

The importance of effective cross cultural communication in international business...



Through the proceeding process of globalization companies undergo a substantial change in management requirements. Customary management approaches and the traditional perception on how business is done are not suitable anymore. The diversification of the overall workforce and increased intercultural contact through business activities in foreign countries created a new demand for an effective cross cultural communication (CCC) in all fields of businesses .

In many cases internationally active companies sent part of their domestic workforce abroad to e. g. build up a new production plant or subsidiary. These so called expatriates often find themselves working in a drastically changed cultural environment. The key to success for such business activities abroad demands the expatriates to overcome cultural differences and – even though this might be uncomfortable – to adjust to the new cultural environment. To vanquish the described obstacles it is important to effectively communicate despite coming from a different cultural background . To make it easier for future generations to deal with the predescribed circumstances it is essential to do enhanced research on the topic of CCC and its importance for international business.

Literature Overview

Research in intercultural communication started in the 1960's. The very first and still one of the most famous works is Kluckhohn and Strodtbeck's " Values Orientation Theory" from 1961 . Further research on their paper has been conducted through the US-American anthropologist, cross-cultural researcher and co founder of the topic Edward T. Hall. His famous

publications such as the book “ Beyond Culture” first published in 1976 and his theory of “ High and Low Context Cultures” are still relevant and play an important role for the basic theoretical concepts in the field of CCC . Another famous and still relevant pioneer in this field is the Dutch cultural scientist and expert Geert Hofstede.

His cultural dimensions theory (1980) – which is based on the theoretical framework of Kluckhohn, Strodtbeck and Hall – is the framework for most of today’s publications in the field of CCC. With his work on several models and theories he made a huge contribution to this field of science . Further advances and research has been performed by the Dutch scientist Fons Trompenaars. His main contribution is the advancement of Hofstede’s cultural dimensions theory in 1993.

In 1990 the Israeli psychologist Shalom H. Schwartz continued the research of the German psychiatrist Ernst Boesch who tried to interconnect psychological approaches with the theory of CCC in his in 1980 published book “ Kultur und Handlung. Einführung in die Kulturpsychologie” (Cultural Psychology). The German psychologist Alexander Thomas further advanced Schwartz’s and Boesch’s ideas and wrote the book “ Kulturstandards in der internationalen Begegnung (1991)” (Cultural Standards in international Encounters), which is mainly focusing on psychological aspects in international business.

The most recent and for this paper most relevant study is the so called “ Global Leadership and Organisational Behaviour Effectiveness Research Program” (GLOBE). It is an international management long-term study from

the University of Pennsylvania that started in 1993. Its purpose is the development of theories to explain the influences of cultural factors on leadership, organisational processes and business efficiency. Through cultural clustering and the use of the described theories and models GLOBE has lead to the publication of several papers and books in the field of intercultural management and effective CCC.

Definitions & Basic Theoretical Framework

Before further discussing the purpose of the study, what possible research questions could be and the formulation of a hypothesis it is useful to define some basic terms. In addition a short discourse into the basic theoretical framework can help to gain a better insight and fundamental understanding of the material presented.

Culture

Since this paper focuses on an issue related to cultural differences it is important to define the term “ culture” itself. In the literature several definitions can be found of which none equals the other. Geert Hofstede defines culture as “[...] the collective programming of the mind distinguishing the members of one group or category of people from others.”

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Cultural Iceberg Model

The Cultural Iceberg Model from Edward T. Hall describes culture as an iceberg, of which only the top is visible at first sight. Layers that are lying deeper, below the surface, can only be explored step by step. The layers that

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are above the surface are to the outer world visible conditions such as a certain behaviour, the way somebody dresses, which food an individual likes or in what kind of environment a person is living. Below the surface are conditions that can only be explored through interaction and communication. These lower layers comprise of perceptions, reactions, emotions, religion, beliefs, morals, values and the overall identity of a person.

Perceptions

It is important to keep in mind that even though people seem to be seeing, hearing and smelling the same things, the perception of a certain situation can be totally different. A very nice example to illustrate this circumstance is the use of perception illusions. Those are pictures that have two different pictures within itself. It depends on everybody's own perception which of the pictures can be seen. An example for such an illustration is figure two. In this image some people see an old women with a big nose and some see a young lady that looks away from the observer. To be aware that these differences in perception exist can help to be more effective in avoiding misunderstandings with foreign business partners .

Cultural Dimensions and Cultural Standards

The cultural dimensions according to the model originally developed by Edward T. Hall had three different categories. Hofstede, Trompenaars and later the GLOBE study further developed his ideas and formulated their own cultural dimensions and categories. Table one illustrates these different categories and how they have been developed over time. An interesting fact, that has often been mentioned throughout the literature, is that the <https://assignbuster.com/the-importance-of-effective-cross-cultural-communication-in-international-business/>

dimension of time perception plays an important role in each model. . The use of these models that examine cultural differences can be helpful in understanding how people from different cultures perceive their environment differently. Being aware that these dimensions exist and that certain behaviour can be explained allows the researcher to make predictions beforehand.