**MANAGING CROSS CULTURES**

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# 1.0 Introduction

This paper is broken up into two sections, each of which focuses on how culture plays a factor in cross-cultural management. Part 1 investigates if cross-cultural management and international management are the same thing and talks about how culture affects management and organizational behaviour issues. The focus of Part 2 is on the fundamental questions surrounding the comprehension of cultural variations which could effect organizational links, leadership, inspiration, interaction, negotiation, and decision-making in the successful management of cross-cultural groups. Managing cross-cultural groups is becoming more and more vital in today's globalized world, as companies need to continuously adapt to remain competitive. This research attempts to highlight concepts for effective management in a distinctive workplace and provide insights into the challenges of cross-cultural management.

# 2.0 Part 1

## 2.1 Cross cultural management and international management

**Cross cultural management**: the research and practice of managing individuals, aspects, and processes which engage individuals and groups from multiple cultural origins is identified as cross-cultural management. In the current global business world, when businesses frequently work across multiple markets and territories with distinctive cultural norms and values, it is vital to comprehend this area of research.A wide number of subjects is covered under the umbrella of cross-cultural management, including team dynamics, negotiation, leadership, and motivation (Søderberg and Holden, 2002). It also entails comprehending the cultural distinctions between individuals from other nations or areas, including those related to language, religion, social mores, values, and attitudes. Creating cultural intelligence—the capacity to comprehend, value, and work well with people from other cultural backgrounds—is one of the fundamental goals of cross-cultural management. To do this, one needs to be able to identify and accommodate cultural variations in organisational behaviour, leadership styles, decision-making procedures, and other places. The need for cross-cultural management is growing as businesses expand internationally and face new cultural obstacles. Failure to effectively handle cultural distinctiveness can create misunderstandings, conflict, and poor interaction, all of which have a detrimental effect on company performance and partnerships with clients and consumers. Managers who want to succeed in cross-cultural management need to be open to learning about and adjusting to various cultural norms and practices (Chevrier, 2003). They need to be capable to create links and establishing good interaction with individuals from multiple cultural backgrounds. They need to be capable to devise plans for doing so. The current global company climate requires that cross-cultural management be a key component. Establishing successful links and achieving company goals across multiple cultural levels requires comprehending, recognizing, as well as effectively managing distinctions between cultures.

**International management**: The practice of managing and supervising commercial activities across national and cultural boundaries is identified as international management. To accomplish organizational objectives in a global environment, it entails the cooperation as well as integration of individuals, resources, and processes. International managers must manage the obstacles of doing services abroad, containing cultural, linguistic, legal, political, and economic disparities. In addition to managing global supply chains, dealing with cross-border legislation and compliance challenges, and maintaining efficient communication and collaboration across multiple cultural levels, they are in charge of formulating strategies to enter and thrive in new markets. International management necessitates an in-depth knowledge of international company trends, cultural nuances, and adaptability to changing settings (Werner, 2002). As it enables them to seize new scopes and compete globally, it is an essential function for organisations operating in today's globalised economy.

## 2.2 Distinctiveness between cross cultural management and international management

Although cross-cultural management as well as international management are vital places in the global corporate world, their focuses and horizons are distinctive. The goal of cross-cultural management is to handle cultural distinctiveness within a company, basically when there is a diverse workforce. A successful and harmonious workplace where people from multiple cultural origins can successfully collaborate is the aim of cross-cultural management. This entails being aware of the similarities and cultural variations within the workforce, enhancing communication abilities, and fostering cultural sensitivity. In contrast, international management addresses the distinctiveness of overseeing business activities across international boundaries (Dheer *et al*. 2014). This entails breaking into new markets, navigating cross-border rules and compliance concerns, and being aware of regional cultural and political variations. International management is concerned with worldwide company strategy and necessitates knowledge of the political, social, legal, and cultural situations of other markets. International management and cross-cultural management are separate but connected subjects. Managing cultural variations inside a single organisation is the subject of the branch of international management identified as cross-cultural management. In contrast, international management covers a wider range of tasks and necessitates a broader skill set. Their level of attention is one vital distinction between cross-cultural management as well as international management. International management is more concerned with the strategic and organizational level, while cross-cultural management is more aimed at the individual as well as team level (Boyacigiller *et al*. 2004). While international management deals with running businesses across borders, cross-cultural management deals with managing cultural variations inside a specific team or department. The level of their respective operations is another distinction between cross-cultural management as well as international management. Establishing relationships, interacting with individuals on a human level, and cultivating cultural awareness are more vital aspects of cross-cultural management. In contrast, a wider range of tasks are contained in international management, containing risk assessment, financial management, and strategic planning. The essential abilities and competencies for international management and cross-cultural management are also distinctive. Powerful interpersonal and communication skills, and cultural sensitivity awareness understanding, are necessary for cross-cultural management. Managers need to be capable to comprehend the subtleties of various cultural customs and principles to adapt their interaction style. The capabilities needed for international management, however, are broader and include planning for strategy, financial management, intercultural communication, and familiarity with worldwide business trends and practices (Omar and Davidson, 2001). Cross-cultural management has a tendency to have a more decentralised organizational structure, in which individual groups or divisions are given the power to make decisions. In contrast, managing internationally necessitates a more centralised organisation with corporate level decision-making. Finally, there is distinctiveness between international management and cross-cultural management in terms of results. A happy and productive workplace in which individuals from various cultural origins can collaborate successfully is the aim of cross-cultural management. The objective of international management, in contrast, is to ensure the organization's activities are successful in a global environment. This could engage in expanding in new markets and managing the global supply.

## 2.3 Relevance of culture to management and organization behaviour

Organisational behaviour and management are both influenced by culture. Different cultures are known to have unique norms, values, beliefs, and attitudes that influence how people behave in workplace settings. Because of this, it is crucial for managers and organisations to comprehend the importance of culture and how it affects organisational behaviour and management practices (Trompenaars and Hampden-Turner, 1997). Communication is one of the key areas where culture affects management and organisational behaviour. People's cultural backgrounds greatly influence how they communicate. For instance, whereas indirect communication is appreciated in some cultures, direct communication is prized in others. Therefore, in a diverse workplace, understanding these distinctions is crucial to preventing misunderstandings and fostering successful communication.

Additionally, culture is a significant factor in determining leadership styles. It is expected of leaders to behave in accordance with cultural norms and values, and many cultures have various demands placed on their leaders. For instance, in cultures that are collectivist, the leader is expected to put the interests of the group first, whereas in cultures that are individualistic, the leader is supposed to concentrate on accomplishing personal objectives (Hofstede, 1980). Furthermore, culture influences the way individuals approach decision-making and problem-solving. Some cultures value consensus building, while others value individual decision-making. This has significant implications for team dynamics, conflict resolution, and decision-making processes in organisations. Bratton (2020) has also described the importance of organisational culture on organisational behaviour. According to him, through its effect on employee motivation, culture has a significant impact on organisational behaviour. Employee motivation and commitment may rise when there is a strong feeling of identity and purpose among the workforce. In contrast, poor performance, excessive turnover, and low morale can result from a weak or negative culture.

If the practical instances of the same are concerned, the evidence from the studies by the authors like Joseph and Kibara (2019) can be used here. As per their study, One of the main conclusions of Joseph and Kibera's study is that microfinance institutions can operate better when they have a strong organisational culture. The authors discovered, in particular, that organisations with strong cultures tended to be more financially sustainable and to have a bigger social impact. This shows that culture should be taken into account when assessing the effectiveness of organisations. Organisational culture affects performance as well as how each person behaves within the company. For instance, a culture that promotes teamwork and collaboration is more likely to result in happier workplace relationships than one that prioritises individual success. This may then have an effect on output and job satisfaction. Organisational culture can also affect an organisation's capacity for change adaptation. In comparison to a culture that is more rigid or resistant to change, one that emphasises innovation and taking risks is likely to be more nimble and able to react rapidly to changing market conditions or developing trends.

## 2.4 Effect of cultural distinctiveness on organization behaviour

From the discussion of the differences between the cross cultural and international management, it can be stated that the process of cross cultural management has been about the management of the different employees within any organisation from different cultural backgrounds through different processes. Thus, the companies which have employees from different distinct cultures can experience the impact of the same on the organisational behaviour.

As stated by Hofstede (1980), the collective training of the mind that sets one group or category of people apart from another is known as culture. It encompasses language, morals, and cultural norms. Leadership philosophies, communication habits, and decision-making procedures can all be significantly impacted by cultural variations. As discussed earlier, communication is one of the main ways that cultural difference influences organisational behaviour. Organisational behaviour depends heavily on communication, and cultural variations might cause serious impediments to such communication. People from high-context cultures, like Japan, for instance, rely largely on nonverbal communication, whereas people from low-context cultures, like the United States, place greater emphasis on verbal communication (Hall, 1976). These distinctions may cause miscommunication, misunderstandings, and inefficient communication, which may have a negative impact on organisational behaviour.

Further, Leadership philosophies are another way that cultural diversity can affect organisational behaviour. Leadership expectations vary among cultures, and these expectations might affect a leader's approach. For instance, certain cultures, like China, expect their leaders to be autocratic, whereas other cultures, like Sweden, expect their leaders to be democratic (House et al., 2004). These cultural variations may have an impact on the judgements, tasks, and interactions of leaders, which may have an impact on organisational behaviour.

Additionally, cultural diversity might influence how organisations resolve conflict. Different cultural approaches to conflict resolution can have an impact on how organisations handle conflict. For instance, although the United States prioritises assertiveness and directness, some cultures, like Japan, place a great priority on maintaining peace and avoiding conflict (Gelfand et al., 2007). These cultural differences may have an impact on how businesses handle employee disagreement, which may have an impact on business practices.

For the practical instance of the same, the consideration of instances from the organisation of Google can be considered. As stated by Tran (2017), “Do the right thing” and "Focus on the user" are two of Google's basic beliefs that shape the company's culture. The organisational behaviour of the corporation, including its hiring and retention practises, communication styles, and decision-making procedures, has been influenced by these ideals. The authors contend that Google's unique culture has helped the firm attract and keep a bright and varied staff, encourage innovation and creativity, and increase employee dedication and engagement. For instance, the company's focus on open communication and collaboration has resulted in the formation of cross-functional teams and a flat organisational structure, which in turn encourages agility and flexibility in responding to changes in the market and consumer needs.

# 3.0 Part 2

## 3.1 Key issues in understanding cultural difference which may affect leadership and motivation

In a diverse workplace, successful leadership and motivation depend on having a solid understanding of cultural diversity. The main topics surrounding cultural differences have been examined by numerous scholars, including power distance, communication techniques, and individuality vs. collectivism. This talk will present case examples from various businesses while critically analysing numerous journal articles and research papers on cultural variations and their effects on leadership and motivation.

Communication patterns are one of the major challenges in comprehending cultural differences. Gudykunst and Kim (2003) discovered various aspects of communication that differ across cultures, including directness/indirectness, elaborateness/succinctness, and context dependence in their study on the effects of cultural differences on communication. These distinctions may have an impact on how leaders interact with and inspire their workforce.

Power distance, which refers to the degree to which people accept unequal allocation of power in society, is another crucial issue associated with cultural differences. According to Hofstede (1984), one of the five aspects of cultural diversity is power distance, with some cultures placing a higher value on hierarchy and authority than others. This may have an impact on how managers relate to and inspire their staff. Another sudy discovered that Mexican employees were more willing to embrace autocratic leadership styles than American employees in their research on leadership in Mexico. Due to this cultural gap, distinct leadership expectations and preferences emerged, which had an impact on motivation levels. The business launched leadership development programmes that stressed the significance of collaboration and empowerment.

A study by Košičiarová et al (2021) described that there are some areas of cultural differences which are necessary to understand which can affect leadership and motivation within organisations. Firstly, The values and beliefs of various cultures can have an impact on how employees view and react to various leadership philosophies and motivational strategies. Employees in some cultures, for instance, may respond favourably to a hierarchical leadership style since respect for authority is strongly prized in those societies. Other cultures place a higher importance on cooperation and teamwork; therefore a more participative leadership style may be more successful in those societies. Secondly, in any company culture, effective communication is essential, but working with other cultures makes it even more necessary. Leaders must be mindful of cultural differences in communication styles in order to make sure that their words are understood and taken to heart. The authors further described the issues like diversity, adaptation to change, and others which can affect the process.

## 3.2 Key issues in understanding cultural difference which may affect communications and negotiating

Effective communication and negotiation require an understanding of cultural differences. There have been extensive empirical studies on the true nature of national culture and how it impacts the ways in which communication is handled by individual and organisational level. The following factors have been traced by Salacuse (1998) in their survey analysis on the same topic. This has led to many parallel studies and observations which have enriched the concepts surrounding the cross-cultural management and communication and negotiation process in a more defined way (Adair and Brett, 2004).

* **Language:** The most overt and pervasive cultural difference that influences communication is language. Language limitations can result in misconceptions and misinterpretations while negotiating with individuals from various cultures.
* **Nonverbal Communication:** Different cultures use distinctive body language along with eye contact, and facial expressions. For instance, while making direct eye contact may be perceived as unpleasant and aggressive in some cultures, it is a show of dignity and integrity in others.
* **Social Hierarchy:** In certain societies, communication and negotiation are significantly influenced by social hierarchy. It is customary to address persons in high positions of authority differently from those in lesser positions.
* **Time Orientation:** Time is viewed differently in many cultures. For instance, being on time is highly regarded in some cultures, while being late is viewed as rude. Being a few seconds late is not a huge problem in other cultures.
* **Attitudes towards Conflict:**  Cultures differ in their views towards conflict, which can have an impact on negotiations. Direct confrontation is acceptable in certain cultures but is viewed as hostile in others.
* **Values and Beliefs:** Morals and beliefs can influence communication and negotiation since they differ between cultures. Being straightforward and honest, for instance, may be regarded as admirable in some cultures but as unpleasant and confrontational in others (Salacuse, 1998).

The effects of culture on the conduct and results of negotiations have been studied by Brett (2000). It implies that discussions are combative and centred on transactions or resolution of conflicts from a Western perspective. According to the essay, power and information dynamics play a crucial role in negotiations, and culture has an impact on these dynamics. Individualism vs. collectivism as culture values are related to negotiation objectives, egalitarianism vs. hierarchy as cultural values are related to power in negotiations, and high vs. low context communication as cultural values are related to information sharing. The paper also discusses the difficulties presented by cross-cultural negotiations, but it comes to the conclusion that mediators who are eager to learn more and adaptable in their search strategies can produce excellent negotiated results.

## 3.3 Key issues in understanding cultural difference which may affect decision-making

Decision-making processes can be significantly impacted by cultural variations. Here are some important things to think about:

**Collectivism vs. Individualism:** Different cultural perspectives on individualism and collectivism exist. Decision-making seems to be more centred on individual objectives and preferences in individualistic cultures, whereas community needs and opinions are frequently taken into consideration in collectivistic societies.

**Power Distance:** The degree to which a disparate distribution of power is accepted in a community is referred to as power distance. Decision-making is typically more hierarchical in cultures with large power distance, with individuals in position of authority making the final call. Decision-making is typically more egalitarian in societies with minimal power distance, involving involvement from all group members.

**Risk Tolerance:** Cultural perspectives on taking risks vary widely. While some cultures are more risk-averse and prefer to stick with tried-and-true methods, others are more at ease taking risks to accomplish their objectives.

**Time Orientation:** As was already said, different civilizations have different perspectives on time. Decisions are made swiftly and without much thought in some societies. Decision-making occurs more slowly and places more focus on carefully weighing all available possibilities in other cultures.

**Communication Style:** Decision-making may be impacted by cultural differences in communication style. Communication is often more explicit and direct in some cultures than indirect and implicit in others.

**Attitudes towards Change:**  Cultures differ in their views towards shift, with some welcoming innovation and change while others preferring to keep things as they are.

**Ethics and values:** These factors influence decision-making and differ among cultures. For instance, whereas devotion to the community is more crucial in some cultures, integrity and honesty are highly valued in others.

When deciding in a multicultural setting, it is critical to be mindful of these societal variances. In order to prevent misunderstandings and make sure that choices are made in a courteous and appropriate manner for all parties involved, it can be helpful to recognise these differences.

Yates and De Oliveira (2016) assert that cultural distinctions influence judgement. The individualism-collectivism paradigm, which places greater emphasis on collective cohesion in collectivistic societies than individualistic civilizations, is investigated. There is also a reference to the concept of cultural norm strength, with tight societies having stronger enforced standards than loose cultures. Decision-making is also examined in terms of cognitive style, including comprehensive thinking in East Asian cultures or analytic thinking in Western cultures. Although these frameworks are frequently used for clarifying cultural differences, the passage points out that culture is a fluid, evolving, and dependent on context phenomenon and that many studies fail to empirically test these connections across a wide range of cultures. It is suggested that cultural distinctions are context-dependent and stable.

## 3.4 Key issues in understanding cultural difference which may affect organisational relationships

Relationships within an organisation can be strongly impacted by cultural variations. Here are some important things to think about:

* **Communication Style:** Cultural differences in communication can have an impact on relationships within organisations. While communication is passive and implicit in some cultures, it is open and explicit in others. Conflicting communication styles can cause misunderstandings and relationship breakdowns.
* **Trust:** It differs between cultures, yet it is a crucial element of each relationship. In some cultures, trust develops gradually over time through close friendships, and in others, it happens more quickly as a result of official agreements and contracts.
* **Conflict Resolution:** The attitudes regarding conflict and the techniques employed to resolve conflict vary among cultures. Direct conflict is accepted in some cultures while indirect techniques are encouraged in others. Relationships can suffer and conflict can escalate if these differences are not acknowledged and respected.
* **Decision-making Style:** The ways in which people make decisions vary among cultures. Decisions are made via a consensus-building process in some cultures while being made by those in positions of authority in others. Relationships may end if these disparities are not acknowledged and accepted.
* **Power dynamics:** Power dynamics differ among cultures and can have an impact on interactions inside organisations. Decisions are reached through a more egalitarian method in some cultures, whereas in others, authority leaders have a duty to make decisions and issue orders. Relationships may suffer if these power dynamics are not acknowledged and respected.
* **Time Perception:** How time is seen varies among civilizations. While promptness is highly valued in some cultures where time is seen as a finite resource, other cultures view time as more adaptable and fluid. Misunderstandings and unfavourable opinions of the organisation may result from a failure to acknowledge and appreciate these distinctions.

Building pleasant and effective organisational connections requires an understanding of and tolerance for cultural differences. Organisations can build a basis of trust and respect by acknowledging and tolerating these differences. This foundation can facilitate more effective interaction, more informed choices, and improved relationships.

# 4.0 Conclusion

The distinctiveness between cross-cultural and international management, as well as the significance of culture to management and organizational behaviour concerns, have all been covered in this paper. The paper has emphasized that international management works with managing commercial operations beyond national borders, whereas cross-cultural leadership is aimed at managing cultural variations within an organization. Although a branch of international management, cross-cultural management is more focused on the interpersonal level and has a more constrained reach. In addition, the paper has highlighted some of the most important problems with comprehending cultural variations that may influence decision-making, organizational relationships, communication and negotiation, leadership and motivation, and decision-making and decision-making processes. Stereotypes based on culture, impediments to communication, varying views towards power and authority, and distinctiveness in work ethics and styles are some of these issues. To successfully manage teams across cultures and advance in international management, managers must comprehend the significance of cultural variations in the global corporate environment. This paper has emphasized the importance of cultural sensitivity, understanding, and adaptation as vital capabilities for cross-cultural management as well as international management in this setting. In conclusion, this study emphasises the distinction between cross-cultural management as well as international management. In order to successfully manage diverse teams and thrive in a global corporate climate, managers must gain a better awareness of cultural differences. Managers must arm themselves with the required knowledge and capabilities to negotiate the challenging cultural terrain of the global corporate world as an outcome of the growing importance of cross-cultural leadership and international management.

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