BUILD A HIGH PERFORMANCE TEAM IN THE TOP 5 GLOBAL EXPANSION COUNTRIES

Globalization PARTNERS

Your company hired a stellar new team member. Payroll is all set. Benefits are ironed out. They start on Monday, so pop open the champagne! Your global expansion is well on its way.

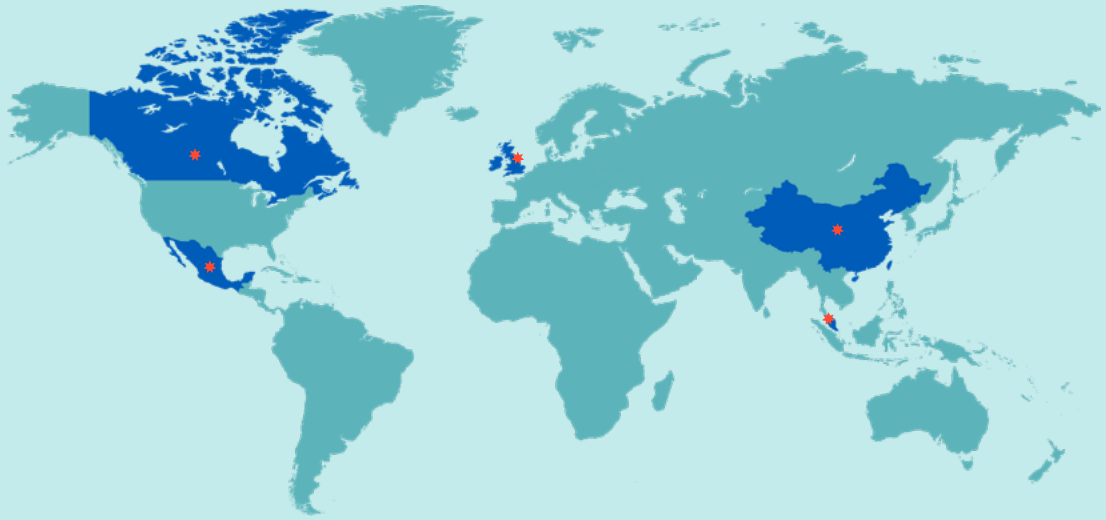
It's exciting, but it's only the beginning. Now, you must train and manage your new team member so they become an integrated fixture of your now global team.

There's a good chance the person looking at you on that video conference call has a work style that's very different than yours. They may celebrate different holidays, expect a different work-life balance, and even approach everyday working activities—like meetings—in a completely different way.

Every country has its own cultural norms about work life and working styles. You're not going to be an expert on that new international hire's experience and expectations on day one, but knowing about some of these cultural nuances can help you build a positive working relationship with them faster, with fewer faux pas along the way.

Based on the data from hundreds of companies growing at many different speeds and capacities, we've identified five of the top countries targeted for expansion: Canada, United Kingdom, Mexico, Singapore and China. If you're building a dream team around the world, specifically in one of these five countries, this guide is for you.

So, finish up that champagne, then it's time to get to work. Read on to learn about more about the cultural nuances you need to know as you begin growing your team around the world.



FIVE HOT COUNTRIES FOR GLOBAL EXPANSION

When companies begin to grow internationally, they look for a thriving business ecosystem, an emerging market, and a diverse, skilled workforce. They're looking for an opportunity in a country that allows them strategic market entry for exploration. These are the top five countries for expansion today, based on Globalization Partners internal data from over 700 customers.

CANADA

Population: 37 million
Time Zones: Pacific, Mountain, Central, Eastern, Atlantic, and Newfoundland Standard Time
Language: English and French
Currency: Canadian dollar (CAD)
Total government holidays: 11-12

UNITED KINGDOM

Population: 66 million
Time Zone: Greenwich Mean Time, (with British Summer Time +1)
Language: English plus recognized regional dialects, including Scots, Scottish Gaelic, Welsh, Irish, and Cornish.
Currency: British pound (GBP)
Total government holidays: 8-10

MEXICO

Population: 129 million
Time Zones: Mexico spans four time zones. Most of the country uses Central Standard Time, but certain regions cover Eastern, Mountain and Pacific Time.
Language: Spanish, and 62 recognized indigenous Amerindian languages.
Currency: Mexican Peso
Total government holidays: 10

SINGAPORE

Population: 5.7 million
Time Zone: Singapore Standard Time
Language: Malay is the national language, but English is used for education and business. Chinese and Tamil are also used.
Currency: Singapore dollar
Total government holidays: 11

CHINA

Population: 1.4 Billion
Time Zone: Although China is a very large country, it has only one time zone, known as 'Beijing Time,' which is eight hours ahead of UTC.
Language: China's official language is the Beijing dialect of "Standard Chinese," or Mandarin.
Currency: Renminbi (abbreviated RMB or CNY, for Chinese yuan—known in Hong Kong as the CNH)
Totally government holidays: 7

COMMUNICATION STYLES ACROSS CULTURES

Communication consistently comes up as one of the biggest challenges for international teams. When managers learn and understand cultural differences, many of the communication hurdles won't be as difficult to overcome.

CANADA

Canadians are direct yet tactful, and more conflict-averse and reserved when compared to Americans. When learning about Canada, keep in mind there are three major cities in this large country, and attitudes and norms vary across locations.

In Toronto, employees are practical, use plain speech and are very polite. Body language and expression tend to be conservative. It's considered rude not to let a person complete a thought, but there's still a quick pace of business which does allow for conversations that move quickly.

In Montreal, employees are slightly less direct in their communication style. They are more expressive and are more likely to interrupt someone who is speaking—unless that person has a higher rank and authority.

In Vancouver, employees are more unassuming and laid-back. They tend to be less stressed than their counterparts back east.

UNITED KINGDOM

There are few cultures as subtle in their communication as in the UK. For the British: words matter. To outsiders, British communication style is a curious mix. When it comes to data, numbers, and legalities, the British can be very direct. However, when it comes to praise, criticism, performance feedback, and other types of interpersonal relationships, your British team members may revert to an indirect or subtle form of communicating. British managers are more likely to ask for help or offer advice than give direct instructions. As a manager, if you are too direct, you risk coming across as aggressive, arrogant, and overly blunt.

The British have a strong aversion to conflict and set a high value on remaining polite and civil. If they don't have something nice to say—or even if they do— they may avoid using direct statements and instead couch their observations in polite understatements.

They pride themselves on their fairness and teamwork. It is considered extremely rude to directly disagree with someone—even if you think they are wrong. Likewise, it can be excruciating for a traditional Brit to be called out for praise in front of their colleagues. Over self-promotion is so rare that it is essentially taboo.

MEXICO

As someone working with or managing Mexican employees, you must be ready to invest time in your work relationships and prioritize those colleagues as a top business goal.

Your relationships with co-workers will dictate your success or failure at work. Mexico is a "high-context" culture—which means Mexican team members will assess words and actions within the broader context of their overall association with you. Those connections will take time to develop over long periods of interaction—and you can expect them to become better as you establish shared expectations and goals.

In Mexico, communication is circumspect, relying heavily on a history of personal interactions, cultural cues, nonverbal communication, and emotional subtext. Much goes unsaid. It takes time to develop trust in these high context cultures, and words and actions do take on long-reaching ramifications. Patience is required.

Try not to criticize people in front of others and be sensitive to the power of your feedback as a superior. As with most high-power distance countries, this can damage a relationship. Mexicans tend to be effusive in their public praise.

A good manager combines an authoritative approach with a concern for the well-being and dignity of employees. Be authoritative but not dictatorial. You want to maintain control and make employees feel secure while maintaining a friendly, human touch. Be clear about your expectations and understand the strong power of your words and suggestions.

SINGAPORE

While many businesses in Singapore model themselves on Western enterprises and are adopting those practices, dress, and customs, the business culture is still formal and traditional. Singaporeans are not overly demonstrative in their business communications, and typically greet one another with a light handshake.

Singapore has a high context culture, where bosses hold a lot of authority—so your employees will be watching you closely for non-verbal cues. They may put more faith in that than the spoken word or email. Your tone of voice, facial expressions and body language will all convey meaning and direction.

Teamwork and group effort is the backbone of a Singaporean team, and workers consider the achievement of the team to be more important than individual achievements. Calling out, rewarding, or recognizing individuals publicly—and even privately—may make your employees in Singapore feel uncomfortable.

CHINA

Chinese culture can be described as highly collectivist and high context. Workers tend to understand their work within the larger picture of shared group goals and dislike being singled out for either criticism or praise, depending on the culture of the company for which they work.

In general, Chinese culture greatly values harmony and tradition and tends to frown on overt aggressiveness, self-promotion, and excess emotionalism. That said, many work cultures are still very highly demanding and high stakes.

Chinese work environments tend to be extremely hierarchical and formal, with deference to those of higher status. This doesn't mean Chinese work cultures are distant or cold, however. The emphasis on relationships results in a lot of quality time spent with your team, at work and away from work and a lot of personal sharing.

In China, allowing team members to "save face" is important. Chinese business culture discourages calling someone out for criticism, in public or private. Giving feedback might better take the form of giving explicit new instructions, to avoid offending the employee. Likewise, you can expect a reluctance from subordinates or peers to call you out or give you tough feedback directly.

OFFICE HOURS AND MEETING ETIQUETTE

CANADA

Office hours: Typical working hours in Canada are 8:00 or 9:00am to 5:00 or 6:00pm.
Appointments: Make an appointment and be on time!
Scheduling: Schedule appointments during business hours and in the office.

UNITED KINGDOM

Office hours: Typical working hours in the UK are 8:30am to 5:30pm.
Appointments: Teams in the UK expect people to schedule meetings and appointments, and that an agenda will be provided in advance.
Scheduling: Brits use the 24-hour clock, and it's rare to hear the exact time as opposed to terms like 'half past', 'half-nine', 'quarter past', or 'quarter to'. The same day in the following week may be referred to as 'Friday week' and two weeks might be called a 'fortnight.' Brits often use the term "diary" in reference to their calendar or schedule.

MEXICO

Office hours: Usually 8:00am to around 5:00-7:00pm, with 30 minutes to an hour for lunch. A few companies or government offices still follow the traditional Mexican working hours: 8:00am to 1:00pm and then 4:00pm to ~6:00pm with a long lunch in between.
Appointments: Punctuality is not rigid. Also, Mexicans use the day/month/year date format, so mark your calendar correctly: 3/5/2020 is May third, not March fifth.
Scheduling: Business breakfasts are very common. The best time for meetings is between 10:00am and 1:00pm, with late afternoon as the next best choice. A late lunch is the most common business meal, with some meetings set for breakfast. Dinner is generally considered too late for business.

SINGAPORE

Office hours: Monday to Friday, 9:00am to 6:00pm
Appointments: Make an appointment, and be punctual.
Scheduling: Midday and midweek will usually be best for meetings.

CHINA

Office hours: Working hours are Monday to Friday, 8:00am to 6:00pm, with a lunch break from 12:00pm to 2:00pm, but it's common for Chinese workers to stay at work far later than 6:00pm and work additional hours on Saturdays.
Appointments: Appointments are required for business in China, but don't be surprised if no one is on time in this polychronic society.
Scheduling: The best times to schedule a meeting are mid-morning (from 10:30-11:30—before the noon-2pm lunchtime) and in the late afternoon when people have returned from lunch and finished their naps (3:30-5). Working with a U.S. company can be challenging for workers in China, given the 12-hour time difference. Consider avoiding 8am meetings since it's 8pm for your team in China, or at least trade off nights. It might be easier for Pacific coast companies to handle the time difference, as a 9am call is only 6pm in China. Multinational companies only offer a 1-hour lunch break, making working hours Monday to Friday, 9:00am to 6:00pm.

GETTING PAID AND PROMOTED

CANADA

For years, Canadian salaries have lingered behind the U.S. and other western nations. The U.S. Census Bureau reports the median income for U.S. families is $60,336, while in Canada, the median income hovers closer to $44,860 USD.

Canadian salaries are beginning to catch up, and on average are ranked 21st in the world—higher than the UK and France—but there are definitely significant differences by industry and region.

By and large, you should expect to pay employees similarly or a little less than you would pay in comparable areas of the U.S. In some regions and cities this may differ, depending on the region. Vancouver, for example, has an extremely high cost-of-living.

UNITED KINGDOM

British employees earn up to 50% less than their counterparts in the U.S.—particularly in high tech jobs, but the British pound (GBP) is also higher than USD. The United Kingdom's rate of unemployment is around 4%—one of the lowest in Europe–yet real wages are lower than they were ten years ago.

UK employees prefer to remain with a company long-term, as long as career progression is offered. However, there are generational differences. Millennials are more likely to move up by moving on than older generations.

MEXICO

Employees are entitled to a yearly bonus known as an Aguinaldo. The minimum Aguinaldo each year is equal to 15 days of salary. In most cases, the Aguinaldo amounts to 4 week's pay, and in some larger companies up to 6 weeks. The Aguinaldo is normally paid in December, although companies which pay 6 weeks usually pay 4 weeks in December and 2 weeks in summer. Sales positions in Mexico are often paid with large sales commissions or quota bonuses. Management positions also have high variable payments, dependent upon meeting business targets.

An employment agreement is mandatory in Mexico. For indefinite contracts or those more than 180 days, a trial period (not exceeding 30 days) may be established for the purpose of finding out if the employee has the necessary knowledge for the position. For managers and executives, that trial period may be up to 180 days.

SINGAPORE

According to a recent study, 83% of Singaporean employees—across all industries and job levels—will expect a salary increase when they switch to a new company or role, and the average pay increase is 17%.

Singapore's average wages are the highest in Asia—higher even than Hong Kong and Japan. However, many of your employees may also be expecting an annual bonus equivalent to at least 1 month's salary, which is common in Singapore. (This is often known as the 13th month payment.) That said, some employees in Singapore are receiving annual bonuses of 2-3x their monthly salary when business is good. Be sure to account for this in your employment agreement.

CHINA

Though there are regional variations, Chinese Labor Contract Law says that it is possible to renew a fixed term contract for another fixed term, but that the employer may not necessarily be able to terminate the person based on the expiration of the second term contract (courts in Shanghai allow it, but courts in Beijing do not).

The net result of an open-term contract is that, while the employee can leave at any time (though they do have to provide one month's notice), the employer must retain the employee unless they have a valid reason to terminate or reach a mutual agreement with employee and pay for statutory severance payment. Stay aware of contracts and hiring, as the stakes are high.

HOURS, FLEXIBILITY & WORK LIFE BALANCE

CANADA

By law, your Canadian employees must be given a 30-minute break for every five hours they work, and a 24-hour break each week. In Canada, the average full-time worker puts in about 1,703 hours a year.

Toronto: If you have team members in Toronto, you will want to consider flex work options (or resign yourself to occasional lateness).

The sprawl of the Greater Toronto Area (GTA), combined with aging and ineffective infrastructure and public transportation, means the commute is rough for Torontonians. This also affects their ability to socialize with the team after work.

Vancouver: In this city, the watchword is “relaxed.” Their dress code tends to be more chill, as are their hours, vacation, and work-at-home policies.

Team members will still produce high-quality work, but they may do it from a cabin at the beach, or in off-hours. They will not put in the long-hours or overtime that cuts into their family life.

Montreal: Here, time is more fluid for workers, who will linger over a meal, multitask at work, and tend to put family and their tight-knit community over business considerations.

UNITED KINGDOM

Currently, there is a large emphasis on work-life balance and promoting benefits (such as flexible working) in the UK. The United Kingdom ranks 13th among European countries with the best work-life balance.

Employers are becoming more aware of the growing expectations of their workforce in terms of the work-life balance.

Companies are now considering how to achieve a work-life balance and implementing targeted measures to promote this.The goal is not only to make employees more productive, but also happier and more balanced.

MEXICO

Mexico has the longest average working week in the world, at 41.2 hours and contract workers can accumulate up to 48 hours a week. Many industrious Mexicans spend an average of 10 hours a day doing paid or unpaid work of some kind.

Although your Mexican team members work as hard (or harder) than anyone else in the world, they view work from a different perspective than their northern neighbors.

Flexible work hours and working from a home office are also common benefits frequently offered.

SINGAPORE

Singapore is undergoing a tumultuous period of change in the workplace—driven in part by an aging workforce and a growing gap between older workers and their millennial counterparts.

Singaporean workers topped the 2019 list for working the longest hours in the world, clocking an average of 2,236 hours in 2018—compared to the U.S. at 1,779 and the U.K. at 1,674. In a country where overwork is considered virtuous, it is common for workers in Singapore to put in more than 72 hours a week—usually with unpaid overtime. That said, Singaporean working hours have been on a steady decline for the past decade.

The workplace in Singapore is changing to reflect the desires of younger workers—including dropping Saturday hours, increasing flexibility of hours and telework. In Singapore, flexibility matters. In January 2019, the government reported that 72% of companies offer some form of flexibility in working hours and locations. To stay competitive, you may want to consider this option.

Singapore's workers would like to have more flexibility in their jobs, surveys have found, but a climate of psychological safety must be in place before they will be honest with you about those needs.

CHINA

The term 9-9-6 refers to a new work ethic that has subsumed Chinese start-up, services and tech culture over the past decade, where the numbers refer to working 9am to 9pm, six days a week.

Considered the key to business success by many tech entrepreneurs and senior executives, the 9-9-6 mentality has seen a good deal of pushback over the past year, where younger employees have expressed their dislike for the practice, which limits their personal lives without providing a significant boost in productivity.

And if you think 9-9-6 hours might be a phenomenon limited to junior employees, without families—think again. Senior executives and managers also work long hours and weekends—because the overtime is necessary to both promotion and retention in many of the new tech companies.

A recent report states that Chinese workers have only about two and a quarter hours of leisure time a day—which is less than half the time that people have in the US or UK. Younger employees are pushing back, and demanding a better work-life balance, so companies can set themselves apart by staying away from the 9-9-6 culture.

VACATION AND LEAVE POLICIES

CANADA

Parental leave: Maternity leave is 15 weeks in addition to the parental leave that can be shared between parents (which can be up to an additional 40 or 69 weeks), making it possible for a parent to be off for 12-18 months. Parents who have or adopt a child and share employment insurance parental benefits with another parent may be eligible for 5 extra weeks of standard parental benefits, or 8 extra weeks of extended parental benefits.

Paid Vacation: Canadian workers with fewer than five years working for your company are entitled to two weeks of paid vacation a year. Employees with more than five years are entitled to three weeks.

UNITED KINGDOM

Parental Leave: Women in the UK are entitled to take 52 weeks off for maternal leave. In the UK, there is also a concept of shared parental leave which enables the mother to share her 52 weeks of maternity leave with the other parent.

This enables mothers to return to work before the end of their maternity leave without sacrificing the rest of the leave that would otherwise be available to them. There are similar provisions for those who adopt.

Paid Vacation: UK workers are entitled to a minimum daily rest period of 11 consecutive hours in every 24-hour period. They should also receive a rest break after six hours of work and a weekly rest period of at least 24 hours in every seven-day period. Finally, they're entitled to a minimum of 28 days of paid leave per year, including 8 paid bank holidays.

MEXICO

Parental Leave: Female employees have a right to maternity leave consisting of six weeks' paid leave before the estimated due date, and six week's paid leave after birth. Fathers are entitled to 5 paid days of paternity leave.

Paid Vacation: Employees in Mexico are entitled to an annual vacation entitlement of 6 days after the first full year of employment, but this is merely the statutory minimum. Many employers tend to offer more than this to attract talent. For every year the employee continues to work for the employer, he/she will receive an additional 2 vacation days. After 4 years, employees' vacation period will increase only 2 days for each additional five years he/she works for the employer.

SINGAPORE

Parental Leave: Working fathers are entitled to two weeks of paid paternity leave, funded by the government, but they can also apply to share up to four weeks of their wife's sixteen weeks of government-paid maternity leave—if the wife agrees. Paternal leave benefits only apply to couples who have been married since conception, however, and do not extend to same sex couples, as under Singapore law, there is no recognition of same-sex marriage.

Paid Vacation: The market norm for vacation is 14 days, although senior executives may command more (3-4 weeks). Statutory minimum is 7 days plus 1 day for each additional year worked with a company until the 8th year of service. From the 8th year of service onward, the legal minimum remains at 14 days.

CHINA

Parental Leave: Women are generally entitled to a 98-day paid maternity leave, which they can take starting 15 days before child birth. If the mother has a multiple birth, an additional 15 days is granted for each additional child. Women who have children after the age of 24 are generally granted an additional "late maternity leave" of about 30 days. The actual number of days depends on the city. Women may be entitled to receive full pay during their maternity leave. This is either paid through social security, or if the employer did not contribute to social security on her behalf, then it is to be paid by the employer. Paternity leave varies widely, depending on location, but by statute does not exceed 14 days.

Paid Vacation: Workers are entitled to 5 days off a year for less than ten years of experience (at any job), and 10 days for 10-20 years of experience. Workers with more than 20 years cumulative experience get 15 days of paid leave.

WHAT'S NEXT?

More on How to Expand Globally:

Read our ebook *"Not All PEOs Are Created Equal: 20 Questions to Ask Before Choosing a Global PEO"*

More on Building a Global Team:

Watch our webinar *"Hiring & Firing Around the World: Avoid Legal Tripwires in the Top Countries for Global Expansion"*

More on Cross-Cultural Communication:

Listen to our podcast with CEO Nicole Sahin and special guest Robert Glazer, CEO and founder of Acceleration Partners, *"Cultural Considerations When Expanding Globally"*

What We Do:

Globalization Partners' ***Global Expansion Platform™*** enables you to hire in more than 170 countries within days, and without the need to set up costly international subsidiaries. You identify great talent anywhere in the world, and we put them on our fully compliant global payroll—lifting the burden of global corporate tax, legal, and HR matters from your shoulders to ours.

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