labour law requires managers to provide their employees with adequate feedback about their performance. The financial consequences for an employer and/or an individual manager can be considerable if a person's employment contract is terminated on the basis of inadequate performance without having provided sufficient feedback to the individual during the term of his/her employment. In the U.S.A. there are numerous publications and training courses which provide extensive lists of recommendations as to how managers can proactively protect themselves from being the target of lawsuits on the grounds of misdemeanours such as the insufficient provision of feedback. This aspect of explicit-feedback cultures will be discussed in greater depth below in Section 2.

### **Overcoming interpersonal antipathy**

Given the fact that there is certain chemistry about human relationships which can make them more or less harmonious and functional, it is understandable that managers sometimes find themselves in the dilemma of how to get significant messages across to people with whom, for example, they share less affinity and therefore cannot easily communicate. Explicit feedback can again, by virtue of being an 'imposed' and non-negotiable obligation, provide a reason and a mechanism for managers to overcome their own hesitations in addressing performance issues in general, and

when such hesitations are related to an underlying antipathy and frustration in particular.

### Protecting the self

Managers and employees alike sometimes have a need to protect their identity from external attack. Such needs can be of a temporary or a long-term nature, depending on the individual and the circumstances. They can arise from a variety of stress factors, some of which find their roots in the individual's personal biography, cultural background and/or personality structure. In a way which is analogous to the phenomenon of denial which was mentioned earlier, explicit-feedback systems can be used by such people to provide additional self-protection. In knowing what adjectives are used by others to describe them, they are able to 'manipulate' feedback sessions and other interactions - often quite unconsciously, but nevertheless extremely effectively - so that they themselves do not have to change anything at all about themselves. For example, such a person might say:

"I do not mean to be arrogant, superficial or aggressive, but ..."

"I know that some people have trouble understanding me, but ..."

"If you listen to the actual **content** of what I am saying, then you ..."

"As we found out in that workshop last month, our personality structures are obviously different, and you should ..."

These verbal strategies cleverly navigate the person concerned around the icebergs of negative perceptions about them in their immediate environments and leave him/her 'intact', i.e. able to continue unquestioned and unharmed. Without access to the explicit feedback provided by the system, however, they would not have the pertinent information at their finger-tips and consequently be unable to generate the corresponding verbal tactics. The fact that we have found this phenomenon to be fairly widespread in Swiss organisations

gives reason for serious reflection and will be addressed in further detail below.

## 1.4 Organisational needs

### Applying strategic controls

At the level of an organisation's top-management, explicit-feedback cultures which involve a 180° or 360° feedback-process can also provide a valuable and legitimized way of accessing the perceptions of employees in relation to the latter's direct superiors, especially when the feedback-data are recorded in writing. Through examining the documented feedback, an executive board can establish how various tiers of management are perceived by the rest of the organisation. Importantly in some cases, the board can do so without having to interview the employees directly and therefore without potentially undermining the authority of the managers concerned. In this manner, the executive board also gains access to 'pure data', i.e. data which have not been filtered by the managers themselves with regard to their staff-managerial performance. Such explicit-feedback systems are often regarded as particularly valuable because the collective feedback becomes both transparent and documented for the whole organisation to see. Thus, the general performance of the complete staff becomes objectivised and the data can be used as significant input for strategic personnel development. It also exposes phenomena such as undesirably autocratic or even pathological managerial styles within the organisation which might otherwise perpetuate themselves and lie undetected for years. Light can also be brought to cases of sexual harassment, discrimination and mobbing.

Company-internal feedback systems are often run in parallel with customer-feedback instruments. Gaining explicit feedback from customers can help to identify where their expectations are not being fulfilled and thus

provide crucial information for improving customer- and market-orientation. As with the internal feedback systems, top-management gets access to a database of information which is not filtered by its own staff and which might otherwise be difficult to obtain.

### **Explicit-feedback systems as a tool for developing corporate culture**

By applying the instrument of explicit-feedback, organisations can develop the behaviour and values of their employees in a pre-defined direction. Not only does the instrument itself have an impact on a corporate culture in ways which will be illustrated below, but also the content of managerial feedback can promote and reinforce desired ways of behaving, whilst placing negative judgements on other forms of behaviour. It is, of course, a precondition for the successful application of feedback as a culture-development tool in a certain group of people, that all those people giving the feedback are themselves fully aligned with the desired corporate culture. All too often, however, this opportunity is missed and the process of cultural development is unnecessarily prolonged and sometimes abandoned, merely because the managers themselves were not culturally selected and/or aligned from the outset (see *"Dramatisches Konfliktpotenzial im interkulturellen Management"* (2009) by the author).

Behind the use of feedback systems and other instruments to channel behaviour towards a desired corporate culture, lies a core ethical question - one which all organisations can either consciously address or try to avoid:

#### **Question Six:**

To what extent does an organisation have the right to condition the behaviour and values of its employees in a certain direction and to sanction any cases of non-conformity? (cf. Question One, above)

Although the topic of how beneficial a corporate culture may or may not be to an

organisation's success is not central to this paper, it may be helpful in addressing Question Six to distinguish between four types of corporate culture:

1. weak mono-culture,
2. strong mono-culture,
3. weak multi-culture,
4. strong multi-culture.

According to our own definitions of these terms (see *"Intercultural Management"* (1996) by Stuart Robinson), a 'strong multi-culture' necessarily comprises a number of co-existing 'strong mono-cultures', e.g. in different divisions and/or at different geographical locations. The term 'strong mono-culture' implies that the critical mass of the people in the entity concerned behaves in a certain, desired way. In an extreme form of a 'weak' culture, on the other hand, one might find an attitude of "anything goes" - which in itself would beg the question as to whether the use of the term corporate culture were at all meaningful in that context. Clearly, Question Six is most pertinent when an organisation is seeking to attain a strong mono- or multi-culture.

If an organisation decides that it needs a 'strong' culture, then the following principles can be applied:

1. At the point of selection of new employees and/or of deliberate cultural change within the organisation, the managers responsible can opt to explain the desired corporate culture and the pertaining code of ethics to those concerned. The explanations would include in particular the consequences of non-conforming behaviour, leaving it to the applicant or employee to accept the corresponding conditions of employment or not. Depending on the content of the organisation's code of ethics and potential sanctions to the individual, it may be appropriate to explain the corporate legal and



potential pecuniary liability in case of acts of non-compliance.

The employer may also choose to implement a cultural assessment as part of its selection procedures in order to ascertain any cultural discrepancies and also to identify potential areas for cultural and ethical development for accepted candidates (see *“Dramatisches Konfliktpotenzial im interkulturellen Management”* (2009) by the author).

2. The cultural and ethical development of individuals can be conducted in one of at least two ways:
  - a. One approach is termed ‘acculturation’, which implies the assimilation of a person into a pre-defined cultural-ethical setting (some organisations refer to this ‘on-boarding’).
  - b. Another way is to coach those concerned in such a way as to increase the range of their behavioural options and values. Thus, they would not fully abandon their previous cultural-ethical ‘mindsets’, but instead develop their ‘intercultural and ethical competence’ and thus be able to apply the right approach in a given context and situation.

Having examined the possible application of such core principles and also the pertaining legal constraints relating to employment contracts, each organisation can address the question of its obligation and right to

- impact on its employees’ cultural mindsets and
- sanction any non-conforming behaviour.

Before addressing Question Six and Question One in any conclusive fashion, it will be necessary to return to the factor of the external cultural environment within which a given organisation is functioning and how this

impacts on the responses to these and other questions.

## 2 The Cultural Appropriateness of Explicit-Feedback Systems

### 2.1. Introduction

Given the extent to which the instrument of explicit feedback seems to fulfil the needs of individuals and organisations, as outlined in Section 1, one might be tempted to

1. ignore the pockets of resistance towards explicit-feedback systems which manifest themselves in organisations both at managerial and at employee levels and/or
2. explain them away as being just another example of a “common human resistance to change”.

In this chapter, I will argue that to consciously – or even unconsciously – ignore culturally-motivated resistance to explicit-feedback systems is a dereliction of ethical responsibility, one which can have very far-reaching, negative consequences for an organisation and its management. Notably, senior Human Resources Managers could be – and arguably should be – held to account, just as much as Chief Executive Officers and Supervisory Boards, for cases which are manifestly a dereliction of their duty.

Culturally-motivated resistance stems from the cultural conditioning of groups of people. Cultural conditioning is a phenomenon which constitutes a very central part of the identity and personal integrity of all people, including employees, and which impacts crucially on their perceptions and judgements about themselves and the manner in which they construct their mental and physical lives.

I will also address the matter of how current levels of intercultural exchange and the dominance of certain cultural premises underlying the Western practice of globalisation have served to multiply the ethical challenges faced by senior management in Swiss organisations in particular.

### **Recognizing the warning signs of cultural dissonance**

The fact that culturally-motivated resistance is so often ignored or unconsciously overlooked is - whilst arguably not excusable - at least to a certain extent understandable. Firstly, managers and the members of supervisory boards are seldom adequately sensitised to the field of culture and its impact on the running of an organisation. Secondly, culturally-driven phenomena stem from such a deep level of the human psyche that it makes them difficult to discern, let alone articulate, even if one is reasonably educated in the field of culture. Consequently, in everyday practice, the true cause of resistance is seldom openly addressed by those affected, nor adequately discussed with the initiators. However, this cannot be offered as an excuse when a failure to address the true causes of resistance on the part of management leads to broad dissatisfaction, mistrust and diverse forms of resignation at the very heart of an organisation - or begins to "destroy its soul", as others have at times formulated it to us.

In a similar vein, we have witnessed employees reporting that their corporate culture in general, and explicit-feedback systems in particular, contain "an element of power" to which they see no alternative but to reluctantly and "subserviently succumb". Such an outcome lies diametrically opposed, of course, to the sorts of needs of managers and employees which were set out above. Interestingly, it is an outcome of a specific form of western socio-cultural development which was recognised and predicted several decades ago by social critics such as Emil Cioran (see "*La chute dans le temps*" (1964)) and

Christopher Lasch (see "*The Culture of Narcissism: American Life in an Age of Diminishing Expectations*" (1979)).

Whilst it is often crucial that one is able to distinguish between signs of resistance to explicit-feedback cultures which are grounded in the personality structures of individuals and those which genuinely have their roots in culture (see "*Angewandte Deep Culture*" (2009) by the author), the ethical implications for the management of an organisation remain very much the same whether the underlying reasons are cultural or not (see Section 3).

### **Understanding cultural dissonance**

In order to understand the systemic reasons which generate the strongest forms of culturally-motivated resistance among certain groups, it is necessary to examine the cultural premises which underlie a whole cluster of 'cultural products' which include, and tend to co-occur with, explicit-feedback systems. Typical constituents of the cluster were mentioned in the introduction, i.e. commitment, fairness, self-responsibility, initiative, transparency, candidness, open conflict, creative tension and loyalty. Further related concepts include:

- self-determination,
- self-actualisation,
- professionalism,
- objectivism,
- work-life balance,
- conscious competence,
- 'content' vs. 'relationship' (cf. 'Getting to Yes' and the Harvard Law school based negotiation model - see below).

What these concepts share, when they co-occur, is a synthesis of what is often termed 'atomistic-individualistic-universalistic' premises, as is to be found prevalently in countries like the USA, Canada, Britain, France and to a lesser, but increasing extent in countries like Germany.

### Atomism

In short, 'atomism' is used here to denote a Cartesian, essentially dualistic, mechanistic, positivistic conditioning of the mind; it is one which creates and values clear-cut distinctions and which is to be found at the core of western scientific thinking.

In order to gain a fuller understanding of the concept of atomism, the reader may like to read and compare atomistically-written books like *"Nur Wissen kann Wissen beherrschen"* (2008) by the German physicist and philosopher, Bernd-Olaf Küppers, with the more holistic style of books like *"Über die Zeit"* (2009) by the French sinologist and philosopher, François Jullien. Both the content and the style of each of these books magnificently illustrate the marked differences between atomistic and holistic thinking. Further helpful illustrations can be found in books like *"Non-Duality"* (1998) by David Loy or *"Psychologie der Befreiung"* (1988) by Ken Wilbur et alii.\* Marilynne Robinson takes a critical and illustrative stance on proponents of atomism such as Auguste Comte and Edward O. Wilson in her book entitled *"Absence of Mind"* (2010)<sup>1</sup>.

### Individualism

The term 'individualistic' is used here to denote a manner of interacting with one's human environment whereby one places a primary emphasis on psychological independence, self-responsibility, self-actualisation and compromise - as opposed to a focus on interdependence, co-responsibility, interpersonal symbiosis and consensus which is found in more 'collectivistic' cultures. Here the reader is referred to books like *"Intercultural Therapy"* (1999) by Jafar Kareem and Roland Littlewood and *"Japanese Sense of Self"* (1992) by Nancy Rosenberger.

<sup>1</sup> (It is at this point where I find it appropriate to note that the language and style of this paper are deliberately couched within atomistic and other western paradigms in order to render its content as digestible as possible for the western reader).

### Universalism

Significantly, we find both individualistic and atomistic premises deeply embedded not only in western concepts of what constitutes mental health and psychological 'normality', but also at the heart of many applications of explicit-feedback systems. The concepts of atomism and individualism are often accompanied by the 'universalistic' notion that they have - and should have - universal validity. In contrast, 'particularistic' cultures have a predilection for a situation-specific approach to life and problem-solving; consequently, they are less sensitised or sensitive to so-called 'inconsistencies' than their universalistic counterparts who are conditioned to reject contradictions. Illustrations of this cultural distinction can be found in books like *"Philosophie der Menschenrechte"* (1998) by Heiner Bielefeldt, *"Philosophie der Weltkulturen"* (2006) by Anton Grabner-Haider and *"Philosophy as Cultural Politics"* (2007) by Richard Rorty.

### 'Importing' from different cultures and disciplines

Owing not merely to the fact that thousands of managers have been exposed to the methods of western psychotherapy, but also to general interdisciplinary exchange, the spread of western democratic principles and the influence of the latter on labour laws in many countries, one finds a number of premises underlying the theory and practice of western philosophy, psychology and psychotherapy being increasingly 'imported' into the corporate life and managerial practice of Swiss organisations.

Internationally-oriented MBA-programmes, university courses and corporate efforts to identify and attain global best-practices all serve to strengthen the spread of acquaintance with those principles and methods which are presented with the strongest sense of conviction, material motivation and rhetorical skill, which often turn out - at least in Switzerland - to be of North-American, British, French or German origin, i.e. universalistic.

As an example, a large number of authors and educational institutions can be found which proclaim that the manager should act as a 'coach' and that, as such, he/she requires a high level of

1. emotional competence in order to guide employees professionally – (for some critical reflections, see *“Empathie versus Durchsetzungsstärke: Das Verhältnis zwischen Mitarbeitenden und Vorgesetzten”* (2006) by Bob Schneider) and/or
2. objectivity in order to avoid personal bias and/or overcome the dangers of subjectivity.

On management courses in Switzerland and abroad, students are taught - in the atomistic tradition - how to overcome subjectivity, how to be objective and how to create the appropriate degree of professional distance to the coachee. Increasingly, the manager is also portrayed as a 'moderator', one who must stand outside the group-process in order to remain impartial and to avoid a confusion of roles or responsibilities. One is reminded of the term 'the impartial spectator' used by Adam Smith in *“The Theory of Moral Sentiments”* (1759).

In managerial training on how to deliver feedback to employees, strong emphasis is often placed on the atomistic principle of objectivity. Professional distance is again deemed primordial. Just like western therapists, managers are trained to avoid the dangers of transference and counter-transference, i.e. where relationships develop between therapist/manager and client/employee: Interpersonal distance must be upheld in professional working-relationships, as certain highly exposed individuals have experienced to their demise: Bill Clinton, for example, was impeached and lost significant personal credibility as a result of his dealings with a female intern at the White House called Monika Lewinski. In the case of Mark Hurd, \$10bn was wiped from the stock market value of Hewlett-Packard within

minutes of a public disclosure on 6<sup>th</sup> August 2010 related to certain expense claims and to his dealings with a female company contractor called Jodie Fisher. 'Crossing the line' within atomistic cultures can have not only dire consequences for those directly involved when their transgressions actually become public, but also lead to consternation and often-cited perceptions such as 'the double morals of U.S. Americans' among onlookers from the outside world.

For an example of a fundamentally different, i.e. non atomistic and also non-individualistic approach to counselling, the reader is referred to *“Transforming Emotions with Chinese Medicine”* (2007) by Yanhua Zhang, who writes: “A zhongyi doctor cannot assume an 'objective' point of view...” but “forges a connection with the patient”.

As a further example of imported concepts, one recognises not only an atomistic, but also an implicit individualistic premise in the notion of consciously analysing and constructing a personal opinion about another individual and consequently imparting that opinion to the person concerned - particularly when these acts are expected and condoned by the system, i.e. in explicit-feedback cultures. The fact that people have to be trained to reduce the subjectivity of their opinions through developing their reflective competence (see Constantin Peer (2010) *Ibid.*) serves as clear evidence of both the underlying individualistic premise and the necessary atomistic acts of consciousness involved. This example - which, like others, becomes particularly relevant when concepts are imported from one culture into another - will be examined in greater detail in Section 2.2.

In relation to the application of such foreign concepts, I have been using the word 'imported' as opposed to the word 'integrated' with the following rationale. Firstly, if one assumes there to be such a thing as cultures, then these are necessarily at any given time identifiable entities, e.g. through the differences pertaining between one culture and

another at any given time (see *“Intercultural Management”* (1996) by the author). Consequently, people or concepts which originate in one cultural setting can be identified as being non-local when they enter into a new cultural setting. It follows that the full ‘integration’ of people or concepts into a different cultural setting requires cultural change either among those coming from outside, or among the members of the host culture, or both. My rationale is that until such time as the integration process is complete, the ‘foreign’ elements are identifiable as such, even during the more advanced stages of partial integration. Hence,

- a. my distinction between the terms ‘imported’ and ‘integrated’ in relation to the concept of explicit feedback, as defined earlier;
- b. my recognition of the challenges which arise during phases of partial integration when change is being demanded and when emotional resistance occurs and
- c. my questions as to the appropriateness, feasibility and ethical implications of integration in specific cases.

There is, of course, a further form of cultural change which entails the development of the co-existence of more than one ‘pure’ culture within the same person (see below Section 2.2), often leading to cultural conflicts in the individual (see *“Intercultural Therapy”* (1999) by Jafar Kareem and Roland Littlewood and *“Intercultural Management”* (1996) by the author)

When one examines the cultural premises behind many of the imported instruments and concepts in depth, the influence of philosophers like René Descartes, Adam Smith and John Rawls becomes readily apparent (cf. *“The cultural turn”* (1998) by Frederic Jameson). For the remainder of this paper, the abbreviations ‘A-I-U’ and ‘H-C-P’ will be used for ‘atomistic-individualistic-universalistic’

and ‘holistic-collectivistic-particularistic’ cultures respectively.

Returning to explicit feedback in the sense defined above, i.e. with the corresponding acknowledgement of its A-I-U cultural roots, it is easy to recognise why its application in H-C-P cultures can create or intensify feelings of mistrust in organisational settings. The proactive provision of explicit feedback to employees in an A-I-U environment corresponds to premises such as the following:

- that the individual carries the primordial responsibility for his/her own career-development and employment and therefore must be provided with the necessary information (i.e. feedback) in order to carry that responsibility;
- that an employee and an employer enter into an objectivised form of employment contract which can be upheld or terminated under conditions which can be defined in purely legal terms;
- that employees and managers alike can stand back from a given relationship, i.e. objectivise both the relationship and each other, in order to express feedback and also to make conscious decisions as to
  - a. whether they should have an intimate relationship or not (cf. the examples of Mark Hurd and Bill Clinton mentioned above) or
  - b. whether their kinship should prevent them from working together for fear of violating regulations against conflicts of interest, nepotism, etc.

However, in an H-C-P environment the necessary consciousness and objectivisation which an explicit-feedback culture requires can understandably lead employees to read “calculated motives” and “personally-distanced tactics” into their management’s behaviour. Consequently they feel that their

“previous trust-relationship has been ruptured” – as has been reported to us in several organisations. We have observed these reactions to occur particularly in contexts where:

1. efficiency improvements are being sought through
  - a. atomistic re-structuring measures, e.g. the introduction of matrix or process structures,
  - b. shorter performance-measurement periods and/or
  - c. the introduction of internal audits and continuous improvement programmes;
2. senior management and HR are noticed to be actively encouraging their employees to take on increasing self-responsibility for their own career development;
3. ‘fairness’ is being propagated as a core value;
4. ‘initiative’ is being rewarded verbally - and perhaps also materially through promotion and/or boni;
5. individuals and/or departments are being told to ‘negotiate’ with one another;
6. a ‘conflict culture’ is being promoted;
7. management is perceived to be operating a ‘divide-and-rule’ policy, e.g. through the institutionalisation of bilateral meetings with individuals;
8. feedback about management is being collected anonymously from the employees through questionnaires.

Our data show that it is in organisational contexts where many such imported features of A-I-U culture co-occur that mistrust grows most strongly, often to the astonishment of the initiators, who are often at a loss to comprehend what is actually going on at the cultural level.

In recognizing the fundamental differences between clusters of cultural characteristics such as A-I-U and H-C-P, one is compelled to raise questions such as the following:

#### **Question Seven:**

To what extent is the application of A-I-U concepts appropriate and feasible in Swiss organisations from a local cultural point of view?

#### **Question Eight:**

To what extent is the application of A-I-U concepts in Swiss organisations culturally reflected and/or intentional?

These questions will be addressed separately in the following sections.

### **2.2 Question Seven: To what extent is the application of A-I-U concepts appropriate and feasible in Swiss organisations from a local cultural point of view?**

In our analyses of cultural conflicts and corporate cultures over a period of twenty years, we have gathered a significant volume of data which indicates that the cultural roots of the Swiss-German-, Rumantsch and Italian-speaking people, henceforth ‘GRI’-Swiss, are predominantly less atomistic-individualistic-universalistic than those of their geographical neighbours and French-speaking Swiss counterparts. As is the case with many other countries and cultures of the world, a partial absorption of non-local cultural premises does, of course, take place in the GRI-cantons of Switzerland through the media in general and through their respective educational systems. This is particularly the case at colleges and universities where students are exposed to the cultural conditioning of colleagues, lecturers, specialists and authors from Germany, France, Italy, Britain, the USA and other countries. This would explain why many people, particularly in management and academic circles, show elements of atomistic, individualistic and/or universalistic influence in their attitudes and behaviour, extending in some cases to full absorption or in others to ‘culturally-split personalities’. We have also observed that A-I-U concepts often generate an initial fascination and even awe among many

H-C-P people in Switzerland. For the latter, A-I-U approaches have an appealing tangibility, extending even to the impression of intellectual superiority over the tenets of their own culture. Many of them make a sudden switch to High German when they want to make certain point in a particularly professional manner. For others, the initial fascination is observed to wear off over time and the concepts end up being rejected and abandoned. For others again, the awe is negative from the beginning and correlates with existing perceptions about A-I-U-conditioned people as being “arrogant, dominant, condescending” etc.

Whilst it is readily observable that individualism is increasing generally in Switzerland, as in many other countries, the resistance against the sort of A-I-U influence under discussion in this paper is indeed high. It finds continuous expression, for example, in the political arena of Switzerland, as can be seen in the results of referenda, the style and content of party-political wranglings and prejudices in relation to foreign nationals such as the Germans and the Americans. Despite ‘political correctness’ and denial, particularly in A-I-U circles, in relation to the purported existence of a ‘Rösti-Graben’ between the Swiss-German- and French-speaking cantons, it is culturally understandable that people from the GRI-cantons tend to experience greater culturally-motivated difficulty than their French-speaking counterparts in coming to terms with phenomena such as explicit-feedback systems and culturally-related concepts. As already discussed, this culturally-motivated difficulty does not exclude:

1. many GRI-Swiss from finding the notion of explicit feedback initially very appealing or
2. French-speaking Swiss individuals from having difficulties in accepting feedback from other people due to non-cultural aspects of their personalities.

A rather typical expression of the culturally-based difficulty is to be found in large Swiss financial institutions operating internationally where we have observed many employees from the Swiss-German-speaking cantons to perceive their U.S. American and British colleagues as being “superficial” and seeming to take the whole feedback system “much more light-heartedly” than they themselves do. Whilst it is relatively easy for A-I-U conditioned people to segregate different sections of their life, e.g. to separate business from private life, and to expect others to do the same, this does not come so naturally to members of more H-C-P conditioned cultures such as the Swiss-German-speaking culture. The reader is referred to the work of Kurt Lewin who distinguished between ‘U-type’ and ‘G-type’ cultures and to the related concepts of ‘diffuse’ and ‘specific’ cultures described by Fons Trompenaars and Charles Hampden Turner in their book *“Riding The Waves of Culture: Understanding Diversity in Global Business”* (1997). These models help to explain why and how strongly cultures can vary in the ways in which their members can be open to one another. It is because of these differences that many H-C-P-conditioned managers who are learning to practice explicit feedback, but lack the corresponding intercultural competence, are perceived by their A-I-U employees to get “too intimate” in their feedback and to cross into “too many taboo areas”, i.e. because the managers are not culturally conditioned to differentiate in the same way between areas of appropriateness as their A-I-U counterparts.

The fact that the giving and receiving of explicit feedback does not come naturally and has to be learnt can be seen in the vast number of training courses on this subject. In the Swiss pharmaceutical industry, for example, some companies have undertaken very significant investments of time and money in engaging British and other foreign specialists to train their staff in the giving and receiving of feedback. Whilst the initial reactions among the Swiss employees have often been positive

towards this input, the longer-term results have shown that the actual implementation can turn out to be very weak. Such results obviously raise questions not only about the feasibility of the application of A-I-U concepts in H-C-P contexts, but also about the material responsibility of the initiators who have endorsed the very high costs of the training programmes.

Cultural training courses are also offered to Swiss managers when they undertake assignments in countries like the U.S.A. The courses are designed to help them avoid making remarks which local A-I-U-conditioned employees would perceive as discriminatory in terms of race, gender and/or age. There are numerous remarks and questions which come quite naturally to H-C-P people and which are quite unacceptable in A-I-U environments. Management literature in the U.S.A. is full of examples of law suits filed and won against managers on the grounds of discrimination and inappropriate or inadequate feedback. Awards to the plaintiffs of \$500'000 for such transgressions are common. Ignorance of the law does not count as a valid excuse.

In other training courses, managers are taught how to negotiate according to A-I-U premises. It is significant in the context of this paper that people from H-C-P-orientated cultures tend to experience a fundamental difficulty with concepts like 'structured negotiation' and the related notion that one can negotiate 'hard on the content' but remain 'soft on the relationship' (cf. *"Getting to YES: Negotiating Agreement Without Giving In"* (1981) by Roger Fisher and William Ury). The reason for this difficulty lies in the fact that the origins of these concepts correspond to A-I-U premises which:

- a. allow negotiation processes to be approached treated objectively, i.e. as being content-focussed and result-driven and
- b. condition the negotiators to prepare and safeguard their fundamentally

autonomous positions (cf. the concept of 'BATNA' in the 'Getting to Yes' negotiation model – *Op. cit.*).

For H-C-P-conditioned people, the idea of 'negotiating' with each other would entail creating a dimension of distance and a potentially non-reversible rift in the relationship. To negotiate with one another is not the way to behave towards one another. We have observed there to be a strong dislike even of the word 'verhandeln' itself among a high proportion of people from Swiss-German-speaking cantons. It is for closely related reasons that it is less natural for H-C-P to give each other explicit feedback in their everyday working lives: To do so would mean stepping outside the relationship and moving into an unnatural and indeed undesirable position of mutual independence, rather than remain within their habitual feeling of interdependence.

The above examples highlight the relevance of the issue of appropriateness in relation to the application of A-I-U concepts in Swiss organisations. In so doing, they also reinforce the more serious questions of feasibility and ethical responsibility. In organisational settings where the outcome of the application of A-I-U concepts such as explicit-feedback cultures includes:

- a significant breakdown of trust within an organisation,
- perceptions of powerlessness on the part of employees leading to widespread apathy and a breakdown of a company's hard-earned social capital,
- cultural confusion which manifests itself in individual and group disorientation, culturally-split personalities and increasing or surprising cases of unethical behaviour,
- disproportionate levels of burn-out, increasing morbidity and decreasing productivity,



- on-going, energy-consuming conflicts which no-one seems to be able to understand or resolve at a fundamental level,
- a constant latent danger of dire reactionary measures from trades unions and
- the possibility of law-suits from individuals against the company's management

then it is self-evident that the integration of such imported concepts has not been successful. Consequently, it is reasonable to argue that their introduction has, in retrospect, not been justifiable - neither from a material nor a moral point of view. One is reminded of the fact that, at the time of writing this paper, 58 salaried workers of France Telecom have committed suicide over the past two years. Whilst the exact causes for these suicides are difficult to identify and the company stresses in the media that it can identify no links between the various incidents, France Telecom has acknowledged the need to make fundamental changes. It now has a new CEO and is adapting its corporate culture. The company is currently providing significantly more managerial care to its employees than it has been doing in recent years.

A very common reflex to signs of resistance to cultural change, one which is all too often proposed to senior management by inadequately sensitised staff or consultants, is to introduce yet a further A-I-U concept, namely 'cultural-change programmes'. Even a brief look at the literature, including books like *"Who moved my cheese?"* (1998) by Spencer Johnson and *"Nobody moved your cheese"* (2003) by Ross Schafer, or at the contents of numerous change programmes offered on the internet very quickly reveals at their core the A-I-U premises which I have been discussing. Not surprisingly, programmes like these can often lead to an intensification of the symptoms mentioned above. Ultimately, organisations are confronted with a significant increase in personnel-turnover and a loss of

crucial expertise at numerous levels of the organisation.

It is very often the lack of adequate cultural sensitisation at senior management levels which allows the true roots of the symptoms to remain unrecognised and pseudo-explanations for an organisation's downturn to be offered and unwittingly tolerated.

In certain cases, we have observed culturally-sensitised senior managers in Switzerland making a conscious choice about either introducing an A-I-U culture or strengthening an existing H-C-P culture. Due to their sensitisation and inner conviction, several were able to develop their corporate cultures in the desired direction; one of the key success criteria turned out to be the courage and foresight to put culturally-aligned managers into the key positions of influence (see *"Dramatisches Konfliktpotenzial im interkulturellen Management"* (2009) by the author). The efforts of others were often thwarted either by the lack of cultural sensitivity of their peers and/or the critical mass of resistance among the employees.

### **2.3 Question Eight: To what extent is the application of A-I-U concepts in Swiss organisations culturally-reflected and/or intentional?**

As already mentioned in the above sections, the influence of the A-I-U premises on GRI-Swiss culture is far-reaching. In the context of business-management, for example, the atomistic term 'human resources' is now used very commonly and in a way which reflects an at least partial shift towards the 'objectivisation' of an organisation's employees: The latter are construed as the 'object' of the management body. Interestingly, and in the context of this paper very crucially, it is precisely this A-I-U development which serves to create and nurture the concepts of personal accountability and ethical

responsibility on the part of those who do the managing, in particular senior management and supervisory boards.

It is in consonance with this shift that many senior HR-managers are keen to propagate the related A-I-U notion of 'self-responsibility' in relation to the career development and employability of their employees. The propagation of this concept serves the purpose of reducing the financial and emotional burdens faced by senior management when the organisation's 'headcount' (another atomistic term), which they have built up over time, has to be 'downsized'. Inevitably, of course, many employees begin to acquire the same atomistic thinking and unconsciously learn to apply the corresponding cultural premises when pushing the material and ethical responsibility for downsizing back onto senior management. The very emotionally-heated discussions about management boni stem reveal both the impact and the resistance to A-I-U premises very clearly, but few people take the time or are able to analyse the roots of the issues in cultural terms.

Major cultural shifts have also taken place in the way certain Swiss organisations, including financial institutions, are managed. It is a natural consequence of a marked A-I-U shift that managerial thinking becomes more compartmentalised, individualised and generalised than before, i.e.

- targets are set and results are evaluated in shorter time-frames – felt to be a strategically dangerous development from an H-C-P point of view;
- performance, rewards and responsibility become more focussed on individuals – felt from an H-C-P perspective to be divisive, the source of counter-productive internal competitiveness and the cause of an increasing feeling among the employees of being "discardable";

- the number of specialised activities, departments and individuals increases – perceived by H-C-P observers as the cause of internal disjointedness and higher-impact risks;
- clients are allocated into clusters of target-groups and treated according to pre-defined ways of behaving towards each group – felt from an H-C-P point of view to be the cause of the company's "increasingly arrogant attitude" towards its customers;

Whilst the changes made in many such cases seem to be conscious and therefore intentional, our discussions with managers often reveals that there was little or no cultural reflection, at least in the sense of the cultural terms being used in this paper.

As a further example of A-I-U influence in Switzerland, there has been much critical reflection on what might be termed 'unquestioned interdependence' and/or a 'lack of objectivity', especially in the realms of politics and business-dealings. Terms like 'Vitamin B', where 'B' stands for 'Beziehung' (i.e. 'relationship'), are commonly used to describe the traditional H-C-P role of personal networks in decision-making. Today, this cultural practice is often subordinated to a more transparent process of open tendering, due-diligence and objective, impartial evaluation. Purchasing departments are often obliged to apply strict objectivity and impartiality in making their choices of suppliers; sometimes they are forced to rotate their suppliers for the same reasons. Whilst great efforts are made at the surface-level to portray an image of impartiality, Vitamin B ultimately remains a key factor in decision-making: It does not come easily to H-C-P-conditioned people to break from a culture which builds considerably more interwoven criteria into decision-making processes than is the case in A-I-U-conditioned environments. From an A-I-U perspective, decision-making processes in H-C-P cultures can notoriously

take considerable time and they “lack clarity and logic” in their outcomes. H-C-P-conditioned managers report that they find it highly stressing when pressed to justify their decisions in what they feel to be an “over-simplistic manner”.

Again, only very, very few senior managers are able to explain these developments and reactions in cultural terms. This indicates that the introduction of A-I-U concepts is largely unreflected from a cultural point of view and also that the resulting reactions are often unintended. It is also a fact that, despite the strong trend towards managerial coaching and feedback-systems, which often border very closely on therapeutic practice, an insignificant minority of Swiss managers has ever been introduced to the topic of ‘intercultural counselling and therapy’. The ethical responsibilities and liabilities for providing culturally appropriate or inappropriate counselling are considerable - see *“Intercultural Therapy”* (1999) by Jafar Kareem and Roland Littlewood and *“Race, Culture and Psychotherapy - Critical Perspectives in Multicultural Practice”* (2006) by Ray Moodey and Stephen Palmer.

As for the question of any hegemonial intent on the part of A-I-U-conditioned cultures or nations, it cannot be refuted that vast resources are made available on an on-going basis to further various ideologies and mercantile interests on a worldwide scale and in a competitive fashion. We have observed widespread funded propagation of culturally-loaded instruments, principally from the United States of America, into foreign governments and institutions. To cite just two examples:

- Training in the Harvard Law School-based “Getting to Yes” negotiation model for governmental officials in Moscow and Sankt Petersburg following the fall of the iron curtain and

- Conflict-resolution training in the Middle East by US-American trainers working from Amman.

Whilst an almost missionary type of enthusiasm can often be detected among the actual deliverers of such courses, it is the governmental funding behind them which indicates that a conscious decision has been made to promote a certain ideology.

As for the idea that there could be a conscious intent to unify Swiss cultural ideology with that of the United States, for example, this would obviously be rather far-fetched. However, a consequence of the mercantile competition which exists between universities and MBA-programmes is undoubtedly that the underlying ideologies upon which their teachings are based certainly do filter through to companies and organisations all around the world. MIT and Harvard are often seen as icons and benchmarks for students and other universities and there is a considerable amount of ideological emulation alongside the cherished ‘borrowing’ of professors and of course content. When managers in Switzerland remark how they regret that so many of their professors even in Swiss universities are non-Swiss nationals, they tend also to express a mixture of both fascination and cultural resistance with regard to the foreign influence.

It is also significant to note that the universalistic component of A-I-U-conditioning does the opposite of programming the mind to look for particularities (see Section 2.1). Consequently, the theory and practice of Western psychology, let alone Western management, is marked by a dearth of attention to cultural differences. Accordingly, when large consultancy firms with their home-bases in the U.S.A. recommend their own in-house instruments like explicit feedback to their clients, there is seldom either a cultural propensity or an adequate amount of knowledge and sensitivity to question the appropriateness of their recommendation.

Whilst it is arguable that all senior managers should know what they are doing in cultural terms when introducing A-I-U concepts into an organisation, the fact is that they are triggering a systemic endorsement and development of individualistic behaviour. This has the consequence that the individual is implicitly legitimised to demand that his/her personal integrity is respected and not violated by the system. The consequences of this socio-cultural development are all too plain to see if one examines corporate life in the U.S.A. and it is left to senior management to evaluate the risks and benefits of taking its organisation down one cultural route or another. The reader is referred to books like *"The Idea of Justice"* (2009) by Amartya Sen or *"A Terrible Beauty"* (2000) by Peter Watson in relation to such evaluations of risks and benefits.

It is the insight that A-I-U concepts enhance expectations related to the non-violation of individual integrity which forms the basis of many of my reflections in the next section.

### **3. The Individual Appropriateness of the Fact, Form and Content of Feedback**

#### **3.1 Introduction**

The fact that individuals all around the world show reticence towards the practice of explicit feedback has been addressed above in Sections 1 and 2. I have also argued that there are cultural premises which

- a. make the practice of explicit feedback more or less natural from a cultural point of view and
- b. explain the phenomenon of resistance at a group level, i.e. at a level which complements any pertaining non-cultural sensitivities.

Whether resistance at the individual level arises for cultural or non-cultural reasons, the fact alone that the resistance is an indicator of a

reaction to a formalised feedback-system raises the question of the latter's appropriateness.

#### **3.2. The fact of feedback**

In a democratic society which observes the Universal Declaration of Human Rights, it is reasonable to argue that:

1. if a person accepts to work in an organisation and it is made known to that person by the organisation
  - a. that an explicit-feedback system exists,
  - b. how exactly that system functions and
  - c. what the full consequences of the feedback system are,

then the pure fact of receiving and/or giving feedback is also accepted by that individual.

2. if an explicit-feedback system and culture are introduced by the organisation after an individual's initial engagement, then:
  - a. the individual should be offered the option to participate or not and
  - b. the consequences of non-participation should be agreed with no disadvantage to the individual.

In other societies and/or in the context of other cultural premises, these arguments would not necessarily be valid. The question of rights and obligations becomes significantly more complex, of course, in multicultural environments and also in situations where a partial absorption of foreign premises has taken place.

Nevertheless the fact that an explicit-feedback culture is – or will be – practised in any

organisation incurs ethical consequences which

- a. depend on the pertaining internal and external cultural environment and
- b. need to be adequately reflected and implemented by the organisation's management.

### 3.3. The form and content of feedback

Returning to the first set of arguments in Section 3.2, the following question is begged:

#### Question Nine:

Does the acceptance of the fact of explicit feedback also imply that the form and the content of the feedback given/received is acceptable/accepted?

In any attempt to generate an affirmative answer to this question, various grey areas become apparent which, in themselves, raise further questions (and a re-formulation of Questions Two to Five above):

#### Question Ten:

To what extent is a given individual 'personally fit' (i.e. psychologically fit and appropriately culturally conditioned) to receive feedback from a 'qualified person' (i.e. from someone who has been sensitised to the individual and cultural appropriateness of the form and content of feedback)?

#### Question Eleven:

To what extent is a given individual 'personally fit' to receive feedback from an 'unqualified person'?

#### Question Twelve:

To what extent is a given individual 'qualified' to give feedback?

#### Question Thirteen:

To what extent is a given individual 'personally fit' to give 'qualified' feedback?

It is self-evident that in situations where these questions cannot be answered satisfactorily - i.e. where the criteria of form and content are not sufficiently fulfilled - it would be untenable to postulate an acceptance of the **fact** of feedback. It is also clear that the fact that there can never be a crisp, unequivocal answer to any of the above four questions does not change the implications for an organisation's ethical responsibility towards its employees when practising a formalised explicit-feedback system. Nor can the issue of ethical responsibility be credibly circumvented by arguing that globalisation is a fact, or that multiculturalism or even non-culturalism exists inside or even outside the organisation.

In the following, I will offer some real-life examples of the far-reaching consequences of inappropriate explicit feedback.

#### Case Type 1: Reduced self-esteem

In a relatively large industrial company in Germany, a man of French nationality, Mr F., was brought in from a major consultancy firm, which had employed him in the United States, to manage a newly-formed business innovation department. The department was attached directly to the CEO and comprised 15 senior managers, each with an excellent track record from their various divisions and representing different disciplines and nationalities. Most of the 15 managers had been working for the company for ten to twenty years. After a very short period of time, the majority of the team became very dissatisfied with Mr F.'s managerial approach and five in particular showed signs of acute psychological stress, requiring subsequent professional guidance. A formal performance-appraisal and explicit-feedback system was in place which included Mr F. recording in writing his evaluations of each department

member according to various pre-determined criteria. The recorded evaluations impacted not only on each person's salary, but also on their future careers in the company.

Observations of Mr F. interacting with the team members and an analysis of the reports given by those individuals who were most distressed by his managerial style revealed that Mr F. applying a mixture of:

1. his own weighting of the pre-determined evaluation criteria,
2. a personal interpretation of the criteria which differed from the interpretation to which the team members had largely become accustomed,
3. an application of the Gaussian bell-curve principle which meant that the abilities of group members had to be distributed along the complete scale from overachieving to underachieving and
4. a communicative style which was so unusually direct for the recipients that it was perceived as "aggressive and non-constructive".

The analysis also revealed further complicating factors which were related to:

5. Mr F.'s personality structure, which mirrored a troubled early biography leading to deep-seated issues concerning power and the need for recognition
6. his refusal to speak the local site language,
7. the existence of at least two culturally-complex personalities in the team,
8. the dire financial situation of the company and its acute need for successful turn-around measures from sources which included notably the business innovation department.

Such factors served, of course, to heighten the psychological stress on the team members. Among the key triggers of distress among individual team-members was Mr F.'s "highly

dogmatic, one-way style of communicating", his "insistence on bilateral meetings" as opposed to group discussions and his particular focus on the following criteria in his feedback sessions:

1. 'assertiveness' - in the sense of demonstrating strong self-conviction and being able to competently apply certain models of communication and negotiation;
2. 'rhetorical and presentation ability' - in the sense of the power of persuasion through high-impact wording, visualisation and body-language;
3. 'dynamism' - in the sense of exuding magnetising energy and infectious enthusiasm;
4. 'self-responsibility' - in the sense of psychological independence and positivistic self-determination.

The A-I-U cultural premises in the definitions of these criteria are very clear to identify. As a result of the feedback sessions, the majority of the team members reported that they were losing their motivation and self-confidence and that even the preparation of their next company-internal presentations was becoming a source of increasing anxiety to them. When reflecting on their predicament, they said that they would feel more natural - and therefore be more authentic and less-stressed - when behaving in a "non-extroverted", "calm" and "non-salesperson-like" manner. Several of them also reported a negative impact on their private lives. They mentioned, for example, serious concerns about their:

1. "failing to perform adequately" in their personal relationships,
2. "lack of assertiveness" in relation to their partners at home or
3. "taking matters at home too personally".

In addition to the effects of reduced self-esteem and heightened stress at the workplace, the distressed individuals were - as can be seen in these quotations - already beginning to

use the vocabulary of Mr F. in evaluating their own behaviour in their private lives; not only were they using the vocabulary but they were also evaluating themselves negatively, just as their manager was doing to them. As a consequence, their self-esteem was suffering even further, with serious knock-on consequences for their future careers and also their relationships at home. A significant part of their environments was becoming a source of threat and/or anxiety.

In cases where a person's career development is stunted, the lives of children are permanently and negatively affected by a breakdown of their parents' relationship and where a significant portion of the responsibility can be directly attributed to individually inappropriate managerial feedback, the moral and ethical implications for an employer who engages such a manager and thereby implicitly endorses his behaviour are self-evident – depending, of course, on the cultural lenses which one chooses to use.

This concrete example is just one of many hundreds of analogous cases of this type which we have witnessed in recent years. As numerous other authors have noted, the effects of people's childhood experiences impact very significantly on their behaviour as adults and as managers - often with quite disastrous outcomes for the people around them, including their employees. There is a wealth of literature on subjects such as 'narcissism' among senior managers (see *"Narcissistic Leaders: The incredible Pro's and Cons"* by Michael Maccoby in the Harvard Business Review - On Point Collection). The logical consequence of such insights into managerial behaviour for organisations is for them to undertake adequate screening and in-depth character assessments prior to entrusting any individuals with staff-managerial functions (see Section 1.4).

### **Case Type 2: Reduced chances of re-employment**

During a cultural assessment, one of the

candidates - a family father recently made jobless - who had been short-listed for a managerial position in a large Swiss organisation began to display certain behavioural characteristics which did not match his personality and cultural identity. In responding to a certain cluster of questions and tasks, the tone of his voice became acoustically much narrower; the emotional tones and empathetic style disappeared; his vocal delivery became noticeably abrupt; at this juncture, the candidate reduced his eye-contact with the assessors to fleeting glances and he began making statements in a way which did not match the form and the content of earlier ones.

Under other circumstances, his authenticity and credibility would have been in danger of dropping considerably. He could have been perceived as being inconsistent, if not as bending the facts, lying and therefore as being untrustworthy.

During the ensuing discussion of his performance, the candidate in question revealed that he had acted in a certain way which corresponded to the feedback given to him on a recent managerial training course. There, he had been told that he lacked sufficient assertiveness and managerial insistence.

Consequently, despite the following introductory comment at the beginning of this assessment:

- "I am a little nervous, but have decided present myself as I really am"

he had tried to show himself in this part of the assessment as being more dominant and personally decisive than he would normally be.

The candidate's attempted integration of the feedback from his training course could have had disastrous effects on his chances of finding employment and generating income for his

family, if the sections of non-authentic behaviour had not been differentiated out and the roots not analysed and discussed.

Cases such as this one occur in our experience with alarming frequency. If it transpires in the course of assessment interviews that the roots of a candidate's inauthenticity genuinely lie in the content of feedback which has been given to him/her at work, then the ethical implications are indeed very high. They are arguably even higher when the candidate's previous employer has had to dismiss him/her as part of a downsizing strategy due to poor management at a more senior level.

### **Case Type 3: Confusing feedback - confused employees**

A female employee who had applied for coaching reported that she was getting increasingly unsure about her true abilities and potential. Over the last two years, she had received a lot of intentionally constructive feedback from her new superior, but none of this seemed to help her - quite the opposite: she was losing her confidence and considering taking on a lower-level job in a different company.

When we analysed the competence model which the company and the manager were using as the basis for the feedback process, it revealed numerous inherent inconsistencies - at least in her understanding of the criteria. The vocabulary being used in the system and by the manager included the following:

- solves problems and works independently
- displays excellent teamworking qualities
- is highly conscientious and loyal
- displays self-determination, is psychologically independent and undaunted by setbacks
- sets challenging stretch goals, does not tolerate sub-optimal standards
- develops employees with a person-centred approach

- views problems holistically, develops strategies and sets priorities with ease
- pays focussed attention to detail

Once the coachee recognised the inconsistencies, she began to realise that her interpretations of the well-meant feedback which she had been receiving was tugging her in opposing directions and giving her an uncomfortable level of inner confusion.

Cases of confusion arise very frequently for a variety of reasons such as:

- different givers of feedback using different interpretations of the same criteria in relation to the same person,
- receivers of feedback using different interpretations of the same criteria than the givers,
- different givers of feedback using different criteria in relation to the same person,
- givers of feedback being themselves culturally-split personalities and thereby giving 'inconsistent' feedback to the same person.

Again, it can be argued that the senior management carries significant ethical responsibility for the consequences of cases of feedback-confusion which arise through the initiation and implementation of explicit-feedback cultures. What I have deliberately left out of the above list of possible reasons for confusion are cases of inconsistency and randomness among givers and receivers which are due to personality traits which verge on, or lie within, the area of pathological behaviour. It is well-recognised that the latter is frequently exists inside organisations and this fact serves only to heighten the ethical implications for senior management.

A high impact phenomenon which we have observed to be extremely common in organisations is the confusion which results when managers change, i.e. when a successor starts providing feedback with a different style



and content to that of his/her predecessor. Whilst this is a perfectly natural phenomenon, it is arguable that senior management should undertake the following steps when managerial changes take place:

1. analyse the degree of overlap and any alignment gaps between the profile of the outgoing manager and the desired corporate culture,
2. assess all incoming candidates in relation to their cultural alignment and reflective competence,
3. resolve any deficits or alignment gaps between the chosen candidate and the desired corporate culture.

## Conclusion

In drawing these reflections to a close, I return to the questions and issues which I raised at the beginning of this paper:

I have argued that, within the context of corporate governance, the ethical implications for supervisory boards and senior management of endorsing explicit feedback as a management instrument in non A-I-U cultural environments include both a corporate responsibility for an organisation's social capital and also a moral responsibility towards employees and their families. It is undeniable that an employee's life at work impacts very significantly on their private life. It is certainly arguable that employers also provide people with a considerable and often crucial degree of meaning in their lives - in Section 2.2, I made reference to the 58 suicides over a two year period among salaried employees of France Telecom and the fact that the company has had to change its culture as a result. The phenomenon of culture in an organisation is therefore not a peripheral matter, but a very central one for which top management, including the organisation's owners, carries the ultimate responsibility; culture is a core part of a people's identities and constitutes the

foundation of the values which guide their everyday thoughts, feelings, behaviour, decisions and the way they feel about themselves. Consequently, it is reasonable to argue in a democratic context that if an organisation - whether implicitly or explicitly, whether consciously or unconsciously - exercises the right to impact on the cultural identities of its employees, then it should bear the consequences. To argue that culture is "a woefully complex, maddeningly dynamic phenomenon that does not lend itself easily to causal analysis", as Guy Olivier Faure and Jeffrey Rubin did almost two decades ago in their book *"Culture and Negotiation"* (1993), can no longer be offered as an excuse for inadequate corporate governance.

Returning to the main focus of this paper, it follows that before endorsing and developing explicit feedback as part of a cultural shift towards an A-I-U culture, an organisation's top management needs:

1. to be fully aware of the long-term consequences of such a shift, such as those outlined in Section 1,
2. to weigh up the various advantages and disadvantages of deciding for an A-I-U culture and
3. to adequately plan and budget for the measures which are necessary in order to ensure a consistent and ethically justifiable implementation of the new corporate culture.

In managerial attempts to achieve a shift towards a 'strong culture' of any type, inadequate planning and inconsistent implementation invariably lead to a high degree of cultural confusion within the organisation (see Section 2.2). In order to eliminate such a danger, top-management can adhere to measures such as the following:

4. ensuring optimal alignment between the desired A-I-U culture and
  - the people appointed to key managerial functions, i.e. through

- cultural assessments and, if necessary, cultural development,
- the vocabulary of written and oral communication,
  - the remuneration, bonus and promotion schemes,
  - the competence model used in performance appraisals,
  - the objectives, content and didactics of meetings, coaching sessions, workshops, seminars, team-development and continuous improvement programmes,
  - the methodology of problem-solving and conflict-management;
5. providing adequate explanations to existing employees and job-applicants concerning
    - the reasoning for having a 'strong A-I-U culture',
    - the features of that culture,
    - any and all pertaining sanctions for non-conformity and
    - the right of all existing employees to participate in the culture, or not, at no disadvantage to themselves;
  6. training and testing managers in how to give culturally-aligned and psychologically-undamaging feedback to their employees, including sensitisation to the consequences of

inappropriate feedback for the organisation, the manager and the employee.

In the case of 180° and 360° feedback systems, they also include:

7. training and testing employees in how to give culturally-aligned and psychologically-undamaging feedback to each other and to their managers.

Such training necessarily entails:

8. enabling employees and managers to discern the appropriateness of personal feedback and defend their personal integrity when confronted with potentially psychologically-damaging feedback, i.e. developing their intercultural, reflective, ethical and communicative competence.

The more rigorously these measures are implemented, the faster the desired cultural shift will take place and the lower the danger of cultural confusion in the organisation. Most crucially, the top management will, in so doing, be able to uphold its ethical responsibility towards the organisation, its owners, its partners and, not least, its employees.

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