

MULTINATIONAL MANAGEMENT





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MASTERING CROSS-CULTURAL COMPETENCE FOR GLOBAL BUSINESS SUCCESS

Cross-cultural awareness enables thriving in today's global marketplace. It represents the capability to comprehend and respect cultural differences. This skill facilitates effective communication, collaboration, and relationship-building across borders. Lack of cultural intelligence risks miscommunication, conflicts, and failed deals.

Cross-cultural competence comprises three elements: *attitudes*, *knowledge*, and *skills*. An open, non-judgmental mindset values diversity. Possessing knowledge about varying cultural norms, values, and business practices is key. Adaptability skills allow modifying one's behavior per the cultural context. Global organizations require this competence for diverse workforces and international markets.

Understanding cultural nuances is essential while doing business in the United Arab Emirates, particularly when dealing with sensitive topics like business etiquette and interpersonal respect. The Islamic background of the country is deeply ingrained in its culture. The UAE is still very much a Muslim country, even if there are more and more Westerners living there and more expats around the area. Consequently, modest dress and polite behavior in line with Islamic principles are expected, especially while visiting places of worship or participating in specific types of professional activity. Understanding and adjusting to these cultural subtleties is crucial for cultivating fruitful business connections and encounters within the distinct cultural setting of the UAE. (Donnelly, 2023).

In the UAE's business culture, hierarchical structures hold significant sway, necessitating utmost respect for elders and high-ranking officials. Decisions tend to be centralized with top management. Their communication approach leans towards indirectness, prioritizing harmony,

and circumventing embarrassment. As such, aggressive sales tactics or confrontational behavior could be perceived negatively. Exercising patience, subtlety, and deference to authority figures is advisable. Navigating this hierarchical landscape requires cultural sensitivity and adaptability (The Business Culture in the UAE | Expatica, 2024).

CULTURAL SENSITIVITIES AND POTENTIAL BARRIERS IN THE UAE

When conducting business in the UAE, respecting religious observances like Ramadan matters. Traditional gender roles influence expectations. Communication tends to be indirect to save face and preserve hierarchy. Building long-term relationships takes priority over transactions. Fluidity around time and scheduling requires flexibility. Conservative dress codes and public conduct norms exist.

Preparing for UAE business dealings demands thorough research. Familiarize yourself with local customs, etiquette, and business protocols. Understand decision-making processes, negotiation styles, and hierarchy structures. Set realistic expectations and be flexible. Demonstrate valued qualities like integrity and hospitality. Consider cultural coaching or local consultants.

STRATEGIES TO OVERCOME CULTURAL BARRIERS

Bridging cultural divides requires strategic efforts. Invest in cross-cultural training with simulations and case studies. Hire local partners to provide insider guidance. Prioritize cultivating genuine, long-term relationships over short-term deals. Adapt your communication style, including body language. Learn basic phrases in the local language. Follow dress codes and conduct norms.

Building rapport enhances trust across cultures. Engage in small talk to make personal connections before business. Exchange hospitality and small gifts suitably. Identify common ground through shared interests or values. Exercise patience and avoid confrontation. Manage conflicts through open-minded dialogue and compromise.

EXAMPLES SHOWCASE THE COMPETITIVE ADVANTAGES OF CULTURAL COMPETENCE.

Ikea, the Swedish furniture giant, has achieved remarkable success by carefully adapting its products, store layouts, and marketing strategies to cater to local cultural preferences in various markets worldwide. In Gulf countries, they redesigned their showrooms without window displays out of respect for religious traditions.

McDonald's localizes menus and operations globally. In Muslim-majority nations like U.A.E, the fast-food chain serves halal-certified meat and has redesigned restaurant exteriors to incorporate Islamic architectural styles.. Such efforts drive customer satisfaction, team collaboration, and innovation.

Beyond consumer products, companies like *General Electric (GE)* have invested heavily in developing cultural competence across their multinational workforce through extensive training programs.

Formal training equips employees with vital cross-cultural skills. Effective programs include cultural assimilator exercises, coaching, and continuous learning. Assessments like the Cultural Intelligence Scale measure progress and identify areas for improvement. Setting benchmarks motivates competence development.

CONCLUSION

In summary, mastering cross-cultural awareness is crucial for international business success. It requires an open mindset, specialized knowledge, and behavioral adaptability. With strategic preparation, training, and a commitment to continuous learning, organizations can navigate cultural complexities deftly. Ultimately, cultivating this competence fosters stronger global relationships and a competitive edge.

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