

CROSS-CULTURAL BUSINESS COMMUNICATION: STRATEGIES FOR GLOBAL ORGANIZATIONS

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ABSTRACT

Globalization has resulted in bringing together people from various countries and cultures in the same work environment, making cross-cultural business communication an important field of research. In this paper, the influence of cultural differences on intercultural communication in global organizations is analyzed and effective communication strategies in cross-cultural business communication are offered. The paper is based on the analysis of existing literature on culture, intercultural communication and international management by means of applying such cultural models as Hofstede's cultural dimensions, high-context and low-context communication proposed by Hall, and the results of GLOBE study. It is found out that language, non-verbal communication, attitude to time, hierarchy and negotiation styles are the main factors causing misunderstandings between members of different cultures. The study also highlights that culture awareness training, use of appropriate language, flexible communication styles, flexible policies, diversification of groups, and building up of cultural intelligence are some of the strategies that help in minimizing such misunderstandings. It is evident from the paper that cross-cultural communication competence should be seen as an important organizational competence and not just as a specialized competence for international managers.

KEYWORDS: *Cross-Cultural Communication, Global Business, Cultural Intelligence, Hofstede, Intercultural Competence, Organizational Communication.*

Introduction

The business environment has undergone drastic changes in the recent years. Firms are not limited anymore in selling their products to only those living in their own countries. The businesses have offices in several countries and hire employees of diverse cultures, and interact with clients who belong to different ethnicities and languages. This is usually referred to as globalization, and it has brought with it the necessity of cross-cultural communication in the business sector. There are some differences in understanding of messages that people of different cultures may have while using the same language (Adler, 2008).

Communication refers to the process through which people interact with each other using information, opinions, and feelings. This process gets complicated in case the people communicating come from various cultures since culture influences the way people communicate and act. What is considered as a polite behavior in one culture can be viewed as rude in another while what may be a direct answer in one culture may not be polite in another culture (Hofstede, Hofstede, & Minkov, 2010). This is why cross-cultural business communication has emerged as an important research area.

Knowledge of cross-cultural communication is not necessary for huge international companies only. Small and medium enterprises, which export their products, employ remote workers, or cooperate with foreign suppliers, also have to overcome difficulties in communication. One misinterpreted email or embarrassing moment in the video conference may slow down or prevent signing of the contract, ruin good relations and cost the company its future partner (Ferraro, 2010). For these reasons, the current

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paper will be beneficial for all those organizations that interact with representatives of different cultures no matter what size or field of activity they have.

The current paper considers the existing literature on the issue under research, analyzes the frameworks of understanding cultural diversity and communication issues, and suggests possible solutions for global organizations that want to improve cross-cultural communication. In addition, the paper uses simple language that allows readers to apply its results easily.

Literature Review

Culture may be defined as the set of values, beliefs, practices, and behaviors that a particular group of people learns and practices as part of a society (Oyserman, Coon, & Kemmelmeier, 2002). Culture influences greetings between people, decision-making processes, ways of showing respect, as well as interpretation of silence, eye contact, and body language. Since culture affects almost every aspect of people's lives, it also influences communication in the workplace. Cultural norms are not innate but learned over the course of life through family upbringing, education, religious training, and social environment. Thus, they become part of one's nature to such an extent that he or she notices them only when faced with different behavior.

Business communication includes communication in meetings, email communication, contract negotiations, feedback, and even casual conversation before meetings. When communication takes place between individuals belonging to the same culture, both individuals will have common assumptions regarding politeness, time and hierarchy, resulting in reduced instances of misunderstandings. When communication occurs between individuals belonging to different cultures, they might not share these common assumptions and misunderstandings become more likely (Gudykunst & Kim, 2003). Hence cross-cultural business communication can be said to include the exchange of information and meaning between individuals who come from different national or cultural backgrounds in a business context. It is not merely the translation of messages from one language to another, but rather it is the process of understanding the underlying values and assumptions embedded in the message. The message may be translated flawlessly, but may remain misunderstood without an understanding of its cultural meaning (Samovar, Porter, & McDaniel, 2012).

Different theories have been formulated that provide insight into the differences between cultures, and these theories form the basis of this paper. Geert Hofstede carried out research among the employees of a major multinational corporation operating in many countries, and he established that there are certain dimensions according to which national cultures can be different. The dimensions include power distance, individualism-collectivism, uncertainty avoidance, masculinity-femininity, and long-term-short-term orientation (Hofstede, 2001; Hofstede et al., 2010). Power distance is the extent to which societies accept the differences in distribution of power among individuals, such as that of the manager and his subordinate. Individualism-collectivism is about whether individuals perceive themselves as members of the larger society or as individuals. These are the reasons why in some countries, employees expect their managers to give them directions, while in others, the opposite is true.

Another similar concept that was introduced earlier and continues to be popular in the subsequent research is the theory of high-context and low-context communication (Ting-Toomey & Chung, 2012). In high-context communication, which is typical of many Asian and Middle Eastern societies, the greater part of meaning of a message comes from the context and nonverbal cues. In low-context societies like the US and Germany, people prefer direct and explicit messages and carry meaning in words. Conflicts arise when low-context people find their high-context colleagues too vague and vice versa.

Fons Trompenaars and Charles Hampden-Turner (2012) provided another useful framework for categorizing cultures into those that are more universalist than particularist, as well as those that use neutral rather than emotional communication. The universalist cultures apply one set of rules for all, whereas the particularist cultures modify the rule in accordance with the situation and the person in question. In the neutral cultures, the emotions of the individuals are controlled in a business conversation, but in the emotional cultures, they do not hesitate to show their feelings like excitement or disappointment. Another set of value orientations was suggested by Shalom Schwartz (2006).

Another, bigger and more modern study, is the GLOBE study headed by Robert House et al. that investigated leadership and culture in 62 societies (House, Hanges, Javidan, Dorfman & Gupta, 2004). This study corroborated many of the Hofstede's ideas, but also introduced new dimensions to

culture such as performance orientation and humane orientation, showing the influence of culture on expectations of the employees towards their managers (Javidan, Dorfman, de Luque & House, 2006). Although none of the two models presented above are ideal and no one single framework could ever describe the behavior of each individual within the cultural society, these models provide an adequate foundation for the researcher to get prepared for differences (Ferraro, 2010).

Figure 1. Theoretical Frameworks Underpinning Cross-Cultural Business Communication

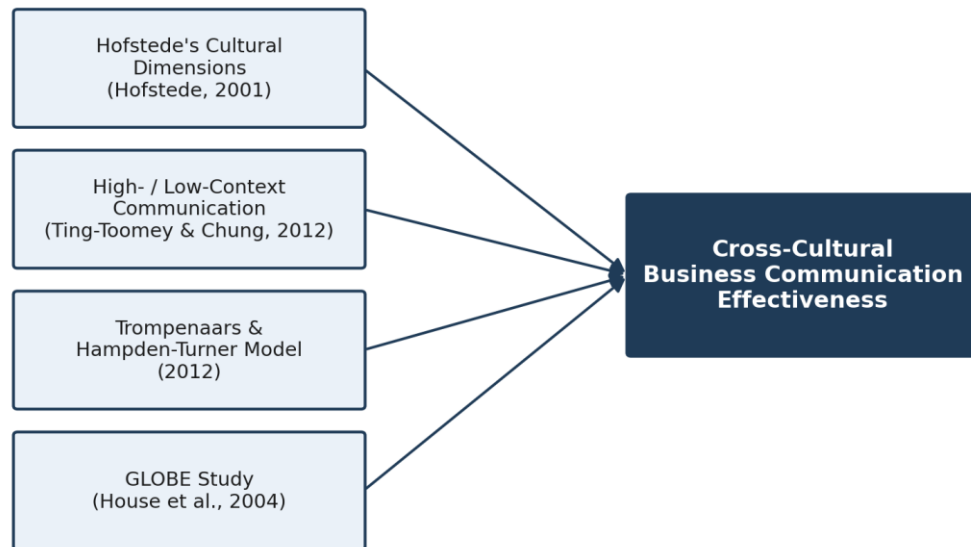


Figure 1: Theoretical Frameworks Underpinning Cross-Cultural Business Communication

Research Objectives

Considering these gaps in the existing literature, this paper is based on the following research objectives:

- To explore the effect of cultural differences on business communication in global organizations;
- To recognize the barriers faced by global organizations in cross-cultural communication;
- To discuss strategies that organizations can use for improved cross-cultural communication; and
- To investigate the role of cultural intelligence and technology in cross-cultural communication.

Research Methodology

The current research study uses a descriptive, literature review-based methodology. Secondary information was gathered from publications such as books, peer-reviewed journals, and well-established cultural models in international business, organizational behavior, and intercultural communication domains. The literature sources chosen for analysis were relevant to cross-cultural business communication issues and contributed to well-established theories, namely, the theory by Hofstede (2001), Trompenaars & Hampden-Turner (2012), and House et al. (2004). The collected literature sources were analyzed using thematic analysis in order to identify common barriers to cross-cultural communication and approaches used by researchers and practitioners to overcome them. As the paper under consideration is conceptual and review-based, the primary methods of data collection (survey or interview) are not applied. Instead, the current paper uses theoretical and applied literature in order to create a practical framework for global companies.

Barriers in Cross-Cultural Business Communication

The literature examined for this assignment has highlighted various barriers commonly experienced by organizations when communicating across different cultures.

The first barrier that stands out is linguistic difference. Despite the fact that many people speak a common language for doing business, such as English, differences in accent, vocabulary, and idiomatic expressions can cause misunderstandings. Words and expressions have different meanings and what might be clear in one language may be completely wrong in another (Varner & Beamer, 2011).

Another important factor that causes communication barriers is nonverbal communication. Body language, facial expressions, eye contact and physical proximity all mean something but this meaning is different in other cultures. What might be considered a friendly gesture in one country may be an offensive gesture in another, and how much eye contact you should have to show your respect may vary from culture to culture (Chen, 2010).

Various views on time are also sources of challenges. In some societies, there is a fixed perception of time, where punctuality and rigid schedules are highly appreciated, whereas in others, time is perceived as flexible, and relationships are more valued than timeliness (Gesteland, 2002). This may be frustrating when a meeting supposed to start at a certain time gets delayed in one society, but an individual coming from another society expects it to start right away.

There are differences in hierarchy and decision-making styles as well. In societies characterized by a high level of power distance, employees will feel reluctant to raise issues publicly and will refrain from expressing any ideas, even though those ideas might be valuable; in societies with low levels of power distance, debate and criticism of authority are normal practices (Hofstede, 2001). An individual who is unfamiliar with this difference will interpret employees' silence as lack of opinion, when in fact they show respect in accordance with their culture.

Differences in styles of negotiations can also be sources of conflicts within business interactions. While some people prefer building personal relations prior to getting down to business, others are willing to get down to negotiating the deal quickly and effectively. A failure to recognize different preferences leads to the first group being perceived as overly formal and rigid in their attitudes, while the second group is seen as being too informal and unfocused (Brett, 2007).

Lastly, differences in styles of written communication can become sources of conflicts. Some cultures value longer and more formal letters with greeting and contextual introduction prior to stating the point, whereas others prefer shorter and more direct messages (Gudykunst & Kim, 2003). The former will perceive the latter as being rude, and vice versa.

Figure 2. Common Barriers in Cross-Cultural Business Communication

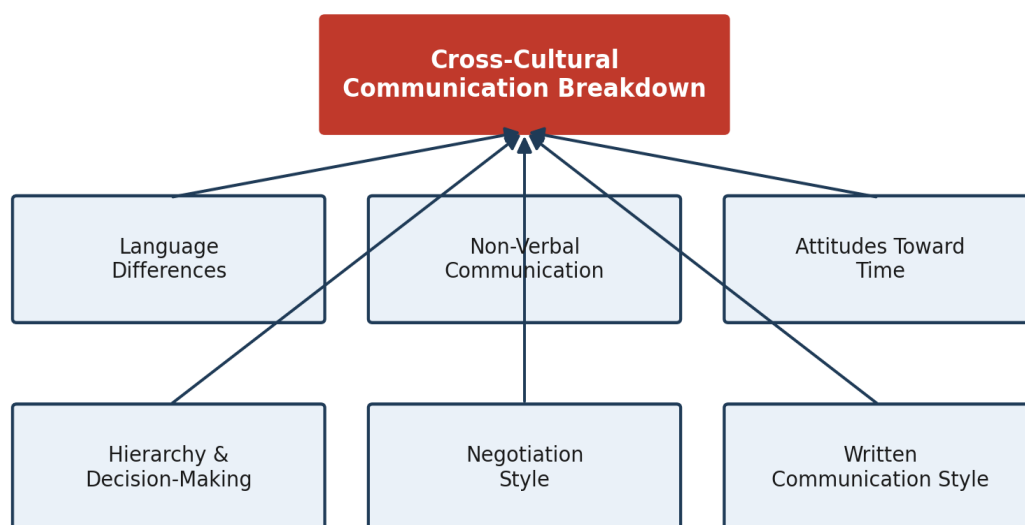


Figure 2: Common Barriers in Cross-Cultural Business Communication

Strategies for Effective Cross-Cultural Communication

From the reviewed literature, it can be concluded that global organizations can do a number of things in order to minimize misunderstandings and improve communication in cross-cultural settings.

To start with, organizations should organize cultural awareness training for their employees that need to interact with people from other countries. Such training allows employees to familiarize themselves with the values, customs, and traditions of those cultures in which they are going to work so that they would not be shocked and offended by the differences (Adler, 2008). Moreover, the training will be more effective if it involves some business cases and role-playing rather than information about particular country.

Another action that organizations could undertake is to instruct their employees to use simple language in communication. In case an organization works with foreigners, it should make sure that the language of communication does not include any idioms, slang or complicated sentences and that the message has been received by the listener (Varner & Beamer, 2011). Repeating the most important things and asking the listeners to repeat it back is the best way to make sure that the message was received.

The third point is that organizations need to match their communication approach according to the audience whenever possible. While communicating with co-workers from high-context cultures, it might be beneficial to establish a relationship first and listen carefully to tone and nonverbal communication cues, rather than relying solely on written instructions (Ting-Toomey & Chung, 2012). In contrast, while communicating with co-workers from low-context cultures, it is helpful to use direct communication approach, make key points explicit in writing, and never leave something important unsaid.

Fourth, it is important for organizations to develop their policies and procedures so that they take into account varying attitudes towards hierarchy and decision-making. For example, in meetings involving employees from high power distance cultures, managers can ask for opinions in private or in written form rather than only during open discussions, which will allow people to share their genuine views without feeling embarrassed (Hofstede, Hofstede, & Minkov, 2010). As a result, organizations will be able to receive valuable input from all participants.

Fifth, flexibility in time and scheduling can avoid conflicts. Extra time should be included for the sake of international meetings and adjusting deadlines for working across different time zones and different attitudes toward time (Gesteland, 2002).

Sixth, it is necessary to ensure diversity in teams and provide opportunities for them to work together. Continuous interaction between people from different cultures along with mutual respect usually lead to better understanding and avoidance of stereotypes (Bennett, 2004). Moreover, teams that consist of individuals from various cultural backgrounds may create more innovative ideas and solutions, as they have different points of view on one problem (Gelfand, Erez, & Aycan, 2007).

Finally, organizations need to establish common standards of communication in international teams. For example, it is necessary to choose a language for documents, to agree on time limits for answering the emails, as well as conflict resolution practices. Moreover, it is good when organizations have cultural liaisons or local coordinators, who know both head-office culture and local culture, and can clarify some unclear points before misunderstandings happen (Lewis, 2006). Such common standards and support do not eliminate cultural differences, but create a common framework, which eliminates the confusion (Kim, 2001).

Figure 3. Strategy Framework for Effective Cross-Cultural Business Communication

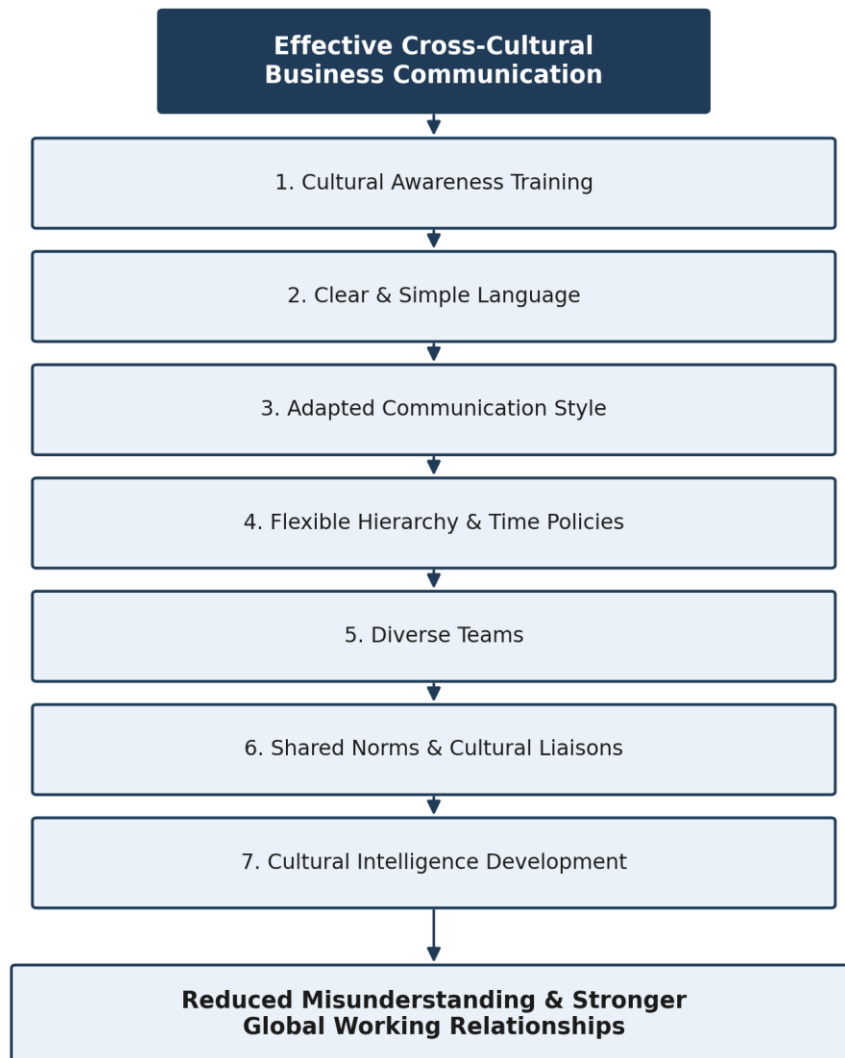


Figure 3: Strategy framework for effective cross-cultural business communication.

The Role of Cultural Intelligence

Cultural intelligence, also known as CQ, is another notion which has increased in relevance in recent years among both researchers and managers. As mentioned above, cultural intelligence is a set of skills allowing a person to be effective when facing situations of cultural diversity (Earley & Ang, 2003). According to Earley and Mosakowski (2004), CQ can be viewed as "an outsider's ability to interpret novel and ambiguous behaviors as the native of the culture would". The authors distinguish three aspects of CQ, all of which are related to each other. These are: the cognitive aspect, which includes learning facts about other cultures; the physical aspect, which presupposes adapting your body language and tone of voice to the new culture; and the motivational aspect, which is associated with feeling motivated and interested even when communication is difficult.

Cultural intelligence, Thomas and Inkson (2004) state, also requires an element of mindfulness, which means the capacity to be very attentive to the signs in a new cultural environment without solely relying on what is learned from one's own culture along with the behavioral component of selecting appropriate behaviors and expressions when one understands the situation. There are a number of ways in which organizations can assist their employees in developing cultural intelligence including international work experiences or exchanges, providing mentors for new recruits who possess extensive international experience and also encouraging language skills among the employees because language acquisition is itself a source of awareness of different mindsets (Kim, 2001).

Unlike other abilities, cultural intelligence is not either present or absent in an individual, but it can be developed through time. The employees who tend to ask questions regarding the new customs, acknowledge their inability to comprehend some aspects, and are willing to change their behavior perform better in terms of cultural intelligence compared to employees who always consider themselves to be right and their ways of communication as the best (Earley & Ang, 2003). It is obvious that companies which reward curiosity and do not punish for honest mistakes made during the exploration of new cultures will have more competent communicators among their staff.

The Role of Technology

Technological developments have both facilitated and made cross-cultural communication in businesses more complex. Through emails, video conferencing, instant messaging and collaboration tools, people from different countries can easily collaborate instantly without the time and financial cost of traveling, something that has led to successful collaborations on a scale that could not happen earlier (Lewis, 2006).

On the other hand, technology eliminates most of the cues that people use to interpret the message. For instance, the brief nature of an email may seem cold and unfriendly to a reader who is from a high context culture, even though the writer did not intend to do so. Video conferences may lack body language and facial expressions due to the poor quality of internet or camera position. It is therefore vital that companies encourage their employees to add more warmth and clearness to their messages and use video calls wherever necessary.

Translation and interpretation aids can assist in overcoming language barriers, however organizations need to keep in mind that machine translations may not always be precise for idioms, jargon, and culture-specific expressions. Documents and contracts must be translated and reviewed by an experienced human translator who is familiar with both languages and business cultures (Ferraro, 2010).

Findings and Implications

The review that was conducted in the paper reveals three major results. Firstly, cultural differences have impact on all aspects of business communication – language, messages, non-verbal communication, attitudes towards time, hierarchy and decision making. Secondly, cross-cultural misunderstandings occur not because people want to create trouble, but because people naturally behave according to the rules of communication that are typical for their culture and they do not realize that other people have different rules of behavior. Finally, companies that make efforts to develop cultural competence, adapt their style of communication, hire multicultural teams and increase cultural intelligence will have better communication and relations.

The above findings have various applications for global businesses. The management must be aware that issues in communication among international counterparts do not arise from incompetence or failure to put efforts into the process but rather because of cultural differences which can be dealt with through proper training. It is also important for human resource managers to ensure that cross-cultural training is provided to employees when they join an organization as part of the onboarding process, and not as an additional program. Global firms must also check their internal policies such as meeting structures and feedback mechanisms to ascertain that there is no bias towards employees from one culture.

Conclusion

Cross-cultural business communication is not anymore considered to be the specialized ability possessed by selected international businesspeople only. It has become a necessity for almost any employee of any modern organization since the vast majority of organizations have some kind of ties with

people, markets, and partners across the globe. In turn, cross-cultural misunderstandings may arise due to the different languages used, different non-verbal behavior, different views on time and hierarchy as well as different approaches to negotiations.

The models considered in this paper (the models of Hofstede (2001), Trompenaars & Hampden-Turner (2012) and GLOBE researchers' models (House et al., 2004)) provide organizations with valuable instruments that allow predicting cross-cultural issues and resolving them. On this basis, organizations may rely on practical methods such as cross-cultural awareness training, effective language usage, appropriate communication styles, flexible attitude towards time and hierarchy, diversity management, mutual communication standards, and effective technologies.

Most importantly, however, organizations need to try to develop cultural intelligence in their employees, so that employees not only recognize cultural differences but can adapt their own behavior accordingly (Earley & Mosakowski, 2004; Thomas & Inkson, 2004). Further research could be conducted based on the ideas explored in this paper through empirical tests of these strategies within particular sectors or geographic regions. Organizations that pay attention to cross-cultural communication will develop better international relations and avoid costly mistakes.

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