

Organizational Optimization in Korea

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Overview

Western companies enter the Korean market expecting local operations to conform to their global standards. Foreign firms often find that differences in management practices and employee expectations undermine results and even generate friction and conflict.

IRC supports Western firms to align the practices of the local organization to meet the performance expectations of the parent. Our solutions are tailored to meet each company's unique needs, addressing:

- Communications
- Systemization
- Performance Management

Needs Assessment

IRC begins by assessing the company's needs. IRC's consultants interact with an appropriate cross section of management, staff, and customers. As a neutral party bridging cultural and linguistic gaps, IRC provides a vehicle for all sides to speak freely on issues of concern with confidence that they will be accurately communicated without loss of face or fear of retribution.

Communications

Difficulty communicating is frequently responsible for many of the problems that arise at foreign invested firms in Korea. Cultural differences exacerbated by the language barrier result in misunderstanding, misinterpretation of behavior, and suspicion. Foreigners lack the informal communication channels that characterize Korean organizations while Koreans are uncomfortable with the open communication that drives Western companies. IRC supports Western companies to establish regular vertical and horizontal communication channels throughout the company by implementing an appropriate combination of CEO messages, regular meetings, cross functional teams, and other solutions.

Systemization

Traditional Korean organizations are anchored in Confucianism focusing on hierarchy and seniority. Largely invisible to the foreign executive is an extensive network of personal relationships that drive behavior and business decisions. The entrenched leadership favors the status quo while frequent rotation of managers stymies development of expertise. IRC transforms departments by introducing a systematic approach to defining objectives, prioritizing activities and achieving results.

Performance Management

Once an organization has been realigned according to Western practices, managers need to learn how to define, communicate and measure performance. Fair, objective and transparent measurement tools are needed to reward individuals who contribute to organizational success. Measurement tools empower individuals to better manage their own behavior so that the company can focus activities on the key drivers of its business and exploit market opportunities.

The following diagram outlines IRC's methodology and solutions:

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