UKS31502

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Introduction

Cross-cultural management and international management are two alike contributions to the organisation that values the needs and improvement of the organisation in terms of business and society. Therefore, in this report, the perpetual differences between cross-culture management along with international management have been discussed. The report thus initiates the subject of cross-cultural management within the international business setting. In addition to that, the relevance of cultures to the issues of management and organisational behaviour has also been carried forward. The valuable outcome of assessing the impact of techniques for managing cross-cultural teams for high performance is also considered in this report.

Part 1

"Is cross-cultural management the same as international management?"

Overview of cross-cultural management

Cross-cultural management is considered to be the presentable process of creating and sharing values and beliefs in different levels of management built on communication, trust, common purpose and relationship (Kotis *et al.* 2020, p. 5). In this context, it can be stated that the valuable outcome of cross-cultural management within the organisation is identified in the possibility of creating a fruitful relationship across previously daunting cultural barriers. The values of cross-cultural management within the organisation create an interdisciplinary field of approach which helps in fostering the diversity valued upon bringing a positive change in the working environment. One such company that values cross-cultures is Coca-Cola. The company considers valuing diversity, equity and inclusion focused on four imperative strategies which include creating, articulating, regulating and evaluating (Coca-Cola, 2023). Thus it can be observed that the values of cross cultures in major companies such as Coca-Cola are diversified towards engaging diverse talents, developing and retaining the shared values which act as a valuable outcome for international companies.

Cross-cultural management is thus entitled to recognise national, regional and ethical values which act as guidance in manners and methods to desire to bridge the cultural values of difference in the cultures. Thus it can be stated that cross-cultural management enacts valuable support to diversity, inclusion, and shared and social values.

Overview of International Management

On the other hand, it can be identified that international management is based on the process of planning, organising, leading and staffing which can be valued in managing international businesses. In the words of Kraus *et al*. (2021, p. 4), international management comprises serving more than one country aligning with the valuable outcome to conduct the business based on bringing a positive change in the business in a different radical environment. International management comprises a global team of employees of different religions, cultures, values and beliefs which makes a constant value aligning towards bringing positive and necessary improvement within the organisation. Thus it can be stated that cross-cultural management constitutes one part of international management as it deals with administrating corporate culture in the global context. Apple is one such international company whose branches are spread out in different countries and is managed proactive set of standards that compresses international management (Apple. 2023). Managing international management is comprehended on different business factors which include economies of scale, policies and sets of rules and many more. These apprehended responsibilities also cover one part of cultural values that aligns the management and its employees to duly accept the positive growth within the organisation setting. Thus the values of international management are conditionally diversified towards bringing positive change in cross-cultural management in managing international businesses.

Differences between cross-cultural management and international management

Cross-cultural management is the approach of administration that helps to enhance the communication infrastructure in an organisation. It accordingly assists to build adequate interaction between individuals from different cultural backgrounds (Barmeyer *et al*. 2019, p. 220). On the other hand, international management refers to the administration of the corporate operations of an organisation. The management approach is utilised for conducting business in various countries (Hendricks *et al*. 2021, p. 83). It can be comprehended that cross-cultural management and international management are not the same.

Cross-cultural management is managing and controlling the diversity between personal, traditional and cultural factors. On the contrary, international management dwells among the business factors such as the knowledge of economics, rules and regulations as well as the taxation policies between two or more different countries. As opined by Cardel (2020, p. 34), cross-cultural management is constructed for fostering the "social exchange" between the

employees in a team for progressing towards the same organisational goal with the help of organisational culture. The management style of leadership approach concentrates on the motivation levels of the team members for accomplishing corporate tasks with more efficiency and dedication.
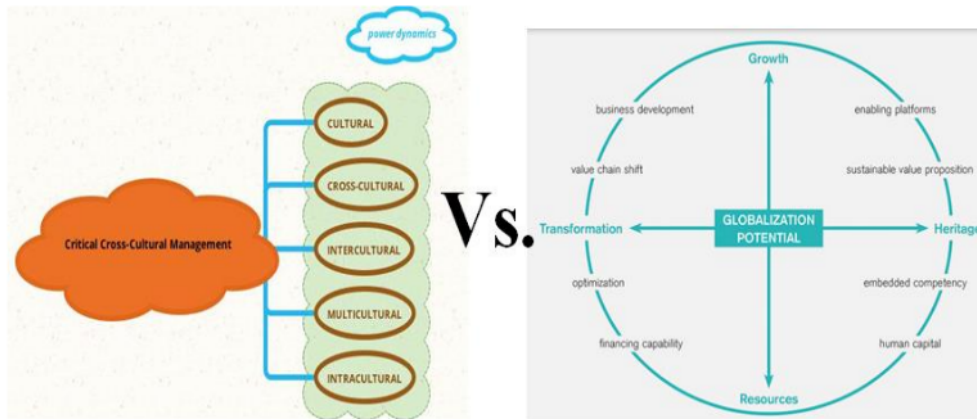

Figure 1: Differences between cross-cultural management and international management

(Source: Pyper *et al*. 2020)

On the other hand, in the era of "globalisation", international management is mainly focused on the "external challenges" for accomplishing corporate operations (Panwar *et al*. 2019, p. 38). This specific management approach is utilised for handling the interaction factors with international business partners from the viewpoint of finances and business operations. In the leadership style, the organisational managers focus on the federal rules and regulations for avoiding any sort of miscommunication and misunderstanding in the process of global business.

The main difference between cross-cultural and international management is that cross-cultural management is an internal corporate management process interpreted within an organisation. On the other hand, international management is an external management approach executed for controlling the monetary and legal issues between two or more different nations. As opined by Lee and Gyamfi (2022, p. 570), cross-cultural management is executed through "transformational leadership" for implementing diversity in the working place. The leadership approach is beneficial for building an adequate relationship between cultures and organisational behaviour. On the contrary, international management relies on the comprehension of the importance of the values of the individuals as well as the various cultures in the global business

environment (Hendricks *et al.* 2021, p. 83). The cultural diversity of the different business partner nations can be accordingly comprehended with the help of international management. Cross-cultural administration is significant for constructing a suitable and effective working environment for ensuring employee satisfaction and engagement with the brand (Kumar *et al.* 2022, p. 175). Correspondingly, international management is important for building strong and stable business and financial relationships with foreign partners for handling global business operations. It is accordingly important for creating cultural awareness and understanding the rules and regulations of foreign nations (Pyper *et al.* 2020, p.100). International management is essential for organising business operations for adapting local needs of the partner nations which helps to build an adequate association with the business partners.

Relevance of culture to issues of management and organisational behaviour

Cultural behaviour within the organisation is entitled to reflect in different identified factors that form management and organisational behaviour issues. In this aspect, the organisation's culture provides a balanced and relaxing working environment with the values of fairness and integrity for its employees to create harmonious interpersonal relationships in full viability. In the words of Sapta *et al.* (2021, p. 498), culture is defined as a set of beliefs and values entitled to policies which guide the employees and provide them with a sense of direction at the workplace. Therefore, it can be observed that the company considering valuable outcomes by acknowledging cultural values can have a sense of ethical boundaries in the workplace environment. It acts as a viability index for different people based on their cultural and ethical values. In simpler terms, it can be highlighted that a positive work culture promotes positivity, engagement and improvement in the employees in their working conditions.

In an organisation, lack of communication is considered to be a major issue that results from a discrepancy or disconnects between the understanding. In the words of Wang *et al.* (2021, p. 6), lack of communication is often ignored in the workplace due to workload stress, differences in working styles and many more. In this context, it can be observed that the differences in communication in management and organisational behaviour are divergent and intended towards cultural values. Cultural values play a major part in differences in understanding acting as a barrier to communication due to differences in values, language, beliefs and many more among the different employees associated with the company. It has been identified that 86% of the employees and executives have cited that a lack of effective collaboration and communication is

the major concern for workplace failure (Pumble, 2022). The relevancy of the communication explains the failure of cultural connectivity in the organisation.

The cultural gap between the organisation is also entitled to a different level of hierarchy that flows from top-level to down-level management. The *Authoritarian Theory* suggests that all forms of communication are under the control of the governing body or the high level of management (Marcus *et al.* 2019, p. 111). In this context, it can be identified that the differences in the value are defined by the persistent decisions taken by the higher level of authority creating a gap in the understanding of the lower level of management. Lack of communication creates a sense of inadequate support which further leads to pressure to perform and thus results in decreased performance level. The absence of defined cultural management creates inadequacy in the understanding of the organisation which can create decreased performance levels. Cultural sensitivity creates an ability to communicate and collaborate with different levels of management at the workplace. The basis of cultural practice is developed on the social norms and wide perspective of belonging to a community.

Figure 2: Global cross-cultural training market

(Source: PR News Wire, 2022)

From the above figure, it can be identified that global cross-cultural training companies are expected to increase by USD 1,802.14 million from 2022 to 2027 (PR News Wire, 2022). It indicates that international companies consider investing in cross-cultural management to ensure that the flow of communication in different subsidiaries and levels of management can be built

upon the assimilation of cultural views and common understanding in the organisation. However, the lack of proper implication of cultural values act as a repetitive gap for the organisation resulting in consistent conflict, dissatisfied workplaces., the pressure of workload and a sense of disparity which can result in decreased performance level at the organisation. Thus it can be stated that the relevance of the culture to the issues of management and organisational values is defined as a continuous chain that can hamper the organisation at many levels.

For instance, one of the major concerns at the workplace is the absence of structure between the level of management which is defined as cultural conflict. One such company that has been facing backlash due to the absence of corporate culture is Revolut (The Guardian, 2023). The company has been criticised for unachievable targets and a rigid structure that has been forming as an issue for the employees who are connected with the organisation. It implies that the absence of a cultural environment acts as a barrier to proper management solutions in companies such as Revolut which becomes an indicative factor for the employees connected to them. Thus from the above discussion, it can be stated that the relevance of cultural values strongly constitutes the issues of management and organisational behaviour.

Part 2

Impact of techniques for managing cross-cultural teams for high performance

Managing cross-cultural teams is an important element for an organisation that supports positive change and improved performance. Thus the company considers inputting and bringing positive change that can bring a positive development in building an efficient team to manage the operation of the organisation. However, it can be identified that in assessing the change within cross-cultural management, confronted challenges can hinder the development of trust and effective teamwork. Cross-cultural international management consists of conducting the training session and taking different subsidiaries at a definite time (Tahir and Ertek, 2018, p. 4). However, the major differences in time zone are identified as barriers that impact managing cross-cultural teams. It thus results in improper and identified issues that can lead to disruption in managing cross-cultural teams in different countries. On account of that, it can also be identified that communication styles also play a major role in bringing impact to the technique in managing cross-cultural teams.

In the words of McSweeney *et al*. (2022, p. 8), communication style is the language usage based on common grounds of religion, facial expression and the degree of assertiveness.

Communication style is mostly responsible to pass information to the people built on reducing the collaboration gap. However, it can be identified with the help of Hofstede cultural dimension, comparing China and UK, the differences in the management style reflect the process of communicating with the employees.

Figure 3: Hofstede Cultural Differences
(Source: Hofstede Insights, 2023)

From the above figure, it can be highlighted that the difference in the power distance, stating 35 for the UK and 80 for China plays a major role in making any decisions within the organisation (Hofstede Insights, 2023). It can be highlighted that UK people consider giving equal importance by eliminating the authoritative approach while in China with an 80 index, the cultural values demand assertiveness in the organisation. Managing cross-cultural teams in such countries is thus built on the differences which most likely influence the decisions taken by the leaders or the management. The equal distribution of power in countries such as the UK shows the deep-seated belief that is the driving motive for the people of the UK. However, in China, the differences in the rigid structure based on power and authority reflect the assertiveness between the level of management. It can thus be identified that the differences between the two countries are a prime

example of the changes the management technique has to undertake in cross-cultural management.

Discussion of flexibility in changing organisational context

Strategic flexibility for carrying out the change in the organisation is considered to be crucial as it develops upon the different viable values and beliefs within the organisation setting. It can be ascertained that the company considers bringing a positive change by adjusting to the cultural values and social responsibilities that are reflected in the organisation setting. For instance, it can be identified from *social constructivism theory* that explains the collaborative nature of cultural changes upon the facilities and values. In the words of Lombardo and Kantola (2021, p. 124), social constructivism theory suggests that learning occurs through social interaction based on the collaborative and communicative approach. Thus it can be stated that with the changes in the organisation accumulated with the changing organisational context, the values of flexibility are defined as nurturing the shared values, diversity and integrity of the individual associated with the company.
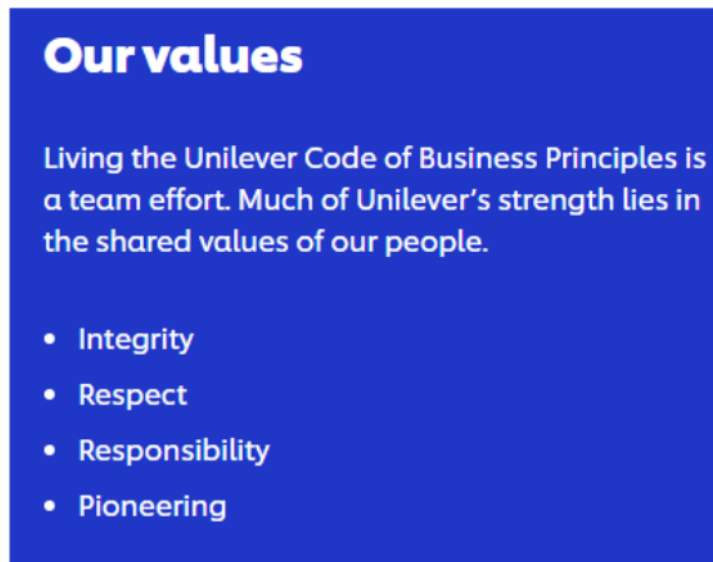
Our values

Living the Unilever Code of Business Principles is a team effort. Much of Unilever's strength lies in the shared values of our people.

- Integrity
- Respect
- Responsibility
- Pioneering

Figure 4: Unilever values

(Source: Unilever, 2023)

In this instance, it can be identified that major international companies such as Unilever maintain a code of principles that allows them to maintain social constructiveness asserting upon any changes that can reshape the organisational culture (Unilever, 2023). It demonstrates the

positivity to control and help the company to manage any unprecedented cultural values within the organisation. The viabilities of major companies such as Unilever explains the value of flexibility in the organisation. The key index supporting the change is built on finding common ground that can be beneficial for the organisation to support the ethics and integrity in the working environment. The changing organisational context, built on technological facilities, degree of centralisation, and managerial structure thus constitutes the social constructivism that allows flexibility within the organisational setting to balance the change and find positivity en route to support the change. Hence, it can be ascertained that in changing organisational context, the value of flexibility relies on reshaping the moral and ethical standards of the organisation.

Evaluation of the key issues influencing the cultural difference

Cultural differences are deep-rooted within the organisation setting as its values define the belief and values shared constituted an integral part of the company. In the words of Nwabueze and Mileski (2018, p. 52), cultural differences are based on primary three areas- etiquette, hierarchy and communication. Therefore, it can be observed that the organisational setting built on these factors is majorly influenced by the conflict of interest and cultural values. For instance, communication style, differences in value, and a myriad of other factors influence the communication approach within the organisation. The key differences in communication due to differences in language, culture, taste and preferences act as regulatory factors that influence the key decisions taken by the organisation. In addition to that, the hierarchy structure is the top-down management that controls the decisions taken by the organisation. Companies consider utilising this management due to its efficiency in carrying experience within the organisation.

However, the rigid hierarchical structure often leads to an authoritative style of leading and managing the workplace. The flow of orders from top-level management to lower-level management thus restricts the key changes of the lower management that can be acquainted with the organisation to bring any change. Thus it acts as a key barrier for the organisation for bringing any opportunity to voice the opinion or ideas within the organisation. In addition to that, cultural diversity is commonplace for an international organisation. Cultural diversity is based on gender, race and ethics, education and so on. The conflict of interest among the individuals within the organisation relies on cultural diversity (Jung *et al*. 2018, p. 7). Thus it can be stated that any identified issues such as lack of interest, and conflict of understanding are all identified as the key issues influencing cultural differences.

Impact of the cross-cultural issues on leadership and motivation, communications and negotiating, decision making and organisational relationships

Cross-cultural issues within the organisation are built on different factors which include acceptance and respect, cultural differences, gender inequality, cultural disparities and so on. As per Toledo *et al.* (2019, p. 1188), leaders are the pillars of the business that connect the different levels of management and align them together to achieve the organisational goals. The organisational objectives of the leader are aligned towards achieving and motivating the employees to duly perform their tasks. However, these identified issues become a deep-rooted challenge that creates major differences between leaders and their employees. In the words of Escandon-Barbosa *et al.* (2022, p. 1), power distance is considered to be the measure of the degree built of power and hierarchy within the society or the organisation. For instance, the cultural differences based on power distance enact the leaders to take decisions based on assertiveness within the organisation setting.

Thus it can be stated that the cross-cultural issues in different subsidiaries of an organisation are built upon the level of assertiveness. For instance, in Figure 2, the index of the UK and China explains the difference in power and authority (Hofstede Insights, 2023). It explains that leaders managing the two subsidiaries in those countries will be facing structural challenges to align both countries. Leaders can also face subsequent challenges in the form of maintaining interdependency. Individualism vs collectivism is the key prospect of a leader in managing the workplace. In China, with a score of 20, the country follows preferential treatment in the groups while the UK with a rating of 89 considers having self-interest (Hofstede Insights, 2023). Thus managing cultural interests becomes a challenging task for the leader in different countries due to their diversified topic of interest in the organisation.

In addition to that, insignificant differences in beliefs, interests and concerns of employees from cross-cultural teams determined by the cultural differences are exposed to poor communication and decrease the quality of negotiating. As opined by De Graaf (2019, p. 218), it becomes crucial for the organisation to understand the basic desires of common feeling, respect and matters of integrity urged to meet their desired needs. However, the differences in common interest and intentions within the organisation reflects the gap in their expectation which sometimes can lead to a conflict of interest. It becomes an essential factor in the organisation to manage negotiations in the organisation. However, as argued by Harris *et al.* (2018, p. 6), the notion of negotiations

prioritises different projective functions of which the disparity on the common ground is led by vulnerabilities of diversified cultures. It thus creates an adverse impact on an integral part as the cultural-based obstacle for those managing cultural values in different countries. The cultural-driven perspective within the organisation is based on the ability to communicate with superiors and consequently improve the collaboration facilities.

However, the differences in the communication pattern are mainly due to rigid organisation structure building cultural differences between the superior and the employees in managing the workload. As per Saffar. and Obeidat (2020, p. 79), the cultural process has the tendency of contributing to improved decision-making qualities. One of the most significant challenges to the organisation is the inability to make appropriate choices due to differences in team members. The lack of proper execution and employees' perspective sums up the major difference in understanding and executing the appropriate choices. It can bring changes within the organisation setting. In the words of Mshigeni *et al.* (2020, p. 8), ***Diversity Pedagogy Theory (DPT)*** suggests the set of principles carried out is built on the inseparable connection between the organisation and cultural cognition. Thus it can be stated that the absence of inseparable cognition due to differences in opinion can be constituted as a major driver for building differences in decisions within the organisation.

Conclusion

In the above discussion, it can be identified that cross-cultural management is the presentable process of creating and sharing values within the organisational setting. The valuable outcome of valuing cross-cultural values within the organisation is, however, one major portion of international management. The viewpoint of the organisation is based on the federal rules and regulations that constitute the balancing of cultural diversity within the workplace. However, while managing international management, it becomes challenging for international companies to implicate cross-cultural management as it is built on the notion of differences in values and beliefs based on communication style, cultural behaviour, conflict of interest and so on.

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