CROSS-CULTURAL COMMUNICATION IN MULTINATIONAL COMPANIES

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Abstract: *The communication in an organization involves agreeing on the objectives of the organization by achieving an optimal dosage between internal communication and external communication. Internal communication in an organization is the link that binds its departments, and leads to the smooth running of the business. The relationship between internal communication and external communication within an organization is the result of cooperation between its departments, and the result is the image it transmits externally. In order to have communication within an organization, one must know who is communicating, in what atmosphere, and especially what they are communicating. It is no secret that the importance of knowing a foreign language influences almost every aspect of multinational business. Language can be a barrier in everyday activities, when branches that speak different languages have to communicate with each other. Knowledge of a foreign language can be an aspect that facilitates the flow of communication, both internally (within the same department) and externally (between several departments). The employees with language skills who know one or more foreign languages have more opportunities to work with people from different departments and can keep in touch without effort. Also, speaking the same language, both employees and managers can more easily maintain relationships with other affiliates, not depending on each other and thus saving valuable time. In the same time, as a result of the many cultural contexts, the workplace faces additional communication issues and even when employees in different locations or offices speak the same language, there are some cultural differences to consider in order to improve communication between the two parties. An effective communication strategy begins with the recognition that the message sender and recipient come from different cultures and backgrounds. Thus, this adds a layer of ambiguity to conversations, making them much more difficult. Therefore, this paper considers to demonstrate that without diving into cultures and subcultures, it is perhaps most crucial for individuals to grasp that cultural variety is the key to success.*

Keywords: *business communication; cross-cultural communication; foreign languages; multinationals*

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1. Introduction: Organization and Communication

Communication is the critical flow that enables an organization's performance. Its quality and functionality are determined by how resources are employed and objectives are met.

Organizations rely entirely on communication, which is described as the spoken, nonverbal, or written exchange of ideas, messages, or information. Organizations

cannot function without communication. The entire organization suffers when communication is restricted or impeded. The organization tends to be dynamic and effective when communication is full, accurate, and timely.
Managers can better accomplish their tasks and responsibilities by communicating. All pertinent information must be given to management, who must then communicate the plans in order to put them into action. Similarly, in order to achieve team goals, leaders and managers must communicate effectively with their employees.

2. Organizational communication. Characteristics and Types

2.1. Functions of Organizational Communication

In the book *Organizational Communication: Challenges of Change, Diversity, and Continuity*, William Neher (1997) identifies the five primary functions of business communication:
1. Leading - defining roles, assigning power, and assigning responsibilities.
2. Rationalizing - serving as a foundation for making judgments.
3. Problem-solving - allowing for effective combined action.
4. Conflict management
5. Compliance gaining - allowing for the expression of emotions, etc.

The specialization of functions at the level of compartments and individuals, as well as the complementarity of these functions, determines an organization's efficiency.
The requirement for information flow between compartments, between people, and between the organization and its socio-economic environment arises from these essential aspects of organizational action. According to Graham and Bennett (1995:121) each organization comprises of "premises, workers, management, equipment, supplies, and cash." Therefore, to accomplish performance, organizational work necessitates coordinating the actions of participants. Employees are informed of management's decisions, and management oversees their execution. Decisions are based on the flow of information mentioned above.

2.2. Types of Organizational Communication

2.2.1 Formal and Informal Communication

Interpersonal, intra-organizational (between parts of the same organization), and extra-organizational communication are all forms of communication (with people or organizations functionally related to the activity of the organization: suppliers, customers, public etc.). Each of these levels varies in complexity and includes limits on organizational roles (superior/subordinate, decision/execution divisions), specific regulations, and organizational structure.
The information travels through communication networks made up of multiple people, organizations, and compartments that serve as both sender and recipient.
Organizational communication can be formal (conducted through channels imposed by the structure of the organization, existing rules and functional relationships between individuals, groups, compartments, according to explicit and sometimes

implicit rules) and is mainly related to joint activity. The organization chart, a document that depicts the functional organization of operations as well as the nature of subordination and coordination relationships between departments and individuals, specifies formal communication networks. The content (what kind of information is transmitted), responsibility (who issues and controls and signs - in the case of written messages), form (oral / written, how the message is structured, the content of the identification part, the addressing formulas), the moment (occasions, deadlines), and the destination of the messages are all governed by a set of implicit and explicit rules.
And then there is the informal communication (information not directly related to the activity, with a strong emotional touch). The channels used are other than the formal ones, the communication rules are less strict. Informal communication networks emerge over time, depending on affective characteristics such as sympathy or aversion, mutual interests connected (or not) to the organization; the channels used are not formal, and the communication norms are less stringent.
Formal and informal communication networks coexist and sometimes interfere, in the sense that informal ones can block the flow of information in the formal network, distort it according to the relationships and interests of those involved, or, on the contrary, can make formal communication more flexible and improved.

2.2.2 Cross-Cultural Communication

Culture is a style of thinking and behaving in which people adopt a set of attitudes, values, conventions, and beliefs that are taught and reinforced by their peers. This shared system of basic assumptions and solutions to the world's issues is passed down from generation to generation in order to ensure survival.
Also, a culture is made up of unwritten and written rules and laws that govern how people interact with the rest of the world. The fact that the members of a culture are similar might be used to identify them. Religion, location, race, and ethnicity may bind them together. People’s cultural perspective of the world and everything in it has an impact on their communication style since individuals pick up cultural habits about the same time they learn to communicate. Thus, the culture has an impact on the language people use and the way they act.
Browaeys and Price (2008) state that cross-cultural communication is a “sub-domain” of intercultural communication and has to do with “the comparison of the various ways people communicate across cultures” (p. 233). Lustig and Koester (1998) define it as “the presence of at least two individuals who are culturally different from each other on such important attributes as their value orientations, preferred communication codes, role expectations, and perceived rules of social relationship” (cited in Harris and Moran, 1999:48). Therefore, cross cultural communication refers to communication between people who differ in any of the following: working styles, age, nationality, ethnicity, race, gender, sexual orientation, and so on. Cross-cultural communication can also refer to the use of words, gestures, and body language to exchange, negotiate, and mediate cultural

differences. It is the means by which people from many cultures connect with one another.
Working in a business setting with people from diverse cultures is a typical occurrence in today's global world. A firm’s suppliers could be halfway around the world, the partners could have recently relocated from another country, and the consumers could be speaking a different language than the language of the organization. Businesses must be able to negotiate cross-cultural communication in order to develop in the today's global environment.
Organizations can demonstrate to their consumers and stakeholders that they comply with their connections by employing tactics to thrive in cross-cultural commercial ventures while overcoming obstacles.

3. Cross-cultural Communication in Multinational Companies

3.1 What is a Multinational Company?

In recent decades, the universe of multinational companies has continued to attract the interest of many specialists, representing the theme of symposia, studies, congresses and many publications. In the issue of Jan. 29, 2000, the British magazine The Economist published an article concluding that multinational companies are one of the most representative factors of contemporary economic progress.
Theories regarding multinational corporations are not at all unitary, being customized according to their object of study. There are a large number of definitions in the literature, many of which are contradictory. One of the first definitions to be widely used belongs to R. Vernon (1996) who stated that "a multinational corporation is a large company with industrial subsidiaries in at least six countries." Subsequently, due to the fact that smaller companies also appeared in the international landscape, the number of subsidiaries considered reached two or even one. Investopedia defines a multinational company as being “a corporation that has its facilities and other assets in at least one country other than its home country. Such companies have offices and/or factories in different countries and usually have a centralized head office where they co-ordinate global management. Very large multinationals have budgets that exceed those of many small countries.” (http://www.investopedia.com/terms/m/multinationalcorporation.asp)
From the definitions of multinational corporations given above, the first conclusions can be drawn regarding the main characteristics of the internationalization strategies adopted by them on the host national markets. First of all, it is very clear that multinational corporations are true global economic and financial operators. Thus, giant corporations today form what can be called the "global oligopoly", continuously expanding their field of activity, entering into strategic alliances with their direct competitors and thus establishing new networks of oligopolies. Globalization has led to a redefinition of the universe of corporations, considered by the proponents of globalization as alternative authoritarian structures, which compete more and more successfully with the state ones in determining the direction of the global political economy.

Cross-cultural understanding is critical in a multinational corporation. It is critical to learn how to deal with cross-cultural differences in advance of communicating with people from different cultures in such an organization. Everyone benefits from greater bandwidth, institutional knowledge, and competitive advantage when communication is effective. Ineffective communication, on the other hand, can offend, confuse, or deliver the wrong message, resulting in strained relationships with customers, partners, vendors, and staff.
Building trust with business partners is the best approach to communicate. This can be accomplished by researching and being aware of cross-cultural communication differences. In the same time, this proactive attitude demonstrates to prospective partners that a business person cares about the success of their collaboration.
Also, communication is essential for effective work management. In an ideal world, each employee would comprehend the exact meaning of what the manager wanted to say and would effortlessly follow their directions. However, to ensure comprehension, managers may need to clarify, elaborate, or rewrite.
Barriers to cross-cultural communication can cause problems for organizations, particularly if they are unprepared for the nuances that come with interacting with people from various countries.
One strategy to encourage more efficient communication is to be aware of the many sorts of language obstacles that exist in the workplace. It is also crucial to understand the dos and don'ts of their interactions. Businesses will succeed in cross-cultural communication if they are adequately prepared. Understanding these differences before a conversation can help a company succeed when interacting with people from different cultures. Investing in the appropriate tools and assistance can also help. Some companies use foreign language consultants to assist them in bridging the gap between cross-cultural communication. Others hire communications professionals in the country where they do business, such as marketing copywriters, to guarantee that their marketing message is delivered authentically in the language of the locals.

Types of Language Barriers in the Workplace
It is no secret that understanding a foreign language has a significant impact on practically every element of multinational business. Knowledge of a foreign language has become the essence of international business, according to Welch, Welch, and Piekkari's paper “Speaking in Tongues : The Importance of Language in International Management Processes”.
In 1997, Kone, a Finnish firm, conducted a study. The company had been expanding internationally for decades and had adopted English as its primary language since 1970. The investigation discovered several ways in which standardization has impacted the company: at a high level, all managers were fluent in English and could readily converse with one another, despite the fact that their workforce did not. Non-English-speaking staff relied on department managers' knowledge at lower levels, transforming them into "communication nodes." The employees' incapacity to

communicate in English obviously caused them to ignore English-language e-mails and demands, or caused misunderstandings and wrong responses.
According to this study, a company's level of foreign language competence can be seen from three perspectives: a barrier, an advantage, or a source of power.
1. Barrier
When branches that speak different languages must communicate with one another, language can be a hurdle in ordinary activity. The majority will most likely use Google Translate, and the results will be perfect. Yet, a reader not knowing the language will become insensitive to its nuances, the subtleties of a sentence, or the numerous meanings of a word, thus the understanding of the entire context and reception of the message is compromised. As a result, simple communications will become ambiguous, making the entire process more complicated.
Obviously, the situation may also be regarded from a different perspective: corporate central communications departments use the company's standard language to the exclusion of the local language, causing operational delays. Additionally, insufficient language abilities can prevent employees from developing relationships inside the team, relationships that could have been built peacefully within the firm, to the benefit of the company as a productive work environment is one in which employees can easily understand their colleagues and superiors.

2. Advantage
Knowing a foreign language can help with communication both internally (inside a department) and externally (between several departments). People who are fluent in one or more foreign languages have greater opportunity to work with people from various departments and can communicate more freely. Furthermore, by speaking the same language, employees and managers can more readily maintain ties with other affiliates, reducing their reliance on one another and saving time.
Learning another language can also help an employee better appreciate and accept other people's cultures and traditions. This capacity distinguishes between failure and success in a multicultural group, between a balanced work atmosphere and a stressful, problematic one.
3. Source of power
For people who have the target language baggage, knowing a foreign language can be a source of strength. Department managers with this talent operate as translators for their superiors, giving them access to confidential information that they would not otherwise have had access to due to their position with the organization. They also have the authority to transmit when and how much information they want to those in the communications channel, making them a valued employee and resource inside the firm.
Learning and mastering a foreign language is critical to a company's internal operations as well as its exterior success. Companies, after all, do not speak any language; the people who make them up do. Every employee of a firm is its business card, a representative of the company's value system and beliefs, but a well trained employee with strong language skills is a valued employee.

3.2 Business English – the cultural lien in multinationals

Graddol (1999: 57) anticipated that English will increasingly be used as a second language in multilingual settings and for non-native speaker communication in the future. This forecast looks to be coming true now, with speakers of various languages using English as a contact language in a variety of circumstances. As information density grows, people will want tools to interact and participate more quickly, as well as the ability to accommodate different cultures.
English is the quickest language in human history, with 1.75 billion people speaking it at a usable level. There are almost 385 million native speakers in countries like the United States and Australia, approximately a billion fluent speakers in historically colonial countries like India and Nigeria, and millions of others who have studied it as a second language all over the world.
English is increasingly being mandated as the common corporate language by global corporations. There is no denying that unlimited multilingualism is wasteful, preventing vital exchanges and impeding the achievement of key objectives.
The necessity to closely coordinate duties and collaborate with customers and partners around the world has expedited the adoption of English as the official business language, regardless of where businesses are headquartered.
In terms of language and style, business English is distinct from normal English.
This distinction is attributable to a variety of factors, including differences in language context and usage. Business English has a long history of adhering to specific rhetorical rules, according to Hutchinson and Waters (1996), which include " stylistic devices, language usage, vocal delivery, and other notions." As a result, business English discourse differs from everyday English discourse in that it is targeted at a particular audience and serves a defined objective.
Business English's linguistic context may or may not be relevant or appropriate in every sociolinguistic setting, and professional communication in English will involve language that is neither as rich in vocabulary and expression nor as culturally relevant as that used by native English speakers. It is based on a core of the most valuable and basic word patterns, unlike social communication. Corporate communication is well-organized, formal in comparison, and goal-oriented.
The adoption of English as a corporate standard is being driven by three main factors: competitive pressure, globalization, and integration across national boundaries. The employees of a multinational must be able to speak with a wide range of clients, suppliers, and other business partners if they want to acquire or sell. Companies which do not develop a language strategy are effectively limiting their expansion potential to markets where their language is spoken, putting them at a distinct disadvantage to competitors who have chosen English-only policies.
When geographically scattered employees must work together to fulfill company goals, language difficulties can create a slowdown. An employee from Romania may require assistance from a company in the USA or Russia. Communication will struggle if there is no common ground. Employees with better language

understanding have access to more firsthand information, which is critical for making excellent decisions.
Negotiations regarding a merger or acquisition are complicated enough when everybody speaks the same language. But when they do not, nuances are easily lost, even in simple e-mail exchanges. Also, cross-cultural integration is notoriously tricky. When non-native speakers have to communicate in English, regardless of their proficiency level, they may feel that their value to the firm has been diminished. "The hardest part is admitting that one's worth as an English speaker overshadows one's true worth," a Romanian employee of a multinational explains. Yet, lately more and more multinational corporations have offered their employees the opportunity to improve their foreign-language skills. Employees who are subjected to one-language regulations, due to their inadequate English language skills, frequently worry that the top jobs will be provided only to those who have excellent English abilities, regardless of content knowledge. When organizations just announce a new policy and offer language training rather than implementing the change in a systematic fashion, such attitudes are prevalent. Employees frequently underestimate their own skills or overestimate the difficulty of gaining sufficient fluency. Also, non-native speakers frequently revert to their native tongue at the cost of their English-speaking colleagues, typically because conducting meetings in their mother tongue is faster and easier. Others may take more extreme tactics, such as scheduling meetings at inconvenient times, to avoid speaking English. When they feared their relatively poor language abilities would become obvious and have career-related ramifications, many multinational employees simply ceased contributing to general dialogue. They are frightened of making mistakes, therefore they will not say anything at all.
Yet, in spite of all barriers and difficulties encountered by multinational employees, the single language policy, more than a practical tool, is a reasonable answer to the realities of business. And having English as a common business language appears to be a feature of a real worldwide corporation.

In conclusion

In the last decades, English has quickly become the lingua franca of worldwide business, and multinational firms are straining to keep up with the rate of globalization. Organizations have tried and failed to impose across-the-board corporate language policies that mandate a designated corporate language (usually English) as the corporate lingua franca in order to manage the turmoil produced by different languages within one multinational company.
Implementing a common English policy does not solve all of the leadership problems that come with global communication. The use of English as a business language can harm employee morale, create unfavorable divides between native and non-native speakers, and reduce team members' total efficiency. Managers must prevent and mitigate these risks by creating an atmosphere in which employees can easily accept a global English policy. Companies must overcome linguistic hurdles to survive and

succeed in a global economy, and English will virtually always be the common ground, at least for the time being.
In the end, it is people who speak languages, not organizations. The success of multinational companies is ultimately dependent on their employees, demonstrating that language plays a significant role in influencing corporate decisions.

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