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# The Significance of Intercultural Communication for Businesses and the Obstacles that Managers should Overcome in Achieving Effective Intercultural Communication

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*Abstract-* Along with the rapid globalization of the era, the public is increasingly paying attention to intercultural communication as an important component to success, both in life and in work. It is general knowledge that human beings cannot live without communication and due to the influence of globalization; communication is no longer confined solely to a community and nationwide level but also on an international scale. Thus, intercultural communication is now more important than it ever was for enterprises. Yet the effective intercultural communication needed for the aforementioned success is difficult to achieve. This paper will discuss the obstacles that a manager should overcome in order to achieve intercultural communication.

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# The Significance of Intercultural Communication for Businesses and the Obstacles that Managers should Overcome in Achieving Effective Intercultural Communication

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**Abstract-** Along with the rapid globalization of the era, the public is increasingly paying attention to intercultural communication as an important component to success, both in life and in work. It is general knowledge that human beings cannot live without communication and due to the influence of globalization; communication is no longer confined solely to a community and nationwide level but also on an international scale. Thus, intercultural communication is now more important than it ever was for enterprises. Yet the effective intercultural communication needed for the aforementioned success is difficult to achieve. This paper will discuss the obstacles that a manager should overcome in order to achieve intercultural communication.

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## I. INTRODUCTION

It is impossible to live in a world without interacting with others, thus making communication an indispensable part of living and effective communication an extremely useful skill. The basic principles of the communication process is the sending information, ideas and emotions through a channel to specific individuals or groups who receive and decode it and may give feedback (Lussier, 2009). Additionally, communication is not only defined as a combination of natural sciences and social sciences, but is also an essential and effective tool for the management of a company (Snell, 1985). As a result of the rapid advances in information technology, the ensuing globalization has led to communication becoming more complicated in the 21st century. The sharing of information among various individuals in society is no longer confined to a communal and national level, but also to a global level, thus making intercultural communication more crucial than ever before.

a) McLaren (1998) has demonstrated that

"Culture is a human phenomenon; it is the way we are, both physically and mentally. It is both state in which each of us exists and a process which changes constantly according to the individual, the time and the place. This combined state and process called culture affects us all as we respond to others, to events and to the environment." (p.14)

b) Intercultural communication, also known as cross-cultural communication, is commonly defined as the following

"the ability to successfully form, foster, and improve relationships with members of a culture different from one's own...is based on knowledge of many factors, such as the other culture's values, perceptions, manners, social structure, and decision-making practices, and an understanding of how members of the group communicate--verbally, non-verbally, in person, in writing, and in various business and social contexts, to name but a few" ("What is Cross-Cultural Communication?," n.d.).

As a consequence of the rapid development of international business, more attention is being paid to the importance of intercultural communication. In other words, intercultural communication has become increasingly significant both in work and in life. Nevertheless, to achieve effective intercultural communication there are some hurdles that we are required to confront and overcome.

## II. THE SIGNIFICANCE OF EFFECTIVE INTERCULTURAL COMMUNICATION FOR BUSINESSES

Generally, the main intention of communication is to express oneself; however, there are different modes of expression and also different types of communication, for example, cross-culture communication. Intercultural communication is the process of conveying and receiving messages between individuals or groups whose cultural background can considerably affect to the different interpretation of

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verbal and non-verbal signs (Thill & Bovée, 2005). In view of globalization, aptitude at inter cultural communication will give any company a competitive edge.

#### a) *Business Expansion*

An enormous amount of previous studies have illustrated how poor communication can result in lackluster organizational performance, as well as how communication is crucial to all employees of the company including both the manager and subordinates. Generally, the ability to communicate effectively is undeniably a challenge in the global environment. For an instance, misunderstandings can still arise when both parties speak the same language because of different cultural backgrounds (Hilton, 2007). Therefore, an understanding of the influence of globalization on intercultural communication is undeniably necessary to businesses which are attempting to create a competitive advantage for themselves in both the domestic and international markets.

We have established that communication is a critical competitive advantage for businesses. For instance, effective communication enables a company to explain more succinctly to the customers the differences and superiority of the company's products and services in comparison to their competitors (Hilton, 2007). Likewise, businesses which can communicate cross-culturally will possess a vital competitive edge in the international market; for example, the company is capable of spending more of their time and resources to engage in business instead of solving internal and external communication problems (Hilton, 2007). Furthermore, communicating with business partners from foreign corporations is unavoidable and necessary in an international company. Without a doubt, communicating with foreign business partners is more difficult than with domestic business partners, due to the difference in cultures that most probably lead to the foreign companies to conduct business in a whole other way. Moreover, business partners from other cultural environments are unpredictable to us therefore necessitating effective communication in order for clarity of understanding to both parties. In short, dealing with employees, colleagues, customers, and also business partners from different cultures is imperative, in order to achieve the mission of the company and building values for the stakeholders. Accordingly, an effective intercultural communication is a significant requirement for businesses.

#### b) *Elimination of Conflicts*

With international migration becoming increasingly affordable and available, employees work in increasingly diverse environments, thereby being exposed to diverse cultures. Each person has their own culture which influences their mode of thinking, feeling

and behavior and these differences can and will result in conflict.

Conflict is defined as a type of friction, disagreement, discord and even expressed struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and interference from others in accomplishing their goals (Adams, 2009). In a busy workplace, conflict is acknowledged as an unavoidable issue in an organization due to multiple personalities, multiple pressures, or even multiple cultures (Adams, 2009). Nevertheless, a counterproductive workplace conflict can result in numerous negative consequences. For the purpose of eliminating the conflict at a fundamental level, communication is required.

Relationship conflicts, a disagreement or argument that takes place between two or more people within a relationship, most probably arises when an individual behaves in a negative manner or others have skewed perception (Pelled, 1993). Employees in firms come from various walks of life and different cultures thus resulting in different personalities. When such diverse individuals work in a firm to achieve a common goal, it is common that the disputes between personalities occur, causing interpersonal tension, resentment and frustration (Jia-Chi, 2010). The overall group performance of the firm can decrease drastically if such disputes of personalities are not resolved and they do not reach a common ground to work collaboratively (Pelled, 1993). Therefore, intercultural communication is particularly important to avoid conflict caused by a diverse cultural working environment.

#### c) *Positive Work Atmosphere*

Each individual wishes to be respected and to be recognized by others and society so as to find their self-worth. Employees are a critical and fundamental resource of any business, small or large, who want to get the respect of others as well as social recognition. Since employee engagement and business success are closely interrelated, healthy relationships in the workplace should be built to establish a good business sense (Hynes, 2012). In other words, a company which contains energized employees will possess higher innovation and productivity, and ultimately higher profitability ("Workplace conflict erodes productivity," 2014). Motivating language being used by the management is one of the critical elements to strengthen the self-efficacy of employees and to enhance the performance of employees (Mayfield & Mayfield, 2012). Managers can adopt the usage of cultural-related motivating languages to encourage employees in order to build a positive working atmosphere. On the contrary, non-energized employees will significantly affect the company's operation.

One of the important determinants causing employees to become non-energized is negative emotions. Emotions have a direct effect on health and a negative work atmosphere in the workplace will result in health issues among employees, for examples, stress and depression. Consequently, unhealthy and non-energized employees will work ineffectively and/or reluctantly, thereby, resulting in absenteeism (Sonnentag, Unger & Nägel, 2013). Supposing that the negative work atmosphere is not able to be changed to become positive, the absenteeism will get worse and may even lead to the increased employee turnover (Sonnentag et al., 2013). Accordingly, the productivity of a company is influenced by a negative work atmosphere which will affect the company's performance and profits. This problem has become a common issue because of the increasingly diverse workforce caused by globalization. As the main cause of a negative work atmosphere is misapprehension and incomprehension, one of the fundamental solving approaches is that of effective communication. Effective communication is defined as having a direct positive effect on the performance of a company as the demonstration of Schein (1993) that "organizational effectiveness is therefore increasingly dependent on valid communication across subculture boundaries . . . Dialogue, then, is at the root of all effective group action" (p. 28-29). Therefore, effective intercultural communication is significantly required for preventing a negative working atmosphere caused by a diverse cultural working environment, and also building a positive working atmosphere.

### III. OBSTACLES THAT MANAGER SHOULD OVERCOME IN ACHIEVING INTERCULTURAL COMMUNICATION

Culture is defined as an approach to life and worldview shared by individuals and groups in a society (Helman, 2001). As a society becomes more globally connected, the necessity of intercultural communication has gained increasing prominence. Getting involved in global business operations causes the workforce in a company to become more complex because employees are commonly composed of individuals who possess diverse cultures with different backgrounds. Therefore, the ability of managers to communicate effectively and cross-culturally is definitely unable to be underestimated.

#### a) *Values and Beliefs*

Cultural values and beliefs have a vital influence on the perceptions of others' acceptance, credibility and trust worthiness (Brislin, 1993). Each employee may intend to complete their tasks in their own ways regardless of others' opinions, in accordance to each person's values and beliefs, which are significantly

influenced by their cultural background. The more employees from different cultural backgrounds who work together, the more different opinions there will be in the workplace. Eventually, conflict could arise from employees who insist on their own views and do not accept others' opinions, which is to the detriment of the company. Thus, skills for effective intercultural communication are needed by managers to communicate with and ensure the employees from different cultural background scan understand each other and share a common vision and goals. Nonetheless, it is inevitable that managers themselves may possess definitely different values and beliefs from their employees. Understanding each person' values and beliefs while also convincing employees to accept others' cultures is not recognized as an easy matter for managers. Hence, differences in values and beliefs are one of the obstacles that managers need to overcome to achieve effective intercultural communication.

#### b) *Apprehension*

Culture is represented differently from person to person, either slightly or extremely. Different cultures influence the communication patterns between individuals or groups. Ignorance leads to apprehension and the diverse workplaces that are becoming increasingly common force interaction among cultures that traditionally never had anything to do with each other, becoming a possible source of conflict. If this issue is not nipped in the bud, and education on other cultures is not provided, the performance of company will be affected, and eventually damaging the values of stakeholders. Managers need to learn effective intercultural communication skills in addition to having a certain understanding of different cultures. Nonetheless, understanding others' cultures is not an easy matter for managers as mentioned above. As each individual grows up within a single culture, interacting with others from different cultural backgrounds is undoubtedly a challenge for them, including managers (Fink, Neyer & Kölling, 2006). Thus, managers who may not possess a sufficient knowledge on dealing with employees from diverse cultural backgrounds will find it doubly difficult to deal with conflicts of that sort. This is also the major factor resulting in apprehension in managers, and also one of the obstacles that managers should overcome in order to achieve effective intercultural communication.

#### c) *Ignorance*

People who live in the same area and interact with the similar group of people most probably have the same culture (Hofstede, 2001). For examples, Japanese living in Japan share common values and beliefs. However, Japanese living in foreign countries may have slightly or even extremely different cultures from Japanese who live in their home country due to the different growth backgrounds. Each individual forms

their own definitions of culture based on their growth background, which consists of the historical, political, social as well as cultural contexts (Sorrells, 2013). These growth experiences will directly or indirectly affect people in that defining culture, ultimately resulting in each person having their own distinctive definitions for culture. This results in one of the general errors that managers will regularly make. Managers often assume that employees from the same nation, race, or even religion adopt the same cultures. Thus, managers will mistakenly apply an identical mode of communication to employees who they assume adopt the same cultures. Regrettably, this leads to ineffective communication and managers should abandon this ignorance so as to adopt the appropriate mode of intercultural communication that takes into account different growth cultures.

#### d) *Ethnocentrism*

The initial step in achieving effective intercultural communication is determined as not to be ethnocentric ("Intercultural Communication," n.d.). Ethnocentrism is defined as the following:

"The feeling that one's group has a mode of living, values, and patterns of adaptation that are superior to those of other groups. It is coupled with a generalized contempt for members of other groups. Ethnocentrism may manifest itself in attitudes of superiority or sometimes hostility. Violence, discrimination, proselytizing, and verbal aggressiveness are other means whereby ethnocentrism may be expressed" ("Ethnocentrism," 2013).

Hence, ethnocentrism is recognized as an obstacle leading to failure in intercultural communication. The reason is because one of the critical terms for effective intercultural communication is to understand and respect different cultures. Nonetheless, individuals who are ethnocentric are almost certainly not able to appreciate another culture, but will engage in judgmental behavior of other cultures which differ from theirs. For this reason, ethnocentrism must necessarily be avoided by managers. All cultures should be determined as equal and be treated equally because there is no one culture which is superior to another culture. Nevertheless, this is not an easy matter to be implemented due to most people feeling a sense of pride in their own group and cultures, while also doubtful of others and others' cultures. It is clear that ethnocentrism is one of the obstacles that managers should overcome in order to achieve effective intercultural communication.

#### e) *Stereotyping*

Ball (2010) has demonstrated that stereotyping is:

"The practice of assigning to all members of a group—particularly an ethnic or racial group—the same characteristics on the assumption that all members of the group share these traits...stereotyping can be based on traits associated with race, cultural backgrounds, sexual orientations, age, gender, and even occupations and physical disabilities."

Generally, people tend to label and classify others based on information from the media, their own experiences and so on because it can make people feel secure, as they can consider themselves to be someone that "knows something" even though they may not (Gill, 2012). Stereotyping encompasses both positive or and negative judgments; none the less, the negative bias will undeniably be a disadvantage to intercultural communication. As culture is not observable until people engage in their culture specific behaviors by communicating and interacting with other people (Brislin, 1993), managers who are stereotyping may fail to truly understand their employees from different cultural backgrounds. Consequently, the failure of intercultural communication occurs as a result of this.

## IV. DISCUSSION

Communication is a critical factor of a company's competitiveness which cannot be ignored. This is because employees need to be able to cooperate with each other in order to achieve the company's goal (Erez, 1992; Bennis & Nanus, 1985; as cited in He & Liu, 2010). With the rapid advancement of technology and the advent of globalization, people begin to have more contact with others who adopt other cultures, either voluntarily or involuntarily. Having the ability to communicate effectively with others who possess slightly or definitely different cultures, is at once an advantage and a necessity; thus, the important relationship between the intercultural communication and businesses, both internal and external, is.

Above all, as communication skills are a competitive advantage for companies, skill at effective intercultural communication is doubly important for a company that wishes to be a major player on the international market. Effective intercultural communication enables customers to have clear information and understanding of a company, for instance, the difference and superiority of the company's products and services in contrast to that of their competitors, because the messages are able to be conveyed accurately and effectively. In addition, effective intercultural communication becomes a competitive advantage of the company, especially in the international market, as it prevents the company from

wasting time and resources on solving communication problems; thus enabling the company to spend their time more wisely and effectively in conducting business.

Secondly, having effective intercultural communication skills helps to avoid unnecessary misunderstandings and thereby eliminating conflict in the workplace. As different patterns of thinking, feeling and behavior are the results of different cultural backgrounds, each employee will possess different ways of dealing with their tasks. Therefore, disputes will commonly arise when employees from cultures with vastly different approaches are required to work together to implement a common goal, and eventually the performance of company will be affected as the previous studies have demonstrated. Hence, effective intercultural communication is the most timely, forefront and practical way to correct the misunderstandings and solve the conflicts before they even happen. Apart from those, effective intercultural communication is significant to build a positive working atmosphere in the diverse working environment, i.e., by using cultural-related motivational languages. As a negative working atmosphere will have a direct negative impact to the company, for example, high employee turnover and retention, it should be prevented. The main factors resulting in a negative working atmosphere are misapprehension and incomprehension, therefore having effective intercultural communication skills are one of the fundamental solving approaches needed to solve these issues.

Nevertheless, it is undeniable that effective intercultural communication is difficult to achieve but it must be, regardless, handled well. There are five main obstacles that managers should overcome in order to achieve effective intercultural communication. Firstly, culture is known as the "software of mind" that one's patterns of thinking, feeling and behaving are possibly influenced by (Hofstede, 1997, p.4). Therefore, the integration of employees from different cultural backgrounds who possess different values and beliefs to work together and share a common organizational goal is not an easy matter for managers. Additionally, managers feel apprehensive when they have not enough knowledge on dealing with diverse employees in various situations. Furthermore, assuming that groups of people who adopt the same cultures is a common mistake that managers make, resulting in ineffective intercultural communication because of an inappropriate mode of communication. The abandonment of ethnocentrism is the initial step that managers should take in order to achieve intercultural communication since ethnocentric managers ignore or even judge others' cultures, to detriment of the work environment and employer-employee relationships. Aside from that, the abandonment of stereotyping is also required by managers in order to better communicate with the

individual employee. Managers who possess negative bias fail to truly understand their employees from different cultural backgrounds. Overall, I recognized that intercultural communication is exceedingly important for businesses; however, it is not an easy matter to be achieved, particularly by management level employees.

## V. CONCLUSION

In the modern era of easy international migration and social media, intercultural communication is now a necessity that cannot be excluded from our life. Effective intercultural communication skills can not only assist us to eliminate many problems such as conflicts and misunderstanding, but also to promote good relationships with each other. Additionally, it is able to strengthen the performance of employees and enhance the development of the company. Thus, it is essential to the development and competitiveness of the business. However, achieving effective intercultural communication is not easy. Therefore, managers should be able to identify the obstacles that stand in the way of achieving effective intercultural communication and put more effort into overcoming these obstacles. In a nutshell, effective intercultural communication skills area competitive advantage and a necessity required by us to succeed in life or business.

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