

ECOLE DES HAUTES ETUDES COMMERCIALES

EHEC

**Thesis Submitted in partial Fulfillment
Of the Requirements for Master's Degree in Commercial
Sciences**

Major: **International affairs**

**Analysis of the Impact of Cultural
Diversity on Internal
Communication**

CASE STUDY: LG Electronics.

Submitted by:

Ms. Marwa GHORABI

Ms. Achouak BOUDRA

Supervised by:

Mrs. Widad GUECHTOULI

Senior Lecturer at HEC Alger

**7th Promotion
September 2020**

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Dedication:

I am dedicating this thesis to my beloved people who have meant and continue to mean so much to me.

First and foremost, my parents for their endless sacrifices, encouragement, and unconditional love, without you I would have never been where I am now.

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Abstract

Nowadays globalization has changed not only the countries' borders and created a less difficult labour movement, but also organizations now need to deal with individuals from different cultures and backgrounds.

The most common attitude among managers is not to consider cultural diversity as a source of benefits for the company but as a source of problems. The fact of being a culturally diverse organization gives the internal business environment a complex character, where this will certainly affect employees' interaction, and thus maybe its internal communication.

Cultural diversity followed in the workplace and internal communication, are both concepts over which we chose to rely on within the framework of this research. It is two appreciably different domains but that feed each other. We approached the subject by considering taking into account companies with worldwide reach. Therefore, we preferred organizations with an international dimension established in Algeria by assuming that the concentration of intercultural exchanges would be most present in these organizations. The division did not matter to us because it did not seem to us that the intercultural could be attached to a particular sector of activity.

Our study aims to highlight the importance of cultural differences within a company, but the most important thing is to determine whether a relationship between these differences and internal communication exists. Also, our research aims to determine in what way cultural diversity affects communication within the company.

Keywords: culture, cultural diversity, multicultural teams, intercultural management , internal communication.

Résumé

Aujourd'hui, la mondialisation a changé non seulement les frontières des pays et créé un mouvement ouvrier moins difficile, mais aussi les organisations doivent maintenant traiter avec des individus de cultures et d'origines différentes.

L'attitude la plus répandue parmi les managers est celle de ne pas considérer la diversité culturelle comme une source de bénéfices pour l'entreprise, mais comme une source de problèmes. Le fait d'être une organisation culturellement diversifiée donne à l'environnement interne des affaires un caractère complexe, où cela affectera certainement l'interaction des employés, et donc peut-être sa communication interne.

La diversité culturelle au sein de l'entreprise et la communication interne sont deux concepts sur lesquelles nous avons choisi de nous appuyer dans le cadre de cette recherche. Ce sont deux domaines sensiblement différents mais qui se nourrissent mutuellement. Nous avons abordé le sujet en envisageant la prise en compte d'entreprises avec une portée mondiale. Nous avons donc privilégié les organisations à dimension internationale établies en Algérie, en supposant que, dans ces organisations, la concentration d'échanges interculturels serait la plus présente. La division nous importait peu car il ne nous a pas semblé que l'interculturel pouvait être attaché à un secteur d'activité en particulier.

Notre étude vise à mettre en évidence l'importance des différences culturelles au sein d'une entreprise, mais le plus important est de déterminer s'il existe une relation entre ces différences et la communication interne. Notre recherche vise également à déterminer de quelle manière la diversité culturelle affecte la communication au sein de l'entreprise.

Mots clés : culture, diversité culturelle, équipes multiculturelles, management interculturel, communication interne.

المخلص

في الوقت الحاضر لم تغير العولمة حدود الدول فحسب بل خلقت حركة عمالية أقل صعوبة، ولكن تحتاج المنظمات الآن أيضاً إلى التعامل مع أفراد من ثقافات وخلفيات مختلفة.

الموقف الأكثر شيوعاً بين المديرين هو ليس اعتبار التنوع الثقافي كمصدر فوائد للشركة، ولكن كمصدر للمشكلات. إن كون المؤسسة منظمة متنوعة ثقافياً يضيف على بيئة الأعمال الداخلية طابعاً معقداً، حيث سيؤثر ذلك بالتأكيد على تفاعل الموظفين، وبالتالي ربما على اتصالها الداخلي.

التنوع الثقافي في مكان العمل و الاتصال الداخلي هما مفهومان اخترنا الاعتماد عليهما في إطار هذا البحث. إنهما مجالان مختلفان بشكل ملحوظ ولكنهما يغذيان بعضهما البعض. لقد تناولنا الموضوع من خلال النظر في وضع الشركات ذات النطاق العالمي في الحسبان. ولذلك فضلنا وجود مؤسسات ذات بعد دولي في الجزائر، بافتراض أن تركيز التبادلات بين الثقافات سيكون الأكثر حضوراً في هذه المؤسسات. لم يكن القسم يهنا لأنه لم يبد لنا أنه يمكن ربط الثقافات المتعددة بقطاع معين من النشاط.

تهدف دراستنا إلى إبراز أهمية الاختلافات الثقافية داخل الشركة، ولكن الأهم هو تحديد ما إذا كانت هناك علاقة بين هاته الاختلافات والتواصل الداخلي. كما يهدف بحثنا أيضاً إلى تحديد كيفية تأثير التنوع الثقافي على التواصل داخل الشركة.

الكلمات المفتاحية : الثقافة، التنوع الثقافي، فريق عمل متعدد الثقافات، الإدارة بين الثقافات، الاتصال الداخلي.

General Introduction

General Introduction

Globalization has caused the people to migrate from one place to the other changing their jobs, and relocating themselves from one country to the other and to carry their culture along. Nowadays, economic globalization has been formed and will continue to develop. Indeed, companies are internationalizing to face the competition. As a result, they are experiencing more cultural diversity, and by passing in this trend, many companies have therefore become intercultural organizations.

The business environment is changing rapidly with in particular the composition of the increasingly diversified workforce; therefore organizations now need to deal with individuals from different cultures and backgrounds. In this context, cultural diversity should become an essential issue for the company, and as it is known, even if it is the interest for intercultural management and for the management of cultural difference is growing, the cultural difference and its impact on the company are not always recognized and taken into account

Few managers hold the positions of intercultural director, even if, in reality, almost any director, whatever his hierarchical level, plays the role of intercultural director. Therefore, all managers must have intercultural skills or cultural intelligence to make the most of this diversity, where the main goal of managers is to create a stable and cohesion working environment to increase the effectiveness of the team.

And in a house full of people with different mindsets and opinions, there will be a lot of problems, let alone a large company full of different people at all levels, whether languages, religions, backgrounds, and cultures. Therefore, there will be a high risk of tensions, failed identification, disagreements and conflicts, due to these differences. Culture influences the way of communication and doing business, and if two employees do not agree on these points, they risk not concluding the jobs or tasks.

Communication is very important in ordinary life, let alone within the company's life. It serves as the engine of information exchange for better integration of actions contributing to the achievement of objectives. The action of communicating well for the company is not only a good

General Introduction

external communication but also internal, where internal communication is considered a key factor in the success of the company regardless of its size and actions.

Internal communication is not necessarily easy, and by adding another level to it that multinational organizations deal with, communication does not get easier. When the element of “cultural diversity” is added there are even more details that need contemplation, and they should not be taken lightly. In light of these challenges, we are interested in studying the influence that the cultural diversity variable can exert on managerial practices and particularly on internal communication. Our research is entitled: « **Analysis of the impact of cultural diversity on internal communication** ». The subject chosen reflects for us a very interesting topic given the complexity of multicultural environments and the place in which internal communication occupies, as well as its originality.

That been said, the research is here to answer the following primary question:

- **How does the existing cultural diversity within a company affect the internal communication?”**

So, for this question to be answered, it is more than necessary to pass by the following subquestions:

- What are the challenges of cultural diversity for companies?
- What is the place of intercultural management when dealing with multicultural teams?
- How can culture be an obstacle or springboard to internal communication in a multicultural environment?

After initiating prior and previous studies and researches, and from the basis of some personal remarks and perceptions, we based our research on the next hypothesis

- **H1:** Cultural diversity represents an advantage for the company if it chooses to take this diversity into account.
- **H2:** Intercultural Management presents itself as an essential function to enhance the benefits of diversity by ensuring a better internal communication process to improve team effectiveness.
- **H3:** Knowing the spatio-temporal, religious and linguistic norms is essential to develop better communication.

General Introduction

The objective of this study is to try to check the accuracy of the above mentioned hypotheses and to be able to answer the primary question already stated. In order to reach effective results that can either confirm or deny these assumptions we have adopted the following methodological approach:

- A fairly mixed inventory of academic research, between books, scientific journals, reports, dictionaries and encyclopaedias, as well as websites on the issues of cultural diversity and internal communication.
- As for the practical part, we were interested in a quantitative analytical study conducted through a survey questionnaire that covering the different departments at LG Electronics, where the questionnaire's results in which 35 LG Electronics employees participated were analyzed.

The final work was therefore divided into three chapters as follows:

Chapter I: The first chapter is presented as an investigation of the literature about culture within a company, deals with the concepts related to the management of cultural differences, as well as the various studies conducted by various authors in this domain.

Chapter II: The second chapter is oriented toward communication where the first section addresses communication and internal communication as concepts. The second one studies internal communication channels, theories, and barriers. The last section highlights the factors affecting internal communication and its challenges inside multinationals and multicultural organizations.

Chapter III: The last chapter is about the practical case of our study. It starts with a presentation of the host company where we spent our internship, then we explain the methodology of our research (quantitative), and finally, after the discussion and analysis of the collected data, we present the results and findings of this study.

Chapter I :

Cultural Diversity

Chapter I: Cultural Diversity

Introduction:

Globalization today has caused many organizations to deal with merging their businesses, expanding the business and meeting up their minds to increase their relations a step ahead. This globalization has caused the people to migrate from one place to the other changing their jobs, and relocating themselves from one country to the other and to carry their culture along. This chapter gives a broad idea about the culture and cultural diversity followed in the workplace.

The work is structured around three sections ; the first focuses on culture in the context of both organizational culture and cultural diversity ; furthermore, we will also talk about how culture is relevant in information system implementation. We will start by defining and reviewing the concept of culture and organizational culture to show how deeply culture is grounded in people and companies and how complicated the levels of culture are. Next it will be explained that inside one organization different cultures can exist. Last of all, the way in which companies see this diversity will be discussed.

The second section of this chapter will address the issue of managing cultural diversity within companies, in which we aim to show that intercultural management covers this concern, emphasizing the role of the manager. We will further go through the challenges that the multicultural team face at their workplace.

For a deeper understanding of this subject, we will devote the third section to the different approaches relating to the implication of culture on management practices. We will draw on the analyzes of cultural differences by Geert Hofstede (1980) and on the work of Fons Trompenaars (1997), considered as the founding father of intercultural communication, then we will end with Lane, Distefano and Maznevski's adaptation of Kluckhohn and Strodtbeck (2000).

Section01 : Cultural diversity in organizations

1.1 The concept of culture:

1.1.1 History and evolution:¹

Culture is a modern term based on a description first used by the Roman orator, Cicero, in the classical antiquity: "cultura animi". The word "Culture" appeared first in their present sense in Europe within the 18th and 19th centuries, to connote a cycle of cultivation or development, as in agriculture or horticulture.

The term evolved within the 19th century to refer first to the advancement or refinement of the person, especially through education, and then to the fulfillment of national goals or ideals. Several scientists made use of the word "culture" in the mid-19th century to refer to a universal human ability.

"Culture" emerged as a crucial term in anthropology in the 20th century, involving the range of human theories that cannot be directly referred to genetic inheritance. Particularly, in the American anthropology the word "Culture" had two different meanings:

- (1) The developed capacity of the human being to identify, reflect and function creatively in terms of representing experiences with symbols;
- (2) The different ways of creativity and classification or representing, that people living in different parts of the world use to express their differences.

Currently, there are distinctions between the physical artifacts established by a society, its so-called material culture, and anything else, including intangible things such as language, customs, etc., which are the main referent of the word "culture."

¹ Culture and adaptation, Lumen Candela, Boundless sociology, <https://courses.lumenlearning.com/boundless-sociology/chapter/culture-and-adaptation/> , (28 /04/2020 at 00 :24)

Chapter I: Cultural Diversity

Table I.1- Evolution of culture.

Time period	Definition of culture
Concept emerged in 18 TH -19 TH in Europe.	Connoted a process of cultivation or improvement, as in agriculture or horticulture.
In 19th century	It came to refer first to the betterment or refinement of the individual, especially through education, and then to the fulfillment of national aspirations or ideals.
In mid 19th century	Some scientists used the term "culture" to refer to a universal human capacity.
In 20th century	Culture emerged as a concept central anthropology, encompassing all human phenomena that are not purely results of human genetics.
After world war II	The term became important, albeit with different meanings, in other disciplines such as cultural studies, organizational psychology and management studies.

Source: SHILPA KULKARNI, *A study on cultural diversity management for Indian organizations*, *Procedia - Social and Behavioral Sciences* 37, 2012, p.268.

Over the years, the concept of culture has evolved, but until now is still in the process of crystallization, it is an ambiguous phenomenon that has not yet been completed. Nowadays, the indication of culture is changing in mind based on the cognitive state that comes within its context. Therefore, this term becomes a cover for several concepts that are sometimes divergent, sometimes compatible, and sometimes complementary.

1.1.2 Culture definition :

Culture is a sophisticated and inscrutable phenomenon and one definition is not sufficient to include its richness and complexities. Initial efforts to define it were too vast to be easily operationalized. Capturing the concept's scope and at the same time reducing it so that it is effective, wherein the words of Clifford Geertz (1973), "making it a more powerful concept", which has been for decades a major concern of anthropological theorization. The various

Chapter I: Cultural Diversity

narrower meanings have taken different paths, and there has been no consensus among theorists on any one definition.²

Well-known anthropologists such as Kroeber and Kluckhohn, Edward T. Hall, Geert Hofstede or Trompenaars Fons have done a lot of research to define the term “culture” and especially to identify cultural differences between countries or parts of the world.

In his book *Primitive Cultures* (1871), the English anthropologist Tylor gave his famous definition:

« Culture ... is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society.³ » Edward Tylor's was the first who specified that culture is learned and acquired, as opposed to being a biological trait.

After cataloging more than 100 different definitions of culture, anthropologists Kroeber and Kluckhohn, offered one of the most comprehensive and generally accepted definitions:

« Culture consists of patterns, explicit and implicit, of and for behaviour acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiment in artifacts; the essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, on the other, as conditional elements of future action.⁴ »

In the perspective of Hofstede, culture is defined as:

« Is the collective programming of the mind which distinguishes the members of one group or category of people from another.⁵ » The concept of culture from Hofstede introduces traditional (i.e. historically derived and selected) ideas and in particular their related values as the 'basic essence of culture'. Individuals raised in a community have obtained characteristics of the

²CLAIRE B (HALVERSON), AQEEL TIRMIZI (S), *Effective multicultural teams: Theory and Practice*, Springer, USA, 2008, p.22.

³AVRUCH (K), *Culture and Conflict Resolution*, Washington DC: United States Institute of Peace Press, 1998, p.6.

⁴ADLER (N.J), ALLISON GUNDERSEN, *International Dimensions of Organizational Behavior*, 5th edition, Thomson South-Western, 2008, p.18.

⁵HOFSTEDE (G), *Cultures and Organizations: Software of the Mind*, Harper Collins Business ,London, 1994, p.5.

Chapter I: Cultural Diversity

national culture and its tacit values from early childhood to which they are exposed. Partly and unintentionally, culture is learned; cultural ideals are deep-rooted. Hofstede calls this 'mental programming' which influences people's thinking and behavior.⁶

And according to Halverson & Tirmizi : « Culture consists of shared ways of thinking, feeling, and behaving rooted in deep-level values and symbols associated with societal effectiveness, and attributable to an identifiable group of people. Culture may manifest at different levels including national and organizational, may take several forms, and may evolve over time. » This definition acknowledges the concept's complicated and ambiguous nature while at the same time provides some clear ways to understand it by concentrating on common patterns of thought, feeling, and behavior.⁷

Due to its complex nature, one has to agree with Brian Steed that, « In fact, there is not much point in trying to say what culture is, what can be done, however, is to say what culture does.⁸ »

Culture is at the société level it is acquired through education, training, and social learning within this community. It does not, therefore, refer to the personal characteristics of an individual, or to the universal characteristics of human nature. It is situated at the intermediate level of a social group that can be an enterprise (organizational culture), a profession (legal culture), a social class (working class), a region (Amazigh culture), a country (Algerian culture), a religion (Islamic culture)...

1.2 Organizational culture :

1.2.1 Organizational culture definition :

Many researches have been conducted in the area of organizational culture since the seventies of the last century. However, the most widely known definition of organizational culture is Uttal's 1983 definition:

⁶ ANNE-WIL HARZING, JORIS VAN RUYSEVELDT *International Human Resource Management*, 2nd edition, Sage Publications, London, 2004, p.148.

⁷ CLAIRE B (HALVERSON), AQEEL TIRMIZI (S), *Op.cit*, pp.23-24.

⁸ STALLING WILLIAM, *Cryptography and Network Security: Principles and practice*, Englewood Cliff: Prentice-Hall, 2002, p.19.

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« Shared values (what is important) and beliefs (how things work) that interact with an organization's structures and control systems to produce behavioural norms (the way we do things around here) »⁹

Also popular is Van den Berg & Wilderom's definition:

« Shared perceptions of organizational work practices within organizational units that may differ from other organizational units »¹⁰. In this definition organizational work practices make up the central part of the definition.

In spite of the number of different definitions, according to Schein Professor at the MIT Sloan School of Management, many of them do not give a precise description of the meaning of organisational culture itself, but solely relate to or reflect on the definition of culture.¹¹ He claims that every organisation has a culture, which is structured in a specific way in order to achieve organisational goals.

Schein defines organisational culture as: « A pattern of shared basic assumptions learned by a group as it solves its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. »¹²

⁹REASON (J), *Managing the risks of organizational accidents*, Aldershot, England: Ashgate, 1997, p.192.

¹⁰BERG VAN DEN (P.T), WILDEROM (C.P.M), *Defining, measuring and comparing organizational cultures*, *Applied Psychology: An international review*, 53 (4), 2004, p.571.

¹¹SCHEIN (E.H), *Organizational Culture and Leadership*, 4th Edition, San Francisco: Jossey Bass, 2010, p.18.

¹² Ibid.

Chapter I: Cultural Diversity

➤ Characteristics of Organizational Culture :

Organizational culture can be illustrated according to the following characteristics:

Table I.2- Characteristics of Organizational Culture.

Characteristics	Definitions
Collective	It is assumed that cultures are not created by individuals alone, but as a result of collective actions. Belonging to a culture involves believing what the group believes and handling things the way they handle them, at least part of the time.
Emotional	The substance and forms of culture are filled With emotions as well as meanings, which is why they help to manage and overcome anxieties. Members of a group seldom doubt the core values and attitudes of the organizational culture; sometimes they even take them for granted.
Historic	Cultural phenomena are connected to the history of the organization and its traditions and cannot be separated or changed rapidly.
Symbolic	Symbols are on the one hand a specific type of cultural form, but on the other hand they are the most general and persuasive form of culture. Furthermore symbols are not directly seizable, but have to be interpreted in order to understand their meaning.

Chapter I: Cultural Diversity

Dynamic	Even though culture is connected to the organization's history it still is not static, but rather dynamic. Culture changes continually due to several factors. The first one is that new organizations have to adapt new practices and theories over time as to a changing environment and economy in order to fulfill the standards. Secondly, human communication is by far not perfect and every individual learns and understands different things about what a culture endorses and expects.
Diffuse	The more complex the circumstances are, the more diffuse the elements of organizational culture will get.

Source: HILLARY ODOR, *Organisational culture and dynamics, Global journal, USA, 18(1), 2018, p.24.*

According to Robbins and Judge (2011) they identified seven basic characteristics of organisational culture: *Innovation and risk taking; Attention to detail; Outcome, People orientation; Team orientation; Aggressiveness; and Stability.*¹³ However, Trice and Beyer's characteristics are still very contemporary and used as a basis for other authors.

1.2.2 The levels of Organizational Culture :¹⁴

Schein developed a very contemporary model of organizational culture, by showing that culture can be observed at many different levels, with the word 'level' signifying the degree to which the cultural phenomenon is visible to the observer.

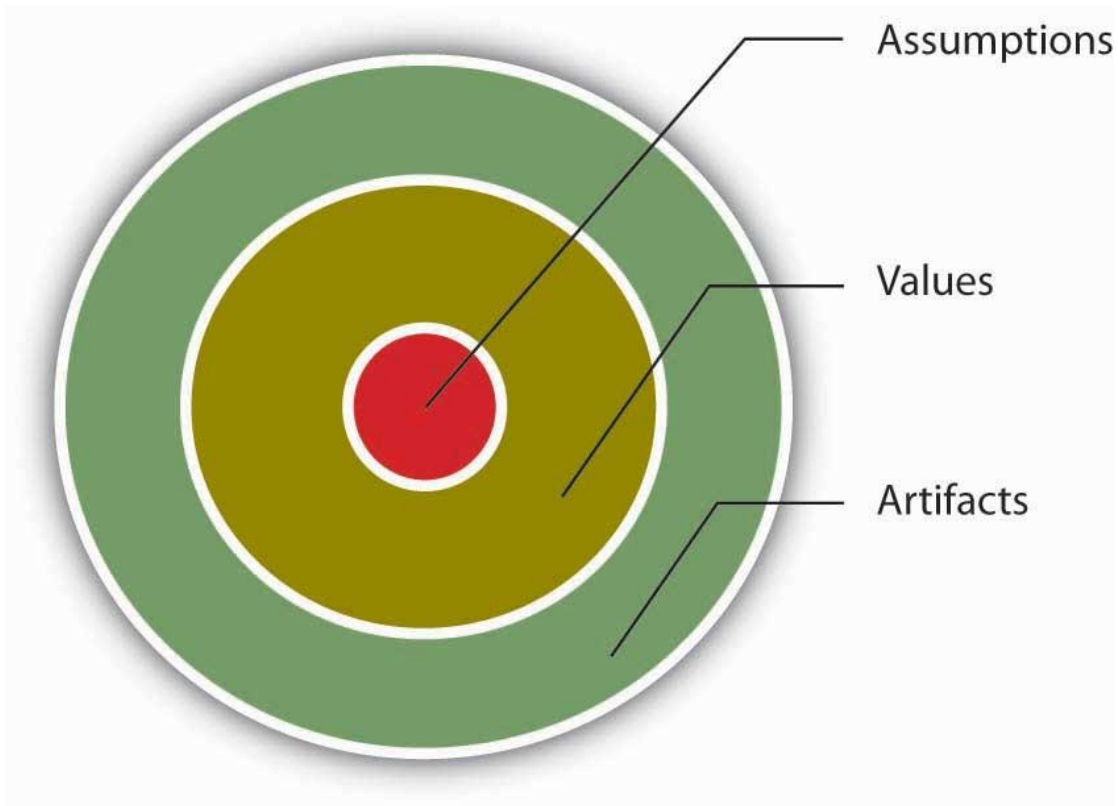
The figure below shows the different components of organizational culture represented as an onion model as it is based on different layers.

¹³ Robbins (S. P), Judge (T.A), *Organisational Behavior, 14th Edition, New Jersey: Pearson Education, Inc, 2011, pp.320-321.*

¹⁴ Schein (E), *Organizational Culture and Leadership, Op.cit, pp.23-32.*

Chapter I: Cultural Diversity

Figure I.1- Organizational culture model according to Schein.



Source: Adapted from SCHEIN (E. H): *Organizational culture*, San Francisco: Jossey-Bass, 1990, p.111.

- **Artifacts :**

At the surface is the level of artifacts, which involves all the phenomena you could see, hear, and feel when you meet new people with a foreign culture. Artifacts include the group's observable items, such as the architecture of its physical environment; its language; its technologies and goods; its artistic creations; its style, as expressed in clothes, manners of address, and emotional displays; its organizational myths and stories; its lists of values published; and its rituals and ceremonies that could be observed.

The most significant point to make regarding this level of culture is that it is easy to observe as well as very hard to decode. Both the Egyptians and the Mayans constructed highly visible pyramids, but in each culture, the meaning of the pyramids was somewhat different. In

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other words, observers can define what they see and feel but can not rebuild what those things mean in the given group from just that.

Trying to infer the deeper assumptions of artifacts alone is extremely dangerous as the perceptions of an individual will ultimately be reflections of his or her own emotions and reactions. In order to achieve this level of understanding more quickly, it is necessary, to analyze the espoused values, norms, and rules that provide the day-to-day operating principles by which the members of the group guide their behavior. This kind of inquiry takes it to the next level of cultural analysis.

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- **Espoused beliefs and values :**

Schein elude that values are the social principles, goals, and standards held within a culture to have intrinsic worth. They define what the members of an organisation care about, such as freedom, democracy, tradition, wealth, or loyalty. Values constitute the basis for making judgments about what is right and what is wrong, which is why they are also referred to as a moral or ethical code. Because values are used as standards for making moral judgments, they are often associated with strong emotions. Values are more conscious than basic assumptions but are not usually on the top of members' minds. Nonetheless, members of an organisation are able to recognize their values fairly easily and become especially aware of them when someone tries to change their culture in some fundamental way.

Often espoused beliefs and values are so abstract that they can be mutually contradictory, as when a company claims to be equally concerned about stockholders, employees, and customers, or when it claims both highest quality and lowest cost. Espoused beliefs and values often leave large areas of behavior unexplained, leaving us with a feeling that we understand a piece of the culture but still do not have the culture as such in hand. To get at that deeper level of understanding, to decipher the pattern, and to predict future behavior correctly, we have to understand more fully the category of basic assumptions.

- **Basic underlying assumptions :**

Basic underlying assumptions are the implicit level which ingrained subconscious views of human nature and relationships that are usually taken for granted, in which culture as a set of basic assumptions defines for us what to pay attention to, what things mean, how to react

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emotionally to what is going on, and what actions to take in various kinds of situations at the same time, culture at this level provides its members with a basic sense of identity and defines the values that provide self-esteem.

Taken-for-granted assumptions are so powerful because they tend to be nonconfrontable and nondebatable, and hence are extremely difficult to change. If you do not decipher the pattern of basic assumptions that may be operating, you will not know how to interpret the artifacts correctly or how much credence to give to the espoused values. In other words, the essence of a culture lies in the pattern of basic underlying assumptions, and after you understand those, you can easily understand the other more surface levels and deal appropriately with them.

The analysis of each level assumes a certain methodology. Thus, if for artefacts we can use observation, for the analysis of values and norms we can use the interview or the questionnaire, while for fundamental hypotheses an ethnographic type method would be more appropriate.¹⁵ By understanding fundamental assumptions and other levels of corporate culture, organizational culture can be better managed and used to achieve organizational goals.

1.2.3 Functions of the OC :

The necessity and the importance of studying the organizational cultures are deriving just from their functions. In general, it is appreciated the fact that the organizational culture is carrying out five principal functions, having the possibility of adding others, depending on the nature and the particularizations of the organization

According to Brown this are the main functions of organizational culture:¹⁶

- *Conflict reduction:* A common culture encourages consistent perception, identification of problems, evaluation of situations and opinions, and preferences for action.
- *Coordination and control:* Largely because culture promotes consistency of outlook it also facilitates organisational processes of coordination and control.

¹⁵PIERRE DUPRIEZ, *Le couple culture et management dans un contexte de transition, Entreprises roumaines en transition : Études de cultures organisationnelles, Collection Mouvements Économiques et Sociaux, L'Harmattan editions, 2005, pp.37.*

¹⁶ANDREW BROWN, *Organisational Culture, 2nd edition, Financial Times Pitman Publishing, London, 1998, pp. 89- 91.*

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- *Reduction of uncertainty:* Adopting the cultural mind frame is a tool that decreases uncertainty and simplifies the world of work; makes decisions simpler and rational action seems feasible.
- *Motivation:* An effective and cohesive culture can provide an identity and loyalty emphasis for employees, promote beliefs and values that motivate employees to better perform.
- *Competitive advantage:* Strong culture enhances the organization's chances of being successful in the marketplace.

Moreover to the above functions, Martins and Martins state the following as functions of organisational culture:¹⁷

- It has a boundary-defining role, that is, it creates distinctions between one organisation and the other organisations.
- It conveys a sense of identity to organisational members. It facilitates commitment to something larger than individual self-interests.
- It enhances social system stability as the social glue that helps to bind the organisation by providing appropriate standards for what employees should say and do.
- It serves as a meaningful control mechanism that guides or shapes the attitudes and behaviours of employees

When organizations serve these essential functions, it should be clear that culture is a significant factor affecting the attitudes and behaviors of employees within organizations.¹⁸ Organizational culture acts as a social glue that binds employees together, makes them feel like a part of the organization thereby bringing out the best in them in terms of efficiency and effectiveness in achieving organizational goals.¹⁹

¹⁷MARTINS (N), MARTINS (E), *Organisational Culture*, In S P Robbins; A Odendaal, G Roodt (Eds), *Organisational Behaviour: Global and Southern African Perspectives*, Cape Town: Pearson Education South Africa, 2003, p.382.

¹⁸GREENBERG (J), BARON (R.A), *Behaviour in Organisations: Understanding and Managing the Human Side of Work*, 8th Edition: Upper Saddle River: Pearson Education, Inc. Gerring, J. (2007) *Case Study Research: Principles and Practices*. Cambridge, Cambridge University Press, 2003, p.518.

¹⁹FAKHAR SHAHZAD, *Impact of organisational culture on organisational performance: An over View*. *Interdisciplinary Journal of Contemporary Research in Business*, 3(9), 2012, p.981.

1.3 Cultural diversity:

Individuals differ from each other in some way or the other. Diversity, at its heart, means acceptance and respect. The concept implies an understanding that each individual is unique, and that one should recognize the individual differences. Diversity in the fields of sociology, psychology, and management disciplines is frequently discussed in terms of the dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, culture, religious beliefs, political beliefs, or other ideologies.²⁰ Nkomo and Taylor define diversity as « a mixture of people with different group identities within the same social system »²¹.

This thesis looks at one of the facets of diversity, that of cultural diversity, which is the most observed part in cases of different organizations. Therefore cultural diversity means “the representation, in one social system, of people with distinctly different group affiliations of cultural significance.”²² The reasons for the occurrence of cultural diversity can be different. Some may argue that it’s because of a massive increase in the rate of immigration taking place from one country to another while others would say that the economical imbalance also has a great impact when a capital dependant country attracts, invites, and joins the workforce from a labor dependant country.

There is no ideal culture, but we can gain and benefit something from every culture and add something to every culture. Promoting social interaction activities in every day could help the cultures develop. Intercultural understanding and mutual regard for cultures are fundamental to creating new bridges between societies.²³ The reality is that all cultures are equal, and none of the individuals has the right to judge and view the others in their own terms. There is no question that culture is and always will be diverse but equivalent. Every culture is valuable and deserving of the nonintervention. .²⁴

²⁰BEN CAPELL, *Explorations into diversity at inter and intra organizational*, Doctoral thesis, Departement of people management and organisation, Esade Business School, Universitat Ramon Llull, 2015, p.9.

²¹NKOMO (S. M), COX (JR.T), *Diverse identities in organizations*, in Clegg. S. R, Hardy.C, Nord W. R, *Managing organizations, current issues*, Sage publicationsl, London, 1999, p.89.

²²COX (JR.T), *Cultural Diversity in Organizations Theory, Research and Practice*, Berrett-Koehler Publishers, Inc, San Francisco, 1993, p.4.

²³ISA ERBA, *Effects of global risk in transition countries, cultural diversity*, European University, Tirana, Albania, p.185.p.186.

²⁴NKOSINATHI SOTSHANGANE, *What Impact Globalization has on Cultural Diversity?*, *Alternatives : Turkish journal of international relations*, 1(9), 2002, p.220.p.229.

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Cultural diversity is very important for interaction; however, it is also very important for the business. Companies hire anthropologists because of the importance of natural settings observation and concentrate on cultural diversity.²⁵ Hofstede (1994) claim that “the business of international business is culture”²⁶, in the business world, culture tells us when people are going to come to work and exit, what we should do to support others, what we should do to reach our professional goals, and so on.²⁷

The impact of cultural diversity can be considered as a significant side to the enterprise or organization. Some multinational corporations as well as many medium-sized corporations have recognized that their customer’s cultural diversification has called on businesses to diversify their workforces. This has put the multiculturalism into practice. Effects as in multicultural people engagement, involvement in various cultural roles may be included in the cultural diversity aspects.²⁸

With regard to the impact of cultural diversity on the organisation, there are three approaches to recognize it; according to three types of organizations:²⁹

- 1- *Cultural diversity is parochial*: The organization tends not to recognize cultural diversity or its influence on it.
- 2- *Cultural diversity is ethnocentric*: In this case, the organization recognizes cultural diversity, but only as a source of problems.
- 3- *Cultural diversity is synergistic*: The organization clearly recognizes the phenomenon of culture and believes that cultural diversity will likely lead to both advantages and disadvantages.

The different approaches to cultural differences mentioned above are summarized in the following table:

²⁵ISA ERBA, Op.cit, p.185.

²⁶PUDELKO, *Convergence of Management Practices in Strategy, Finance and HRM between the USA, Japan and Germany*, *International Journal of Cross Cultural Management*, 6(1), 2006, p.7.

²⁷LAROCHE (L), *Managing Cultural Diversity in Technical Professions*. London: Butterworth-Heinemann, 2003, p.6.

²⁸FOREHAND (R), KOTCHICK (B.A), *Cultural Diversity: A Wake-Up Call for Parent Training–Republished Article*. *Behavior therapy*, 47(6), 2016, pp.981-992.

²⁹ADLER (N.J), ALLISON GUNDERSEN, Op.cit, p.107.

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Table I.3- Which organizations benefit from cultural diversity?

	<i>Perception</i>	<i>Strategy</i>	<i>Most Likely Consequences</i>	<i>Frequencies</i>
	What is the perceived impact of cultural diversity on organization?	How should the impact of cultural diversity on organizations be managed?	What consequences can managers expect when using perception and strategy?	How common are these perceptions and strategies?
Parochial « Our way is the only way »	No impact : Cultural diversity has no impact on organizations.	Ignore differences : Ignore the impact of cultural diversity on organization.	Problems : Problems occur but they are not attributed to cultural diversity.	Very common
Ethnocentric « Our way is best. »	Negative impact : Cultural diversity causes problems for organizations.	Minimize differences : Minimize the sources and impact of cultural diversity on organization. If possible, select a monocultural workforce.	Some problems and few advantages : Managers reduce problems by reducing diversity; they ignore or eliminate potential advantages.	Common

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Synergistic	Potential	Manage	Some	Less common
« Leveraging our ways and their ways may work best. »	negative and positive impacts : Cultural diversity leads to both problems and advantages for organizations.	differences : Train managers to recognize and use cultural differences to create advantages for the organization.	problems and many advantages : Managers recognize and benefit from cultural diversity. Some problems continue to occur and need to be managed.	

Source: ADLER (N.J), ALLISON GUNDERSEN, *Op.cit*, p.108.

The first two approaches which obviously disregard and decrease the effect of cultural differences, arise naturally and are therefore very widespread. Only when the company acknowledges both the presence of cultural diversity and its possible benefits to it, can it more likely to choose to handle the diversity rather than seek to avoid it or reduce it.³⁰ It is time to shift the trend of looking at cultural diversity as a source of issues to a source of competitive advantage.³¹ Varner and Beamer (2011) state that many international business failures arise because of a situation where someone does not understand the reasons why people think or value the way they do.³²

The challenge of diversity is not simply to have it, but to create an environment that helps reduce its potential to be a performance barrier, and optimize its potential for performance enhancement.³³ Globalization does not seem to encourage separation but the connection and

³⁰Ibid, p.109.

³¹HIGGS (M), *Overcoming the problems of cultural differences to establish success for international management teams*, *Team Performance Management: An International Journal*, 2(1), 1996, p.40.

³²VAMER (I), BEAMER (L), *Intercultural communication in the global workplace*, 5th edition, McGraw-Hill, New York, 2011, p.5.

³³COX (JR.T), *Creating the Multicultural Organization: A strategy for Capturing the Power of Diversity*, Jossey-Bass, San Fransisco, 2001, pp. 3-16.

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exchange between different cultures.³⁴ It's crucial to understand others when doing business internationally or with multicultural teams, and companies need to be flexible and adjust to a heterogeneous business climate.³⁵

➤ **Multinational corporations :**³⁶

A multinational corporation/company is an organization that operates in more than one nation, engaging in different activities such as exporting, importing, and manufacturing in different countries. MNCs have international intervention and a worldwide perspective in their management and decision-making. Multinational Company meets the particular needs of the different national markets with regard to commodity, price, and promotion. Thus MNC exists in more than one country but acts as a domestic company within each country. Apparently, what is meant is a company that runs manufacturing facilities in more than one country, and having acquired these facilities via the foreign-direct investment process. Businesses that engage in international business, however big they maybe are not multinational companies merely through exporting or by hunting technology.

MNCs have two concerns: the environment of the home country / headquarters and the environment of the host country where they conduct out business. MNC's subsidiaries and headquarters are tied together by a single vision and mission. All the same, each MNC subsidiary implements its own strategies. MNCs tend to expand their operations in different countries based on low wage rates, low transportation costs, proximity to consumers and to suppliers of raw material, and risks posed by other country governments.

There is no question that multinational companies are doing business with the primary aim of profit-making just like any other domestic firm. According to the ILO report, “for some, the multinational companies are an invaluable dynamic force and instrument for wider distribution of capital, technology and employment; for others they are monsters which our present institutions, national or international cannot adequately control, a law to themselves with no reasonable concept, the public interest or social policy can accept”. Directly and indirectly, the process of executing the business of MNCs would benefit both the home country and the host country, as

³⁴NKOSINATHI SOTSHANGANE *Op.cit*, p.229.

³⁵ADLER (N.J), ALLISON GUNDERSEN, *Op.cit*, p.8.

³⁶SUBBA RAO (P), *International business environment*, 2nd Edition, Himalaya Publishing House, India, 2008, pp. 86-93.

well as causing damage to both of them. However, the degree of harm could be more in the host countries.

Section 02 : Managing cultural diversity

The conventional approach to addressing multiculturalism in diverse organizations has been to suppose that members of the minority culture will adjust to the cultural beliefs of the dominant group.³⁷ In these days as companies are getting more and more diverse, it is becoming one important aspect for the companies that they should understand and manage the diversification of the people working as employees. As such an increased interest in studying the impact of cultural differences on business activity, an interest that has given rise to an independent field of study: intercultural management (IM).

As organisations became multinational their concern was focused on preparing employees, particularly managers, for expatriation to overseas offices, where they will deal with different cultures. The managers must focus on what are the key effects of cultural diversity and how can they be effectively managed? Communication, listening and an interest in understanding different cultures are keys to avoid problems due to cultural differences. At the same time this highlights the fact that cultural diversity needs to be managed. Therefore multicultural teams are a source of great strength if the interaction issues are managed well.

2.1. Intercultural management:

Intercultural management has such modern roots that it acquired its own identity, as it were, only in the middle-1980s. The groundbreaking book *Culture's Consequences* (1980), by Geert Hofstede, exposed the fact that multinational companies needed to adopt management approaches suitable to the culture of the society in which they operated.³⁸ The value of intercultural management has driven researchers to investigate in the phenomenons of intercultural shocks and attempting to find keys to what renders them successful, and how an individual can behave in an intercultural environment competently and effectively.³⁹

³⁷SHILPA KULKAMI Op.cit, p.269.

³⁸ NINA JACOB *Intercultural management*, London, First edition, 2003, p.3.

³⁹KEALEY TROMPENAARS (F), TUMER (CH.H), *Riding the waves of culture*, Nicholas Brealey Publishing, London, 1997, p.182.

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In the practical business-life, the research field of intercultural management is also superimposed, to some extent, on that of international marketing and the satisfaction of employees and consumers internationally, by the importance of intercultural management in seeking and discovering successful ways of working with clients, partners, etc. In this context, and according to Adler (1991), intercultural management is given the following definition, which identifying, comparing and emphasizing the unknown element of the cultural dimension; « Intercultural management explains the behavior of people in organizations around the world, and shows people how to work in organizations with employee and client populations from many different cultures ;it describes organizational behavior within countries and cultures; compares organizational behavior across countries and cultures; and,most important, seeks to understand and improve the interaction of coworkers, managers, executives, clients, suppliers, and alliance partners from countries and cultures around the world. Intercultural management thus expand the scope of domestic management to encompass the international an multicultural spheres. »⁴⁰

The current trend towards the diversification of the workforce and the globalization of the economy promotes the development and increased presence of cultural diversity in enterprises, which leads to taking this cultural diversity into account as a central element of management; where «each culture should preserve and protect its own culture for the cultural diversity.⁴¹» The preconditions for claims to recognize cultural differences are further examined by distinguishing between two reasonable claims: on the one side, the claim that the right to differ should be acknowledged and, on the other, the claim that the intrinsic meaning of the difference should be recognized.⁴² Managing diversity requires a fair work environment, where all employees are equal among each other's and no one group has an advantage or disadvantage.

Management of diversity points not only to heterogeneity, but it indicates also the structuring of the workforce across countries. Cultural diversity management is seen as the establishment of a common culture in which the organization's cultural difference is not felt but highlighted as functioning on a common cultural identity to reach the organizational objectives.⁴³ As stated by Person cultures could be manipulated to create a desired dominant culture that is

⁴⁰ADLER(N.J), ALLISON GUNDERSEN, *Op.cit*, p.13.

⁴¹Isa Erba, *Op.cit*, p.188.

⁴²NKOSINATHI SOTSHANGANE, *Op.cit*, p.220.

⁴³KIDGER (P.J), *Management structure in multinational enterprises-responding to globalisation, Employee Relations*, 24 (1), 2002, p.70.

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“both coherent in itself and dominant over other subculture”,⁴⁴ where the dominant culture being the powerful organizational culture. International and intercultural activities focus on cooperation, thus it is very important to have a realistic view in order to be successful in intercultural activities. Therefore, we consider that a good definition of intercultural management would be: the efficient management of cultural differences.

As domestic organization staff becomes more diverse and their customer base becomes more global, so the requirements for internationally qualified managers increase too. Those leaders, managers, and business professionals who work across cultures need to be mindful of all players' cultural perspectives. Multicultural companies have a greater opportunity to recognize the demands of clients all over the world; for example, by adapting their marketing campaigns to customers' national and cultural preferences in each nation. These organizations understand better the specifications of the foreign nations' legal, political, social, economic, and cultural environments.⁴⁵

Mazur (2010) indicated that organizations need to emphasize diversity and explore ways to become fully inclusive corporations since diversity has the potential to provide higher productivity and competitive advantages.⁴⁶ Ivancevich and Gilbert (2000) argued that intercultural management contributes to improved understanding of diverse customers, improved creativity and organizational commitment, and greater retention and attendance.⁴⁷ Therefore, increased intercultural management penetration into organizations has been suggested to enhance the problem-solving capabilities of a group, to provide better service to the diverse customer base, and to boost organizational creativity.

Understandably, no one can afford to ignore the issue of multiculturalism and the influence of diversity on the organization. Intercultural management aims to help the company's players to position themselves in the face of the challenges posed: on the one hand, the increasing diversity of characteristics, needs, and expectations among users and customers; on the other hand, the

⁴⁴PERSON (G), *Strategy in action, 1st Edition, Financial times: Prentice hall print, 1999, p.35.*

⁴⁵ADLER(N.J), ALLISON GUNDERSEN, *Op.cit, p102.p.104. p.297.*

⁴⁶MAZUR (B), Cultural Diversity in Organisational Theory and Practice, *Journal of Intercultural Management, 2(2), 2010, p.5.*

⁴⁷GILBERT (J.A) & Others, *Diversity Management: A New Organizational Paradigm.Journal of Business Ethics, 21, 1999, pp. 61–76.*

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increasing diversity in the workforce in relation to labor market developments. Intercultural management responds to social and economic concerns. The combination of these social and economic concerns is essential for the success of a diversity management policy.

In general, all organizations facing cultural diversity are often in a difficult situation to understand. It is then necessary to understand the advantages and the problems that it can pose. Whatever the degree of interaction, the existence of cultural differences must be taken into account, as the omission or minimization of its impact on the business activities of the company could generate real problems for the companies management.⁴⁸ One of the major causes of failure/difficulties in the management of alliances, joint ventures and international acquisitions has proven to be the mismanagement of the cultural difference.⁴⁹ Multinational enterprises have only successful intercultural management, in order to make the proper functioning of organizations, enhance competitiveness, and increase their market share. Finally, and in a more specific sense, intercultural management calls on the various functions of the organization, but it adds the intercultural dimension to its process.

2.2. Manager's commitment:

Cultural diverse management is relevantly affected by the various expectations and attitudes about the positions that a manager has to fill, about what people perceive a manager to be and to do. A manager could put on a lot of caps. In certain cultures, some caps are preferred rather than in others. In current times, as we have noticed, managers are constantly operating in and managing diverse groups. Culture generates this diversity and in all sorts. Such diversity of cultures could be difficult to manage but it is also a source of new ideas and enhanced effectiveness only when managers use their ability in the right way. The global manager may be overwhelmed and disturbed by all those cultural differences. That is maybe why the novice manager frequently says: 'Are we not all the same at the end? We are all human beings'. This simplistic desire to minimize the complexity by ignoring those differences is comprehensible but does not get to positive results. A conscientious international manager must adopt the variety, in other words, being flexible and curious to finding out and exploring the differences. First,

⁴⁸Olivier MEIER, *Management interculturel*, Paris, Dunod, 2004, p. 65.

⁴⁹HARPER JOHN, CORMERAIE SYLVETTE, *Mergers, marriages and after: how can training help?*, *Journal of European Industrial Training*, 19(1), 1995, pp. 24-29.

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international managers need to understand the different cultures they are members of and how these cultures affect their actions before they can completely understand the cultural impacts on their global colleagues, suppliers, and customers. All these managers operate under pressure to meet high expectations and improve performance. Companies promote result-driven actions by establishing KPIs (Key Performance Indicators), on which they can be evaluated; whether the bottom-line growth, increased sales, new clients, customer loyalty, cost optimization, etc. Mindful managers realize that by doing great work but also by maintaining relationships with their employees and partners, they can reach positive results. In order to conduct their managerial roles and accomplish their goals, good managers communicate with others. That is to say, they emphasize not only on the consequence of their interaction but rather on the communication context. This context is composed of the employees' communicating cultures and their personalities as well as the environment they find themselves in. Managers should fix and communicate their team's objectives and vision to each member of the team. They should ensure that all team members have their own aims and they know how these redound well to the major goals of the team.⁵⁰

Employees are charged with overall objectives and missions without stiff control systems or close monitoring, only by managers who have faith in them. The actions of managers affect their own behavior, which in turn affects the action and behavior of their employees, which then enhances the original attitudes and actions of the managers. Based on employee's cultural context managers express respect for their employees and trust them in various ways. For example, managers from more specific cultures tend to focus only on behavior that takes place at work, whereas managers from more diffuse cultures focus on a wider range of behavior, including behavior taking place in employees' private and professional lives. Intercultural communication and management professional training that is funded by corporations offer expatriates (as well as international business travelers) the skills they need to handle cultural shock and operate more efficiently around the world.⁵¹

In the end, it is the job of all managers to enforce and maintain intercultural management norms; win-win outcomes for managers in a multicultural environment can only be accomplished

⁵⁰COMFORT (J), FRANKLIN(P), *The Mindful International Manager : How to work effectively across cultures*, 2nd edition, Kogan Page, 2014, pp.3-96.

⁵¹ADLER(N.J), ALLISON GUNDERSEN, *Op.cit*, pp.45, 281.

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through the managers themselves. Therefore the implementation of intercultural management is a state of mind that all managers understand and endorse.⁵²

2.3. Competence of Multicultural Teams:

Business internationalization gave rise to the formulation of multicultural teams. For so many reasons, this change was for increasing cooperation, and more extensive communication within the industry was required. For example, working is extremely competitive and interconnected in the global business environment. The global marketplace's complicated problems necessitate new ways of thinking and a better understanding of domestic and international clients. Global customer satisfaction requires for geographically dispersed and multicultural work-teams to perform efficiently. 'Networked organizations, team-based structures, global webs, cells, and virtual teams are becoming common additions to traditional hierarchical organizations, and many multinational companies rely heavily on multicultural teams to perform work-related activities.'⁵³

Most multinational companies use various team structures to face globalization challenges and intra-organizational change. Culturally diverse teams are found at every level of multinational organizations, from top management to small project teams. Organizations cannot go internationally without increasing their managers' skills to work in multicultural environments. Also, a strategy for enhancing performance in a global business environment is the development of effective multicultural teams. The success of these multinational forces needs the cooperation and Cohesion of individuals from different countries.⁵⁴

Experts define multicultural teams as "task-oriented groups consisting of people of different nationalities and cultures". The characteristics of high-performance multicultural teams were identified by American and Russian managers in Matveev and Nelson's research (2004), which is: clarity of team goals, complementary skills and experience of team members, clear

⁵²NINA JACOB, *Op.cit*, p15.

⁵³ MATVEEV ALEX, *Intercultural competence in organizations: A guide for leaders, educators and team players*, Springer, New York, 2017, p.78.

⁵⁴ *Ibid*, p.79.

responsibilities of team roles, high degree of commitment, cooperative team climate, high degree of motivation, cultural sensitivity, and access to technology.⁵⁵

2.3.1. Challenges of Multicultural Teams:⁵⁶

The effectiveness of cross-cultural and interpersonal procedures in multicultural work teams has become a crucial issue of contemporary management studies. Most inefficient multicultural teams waste resources instead of enhancing performance and bringing in success. Cultural differences can create several difficulties among team members. According to Rhinesmith (1983), “figuring out the complexity of global operations is a little like solving a crossword puzzle: you look for clues and sometimes run into blind alleys”. Those are the most common challenges for multicultural teams:

1. *Cultural imperialism*: Cultural imperialism is a prevalent mistake people make when they believe that everyone is thinking in the same way. Besides recognizing differences in cultural norms, one needs to consider how cultural norms influence the dynamics of a global team. Team members' diverse cultures create stereotypes, influence relationships, and impact team performance. The nature of communication and decision-making varies based on cultural features and the confirming value of a given culture. Therefore, Neglecting these differences by thinking that all members of a group comprehend and interpret messages similarly can be quite harmful to high-quality and efficient decision-making.
2. *Context-focused thinkin*: Context-oriented or location-centered thinking includes, interacting with team members around the world depending on a central command view from one company's headquarters and attempting to dictate policies somewhere else in the globe. For example, planning a meeting for all the team can be organized in the USA on Friday morning, which is the perfect timing for a session in the USA. Only, holding a meeting in the USA on Friday morning, when half of a team's members are in Australia, will be needed for those members to attend a meeting on Saturday morning. Similar location-centered thinking questions increased in the 1990s, with a major rise in mergers,

⁵⁵ Ibid, pp.80-81.

⁵⁶ MATVEEV ALEX, *Op.cit*, pp.82-86.

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acquisitions, and international joint ventures. Structural rearrangements that encroached countries' national boundaries always triggered cultural shock.

3. *Cultural differences:* Another difficulty of multicultural teams is that any member of a multicultural professional team has various values, attitudes, and behaviours. For example, whilst Americans are used to a straightforward business contact that involves particular measures to be undertaken, German colleagues tend to provide a detailed rationale before discussing particular measures. Multicultural effective team members must be skilled in the cultural norms of each other, as it enhances interaction by detracting perceptual bias and the propensity to depend on stereotypes. To recognize these disparities in communication and culture, worldwide teams need to set up very specific principles of contact and interaction in the workplace.
4. *Communication differences:* Studies in the variations in communication between cultures have shown that there are significant variations in the orientation of communication between the world nations. As people are naturally carrying many levels of mental programming, communication strategies differ among the members of the culturally diverse team. While communication strategies are mostly competitive, specific, and focused at making a point in individualistic and assertive cultures, communication is typically collaborative and conciliatory in collectivistic and unobtrusive cultures. Also the willingness of individuals to communicate often varies from one culture to another
5. *Linguistic differences:* Language is not just a message transmission instrument. Language is a representation of national ideology, culture, and personality. Individuals from various nations use their language and discourse differently. Differences in speaking and expression patterns lead to incomprehension and ambiguity in attempting to decode messages. Furthermore, possible problems can arise because of the linguistic differences when a translation is required in a business environment. For example, during a meeting between Mazda Motors Corporation and Ford Motor Company, the Japanese president stated that 20% of the context exchanged between him and his translator has crashed. And another 20% of the meaning was dropped between the translator and the American representatives.
6. *Managing cultural diversity and conflicts.* Multicultural team members have different cultural orientations that lead members to see work processes in different ways. Such

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cultural differences can lead to possible complications due to miscommunication, conflict, and disagreements, affecting members of the team to engage differently in making decisions and other group practices. In direct cultures, for example, the USA and New Zealand, adopt approaches for straightforward and transparent negotiation and conflict management. Contrarily, Most Asian societies prefer more circuitous and indirect approaches to express discontent or criticism.

7. *Dealing with coordination and control issues:* As a result of cultural, communication, and linguistic differences, multicultural teams often give more space for challenges in coordination and control. An illustration of the factors that affect coordination and control within multicultural teams can be found in the complexities of implementing programs, the team size, leadership, and management styles that members of the team are used to in their original culture.

2.3.3. Advantages of Multicultural Teams:⁵⁷

Cultural diversity not only brings some challenges to performance and operational results of multicultural teams but can also carry a wealth of advantages and improve team effectiveness. Those are the most common advantages for an effective multicultural teams :

1. *Ability to solve complex problems:* The increased sophistications of the challenges of the twenty-first century would demand that team members develop more flexible approaches to solve the problem. Adaptive skills require experts to adapt intelligence and expertise to job tasks, to be informed about the practices of a managerial lifetime, and to improve the ability to create new solutions. Multicultural teams are the structures with the requisite diversity and complexity to meet the challenges of adaptation. Multicultural teams are also much more successful than homogeneous teams when developing a wide range of innovative ideas is required. The expanded innovation in multicultural teams is accomplished due to the variety in cultural origins and skills, and elevated rates of synergy. Multicultural professional teams include individuals from various backgrounds and, thus, provide a range of perspectives and innovations to problem-solving. Triandis and colleagues' study (Triandis, Hall, & Ewen, 1965) found that 'heterogeneity was most beneficial for tasks requiring creativity. In addition, multicultural teams usually perform

⁵⁷ MATVEEV ALEX, *Op.cit*, pp.88-90.

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better than homogenous groups because of the team members' ability to present a wider range of alternative perspectives and novel solutions than homogeneous teams'.

2. *Ability to capture foreign markets and understand local consumers:* Most multinational companies' successful operations rely on how responsive they are to local markets and how well they can establish a relationship with local suppliers and customers. Multiculturalism increases understanding of global markets by making greater access to local data and information. Members of professional teams operating in a local branch closeness to the clients of the company can understand the purchase behavior and cultural features of the local customers. An efficient and well-coordinated multicultural team would be instrumental in communicating the specifics of the local market setting to other members of the organization's teams and divisions. Cultural diverse teams can promote successful international strategies and efficient operations because of the increased creativity, flexibility, and knowledge of the local markets. Additionally, multicultural teams are helping companies to develop the ability to catch opportunities in lucrative international markets, which may not be as domestically viable.
3. *Access to specialized and skilled human resources:* The need for multicultural professional teams pushes the HR department of the company to explore and improve skilled, experienced talent with diverse cultural origin and knowledge. The power of communication technologies allows multicultural teams and from different places to carry out organizational functions asynchronously. Regularly, multinationals develop ability to recruit and handle qualified skilled workforce. Multicultural capacity creating not only gives access to skilled labor, but furthermore helps businesses to improve intercultural management strategies within their organizations. For example, Multinational companies such as Samsung, Microsoft, and General Electric are some of the best practices in recruiting and retaining highly qualified people from their existence nations and building multicultural project teams.
4. *Ability to develop global leaders and create a global company:* Multicultural teams can operate as a stable foundation for the development of diverse workers and future organizational leaders. Working with multicultural professional teams can train future leaders to apply efficiently in a variety of cultural settings and treating several managerial function that will allow them to create future contribution to the organization. For

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example, distance-workers may prove their skills and experience by functioning from a local location on global assignments. The key benefit that businesses need to obtain to ensure future success is the use of multicultural teams for future labor ability creation and enhancement of HR capacities.

5. *Ability to become a learning multicultural organization:* Multicultural teams could pose out a broad variety of ideas for an enterprise about how to get information from diverse markets and places, how to use it to the organization's best advantage and how to deliver it to different areas of the corporation. The learning organisation's norms are the gaining, utilising and transmitting information and knowledge where it is really required. Organizations using multicultural teams can improve the ability to learn quicker, and match learning with the business objectives of the company.

In most instances, team members from diverse backgrounds generate a 'double-edged sword;' where they represent advantages and disadvantages at the same time. Multicultural teams can also be both more efficient and less efficient than monocultural teams, based on the successful implementation of the appropriated team-building and team leadership improvement. Recognizing the prevalent challenges facing multicultural teams and optimizing their positive effects should enable multicultural teams to cope with cultural diversity in a constructive manner and boost team effectiveness. Multinational organization managers use a range of preparatory Procedures (team composition, clearly defined goals, transparent structures, and strong leadership) and accompanying Procedures (team building, effective communication, team norms, and roles of team members) to face common challenges and improve the positive potential of multicultural teams. Each of these procedures requires a high degree of intercultural competence: team members need to be able to interact and listen appropriately, shift viewpoints, bearing complexity, and appropriately handle the conflicting behavior.⁵⁸

Section 03 :The main studies on cultural differences.

The study of diversities across communities was presented in international management from two complementary perspectives: the cultural and the institutional theories. Both agree that the organization's climate is influenced by divergent management practices. While institutional theories concentrated on the institutional environment (e.g., labor laws, regulations), cultural

⁵⁸MATVEEV ALEX, *Op.cit*, pp.87-90.

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theories discussed the role that culture plays.⁵⁹ In our thesis, we will adopt and focus on cultural theories.

Cultural theories typically embrace an everyday-language-inspired concept of national culture: "culture is the way of life of a group of people"; and through the context of cultural dimensions, they present tools to recognize that the cultural backgrounds of employees can differ, and how they do differ. Such cultural dimensions are just one of those sides that influence managerial attitudes and behaviors. Certain of these sides include the type of political environment in which peoples were grown-up (for example a democracy or a dictatorship), their ethnicity, their education, beliefs of their families, and their own experiences in life. Focusing on cultural dimensions offers the means to determine the common perceptions of individuals belonging to that group.⁶⁰

This chapter focuses on the presentation of cultural dimensions that have been identified in three significant cross-national comparative management studies. The three studies offer an example of significant contributions to the positivist debate on the nature of culture. Hofstede presents values as the core of culture; Trompenaars argues that meanings are the essential part of culture and Lane, DiStefano and Maznevski, claim that a culture is best understood if we look at its value orientations.

3.1. Hofstede dimensions:⁶¹

Unquestionably Hofstede's legacy to management is the fact that he could determine cultural dimensions with hard data, make comparisons across cultures, and demonstrate the consequences of culture in managerial behaviors. Culture was historically seen as ambiguous and intangible, a soft aspect that could not be quantified nor estimated. Hofstede has shaped the way in which culture is viewed in management: comprised of identifiable dimensions, based on principles and fairly stable over time. According to him, Cultural dimensions are based on value structures, which are said to influence 'human thought'. Consequently, culture is presented as consists of values that are organized into structures (dimensions).

⁵⁹ ANNE-WIL HARZING, JORIS VAN RUYSEVELDT, *International Human Resource Management*, 2nd edition, Sage Publications, London, 2004, p.141.

⁶⁰ Ibid, p.142.

⁶¹ Ibid, p.144-149.

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“Geert Hofstede’s Culture’s Consequences (1980, 2001) explores the differences ‘in thinking and social action’ at the country level between members of 50 nations and three regions. Hofstede originally used IBM employees’ answers to a company attitude survey conducted twice, around 1968 and 1972. The survey generated more than 116,000 questionnaires, with the number of respondents used in the analysis being approximately 30,000 in 1969 and 41,000 in 1973. Hofstede identified and validated four cultural dimensions from respondents’ patterned answers. For each dimension, he presented possible origins as well as predictors and consequences for management behavior.”

➤ **Power Distance :**

Power distance is about individual inequality where it relates to the supervisor-subordinate relationships. It represents ‘the extent to which the less powerful members of organizations expect and accept that power is distributed unequally’. The representation of a high power distance score in organizations is commonly described as a sharply vertical hierarchical pyramid. Subordinates are frequently told what to do and are not permitted to discuss the decisions of their superiors. While low power distance in organizations could be seen in a flatter hierarchical pyramid. Subordinates and superiors are in a much more collaborative relationship, and hierarchy appears to be viewed as discrimination of roles rather than persons.

➤ **Uncertainty Avoidance :**

Regarding Uncertainty Avoidance with the degree of stress induced by an uncertain future, Hofstede found from the answers of the IBM employees that some questions presented an indicator of the tolerance of ambiguity within those employees. Hofstede defined this dimension as ‘the extent to which the members of a culture feel threatened by uncertain or unknown situations’. He argued that, for example, a high degree of uncertainty avoidance is reflected by the need of a corporation for regulations that seek to reduce uncertainties in its employees’ behavior. A corporation laws and rules are seen as something that ‘should not be broken, even when the employee thinks it is in the company’s best interest’. In such an environment, work stress is frequently high. Contrarily, work stress is lower in a low Uncertainty Avoidance workplace environment where employees appear to be less impacted by uncertainty such as job security.

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➤ **Individualism versus Collectivism :**

Individualism versus collectivism is about the relationships between individuals and their own primary groups. IBM responders were investigated to assess how important the work goals were to select a dream job. In certain nations, preferred work goals emphasize the independence of employees from the organization while in other nations; preferred work goals emphasize organizational dependency. Organizational independence was viewed as an indication of the individualism of the respondents, and they wished to be treated as individuals with an appreciation of their individual accomplishments. On the other hand, respondents who preferred work goals dependent on the organization were seen as displaying collectivist characteristics, and they preferred to be run as an in-group member (the organization).

➤ **Masculinity versus Femininity :**

Gender preferences across countries are the second type of preferences emerging from the analysis of work goals researches. While males tended to express assertiveness preferences, females turned to express preferences about the interpersonal dimension of work. Such disparities contribute to patterns of gender roles existing in many communities. Hofstede, therefore, calls this aspect Masculinity versus Femininity as it applies to the distinction of emotional positions. In general, a masculine culture is viewed as a position where career success is a major motivation. Feminine cultures are seen as valuing employee's well-being and satisfaction and preferred to encourage intuitive and consensus-oriented management styles.

➤ **Long-term versus Short-term Orientation :**

And later, the fifth dimension was developed from research undertaken by Michael Bond to incorporate non-Western (Confucian) orientations and has been fostered from the study of Chinese Culture Connection (1987). However, one aspect appeared unique to this study: the Confucian Dynamism construct. Hofstede's explanation of the two poles of this aspect is the distinction provided to values 'fostering future rewards-oriented virtues'(e.g, 'persistence, perseverance') as opposed to values 'fostering present- and past-oriented virtues' (e.g, 'stability', 'respect for tradition'). Hofstede identified this cultural dimension as 'Long-term versus Short-Term Orientation'. This dimension transacts with the individual's preference for emphasis on his behavior and actions. An indication of this cultural aspect can be seen in, for example, in an organization's management focus or its strategic choices.

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Hofstede proves that there are at least five universal dimensions of the national cultures. Such dimensions are assumed to be universal because they tend to be common problems that all communities have to deal with. Hofstede's 1980 research, however, has been critically analyzed and received a lot of scrutinies. Søndergaard's criticisms, and Boyacigiller et al, sum up the criticisms most commonly raised. Firstly, questions have been asked about the methodology of Hofstede which is about: the adoption of a survey questionnaire, the original IBM sample, and an imbalance that can be observed between certain dimensions and their measurement. The secondly subject is the selection of nation to analyze cultures, thus did not respect multicultural-nations. The thirdly one is data obsolescence where it was gathered between 1967 and 1973.

3.2. Trompenaars and Hampden-Turner:⁶²

Just like Hofstede's way, Trompenaars (1997) also suggested a comparison of nations by utilizing cultural dimensions. He claims that any culture has to struggle with many 'universal problems' and presents three 'problems': social interactions, the passage of time, and the relationship with the environment, which reveals seven cultural dimensions. Such cultural aspects represent the characteristics in which each culture proposes as results to the three fundamental problems.

Table I.4- Fundamental dimensions of culture from Trampenaars and Humpden-Turner.

Fundamental problems	Resulting dimensions of culture
Social interactions	Neutral versus Affective. Individualism versus Communitarianism. Universalism versus Particularism. Achievement versus Ascription. Specificity versus Diffuseness.
Passage of time	Time orientation (past-present-future, sequential and synchronic).
Relationship to the environment	Inner versus Outer Directedness.

Source: ANNE-WIL HARZING, JORIS VAN RUYSEVELDT, *International Human Resource Management, 2nd edition, Sage Publications, London, 2004, p.*

⁶²ANNE-WIL HARZING, JORIS VAN RUYSEVELDT, *Op.cit, pp.150-155.*

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Measuring of these cultural dimensions is founded on the answers of multinational and international corporation's managers which they are around 30.000 across 55 countries. Trompenaars and Hampden-Turner provide examples and potential consequences for organization and management for each dimension. Five of the dimensions that Trompenaars adopt are an extension of the Parsons and Shils research (1951). The supplementary dimensions are based on work carried out by anthropologists and psychologists on the perceptions of time according to individuals (Hall, 1959) also perceptions of the control they exert over their environment (Rotter, 1966).

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➤ **The dimension Neutral versus Affective :**

Is rolling around emotions and feelings expressed or not in certain instances. Trompenaars evaluate this aspect with questions like 'How would you behave if you felt upset about something at work? Would you express your feelings openly?' Responses in each country distinguish participants. The resulting cultural dimension allows us to understand that feelings seem to be expressed in a given country together with reasonable arguments. And it might be baffling for people that come from a culture where people are not supposed to show feelings but to respectfully make reasonable arguments about work issues.

➤ **Individualism versus Communitarianism :**

This reflects the dimension of Hofstede about the independence or dependency of employees from their organization. Nevertheless, Trompenaars and Hampden-Turner describe the aspect of individualism\communitarianism from the primary orientation of an individual either towards the self or towards common interests and objectives. The questions used during evaluating this dimension concentrate on the workplace environment of the employees and explore the effect of this dimension on the organization of work, and employees' duties.

➤ **Universalism versus Particularism :**

This reflects the behavior of persons towards universal values (e.g. telling the truth, following a rule). Individuals can either perceive that the principles apply whatever the situation, or that the particularity of every case decides whether to apply them or not.

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➤ **Achievement versus Ascription :**

Social status (e.g. being a team leader) may either be dependent on achievement (what persons have achieved by their own efforts) or ascription (who they are). In a work environment geared to the individuals' accomplishment, employees tend to be judged by their success and performance. Effective employees might achieve top positions faster in an ascription-oriented environment. They are also supposed to continue to perform well enough to retain their ranking. The background of the employees and previous experience are the main factors that determine promotion in an ascription-oriented environment. And even after several years of professional experience, their educational background (e.g. the school they graduated from) is what really should be taken into account.

➤ **Specificity versus Diffuseness :**

Is primarily focused on the separation of private and public spaces by an individual. People prefer to compartmentalize their lives into separate 'secured and preserved' spheres, in the specific cultures. Making great friends at the workplace doesn't mean that coworkers are going to know each other's families. The hierarchical power derived from the status of a person within the company it becomes ineffective outside of work. If a manager were to meet their subordinates publicly, for example on the tennis course the superior will appreciate the subordinate's talent as a tennis player and seek advice to enhance their tennis game. However, the separate realms of life (work, families, hobbies, etc.) are more intertwined in diffuse cultures. The manager's organizational position extends into all other spheres of activity, and the basis of hierarchy/power is preserved.

➤ **The dimension Sequential versus Synchronic :**

Time is comprised of two concepts: the ability to perform within a specified time period and the orientation to time. Hall's book *The Silent Language* (1959) introduces the concept of monochronic (one-time) and polychronic (several-times). Monochrony is a perception that time is definite, linear, and sequential, while polychrony is a perception that time is diffuse, multiple, and synchronous. Examples could be found in people's actions, whether they have the ability to do multiple things simultaneously (polychronic), or the ability to separate missions into sequences (monochronic). Trompenaars (1993) extended these concepts to contain their engagement in an

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organization's sequential or synchronous behavior (for example, the propensity to handle several projects concurrently, as opposed to concentrating on one project for a specific period)

➤ Inner versus Outer Directedness :

This dimension represents individual's relationship with the environment. Either the perception that individuals can control their environment and affect it, or that they have limited capacity to do so. An illustration of this could be seen in the management consequences which are expressed in strategic decisions that either seek to schedule and induce adjustments or attempt to grab the best advantage of the situation. In the study of Trompenaars, Inner Directedness shows planning (thinking) as beliefs, beliefs that personal efforts count, and that luck will affect the result. Outer Directedness expresses the idea that personal relationships, as well as political climates, are important for success, beliefs that political systems do too but certainly, that luck will be crucial. Implications in business life would be noticed in the success approaches adopted by the employees. In an inner-directed environment, employees might focus on making plans and working hard to reach goals, while in an outer-directed environment, employees would make maximum use of their personal relationships and the opportunities it provides to reach their goals.

The analysis of Trompenaars confirms that cultures can be differentiated according to dimensions. Trompenaars believes that cultures are made up of common elements that affect management activities. Trompenaars and Hofstede have disparate perspectives of what is the core of culture. Hofstede takes his meaning of culture from the theories of the 1950s in social sciences: ideas and their associated values in particular are the fundamental essence of culture. In accordance with contemporary theories, Trompenaars places meanings inside the heart of culture. He believes that culture is about making sense, not just a shared way of working and living together. Meanings are the things that make sense of people's world, and that's how they explain what is around them. Therefore, Human interpretations form the essence of culture. And thus, cultures are compared on basis of the various meanings of values and principles.

3.3. Lane, Distefano and Maznevski's adaptation of Kluckhohn and Strodtbeck:⁶³

The 'Values Project' developed by Kluckhohn and Strodtbeck (1961) introduces an interpretation of cultural differences within the context of 'Cultural Orientations.' Their study

⁶³ ANNE-WIL HARZING, JORIS VAN RUYSEVELDT, *Op.cit*, pp.156-161.

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was conducted by comparison of the different societies' answers in the American Southwest to five 'universal problems': relationship of humans to nature, to time, to other humans, belief about basic human nature, and perceived natural mode of acting. As with Hofstede, the research of values was given priority by Kluckhohn and Strodtbeck too. Nevertheless, they differ in the degree to which they adopt cultural dimensions that include further variations.

The work of Kluckhohn and Strodtbeck for cross-cultural management has been reviewed and developed by Lane, DiStefano, and later together with Maznevski (1988–2000). A survey questionnaire was conducted by Maznevski and DiStefano (1995) to evaluate differences of the first five cultural orientations. By using a questionnaire, it was possible to decide participants' strongest choice, second choice, and third choice for a difference were. Such choices are posed with possible implications for international management and presented a new vision about the current issues in international management.

Table I.5- Sample items from Maznevski and DiStefano's measurement of Value Orientations.

Activity	
Diong	* People should work hard and sacrifice enjoyment to accomplish important things.
Bieng	* Decisions should be based more on how people affected will feel about them, rather than on immediate practical concerns.
Tinking	* Decisions should be made based on analysis, not intuition or emotional feelings.
Relationship	
Individualism	* People are expected to give priority to their needs over those of others
Collectivism	* The interests of the group take priority over the interests of any individual within the group.
Hierarchy	* People at higher levels should make significant decisions for people below them.

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Human nature	
Good	* People only do bad things when they have no other choice.
Evil	* It is hard for people to be good.
Changeability	* whether people are good or bad depends on their environment and experiences.
Environment	
Mastery	* People can fix almost any problem they face if they use the right methods.
Harmony	* Good performance comes from a perfect fit between the organization and its environment.
Subjugation	* People should realize they do not have control over events in their lives.
Time	
Past	* People should take into account the past when making decisions about the future.
Present	* People should maintain a focus on today and the near future.
Future	* People should always look ahead rather than worry about today or yesterday.

Source: ANNE-WIL HARZING, JORIS VAN RUYSSSEVELDT *Op.cit*, p.158.

The research done by Lane, DiStefano and Maznevski varies from other research on cultural values in at least two objects. Lane, DiStefano and Maznevski's developed value-orientations are not binary but present three alternatives. Contrary to the cultural dimensions Hofstede and Trompenaars have established, the orientations indicate that options are not mutually exclusive. The specific characteristic Hofstede and Trompenaars share is that they have established bipolar dimensions, perhaps pushing respondents to follow either a 'Western' or 'Other' perspective. The questionnaire provided by Maznevski and DiStefano contrasts with that characteristic.

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Considering only the prevailing values or the prevailing behavior in a Community drives to what Osland and Bird called a Cultural Paradox which they interpret as ‘situations that exhibit an apparently contradictory nature’. In general, this phenomenon is aware of the reality that, considering the complexity of the human reaction to any provided circumstance, it is difficult on both sides culturally and individually, to make accurate generalizations due to several exceptions and qualifications to the stereotypes come to mind. Subsequently, much of the behavior of individuals in each nation can not be interpreted by prevailing beliefs or most commonly held perceptions because of the multiplicity of variables affecting each particular scenario. Nevertheless, the instrument created by Maznevski and DiStefano may display a preferential rating. For each orientation, the instrument offers a rank of preferences. It allows us to go beyond a bipolar-based cultural response.

➤ Summary :

Through cross-national comparative management research, almost twenty cultural dimensions were created. Dimensional similarities permit us to regroup some of them into categories.⁶⁴

The table below summarizes the fundamental cultural issues and their resulting cultural dimensions presented in this section.

Table I.6- Cultural issues and resulting cultural dimensions (major theme of the dimension).

Cultural Issues or Fundamental Problems		Cultural Dimensions
	Differentiation between social groups	Hierarchical (responsibility) Power Distance (inequality acceptance) Achievement / Ascription (status allocation) Masculinity / Femininity (individual assertiveness or care for social)

⁶⁴ ANNE-WIL HARZING, JORIS VAN RUYSEVELDT, *Op.cit*, p.161.

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<p>Realationships with people</p>	<p>Preserve / rule the 'social fabric'</p> <p>Individuals' relationship to social groups</p>	<p>Specific / Diffuseness (scope of personal involvement)</p> <p>Universalism / Particularism (scope of norms and standards)</p> <p>Neutral / affective (expression of emotions)</p> <p>Individualism / Collectivism (Autonomy)</p> <p>Individualism / Communitarianism (prime orientation for goals and objectives)</p> <p>Collectivism / Individualism (responsibility)</p>
<p>Relationships with the environment</p>		<p>Inner Directedness / Outer Directedness (believed control)</p> <p>Subjugation / Harmony / Mastery (from acceptance to control)</p>
<p>Time orientation</p>		<p>Sequencial and synchronic (nature of life)</p> <p>Past / Present / Future (importance of a time horizon)</p> <p>Long-term / Short-term Orientation (preferred focus)</p>
<p>Human nature</p>		<p>Evil / Changeable / Good</p>
<p>Natural mode of activity</p>		<p>Doing / Being / Thinking</p>

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Level of stress in a society in the face of an unknown future		Uncertainty Avoidance
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Source: ANNE-WIL HARZING, JORIS VAN RUYSEVELDT *Op.cit*, p.162.

Cross-national comparative studies review informs us that comparisons of countries are based on three major subjects. Firstly, analyzes of the country-level are used for cultural studies. Secondly, cultural values or meanings confer concrete and measurable cultural dimensions with a restricted range of variations. In the end, culture relies on values or meanings that affect the behavior of people, and therefore management activities. These three theories are reflective of quantitative comparative studies in cross-cultural management and are the basics of the thinking of that scope of research.

Conclusion:

Employees are the key of a successful company; they contribute to improving business performance and achieving the objectives. For these reasons, it is necessary to ensure a functioning and healthy working environment for them. Since the arrival of multiculturalism in the company, its way of organizing and distributing the work among the teams has changed significantly, as well as the management and planning of the different teams to be managed.

Increasing and improving workplace diversity has become an important issue for management in the recent years due to the recognition of how the workplace is changing. Since managing diversity still remains a challenge in organisations, managers tend to learn managerial skills needed in a multicultural working environment .Unfortunately there is no single formula that a company could apply to be successful, therefore it depends on the ability for the manager to figure out what best suits the company based on teamwork and the dynamics of the workplace.

Companies are taking a new interest in the intercultural dimension of management. The aim of intercultural management is to ensure the transfer of knowledge and know-how between the team, and to standardize the organizational culture and the management method therefore taking into account the intercultural dimension provides information concerning the variation of standards according to different cultures.

There are several advantages with a culturally diverse workforce and if managed right, organizations can create a competitive advantage by increasing creativity, flexibility, solve complex problems, and improve company's reach towards its culturally different clientele.

As previously stated, an enterprise with a diverse workforce can better merge and operate in a diverse market-place. Therefore, dealing with a diverse workforce is certainly challenging, but the bigger challenge is maintaining such workforce. Consequently, the key to successful formation, development and preservation of a multicultural workplace is the attempt to create a sense of belonging, in which each employee whatever his background, will feel connected to his organization.

Chapter II :
Internal Communication

Chapter II: Internal Communication

Introduction :

Internal communication is lifeblood of organizations because it is the way managers and employees exchange information and knowledge. It is important and exists at all levels of company and should be affective in order to help in achieving organizational goals. Same as in local companies, internal communication is also important in multinational and has the same functions but in a complicated way because of the nature of diversity and dispersion of MNC's the reason they face bigger intercultural challenges.

The following chapter contains the explanation to all these and more concepts.

Section 1 : Generalities on internal communication

1.1 History and definition:

1.1.1 Definition of communication⁶⁵ :

Communication comes from the Latin "communis", which means "common". When we communicate, we are trying to establish "commonness" with someone. That is, we are trying to share information, an idea or an attitude. (Schramm, 1993) defines it as: "Communications is the mechanism through which human relations exist and develop".

Carl Hovland, a well-known psychologist defined communication as "the process by which an individual (the communicator) transmits stimuli (usually verbal symbols) to modify the behavior of the other individuals (communicates)".

Other scholars define communication as: "Communication is the transfer of information from one person to another, whether or not it elicits confidence; but the information transferred must be understandable to the receiver"

Chip Rose, attorney and mediator say "We all use language to communicate, to express ourselves, to get our ideas across, and to connect with the person to whom we are speaking. When a relationship is working, the act of communicating seems to flow relatively effortlessly. When a relationship is deteriorating, the act of communicating can be as frustrating as climbing a hill of sand"

Fred G. Meyer sees "Communication is the intercourse by words, letters or messages"-

- These definitions can be simplified as following: communication is the process of sharing (exchanging) information, emotions, and thoughts between two (02) or more individuals it takes a lot of forms; spoken, written, non verbal it can be also formal or informal.

⁶⁵TABITHA WANGARE WAMBUI & AI, *Communication Skills, Students Coursebook*, LAP Lambert Academic publishing, pp.1-2.

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- **Communication levels:**

There are five main levels of communication explained in the following table:

Table II.1- Levels of communication.

Level	Characteristics
Intrapersonal communication	Understanding and sharing meaning within the self.
Interpersonal communication	Understanding and sharing meaning between at least two people relatively mutual opportunities for speaking and listening exist.
Group communication	Purposeful communication in limited-sized group in which decision making or a problem solving occurs.
Organizational communication	Communication in large cooperative network including virtually all aspects of both interpersonal and group communication.
Mass communication	Understanding and sharing meaning with a broad audience through mediated channels. Mass media like audio, television...

Source : SHUANG LIU, ZALA VOLČIČ, CINDY SHALOIS, *Introducing intercultural communication, Sage publication, 3rd edition, London, p.58.*

1.1.2 History of internal communication⁶⁶:

Modern internal communication passed over years from events and people to organizational goals. Michel Brandon in his book “communication world” divided this evolution to three main phases as following:

⁶⁶LYN SMITH, PAMELA MOUNTER, *Effective Internal Communication, 2nd edition, London, 2008, pp.10-13.*

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Table II-2: The evolution of employee communication.

	Stage one (pre – 1960s)	Stage two (mid 1960s – 1980s)	Stage three (late 1980s – now)
Predecessor	industrial relations	Journalism	Marketing
Goal	improve morale	Deliver news	Implement strategy
Emphasis	Individuals	Facts	Organization
Orientation	Camaraderie	Reporting	Aid to management
Attitude	Warm , personal	Cool , special	Business orientation
Focus	People	Events	Strategic objectives

Source: LYN SMITH, PAMELA MOUNTER, *Effective Internal Communication*, 2nd edition, London, 2008, p.11.

The first stage is featured by industrial relations in which employee communication focused on improving morale and the feeling of brotherhood between all employees and also by giving them more value and importance. The second phase known by the domination of journalism gave the importance to newsroom and reporting, focused more on events not individuals the main goal was to give employees information about their company. In the last stage, explosion of marketing and strategy changed internal communication goals from facts to organizations and from events to strategic objectives of the company.

1.1.3 Definition of internal communication:

Kalla (2005) defines internal communications as “all formal and informal communication taking place internally at all levels of an organization”⁶⁷

Orsini (2000) defines them as “the full range of ways that people communicate with each other within the organization”⁶⁸

Welch and Jackson (2007) describe it as “the strategic management of interactions and ties between stakeholders at all levels of organizations”.⁶⁹

⁶⁷ KALLA, H. K, *Integrated internal communications: a multidisciplinary perspective*, *Corporate Communications: An International Journal*, 10(4), 2005, p.304.

⁶⁸ ORCINI, B, Improving internal communications, *Internal Auditor*, 57(6), 2000, p.31.

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Rogers (1976) suggests another concept of communication and sees it as a system in which members produce and exchange knowledge with each other in order to gain common understanding.⁷⁰

Bartlett and Ghoshal (1989) consider internal communication to be of major importance since they see communication and information flows as *the lifeblood of the organization*.⁷¹

- Definitions above show that internal communication represents the action of sharing information between members of company.

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1.2 Internal communication objectives, goals and directions :

1.2.1 Objectives:

Spitzer and Swider (2003) precised three main objectives of internal communication:

- **Information:** provide personal with understood and accepted information respecting content, intent, relevance and merit of the message.
- **Goals:** while communicating inside organizations the main goals are to motivate, direct, inform employees or to gain their participation in community activities.
- **End result:** is to come out from communication with improvements in the main success elements such as: quality, satisfaction, sales ...⁷²

1.2.2 Goals:⁷³

- Make employees feel that they represent an important resource in the company.
- Improve brotherhood and morale between employees and management also to bring up a good reputation to the organization.
- Provide employees with information about internal changes.
- Explain all plans of compensations and benefit.

⁶⁹ WELCH, M., & JACKSON, P, *Rethinking Internal Communication: A Stakeholder Approach*, *Corporate Communications: An International Journal*, 12 (2), 2007, pp.177-198.

⁷⁰ ROGERS, EVERETT. M, *Communication in Organizations*, New York, Free Press, 1976, p.43.

⁷¹ BARLETT. C, GHOSHAL.S, *Managing Across Borders; The Transnational Solution*, London: Century Business, 1989, pp.2-5.

⁷² SPITZER, R., SWIDLER, M, *Using a Marketing Approach to Improve Internal Communications*, *Employment Relations Today*, 30(1), 2003, pp.70-71.

⁷³ ARGENTI (P.A), *Strategic employee communications*, *Human Resource Management*, 37 (3/4), 1998, p.201.

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- Rise employees' knowledge about the company and its culture, ethics, product and external environment.
- Improve employee performance to be more productive, quality oriented, entrepreneurial.
- Explain issues affecting employees such as health to increase employee understanding of this kind of subjects.
- Encourage employee participations in different community activities.

1.2.3 Directions of internal communication:

There are four directions of internal communication as following;

- **Internal upward communication:** when subordinates that are lower level of the company communicate to managers (upper level) taking for example surveys of employee satisfaction level⁷⁴.

Upward internal communication is one-way process which is a disadvantage for the company because it can provoke managers' defensiveness. McClelland found out some reasons why this direction of communication trends to be weak;

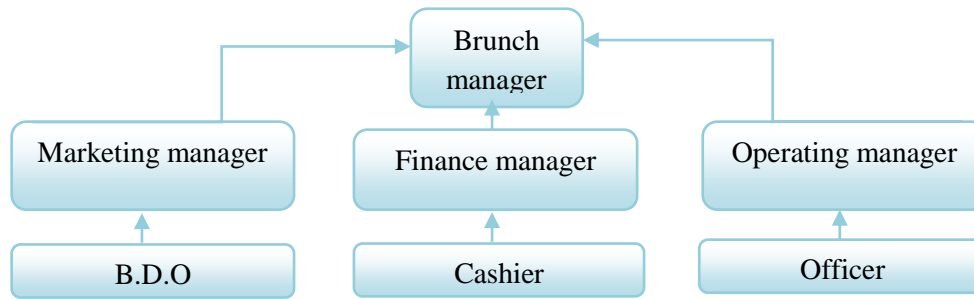
- Fear of reprisals – People are afraid to communicate their ideas.
- Filters – workers find like their ideas / concerns are changed as they are distributed upwards.
- Time – managers feel that they don't have the time to listen to subordinates.⁷⁵

⁷⁴Unknown, *Human Resource Management*, University of minnesota libraries publishing edition, 2016, pp.258-259.

⁷⁵EVA TTARISZKA, SEMEGINE, PhD, *Organizational internal communication as a means of improving efficiency*, *European Scientific Journal July edition*, 15(8), p.92.

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Figure II.1- Upward communication in a bank.



Source: Unknown, *Human Resource Management, University of minnesota libraries publishing edition, 2016, p.260.*

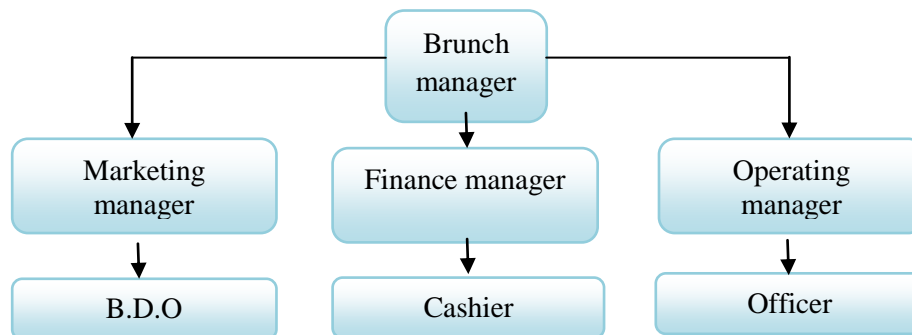
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- **Internal downward communication:** when managers (upper level) communicate to employees (lower level) such as a manager explaining to employees the new changes inside the organization or plans. So it is opposite to upward communication.⁷⁶

According to Morgan and Shieman's (1983) research, the level of productivity decreases because of downward communication. And so employee satisfaction is lower down company's hierarchy. While Foehrenbach and Rosenberg (1982) proved that employees want to hear organizational news especially future organizational plans and development directly from top managers.

As per Jablin's (1980), the best result may be obtained with Communication downward, if Top managers interact directly with immediate supervisors that communicate with direct subordinates⁷⁷.

Figure II.2- Downward communication in a bank.



Source: *Human Resource Management, University of minnesota libraries publishing, p.260. edition, 2016, p.260.*

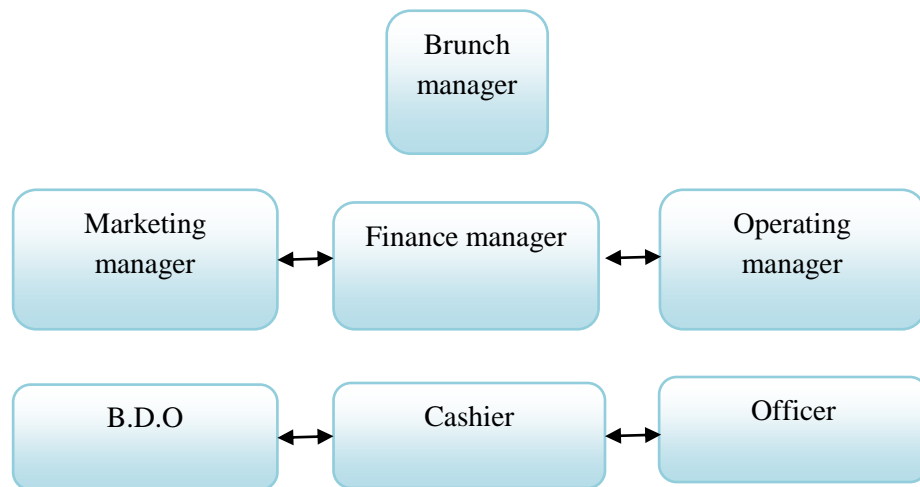
⁷⁶Unknown, *Human Resource Management, Op.cit, p.259.*

⁷⁷EVA TARISZKA, SEMEGINE., *Op.cit, p.90-91.*

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- **Diagonal internal communication:**⁷⁸ it is an interdepartments communication for example: human resources assistant communicating to marketing manager about hiring new marketing employees.
- **Horizontal internal communication:**⁷⁹ between the same level people in a firm taking for example accounting manager sharing information and coordinating work with marketing manager.

Figure II.3- Horizontal communication in a bank



Source: Unknown, *Human Resource Management, University of minnesota libraries publishing edition, 2016, p.260*

⁷⁸ Unknown, *Human Resource Management, Op.cit, p.260.*

⁷⁹ *Ibid, p.261.*

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1.3 Formal vs. informal communication:

Internal communication may be formal based on strategy or informal by chance each can be characterized as following:

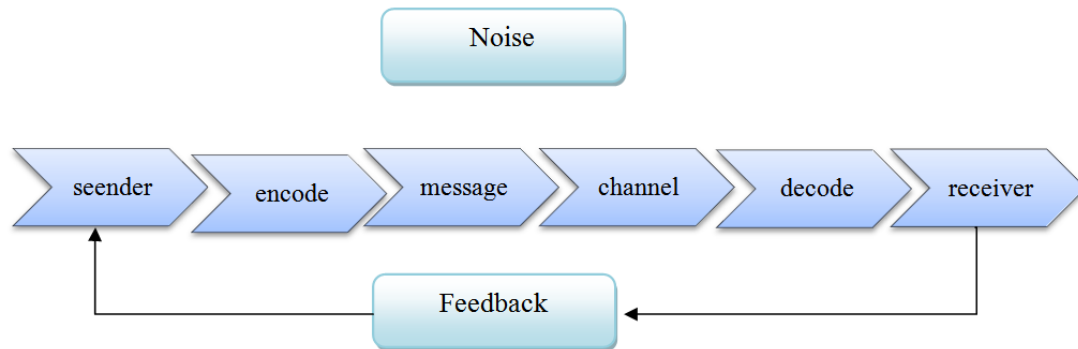
Table II.3- Formal vs. Informal communication

Formal internal communication	Informal internal communication
<ul style="list-style-type: none">• Official channel.• Deliberately planned and systematic.• Part of organization structure.• Oriented towards goals and tasks of the company.• Impersonal.• Stable and rigid.• Slow and structured.	<ul style="list-style-type: none">• Unofficial channel.• Unplanned and spontaneous.• Cuts across formal relationships.• Oriented towards goals and need satisfaction of individuals.• Personal and social.• Flexible and instable.• Fast and unstructured.

Source: KRISHANE, RADHE, *Internal Communication Process and Tools: A study on CPSEs*, 2011, p.02.

1.4 The process of IC:

Figure II.4- Communication process.



Source: SHANNON CLAUDE , WEAVER WAREN , *The mathematical theory of communication*. Urbana IL university of Illinois press, 1949, p.5.

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The source: « is the origin of information, it is someone who likes and needs to share information with others. This need may be to express thoughts and emotions or to provide guidance, share experience ... ».

The message: «A verbal or non-verbal type of ideas, thoughts or feelings that one person wishes to convey to another person or community in a particular context. Message consists of verbal codes such as language and/or non-verbal codes, including facial expressions, body gestures, voice tone, etc. Each culture has its own way of expressing meaning».

Channel: «Messages must have the means by which they can pass from person to person. This route is known as channel it can be voice, visual, term, telephone, twitter, Smartphone and so on. The degree to which the communicator uses one medium to another is frequently influenced by his culture».

Receiver: «The expected target of the message. An individual or a community will typically share the same codes as the source».

Encoding: «Is the process by which the source uses common codes to translate feeling ideas into messages».⁸⁰

Decoding: a process by which the receiver transforms codes into meaning.

Feedback: the reaction of the receiver after receiving the message.

Noise: all unwanted interruptions and factors that can influence the meaning of the message and cause misunderstandings.

⁸⁰SHUANG LIU, ZALA VOLČIČ, CINDY SHALOIS, *Introducing intercultural communication*, Sage publications, 3rd edition, London, p.60-61.

Section 2: channels, functions, theories and challenges of internal communication:

2.1 Internal communication channels:

For an organization to promote its internal communication there are many media or networks that can be used. These methods include oral contact in meetings and interviews, written communication via internal magazines and newsletters, as well as electronic communication through intranet and e-mail.

2.1.1 Verbal communication:

Represents oral transactions inside company it is two-way communication as per Wright (1995) it is the most effective because it allows employees and managers to communicate and transmit a lot of information at the same time as what happens in meetings such as:

- **All staff meetings:** for small organizations is the perfect way to transfer information to all employees. Generally used to communicate updates, welcome new members, give an idea about the strategy and share management decisions also to discuss missions with employees and to have their feedback.
- **Individual meetings:** generally used in sensitive situations such as firing employee or behavioral issues...
- **Recognition programs:** Recognizing the success and achievements of workers is a central element of maintaining comfort and psychological health in the workplace that helps to increase productivity.⁸¹

2.1.2 Written communication:

Can be a form of journals, reports and brochures this channels disadvantage is the fact that it is one way communication Davis (2001) sees that it has an advantage which is people can take copies wherever they go and read them whenever they want another advantage is the accessibility that doesn't requires internet connexion.

⁸¹JESSICA HUME, *Internal Communication Toolkit, CIVICUS: World Alliance for Citizen Participation Newtown, Johannesburg South Africa, 2001, pp.11-12.*

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Some examples of written communication⁸²:

- **Internal newsletter:** The internal newsletter differs from the regular newsletter of the organization in that it contains information that is directly relevant only to the staff of the organization. So, an internal newsletter can be the ideal way to communicate information like new staff, policy changes and processes, program updates and organizational innovations.
- **Stuff handbook:** The staff handbook can be used as a guide that employees will refer to when they have concerns about the policies and procedures of the company. Although it is not a safe way to provide details that could change on a regular basis, it is a good strategy to use to ensure that workers are informed on their rights, entitlements and obligations and will help maintain a clear relation between employees and company.
- **Resource library:** Some companies have a wide number of books, papers and newsletters that they have accumulated through the years. Sometimes, though, these documents are messily spread around the enterprise with one or two individuals, and the others do not really know the resources are there. The reason organizations should create one central library that contains all documents.
- **Notice boards:** Is a convenient and quick way to keep people updated of important topics. By placing a board in a high-traffic area of the workplace and making it visually appealing, it will catch the eyes of all the workers who walk by it. This method is more useful for providing event updates, short but important news reports and other quick items. The note board may also involve a comment box.

2.1.3 Electronic communication:

Advanced technologies of this era provoked the appearance of social media communication tools as e-mails, sites, blogs, and social networking sites that are used by companies to encourage two-way communication.

Some electronic tools used by companies⁸³:

- **Email:** is the fastest and easiest way of sharing information within organizations that doesn't cost a lot.

⁸²Ibid, p.12.

⁸³Ibid, p.13.

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- **A list serve:** Helps to send an email to every employee subscribed to the list. The list and shared content can be modified and controlled by the manager and all members can share and send content to listed members. It is usually used to communicate dates of events and meetings or to announce things.
- **Tele/video conferencing:** a simulation of real meetings. This tool overcome distance but it needs technology that may not be accessible it is used to make small discussions between few people that can't go to the work and to collect feedback.
- **Intranet site:** it differs from web sites by having a password and accessible only for employees of the organization. This site is the place where they share documents, resources and information to all employees in different locations.

2.2 Internal communication functions:⁸⁴

Many researchers divided internal communication into five functions in organization:

- ❖ **Work communication:** practiced by employees in order to finish their daily tasks.
- ❖ **News communication:** to notify employees of the latest changes inside the company.
- ❖ **Control communication:** communication oriented to targets and goals of the firm.
- ❖ **Change communication:** exchange information about unplanned activities and events.
- ❖ **Culture communication:** how company manages issues like leadership, equality...

Erkson (1992) and Zheng (2009) maintained that all the five functions are practiced by employees and managers in their daily situations in the organization.

2.3 Models of IC:

The following models illustrate communication processes and features, by representing the most important components of communication and the relationship between them.

2.3.1 Linear model:⁸⁵

Known as mathematical model, developed by Claude Shanon and Waren weaver (1994) it is a *“transmission model, which conceptualizes the messages as containers of meaning and*

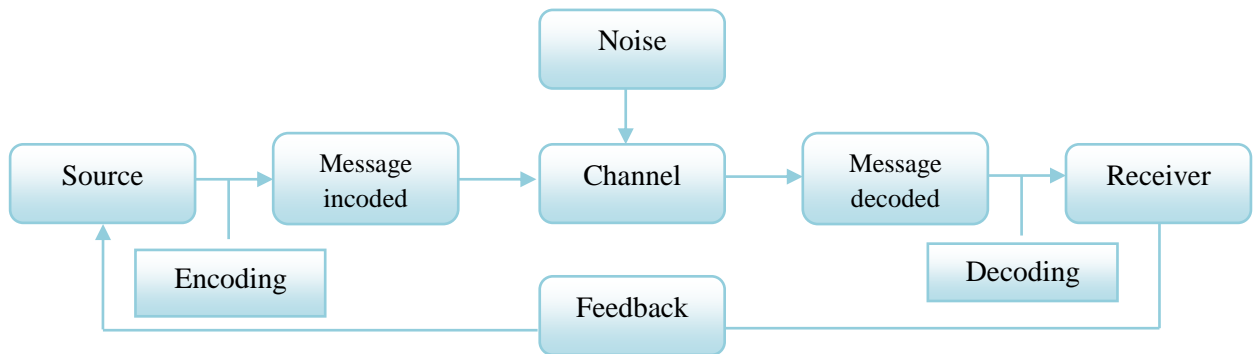
⁸⁴FORSSBERG. S, MALM. S, *Internal Communication in a MNC: an underestimated key to success, Göteborg University. Degree Programme in International Business, Master's Thesis, 2001, p.27.*

⁸⁵SHUANG LIU, ZALA VOLČIČ, CINDY SHALOIS, *Op.cit, p.64-65.*

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communication as a process of sending and receiving information”⁸⁶. Shannon and Weaver aimed to transmit signal from an origin to destination from a sender to a receiver through a channel separating signal and noise to minimize error. This model gives importance to seven components as shown in the figure below:

Figure II.5- Linear model



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Source: SHANNON CLAUDE , WEAVER WAREN , *The mathematical theory of communication*. Urbana IL university of Illinois press, 1949, p.5.

- ❖ A source of information that chooses the message and its form (written, spoken, image...).
- ❖ Transmitter in the person who changes message into signal also known as encoder.
- ❖ The message sent from sender to receiver.
- ❖ The channel is the way passed by the message from sender to receiver.
- ❖ Receiver changes the signal back into a message decoder.
- ❖ Destination is the target of message.
- ❖ Noise is unwanted interruption that causes errors in transmission.

Researchers had some critics on this model:

- ❖ This model is simple so it can't be applied to group communication.
- ❖ Doesn't give importance to receiver's reaction.
- ❖ Communication inside companies is complicated and two-way while this model is simple and seems to be one way process.

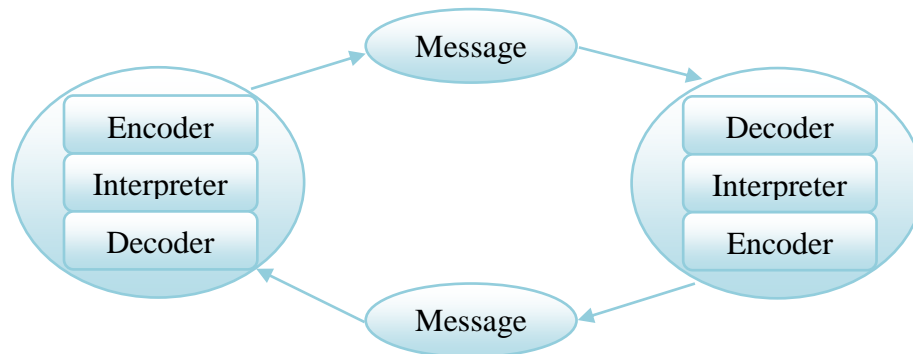
⁸⁶Ibid, p 65.

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2.3.2 Interactive model:⁸⁷

Wilbur Schramm developed this model that represents a process of communication between a sender (encoder) and a receiver (decoder). He made the addition of interpreter which interprets the message in order to make sure that the receiver receives the correct meaning of the message. Feedback between encoder and decoder is represented by arrows.

Figure II.6- Schramm's interactive model of communication.



Source: SCHRAMM WILBUR, *The nature of communication between human*, university of illinois press, 1971, p.24.

Schramm's model is dynamic and gives more importance to reactions and feedback but doesn't really show the necessity of unwanted interrupters such as noise this is why it lost the complexity of communication process.

2.3.3 Internal communication matrix:⁸⁸

Developed by Welsh and Jackson (2007), it contains four important elements: line management, team peer, project peer, corporate communication. This matrix associates internal communication components with the previous four dimensions.

The matrix gives importance to two-way communication and an answer to five main questions: who communicates? To Whom? In what way? With what content? For what purpose?

⁸⁷SHUANG LIU, ZALA VOLČIĆ, CINDY SHALOIS, *Op.cit*, p.67.

⁸⁸WELCH JACKSON (P.R), *Rethinking internal communication: a stakeholder approach*, Corporate Communications: An International Journal, 12(02), 2007, pp.184-186.

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Table II.4- Internal communication matrix.

Dimension	Level	Direction	Participants	Content
Internal line management communication	Line managers/supervisors	Predominantly two-way	Line managers – employees	Employees’ roles Personal impact, e.g. appraisal discussions, team briefings
Internal team peer communication	Team colleagues	Two-way	Employee-employee	Team information, e.g. team task discussions
Internal project peer communication	Project group colleagues	Two-way	Employee-employee	Project information, e.g. project issues
Internal corporate communication	Strategic managers/top management	Predominantly one way	Strategic managers to all employees	Organizational/corporate issues, e.g. goals, objectives, new developments, activities and achievements

Source: MARY WELSH, PAUL R.JACKSON, *Rethinking internal communication: a stakeholder approach, corporate communication an international journal*, 2(12), 2007, p.185.

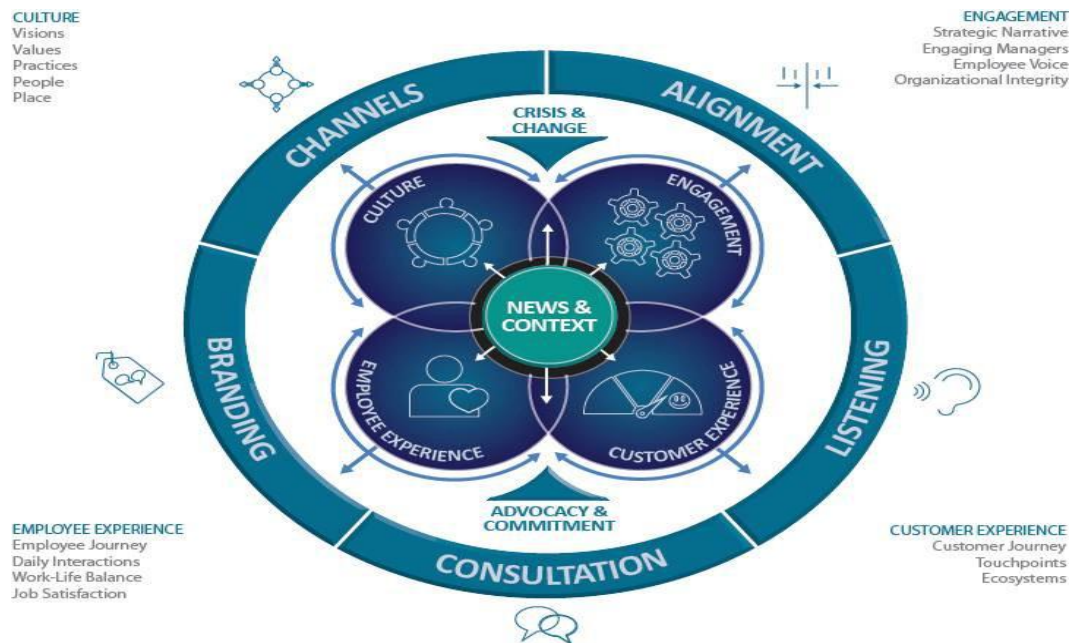
First aspect represents line management communication that takes place at all companies’ levels respecting the role of employees and personal impact. The second dimension is team peer communication it shows group communication within organization, whilst employees should make team discussions and work as a unit. Third aspect is project communication that reveals communication between colleagues while working on a project. The last dimension is communication between managers and internal stakeholders within the enterprise it focuses on maintaining employee engagement and feelings of belonging generally it controls psychological health and comfort of employees.

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2.3.4 Employee communication model:⁸⁹

The latest developments in this field have brought several changes in internal communication firstly by bringing it a new different name; employee communication. Shel Holtz (2017) developer of this model wrote “*internal is a place employees are people*” this theory is new and important for companies to gain more competitive advantage in the market it emphasizes five main elements as shown in the following figure:

Figure II.7- A new model for employee communication.



Source: Holtz, 2017, <https://holtz.com>.

Alignment: is making in harmony values, goals, vision and mission of the company and employee.

Listening: the capacity of understanding employee issues and feelings by top managers and verse vise.

Consultation: it is about values such as transparency and authenticity of employees and managers.

⁸⁹ <https://holtz.com> , 22/07/2020, 15:09.

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Branding: to integrate brand values and customer and/or employee. It is the feeling of a customer or employee when he sees the logo. This shows the competitiveness of the organization with actual values.

Channels: represent the distribution of developed content.

While communication can't be developed by itself, factor as culture, engagement, employee and customer experiences represents an important addition that upgrades internal communication. Generally, this model that gave the aspect of internal communication a new definition and gave importance to employees as humans or partners of the company should be applied carefully in organization by making necessary changes because of its newness.

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2.4 Internal communication challenges:⁹⁰

Followings are the main problems experienced by organizations that should be avoided or immediately solved:

- ❖ **Interrupting:** according to Tuhovsky (2005): “Despite someone’s irritating voice, swearing or muttering, it is the interrupting which is the main verbal factor beneath irritation and unsuccessful conversations”.
- ❖ **Lack of information:** a problem that can influence employee’s loyalty.
- ❖ **Misunderstanding:** due to lack of information.
- ❖ **Culture differences:** such as time, manners, language...
- ❖ **Misunderstanding body language:** forms of non verbal communication are generally misunderstood by employees and/or managers.

Section three: internal communication and cultural diversity

3.1 Factors affected by internal communication:

3.1.1 Employee engagement:

An engaged employee is defined by Quirke (2008) as: “*feeling a strong emotional bond to their employer, recommending it to others and committing time and effort to help their organization succeed*”.⁹¹

⁹⁰MARCEL FASSL, *Internal communication and leadership: the effects on teams’ performances*, Bachelor Thesis for Obtaining the Degree Bachelor of Science International Management, Vienna, 2018, pp.17-18.

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As per Hewitt (2009) an engaged employee is “*the measure of an employee’s emotional and intellectual commitment to their organization and its success*”⁹².

Definitions show clearly that engaged employee helps companies to increase their performance this is the reason they try to develop their skills in maintaining employee engagement which is one of the main goals of internal communication which is the factor that creates deeper understanding and knowledge of strategies and aims of organization the thing that helps employees to build trust and avoid conflicts and misunderstandings⁹³.

3.1.2 Organization change:⁹⁴

Ne organizational changes usually put organization in big troubles especially when these changes are not well managed so employees find it difficult to accept and adapt to them. Change represents uncertainty for employees and minimizes trust between them and company when they have lack of information about it this is why internal communication is important because it’s the way for managers to explain and prepare employees to the change so they won’t resist or refuse it.

3.1.3 Organizational efficiency:⁹⁵

When employees are satisfied, productivity and quality are high and so is organization’s performance. Internal communication is the key to this satisfaction by listening to their problems, feelings and needs ...

This also helps in increasing efficiency of work force and empowering relations with customers.

3.2 Factors affecting the internal communication:

3.2.1 Organization change:⁹⁶

Companies today are moving in unstoppable way thing that drives to change and development at all company levels. Employees in this case need to be informed of all new

⁹¹QUIRKE. B, *Making the connections: Using internal communication to turn strategy into action*, Burlington, VT: Gower, 2008, p.102.

⁹²HEWITT& AI, *Engagement and culture: Engaging talent in turbulent times*, 2009, p.01,
http://www.hewittassociates.com/Intl/AP/en-AP/KnowledgeCenter/Magazine/HQ_20/ask-our-expert.html.

⁹³KAREN MISHRA, LOIS BBOYNTON, ANEIL MISHRA, *Driving Employee Engagement: The Expanded Role of Internal Communications*, *International Journal of Business Communication*, 51(2), 2014, p.187.

⁹⁴EMELE BERNESSON, MARINA MARIC, *Internal Communication in a Global Change Project*, Thesis – *Bachelor Industrial Engineering*, 2016, p.18.

⁹⁵Ibid.

⁹⁶WIM J.L. ELVING, *The role of communication in organizational change*, *Corporate Communications: An International Journal*, Emerald Group, 10(02), 2005, pp.131-133.

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updates so internal communication here represents one of criteria of success of change management. It is necessary for managers to develop enough skills to provide employees with news and information.

3.2.2 Multicultural organizations:

Multicultural organizations are known by their diversity that made of internal communication more difficult. Multicultural organizations represent a state of change even in their communication process which only by its effectiveness information is shared and new relationships and structures are created⁹⁷.

« Organizations who fail to understand cross-cultural communication barriers face a lot of obstacles in many areas of international business cooperation, including free trade policy, outsourcing and standardization policy decisions, advertisement, brand performance, corporate partnerships, international business management, global marketing, international conventions, consumer behavior, staffing, workforce dealings, interpersonal relations, negotiation and team building»⁹⁸.

3.2.3 Globalization:⁹⁹

Employees from different regions and countries with different cultural backgrounds can face a lot of conflicts within organization the reason why internal communication have to be done under control. Also multinationals suffer from the lack of internal communication between headquarters and subsidiaries because of different time zones so employees feel isolated from the company. In the other hand globalization offered new technologies of communication what made of internal communication easier.

3.2.4 Organization culture:¹⁰⁰

Climate inside company defines the way employees communicate and it depends on corporate culture and values shared by top managers.

⁹⁷SHAFAT HUSSAIN, *Managing Communication Challenges in Multicultural Organizations*, *International Journal of Media, Journalism and Mass Communications (IJMJMC)*, 2(04), 2018, p.45.

⁹⁸JENIFER, RD, RAMAN. Gp, *Cross Cultural Communication Barriers in Workplace*, *International Journal of Management*, 6 (1), 2015, p.332.

⁹⁹<https://www.intechopen.com/books/globalization-education-and-management-agendas/the-impact-of-globalization-on-cross-cultural-communication>, 18/08/2020, 13.54.

¹⁰⁰SHAFAT HUSSAIN, *Op.cit*, p.16.

3.3 Intercultural communication:

3.3.1 Definition:

« Intercultural communication means communication through various cultural borders. This means that when two or more people of different cultural identities connect and interact with each other, intercultural communication is said to have taken place. Intercultural communication can also be described by (Jens Allwood, 1985) as "the exchange of knowledge on different levels of awareness and control among people of different cultural backgrounds"»¹⁰¹.

3.3.2 Intercultural communication problems in multinationals:¹⁰²

- ❖ **Language:** a big challenge MNCs have to deal with especially when recruiting employees from different countries speaks different languages they will find a problem to understand each other this is why companies should make sure recruited employees don't have language difficulties.
- ❖ **Misunderstanding:** «Misunderstanding is the biggest obstacle to communication in a multicultural world. It is normal to people of diverse cultural backgrounds whose principles and views vary. Variation in different cultures leads to a high degree of fear and confusion which ends up in a misunderstanding».
- ❖ **Norms:** « are traditionally defined guidelines for the acceptable and suitable behavior. Individuals themselves set out laws for themselves and often require others to do so. Culture has its own values and its own reasonable and proper actions. People employed in a multicultural community frequently struggle to comprehend the values of the other culture and behave accordingly».
- ❖ **Beliefs and values:** « Beliefs and beliefs vary from individual to individual. In a globalized working world, each person's beliefs and values rely on his or her culture. In order to interact successfully, a person should be made aware of the cross-cultural ideology and value that prevails».
- ❖ **Stereotypes:** « Poor understanding of individuals leads to unintelligent selections in cross-cultural communication. Cultural stereotypes exaggerate or over-generalize what we think of others, which lead to a rise in anxiety».

¹⁰¹UMAR PATE, MALLAM, IBRAHIM SIRAJ, *The Meaning and Theories of Intercultural Communication, Working Paper, 2015, p.04.*

¹⁰²JENIFER. RD, RAMAN. GP, *Op.cit, p.333-334.*

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- ❖ **Nonverbal differences:** gestures and body language are used differently across cultures this is why companies have to make an effort to teach their employees how to deal non verbal communications as to not bother other cultures.

Other cross cultural problems for MNCs:¹⁰³

- ❖ **Power distance:** power distance is not the same from country to another it represents the hierarchy and formal/ informal relations inside company. American companies for example are from low power distance have informal relations thing that can be misinterpreted by a Chinese manager who works for the same company.
- ❖ **High context-low context:** high or low context is about if the person understands the message from the settings or from the word. In high context culture the person understands the message from the situation and not only from words this is why non verbal communication is more important than words while low context culture go more for verbal explicit communication they want only the information they need to accomplish their job where high context culture employees ask for more details and specific information about their work.
- ❖ **Direct /indirect :** direct cultures communication style is direct, explicit and open while being open in indirect cultures drives to losing face and directness is lack of intelligence
 - Saying 'No': high context cultures use body language or silence to say 'no' for example Arabs lift their eyebrows to refuse politely, other cultures click tongue to sound like "tsk tsk" ...
 - Delivering bad news: this is so hard to the delivering part some high context indirect cultures prefer to report bad news and some especially Asians find it disrespectful for the other part.
 - The role of contract: western cultures see written contracts as a prevention of misunderstandings and problems while Asians go more for long trusted relationships to prevent problems.
- ❖ **The concept of time:** people see the time differently from country to another. There are rigid time countries (monochronic culture) where time is respected, meetings are fixed and

¹⁰³KARRER., LEO, Chapter II : *CrossCultural Negotiation and Communication Theories In : Pashtun Traditions versus Western Perceptions : CrossCultural Negotiations in Afghanistan*, Graduate Institute, 2012, pp.1-6.

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rarely interrupted the opposite is polychronic culture that is less punctual, and have the ability to do thing simultaneously.

- ❖ **Saving face:** means do not permit or tolerate the bad behavior Asians for example give saving face a lot of importance because they are more group workers so self image matters a lot to them.

3.3.3 Overcoming cross cultural barriers:¹⁰⁴

In order to overcome cross cultural communication barriers, organizations have to develop a cross cultural competence based on the mutual respect to all beliefs, traditions and standards of all employees in workplace.

Cross cultural competence represents the ability, knowledge and skills to develop a feeling of appreciation to all cultural differences. This competence is developed through:

- **Cross cultural knowledge training:** help employees to be aware of all cultural differences and admit their existence.
- **Language training:** create foreign languages classes for employees to give them the chance to interact easily between each other.
- **Enforcement of mutual benefit:** companies focus on win-win situation and try to empower the culture of mutual benefit between them.

¹⁰⁴ JENIFER, RD & RAMAN, GP, *Op.cit*, pp.334-335.

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Conclusion:

According to researches done in this second chapter, it can be admitted that IC has become an important key of success for organizations. An effective internal communication leads to employee satisfaction and improves their psychological health in workplace so it improves employee productivity but within organizations IC faces a lot of challenges and it is influenced by some aspects.

Across borders, precisely in MNCs internal communication become intercultural communication due to the wide cultural diversity inside these companies. So intercultural communication is more complicated and has bigger challenges to deal with. The reason companies must develop some skills in order to overcome all the challenges.

It remains to determine how does cultural diversity within a company influences internal communication in the third chapter.

Chapter III:

Case study

Chapter III: Case Study

Introduction:

In this chapter, we will deal with the practical part of this dissertation, which includes three sections. The first section will focus on the presentation of the multinational “LG electronics” where we did our internship.

We will then begin the second section, which will focus on the presentation of the survey and the research methodology chosen to conduct our study.


Finally, the third section will present the subject of our study by analysing the answers obtained, we will synthesize the results, and we will then try to make a list of recommendations and suggestions.

Section 1: Overview of the host company:

In this section, we will provide an overview of the organization in which we spent our internship and undertaken our research. The presentation is dependent on the internal information that was given by the host company.

1.1-Technical cards:

Table III.1- Technical card of LG Electronics.

Name	In Korean, "ELJI JEON JA CHUSIKHOESA" or "LG JEONJA CHUSIKHOESA"; in its abbreviated designation and in English, "LG Electronics Inc".
Location of Headquarter	LG Twin Towers, Seoul, Korea.
Logo	
Economic form	Manufacturing.
Président	Seong-Jin Jo.
Date Established	October 1, 1958.
Number of Employees	74000 (39960 in Korea and 3404 overseas) in 2019
Total Assets	44,860 (KRW trillion) in 2019.
Total Liabilities	28,435 (KRW trillion) in 2019.
Total Equity	16,425 (KRW trillion) in 2019.

Source : Elaborated by us.

1.2- Background and development:

The parent group of LG electronics focuses on three main business areas; which are Electronics, Chemicals, and Telecommunication services. As a global leader in the IT market (Information Technology), LG Electronics is leading technological innovations in the fields of home appliances, mobile communication devices, electronic devices with sales reaching KRW 62.3 trillion (USD 56.8 billion) in 2019.

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LGE is composed of: Home Appliance & Air Solution (H&A), Home Entertainment (HE), Mobile Communications (MC), Vehicle component Solutions (VS), and Business Solutions (BS). H&A is in charge of home appliances including refrigerators, washing machines, and vacuum cleaners, while HE is responsible for TVs, monitors, digital media products; MC for mobile phones; VS for automobile parts, and BS for displays and solar energy generation modules

1.3- LG throughout the years:¹⁰⁵

- **1958–1969s:**

In 1958, LG Electronic was established as GoldStar. The group was formed through the merger of two Korean companies, Lak-Hui and GoldStar, from which the abstraction of LG was derived. The current “Life’s Good” slogan is an acronym. Before the corporate name change to LG, household products were sold under the brandname of Lak-Hui, while electronic products were sold under the brand name of GoldStar. In 1959, LG electronics produces Korea's first radio, in 1965 produces Korea’s first refrigerators, and in 1966 produces Korea’s first TV.

- **1970s–1999s:**

In 1978, the company first time achieves 100 million USD in exports, and then it establishes the first overseas production base in the US. In 1994, GoldStar benefited patronage from The 3DO Company to make the first 3DO Interactive Multiplayer. In 1995, GoldStar was renamed LG Electronics and invented world’s first CDMA digital mobile handsets and supplied to Ameritech and GTE in US. In 1998, LG promoted world’s first 60-inch plasma TV. In 1999, the company enters joint venture with philips to develop LCD panels.

- **2000–2009:**

By 2005, LG was a Top 100 global brand and took the lead in US drum washing market, and in 2006, its display manufacturing branch, LG Display, is now the world’s largest plasma panel manufacturer. LG Solar Energy is a subsidiary founded in 2007 to allow LG Chem to supply polysilicon to LG Electronics for the construction of solar cells. And just in 2009, it became the second-largest LCD TV brand worldwide and was able to buy the domain name ‘LG.com’.

¹⁰⁵ <https://www.companieshistory.com/lg-electronics/> , (28 /07/2020 at 13:46).

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- **2010–Present:**

In 2011, LG Launches shutter-glasses 3D TVs. On December 5, 2012, the antitrust regulators of the European Union fined LG Electronics and a few other significant companies for fixing prices of TV cathode-ray tubes in two cartels lasting enduring about 10 years. By 2014, it introduced HomeChat™ service for smart appliances, Launches Vehicle Components Company, and the G3 Smartphone with Quad HD display. Then in 2016, offered the premium LG SIGNATURE brand. In 2018 LG became the winner of the 18th Ergonomic Design Award. Finally in 2019, the company introduced world's first rollable OLED TV.

1.4- LG's objectives:

The objectives of the Company are as follows:

1. To manufacture and sell electronic and communications machinery and appliances
2. To lease and franchise multimedia hardware and software;
3. To carry out businesses for the telecommunication service company;
4. To conduct in the mining work;
5. To engage in export and import and to engage in the agency business;
6. To conduct technical research and provide services;
7. To engage in construction work involving telecommunications and electricity;
8. To engage in the domestic and international advertisement agency business for sales promotion, and manufacturing and selling promotional materials;
9. To engage in the new and renewable energy business;
10. To engage in pollution prevention facility business and other environment-related businesses;
11. To engage in mail-order sales and e-commerce related businesses;
12. To engage and invest in businesses related to any of the company objectives.

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13. To make the slogan "Life's Good with LG" a reality in societies all over the world.

These objectives present the size and the dimension of LG Electronics Company, as its functions are not limited only to manufacturing but have penetrated different fields to produce 100% pure LG products. These objectives also show the scale of its operations at the international level and its interest in what facilitates the life of different communities, where LGE is concerned in performing its social role, especially in the area of environmental impact.

1.5- Organizational Culture:

LGE's organizational goal is "Strong Organization with Happy Employees" where the company seeks to achieve it through Change and Growth Policy for Improving Organizational Culture.

Figure III.1 - LG Electronics' Organizational Culture.



Source: LGE docs.

LG Electronics conducts three organizational culture improvement activities to foster a young and energetic corporate culture in accordance with the management policy, to become the Global No.1 brand that breaks the box:

- Realizing a culture based on employee participation.
- Establishing smart work practices.
- Creating a young corporate culture where new ideas and innovations can be shared.

➤ **LG's Vision:**

Being a number 1 company doesn't mean being the largest or the most profitable. A true number 1 organization is one that adopts strong and clear management practices as the basis for getting global competitiveness and gaining a prominent position in the marketplace. LGE will continue to follow the right way to create an LG electronics that is trusted by its customers, respected by rivals, and appreciated by talented people all over the world. This is the company's promise to its stakeholders.

1.6- Human Resource Management:

1.6.1 Directions for HR Development:

- Contributing to the creation of business performance by fostering creative and challenging talents through the provision of optimal learning solutions for continuous business performance and the creation of future growth engines.
- Systematically nurturing biz leaders and core talents and securing employees' capabilities in their jobs and future technology/new business capacity.
- Strengthening on-site constant learning programs through the establishment of nurturing and learning platforms customized for each of the subsidiaries.

1.6.2 Global Standard Assessment Process:

LG has a single standardized process that governs the evaluation and incentive systems for all its employees. Ability assessment on the performance and team abilities of office employees is undertaken once a year to assess the employee's degree of achievement of goals, goal difficulty, and competitiveness in a systematic way. Performance evaluation will be reflected in the individual's salary increase & incentive bonus and the capability evaluation will be reflected on promotion. 360-degree multi-faceted managerial leadership evaluation is carried out once a year. LGE gives considerable emphasis on an individual's fundamental insight for promotion and implements a promotional training system to ensure that adequate insight will be obtainable by the promoted employee.

1.6.3 Employee Training System:

The company runs the Job Training Program as part of the company's employee training program to enable LG's employees to achieve both organizational and individual development. Employees are in demand to set up their own Career Development Program (CDP), which is backed up by the One-on-One caring program, and complete training courses accordingly. Employees evaluate the level of their abilities and obtain a training plan depending on the CDP and attend training programs accordingly.

LGE has also set up the Business Function College for each of its 14 business processes and provides more than 800 courses on and off-line. Employees must complete at least two hours of training per year. To help their employees acquire capabilities required for their positions and functions in advance, it also develops a roadmap that assigns mandatory and elective courses for individuals.

1.6.4 Corporate Responsibilities to Employees:

LGE is committed to respecting the human dignity of its employees and ensuring fair treatment based on their skills and effectiveness. LGE is also seeking to motivate creativity between its employees.

1. Respect for Human Dignity:

LG treats each employee with respect and cordiality, and attaches great importance to individual human dignity.

LGE is working hard to help employees feel dignity and personal satisfaction by giving their jobs a sense of ownership.

LGE sets clear regulations and instructional guidelines that are essential for employees to execute their responsibilities.

2. Fair Treatment:

LGE provides to all of its employees equal opportunities, based on their qualifications and talents.

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LGE implements fair policies to assess its employees' capabilities and efficiency and rewards them accordingly.

3. Promoting Creativity:

LGE exerts a concerted effort to foster a workplace environment favorable for creative ideas and independent behaviors.

LGE develops and maintains its human capital on a long-term basis, and actively encourages the development of professional skills.

LGE establishes a healthy organizational culture that emphasizes mutual trust, cooperation, and respecting personal lifestyles.

1.7- Workforce and diversity:

1.7.1 Diversity within LGE:

LG Electronics employees come from all walks of life and their diverse backgrounds reflect the truly international character of the company, in which it has manufacturing and production plants, sales offices, and research and development facilities in 142 global operations. As a result, LG Electronics controls more than 118 local subsidiaries worldwide (North America, Europe, Latin America, Middle-East&Africa, Asia&Pacific, CIS) with roughly 75,000 executives and employees with 109 nationalities and 61 primary languages.

1.7.2 Diversity management:

LG Electronics has implemented various HR policies that value and support employee's diversity that premised on the company's first principle of "Respect for Human Dignity". LG Electronics introduces a balanced and fair HR management system with slight modifications for local requirements across the worldwide network and offers regular guidance to help individual employees improve their professional skills.

LG Electronics implemented and proclaimed an anti-discrimination labor policy supporting an environment in which employees with different beliefs and values can work together effectively. The company is making every effort to create a working environment where social minorities (to include females, foreigners, and the disabled) are respected and not subjected to

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discrimination or any inconvenience based on the company's belief that such a working environment leads to greater competitiveness.

LGE is making ongoing efforts to recruit and develop female talent in the countries where the percentage of female employees lags behind that of overseas sites. In addition, it is working to reduce the percentage of non-regular workers to improve the financial stability of its employees, while encouraging their business organizations to hire people with disabilities to increase their representation in the workforce.

LGE adopts and respects laws and codes of labor for each government and territory in which it functions, where it seek to deliver secure employment, fair opportunities, and a humane working climate. The company will furthermore work to spread these values by making them a basic requirement for all business partners of LGE.

The performance-based evaluation process takes a relative approach to raise the effectiveness of evaluation and facilitate differentiated compensation. Since there is no wage difference between male and female personnel, all employees are assessed depending on their achievement towards their individualism and collectivism performance goals for the financial year and recompensed accordingly. Differentiated compensation is used as a rewards tool for outstanding achievement in which it encourage the multicultural employees to strive for better performance. There is no wage gap (base salary) between recently recruited male and female employees, and all the diverse employees are fairly rewarded depending on individual efficiency and motivating skills.

1.8- Internal communication within LG electronics:

LG Electronics is focusing on creating an organizational culture where smooth communication is realized, further makes diverse efforts through various channels (online/offline channels) to promote effective communication.

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Table III.2- LG's employee communication programs.

Program	Description
Junior Board	As an organization that represents both general and administrative workers, the Digital Board Council delivers employee opinions about working conditions and the work environment to management (head office: quarterly/companywide: every six months)
Open Communication	Continuous meetings for communication between management/ leaders and employees in the form of special lectures, conferences, field visits
LG Way Survey	Identifying employee satisfaction and demands (annually)
VOE (Voice of Employees)	Improvement tasks reviewed through LG Way Survey; monthly polls conducted to deliver the thoughts of employees to management
EP Communication	Operation of a portal site; news and bulletin board; publication of a daily newsletter
Video Communication	DVDs, e-newsletters, in-house broadcasting services
Global Lounge	Operation of an online news site for employees of overseas subsidiaries; weekly newsletters sent out
HR Shared Service Center	Inquiries through telephone, e-mail, intranet bulletin board (regular operation)
Cyber-Shinmungo (bulletin for reporting cases of corruption) Jeong-Do Management Training	Reports on any violations of Jeong-Do management (regular operation) Collective training about Jeong-Do management (annually)

Source: LGE docs.

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➤ **The importance of communication programs:**

- *Communication for solving problems:* LGE has been continuously making efforts to create a corporate culture based on communication. The communication philosophy, "Communication for Problem Solving" reflects the one to one communication process that solves issues that could happen within the company. Instead of a simple give and take the way of discussing intentions, this process allows an employee to communicate with top management or leaders in a timely manner. Communication between employees does not conclude with just reporting of the issue, but each individual perceive the issue from the owner's viewpoint and proposes a solution to the problem.
- *Participation culture based on the voice of employees (VOE):* This process identifies employee perception before and after implementation of major company policies, and these perceptions are taken into account in those policies. Change Agent (CA) and Junior Board (JB) have been influential in developing this culture of employee engagement to become effective. CAs are members that lead to change in overseas organizations. JB is a medium for employees that delivers employee opinions to the top management and performs various roles for the rights of the employees. VOE is taking first place in all the development strategies and is now a vital part of the organizational culture of LG Electronics.
- *Efforts to improve the working environment:* Through the annual "LG Way Survey," LG Electronics evaluates its effectiveness in maintaining a healthy working environment in which employees feel their innovation and flexibility are encouraged and then promoting results-based changes. Employees are solicited to provide inputs describing the work environment and leadership style. (Example: My manager permits and encourages me to take the initiative which nobody has attempted or has never been attempted in the past; I am granted the freedom to take an initiative based on my thoughts and experience in the achievement of the company target, etc.)
- *Handling grievances and employee counseling:* LGE provides stress management and psychological counseling services so that employees can focus on their working life. It provides psychological counseling programs across all branches of the company and offers mobile therapy services for small regional branches. Particularly, the R&D centers conduct a counseling service to family members of employees to effectively help employees solve their problems.

Section 2: Presentation of the survey

In this section we aim to define the different stages involved in carrying out of this survey study, we start with the objective of the questionnaire survey, to the presentation of the study and complete it by the structuring of the questionnaire.

To achieve the objectives we have already set it, to confirm or invalidate our hypotheses, we have adopted the questionnaire technique which is most commonly used in our field of study and it is primarily designed to collect standardized information for quantitative analysis.

2.1-The objective of the questionnaire survey:

A questionnaire is a systematic compilation of questions that are submitted to a sampling of population from which information is desired. As the term generally used in educational researches, “the questionnaire consists of a sense of questions or statements to which individuals are asked to respond the questions frequently asked for facts or the opinions, attitudes or preferences of the respondents. This instrument is widely used by researchers for a number of reasons, the most important one is that the questionnaire is a form which is prepared and distributed for the purpose of securing responses. Generally these questions are factual and designed for securing information about certain conditions or practices, of which recipient is presumed to have knowledge.”¹⁰⁶

For the purpose of the current study, this questionnaire allows us to collect information on the personal characteristics, attitudes and opinions of the employees surveyed, corresponding to the main objective of our study, which is to analyze the perceptions of employees regarding cultural diversity within the company and measure the degree of its influence on internal communication.

It will also allow us to have a general view of the work environment and to measure the degree of satisfaction of employees regarding the cultural diversity existing within their work teams, their degree of integration, and their relationships with their colleagues as well as with their managers.

¹⁰⁶YOGESH KUMAR SINGH, *Fundamental of research methodology and statistics, New age international(p) Ltd, New Delhi, 2006, pp.191-192.*

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The questionnaire will also aim to explore barriers to effective internal communication in the company. But the most significant is consists in determining whether those barriers at the company have arisen due to cultural differences.

The questionnaire permits a wide coverage at a minimum expense of both money and effort. It affords wider geographical coverage it makes for greater validity in the results through promoting the selection of a large and more representative sample. The validity of questionnaire data also depends in a crucial way on the validity and willingness of the respondent to provide the information requested.¹⁰⁷

2.2-Presentation of the study:

This questionnaire survey took place on one of LG electronics subsidiary, located in the CHERAGA commercial activity zone, Algiers (Algeria). LGE is a Korean international company with a fast growing and ambitious multicultural workplace. The internal environment in LG Algeria is led by mixture of Algerians and Koreans managers.

Since our study focus on the subject of cultural diversity within the company and internal communication, thus we had to cover all variety of functions and departments and to collect maximum of data from all over the organization as these two variables exist in all parts of the organization. And as LG Algeria is considered as a small organization with 56 employees, we decided that it would be very representative if we took the whole population rather than just a sample. The population of the organization is composed of different strata; employees differ in LG, according to their qualifications, their experience, and also to their level on the management scale. Taking the whole population allows having a good homogeneity of the sample for the study.

Given the current conditions around the world that have affected all sectors, particularly the economy, as well as our inability to relocate to the company, it has not been possible to meet the participating employees in person. The online survey, therefore, seems to us to be the best solution for obtaining responses from employees, which will make it possible to cover the largest possible number of the population at a more reliable cost.

¹⁰⁷Ibid, p.108.

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We, therefore, proceeded to submit the questionnaire to individuals via a Google form by e-mail thanks to the collaboration of LG's HR representatives, which reduces the risk of refusing to answer.

Our population is made up of people in a variety of positions ranging from office staff to executives, managers and technicians, as it is significant in that it sheds light on what multicultural companies with all its divisions and levels need to know about the importance of communication in the business field and to know about effective internal communication and the barriers to it in real-life situations.

We mailed 46 copies of the questionnaire, and we gathered 35 copies in total which help us to continue the study and analyze the results of the responses.

After collecting the copies of the entire questionnaire, it was translated into charts and tables via Excel software, this allowed us to summarize and reorder the data. All data was then compiled on the SPSS software « Statistical Package for Social Sciences SPSS Version 26 » for Windows in order to perform statistical processing.

2.3- Structuring of the questionnaire:

The questionnaire was designed in two languages (French, English) in order to have maximum coverage for the target group, and 20 questions in total, in the form of a close-ended question (the possible answers are set out in the questionnaire and the respondent or the investigator ticks the category that best describes the respondent's answer.¹⁰⁸) among which we find :

Dichotomous questions: questions that can be answered either in one of the two ways, "yes\no" or "true>false".

Multiple choice questions: questions in which a respondent has to select one or many responses from a given list of options.

¹⁰⁸ RANJIT KUMAR, *Research Methodology a step-by-step guide for beginners, 3rd edition, Sage publication, 2011, p.151.*

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We chose to focus on these close-ended questions and not open-ended questions for their many advantages (Easy and quick to answer, and response choice can clarify the question text for the respondent but most of all is that answers are easier to code and statistically analyze).

Based on the construction of the theoretical framework and the proposed hypotheses, the questionnaire was designed to contain 5 parts:

- The first part, contains a brief description of our work, the purpose of the survey, and the confidentiality of the answers given.
- The second part, is a fact sheet that tells us a little more about the employee in person by asking questions that are not of a private nature.
- This was followed by third part, which gathered some background information on the proportion of cultural diversity in their workplace and its link to corporate culture, followed by specific questions regarding the advantages and disadvantages of a diverse workforce.
- As for the fourth part, it aims at figuring out the nature of the communication process on the company and the measures taken.
- And we end up with a fifth part, in which we discuss the perceived influences of diversity in general and on internal communication in particular, and investigates the barriers to effective internal communication on LG Company.

Since most respondents used the French version of the questionnaire, we decided to add the 11 responses from the English version to the French version.

Section 03: Results and data analysis of the conducted survey.

In order to better understanding our quantitative study, we are going to make a small reminder of our research problem, our hypotheses, as well as our questionnaire axis.

3.1 Reminder of the research problem, hypotheses, and axis of the questionnaire:

- ❖ **Research problem:** How does the existing cultural diversity within a company affect internal communication?

❖ **Hypotheses 1:** Cultural diversity represents an advantage for the company if it chooses to take this diversity into account.

Hypotheses 2: Intercultural Management presents itself as an essential function to enhance the benefits of diversity by ensuring a better internal communication process to improve team effectiveness.

Hypotheses 3: Knowing the spatio-temporal, religious and linguistic norms is essential to develop better communication.

❖ **Questionnaire axes :** Three principal axis :

- Cultural diversity within the company.
- The factor of internal communication.
- The relationship between cultural diversity and internal communication.

3.2. Reliability and validity of the study tool:

3.2.1 Reliability of the study tool:

The reliability of the study tool was measured using SPSS software by extracting the reliability coefficient "CRONBACH'S ALPHA "in which it ensures that the same results are obtained and that no error would occur on the data if the same study is conducted by using the same tool and under the same conditions.

The following table shows the results related to the reliability coefficient for each dimension of cultural diversity and internal communication, as well as the overall result of the study tool's reliability:

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Table III.3- The reliability coefficient for each dimension of cultural diversity and internal communication.

Employees			
Axes	Statement	The coefficient of reliability in the value of Cronbach's alpha	Paragraphs
Cultural diversity within the company	(1-6)	0.73	06
The factor of internal communication	(7-11)	0.89	04
The relationship between cultural diversity and internal communication	(12-16)	0.69	05
Total	(1-16)	0.93	15

Source: SPSS.

Through the results shown in the above table, it is clear that the values of the Cronbach's alpha coefficient were high for "the cultural diversity within the company" that reached 0.73, as for the value of the coefficient for "the factor of internal communication" was 0.89, while for the dimension of "the relationship between cultural diversity and internal communication" the value reached 0.69, which is a strong value greater than 0.06. We also note that the coefficient value for

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all statements amounted to 0.93, and on this basis, we say that there is a strong relationship between the questionnaire statements, therefore, there is high reliability.

3.2.2 Split-half reliability test:

Table III.4-Split-half reliability test for cultural diversity and internal communication.

Cronbach's alpha coefficient	Axe one	The value	0.73
		Number of statement	05
	Axe two	The value	0.89
		Number of statement	04
	Axe three	The value	0.69
		Number of statement	06
	Total of statement		16
	Correlation between statements		0.886
The Spearman-Brown coefficient		0.940	
Gitman coefficient		0.938	

Source: SPSS.

The above table shows that both the correlation coefficients between statements as well as Spearman-Brown and Getman's coefficient were high, which means that the reliability in the answers is in high and very acceptable degree.

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3.3 Results of internal consistency measurement of the questionnaire:

The first important thing to do is to validate the constructs before assessing the hypothesized relationships between the two sets of constructs. The construct validity is to the degree to which a set of measured items actually reflects the theoretical latent construct they are designed to measure.

The spearman correlation coefficient and the probability Value Sig are the appropriate tools to quantitatively assess the construct validity of a proposed measurement theory. Many researchers have used these two statistical tools to determine whether there is empirical support for the proposed theoretical factor structure of constructs or not. They provide quantitative measures that assess the construct validity and construct reliability of the theoretical model¹⁰⁹

Table III.5- The coefficient of correlation between each paragraph of cultural diversity within the company dimension.

Cultural diversity within the company	Spearman Correlation Coefficient	Probability Value (Sig)
Has your company implemented favorable practices for the integration of people from all over the country, and even internationally	-0,319	0,062
In your company, are managers comfortable with the presence of different cultures	-0,110	0,530
In your opinion, what place does the subject of cultural diversity occupy within your company	0,161	0,355
In what proportion cultural diversity is present in your company	0,153	0,380
Have you noticed any forms of discrimination related to the origin, gender, or culture (national or regional) within your company	-0,091	0,603
Does the attachment to the company's culture allow you to overcome the issues of cultural diversity within the company	-0,107	0,539

Source: SPSS.

¹⁰⁹ Hair, Joseph. F, Barry, *Multivariate Data Analysis, 6th Edition*, 2007, p.89.

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The table (III.5) shows the correlation coefficients between each of the paragraphs of the first axis "cultural diversity within the company" and the overall sig of its paragraphs. In which shows that the correlation coefficients range from (-0.319/ 0.153) where all of them are statistically significant at a significant level (0.01), and since the level of significance for each paragraph is less than (0.00), the first axis paragraphs are considered true for what has been set to measure it.

Table III.6- The coefficient of correlation between each paragraph of the factor of internal communication dimension.

The factor of internal communication	Spearman Correlation Coefficient	Probability Value (Sig)
What are the most commonly used internal communication tools in your organization	0,316	0,064
Do these three forms of internal communication exist in your company	-0,175	0,315
Are there delays in the dissemination of information	-0,141	0,420
Does internal communication contribute to the creation of a sense of belonging within the company	0,068	0,700

Source: SPSS.

The table (III.6) shows the correlation coefficients between each of the paragraphs of the second axis "the factor of internal communication" and the overall sig of its paragraphs. In which shows that the correlation coefficients range from (-0.175/ 0.316) where all of them are statistically significant at a significant level (0.01), and since the level of significance for each paragraph is less than (0.00), the second axis paragraphs are considered true for what has been set to measure it.

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Table III.7- The coefficient of correlation between each paragraph of the relationship between cultural diversity and internal communication dimension.

The relationship between cultural diversity and internal communication	Spearman Correlation Coefficient	Probability Value (Sig)
When colleagues from different cultural backgrounds are involved in the interaction, do you feel like there are communicating barriers between you and the people you are communicating with	0,253	0,143
Do you think speaking the same language is sufficient enough to achieve effective business communication	-0,051	0,769
If you feel as if there are communicating barriers, what do you think the main reason (s) is	-0,016	0,927
Does internal communication enable your multicultural team to embrace and adhere to the goals of the organization	-0,061	0,729
In your opinion, in what way does the architecture of cultural differences within your company affect internal communication	0,135	0,439

Source: SPSS.

The table (III.7) shows the correlation coefficients between each of the paragraphs of the third axis "the relationship between cultural diversity and internal communication" and the overall sig of its paragraphs. In which shows that the correlation coefficients range from (-0.051/ 0.253) where all of them are statistically significant at a significant level 0.05 (0.01), and since the level of significance for each paragraph is less than (0.00), the third axis paragraphs are considered true for what has been set to measure.

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3.4 Statistical description of the study sample according to personal factors:

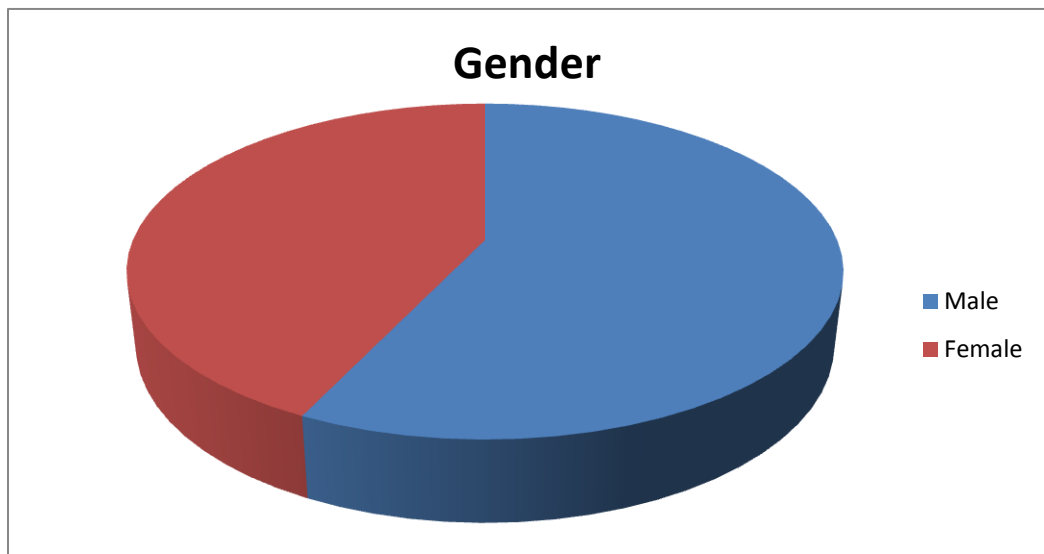
➤ Gender Diversity:

Table III.8-Gender diversity.

Gender	Responses	%
Male	20	57,1
Female	15	42,9
Total	35	100%

Source: SPSS.

Figure III.2- Gender diversity.



Source: SPSS.

According to the results obtained, we note that 57% of the respondents are men against only 43% of women. There is a small imbalance between the two sexes with a favorable distribution for men. This is due to the nature of the company's activity, which requires permanent outings to customers' premises and specific physical abilities. For this reason, a gender diversity management policy has recently been implemented by the company to promote the integration of women in this area.

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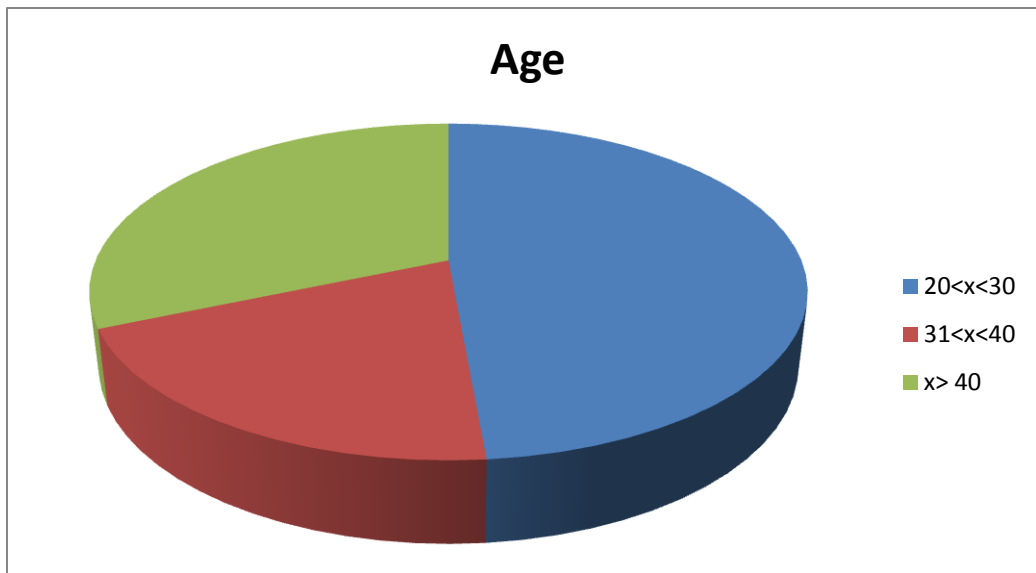
➤ **Age Diversity:**

Table III.9-Age diversity.

Age	Responses	%
20<x<30	17	48,6
31<x<40	7	20,0
x> 40	11	31,4
Total	35	100%

Source: SPSS.

Figure III.3-Age diversity.



Source: SPSS.

According to the results obtained, we note that the largest percentage of respondents is the percentage of employees aged less than 30 with more than 48% of the total, followed by the category of employees with more than 40 years, who constitute more than 31%, and the lowest proportion of employees between the age of 30 and 40, who account for 20%. By observing these results we came up with the conclusion that the employees with less than 30 years old represent the majority, this indicates that the company is largely made up of a young population and that the company favors the recruitment of young people, given their high skills potential and their dynamism.

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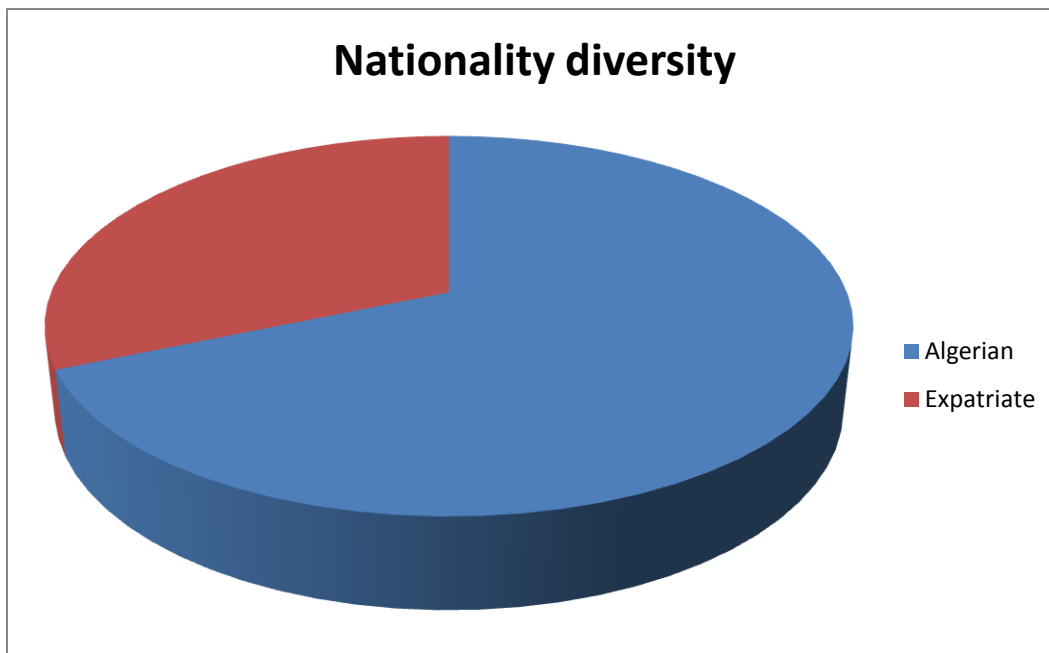
➤ **Nationality diversity.**

Table III.10- Nationality diversity.

Are you	Responses	%
Algerian	24	68,6
Expatriate	11	31,4
Total	35	100%

Source : SPSS.

Figure III.4-Nationality diversity.



Source: SPSS.

According to the results obtained, we note that 69% of the respondents came from an Algerian origin against 31% from other origins. By observing these results, there is a presence of nationalities other than that of the country of implantation which implying the presence of other cultures other than Algerian culture. This reflects the intercultural dimension in LGE.

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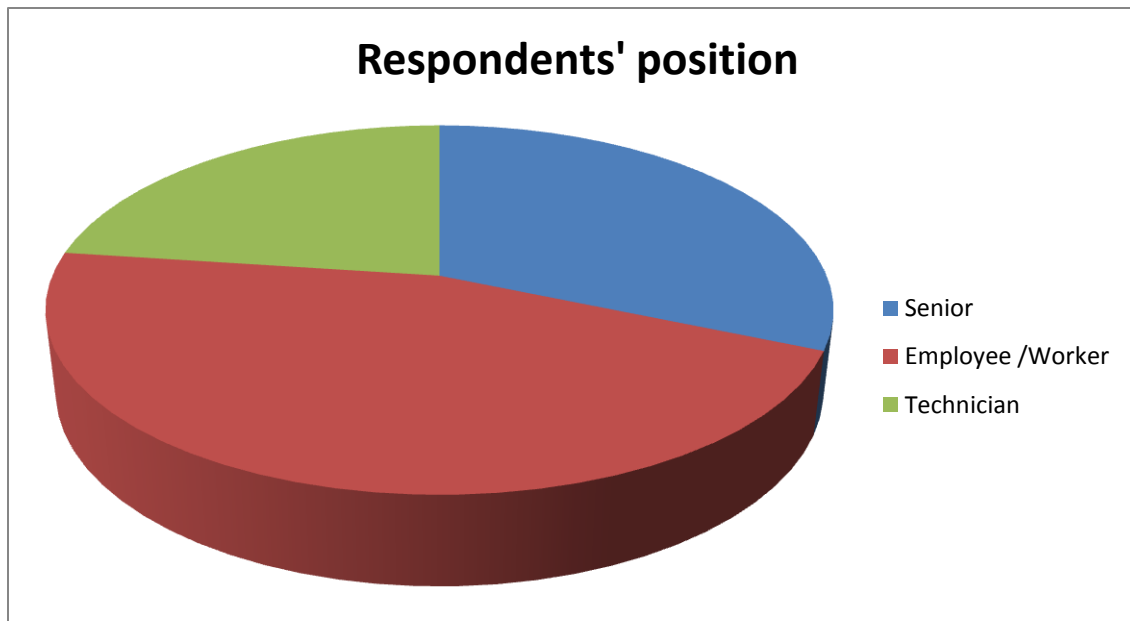
➤ **Respondents' position:**

Table III.11-Respondents' position.

Position	Responses	%
Senior manager	11	31,4
Employee /Worker	16	45,7
Technician	8	22,9
Total	33	100%

Source: SPSS.

Figure III.5-Respondents' position.



Source: SPSS.

We note that more than 31% of respondents are senior managers, and more than 45% are of the (employee\worker) category, while 23% are technicians.

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➤ **Work experience:**

Table III.12-Work experience.

Work experience	Responses	%
less than 2 years	5	14,3
between 3 and 10 years	17	48,6
more than 10 years	13	37,1
Total	33	100%

Source: SPSS.

Figure III.6- Work Experience.



Source: SPSS.

According to the results obtained, shows that the respondents consist of different levels of experience, and most of them have less than 10 years of experience. We understand that LGE does indeed rely on fresh graduates and young experiences as raw material for talent development within the company. Those employees are accompanied during their journey to obtain the needed experience and climb the hierarchical ladder to reach well-placed positions.

3.5 Hypothesis test.

3.5.1 The first hypothesis test:

“There is a statistically significant effect of cultural diversity on the company.”

To test this hypothesis, we first examine the correlation between the cultural diversity of employees and the company they work in, based on Pearson's correlation coefficient. And if this relationship exists, we use the Regression model to see the value of this effect through the coefficient of determination (R-Squared), to deduce the Regression Equation and the significance (Sig) of the model that explains the relationship between these two variables.

- **Correlation Analysis:**

Table III.13– The Correlation between cultural diversity and company.

Correlation	Cultural diversity and the company.
Correlation coefficient	0.784**
Significance level	0.000
N	35
** Correlation is statistically significant at 0.01	

Source: SPSS.

We notice from the above table the existence of a positive correlation and statistical significance between cultural diversity and the company in terms of an advantage for the company. Where the Pearson correlation coefficient reached 0.784 at the level of significance 0.00, which is less than the value of the assumed level of significance, thus there is a strong correlation between the two variables.

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- **Simple Linear Regression Analysis:**

Table III.14-Simple linear regression model between cultural diversity and the company.

Model summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
	0,539 ^a	0,290	0,138	0,43732	
Regression variance analysis					
Model	Sum of Squares	Degree of freedom (Df)	Mean Square	F	Sig
Regression	2,188	6	0,365	1,907	0,115 ^b
Residuals	5,355	28	0,191		
Total	7,543	34			
Coefficients of variance					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	1,505	1,189	0,216	1,266	0,216
Cultural diversity	-0,322	0,198	0,116	-1,621	0,116

Source: SPSS.

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The above table shows that the value of the determination coefficient was 0.138, which means that 13.8% of the variance in cultural diversity is due to consider it as an advantage for it, while the residual rate was 86.1%, because of the random errors. It also appears from the table that the value of F reached 1.907, which is greater than its tabular value. The degree of significance reached 0.000, which indicates the validity and significance of the model.

From this table, we can infer the following regression equation:

$$\text{Cultural diversity} = 1.505 - 0.322 \times \text{The company.}$$

Therefore, the first hypothesis is confirmed, that is, the presence of an effect of the company's advantage in terms of cultural diversity.

3.5.2 The second hypothesis test:

“There is a statistically significant effect of intercultural management on internal communication.”

To test this hypothesis, we first examine the correlation between intercultural management practices and internal communication, based on Pearson's correlation coefficient. And if this relationship exists, we use the Regression model to see the value of this effect through the coefficient of determination (R-Squared), to deduce the Regression Equation and the significance (Sig) of the model that explains the relationship between these two variables.

- **Correlation Analysis:**

Table III.15– The Correlation between intercultural management and internal communication.

Correlation	Intercultural management and internal communication.
Correlation coefficient	0.702 ^{**}
Significance level	0.000
N	35
^{**} Correlation is statistically significant at 0.01	

Source: SPSS.

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- **Simple Linear Regression Analysis:**

Table III.16- Simple linear regression model between intercultural management and internal communication.

Model summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
	0,478 ^a	0,229	0,126	0,44037	
Regression variance analysis					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	1,725	4	0,431	2,224	0,090 ^b
Residuals	5,818	30	0,194		
Total	7,543	34			
Coefficients of variance					
Model	Unstandardized Coefficients		Standardized Coefficients		Sig
	B	Std. Error	Beta		
Constant	0,041	0,708	0,955	0,057	0,955
intercultural management	0,405	0,147	0,010	2,759	0,010

Source: SPSS.

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The above table shows that the value of the determination coefficient was 0.126, which means that 12.6% of the variance in intercultural management is due to its contribution to the application of good internal communication within the company, while the residual rate was 87.4%, because of the random errors. It also appears from the table that the value of F reached 2.224, which is greater than its tabular value. The degree of significance reached 0.000, which indicates the validity and significance of the model.

From this table, we can infer the following regression equation:

$$\text{Intercultural management} = 0.041 + 0.405 \times \text{Internal communication.}$$

Therefore, the first hypothesis is confirmed, that is, the presence of an effect from cultural diversity on the company as an advantage.

3.5.3 The third hypothesis test:

“There is a statistically significant effect of cultural norms on internal communication.”

To test this hypothesis, we first examine the correlation between cultural norms and internal communication, based on Pearson's correlation coefficient. And if this relationship exists, we use the Regression model to see the value of this effect through the coefficient of determination (R-Squared), to deduce the Regression Equation and the significance (Sig) of the model that explains the relationship between these two variables.

- **Correlation Analysis:**

Table III.17– The Correlation between cultural norms and internal communication.

Correlation	cultural norms and internal communication
Correlation coefficient	0.702**
Significance level	0.000
N	35
** Correlation is statistically significant at 0.01	

Source: SPSS.

Chapter III: Case Study

- **Simple Linear Regression Analysis:**

Table III.18- Simple linear regression model between cultural norms and internal communication.

Model summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
	0,433 ^a	0,188	0,047	0,45971	
Regression variance analysis					
Model	Sum of Squares	Df	Mean Square	F	Sig
Regression	1,414	5	0,283	1,338	0,276 ^b
Residuals	6,129	29	0,211		
Total	7,543	34			
Coefficients of variance					
Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta		
Constant	1,686	0,828	0,277	2,038	0,051
Internal communication	0,176	0,113		1,554	0,131

Source : SPSS.

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The above table shows that the value of the determination coefficient was 0.126, which means that 0.149, which means that 14.9% of the variance in internal communication is due to cultural norms (spatial, temporal, religious and linguistic), while the residual rate was 85.1%, because of the random errors. It also appears from the table that the value of F reached 0.956, which is greater than its tabular value. The degree of significance reached 0.000, which indicates the validity and significance of the model.

From this table, we can infer the following regression equation:

$$\text{Cultural norms} = 0.041 + 0.405 \times \text{internal communication.}$$

Therefore, the third hypothesis is confirmed, that is, the presence of an effect of Cultural norms on internal communication.

- By testing the hypotheses, we can answer the following question that states "Are there statistically significant differences in internal communication due to cultural diversity in the national variables among employees?" Where we find statistically significant differences in the assessment of cultural diversity attributable to the nationality of the sample members, while there were no statistically significant differences in the evaluation of internal communication attributed to the variables: gender and professional experience.

3.6 Synthesis of the survey:

From the questionnaire at LG Electronics we can derive the following information:

- ✓ Of the 35 persons we questioned:
 - ❖ 57.1% is male.
 - ❖ 48.6% is between the ages of 20 and 30.
 - ❖ 54.3% is of Algerian origin.
 - ❖ 45.7% are in the employee\worker category.
 - ❖ 48.6% have between 3 and 10 years of experience.
- ✓ The presence of cultural diversity within the LG Company is strongly average at a rate of 97.1%, but most senior positions are occupied by expatriate executives, therefore, local executives are in positions with less responsibility.
- ✓ 65.7% of the participants consider the cultural diversity within LG Electronics as an advantage, wealth, and a source of creativity. This emphasizes the company's efforts in

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managing differences, where 80% of the participants confirm that the company implemented favourable practices for that, and 68.6% perceive that managers are comfortable when dealing with this diversity.

- ✓ Respondents emphasized the place of the corporate culture in a culturally diverse workplace where it plays a reunification and identification role in overcoming diversity issues and bringing multicultural team members together towards a common goal. Indeed, their answers show that there is almost no form of discrimination related to origin, gender, or culture, where 91.4% of participants affirmed this.
- ✓ Written mail is the most used tool in LG Company to communicate with each other, at a rate of 68.6%.
- ✓ From the results, it appears that there is a high lack of communication across the downward communication channel (from subordinate to superior), which explains the existence of some delays in the dissemination of information, as 68.6% confirmed it.
- ✓ It appears that employees are aware of the favorable effects of effective intercultural communication when it comes to internal communication, where 83% indicated that it helps to create a strong sense of belonging. Moreover, 77.1% stated that it fosters the adhesion and attachment of the multicultural team towards the organizational objectives.
- ✓ Almost all participants have experienced barriers to communicating with colleagues from different cultures. Regarding these barriers, most of the employees indicated that they had internal communication issues related to both linguistic and cultural diversity. Where 57.1% perceived that speaking the same language is sufficient to achieve effective and professional internal communication, however, employees appear to be supportive of the idea which promoting a better understanding of the culture of other colleagues.
- ✓ None of the participants consider that the architecture of cultural differences within LG Electronics affects internal communication in a positive way. On the contrary, 82.9% perceive that it has affected it negatively.

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Table III.19- Results according to research hypotheses.

Research hypotheses	Results	Status
H1: Cultural diversity represents an advantage for the company if it chooses to take this diversity into account.	Although cultural diversity within the workplace is a challenge, the company is concerned about this aspect, where the majority of respondents consider it as a source of wealth that enhances creativity, making it a hotbed of new ideas and a company advantage.	Affirmed
H2: Intercultural Management presents itself as an essential function to enhance the benefits of diversity by ensuring a better internal communication process to improve team effectiveness.	According to the results, most of the employees had faced a communicating difficulty with their culturally different colleagues, but here emerges the role of intercultural management in recognizing the differences in communication styles and activating an effective communication process.	Affirmed

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H3: Knowing the spatio-temporal, religious and linguistic norms is essential to develop better communication.	According to our results, participants fully agree that knowledge of cultural norms and values, especially the linguistic one, will contribute to creating a harmonious and effective communication environment so that a good intercultural communication facilitates internal communication.	Affirmed
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3.7 Suggestions and recommendations:

Throughout the realization of our research work on the impact of cultural diversity within companies on internal communication, and according to the results of the survey we conducted based on an online questionnaire among LG Electronics employees, which made it possible to collect their perception of cultural diversity present within their work teams and how communication takes place in the company, we have constructed a list of recommendations in order to achieve better management of multicultural teams:

- Develop company policy that ensures respect and support for cultural differences, where individuals of minority groups gain as much education as possible, and show that stereotypes do not work on their case; with establishing some ways to verify that the employees are not only aware of the policy's existence but also understand it in full.
- Maintain an open-mind towards employees with different cultures, and explain other cultures and give expatriate workers pieces of advice when needed.
- Give both male and female equal opportunities during recruitment and other areas like growth and opportunities.
- Sponsor managers and employees to attend workshops and annual conferences in term of cultural diversity.

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- Encourage team bonding and plan for external events to help employees learn about each other and understand their cultural differences better.
- Enhance the awareness and sensitivity of employees regarding cultural differences by implementing an intercultural preparation program, and conduct a diversity training to ensure that employees acquire the necessary skills to work in a culturally diverse environment.
- Give and provide some senior management positions to employees from various ethnicities.
- More communication awareness for all company employees, and make internal documents and knowledge easily available.
- Encourage speaking out, sharing and dialogue, induce employees to comment on the information they receive, and foster open dialogue.
- Enhance the culturally-oriented language skills of all workforce, employees and managers.
- Enable clear communication channels from employees to senior management, and hire a consultant to help ensure that the teams' communication challenges are understood and accommodated.
- Use common languages to cater to all different ethnic groups; therefore, encouraging employees to attend an English language course is necessary.
- Train employees in terms of information and communication technology field and encourage them to make optimal use of these ICTs.
- Launch a software program where employees can constantly share their views, challenges, and experiences, and also enable it to serve as a platform for employees who want to share their challenges anonymously.
- Develop a strong organizational culture with clear norms and values, but the most important is to find ways and methods to ensure that the organizational culture is effectively communicated.
- Conduct communication audits at least once every 2 years.
- Establish employee schedules with considerations for cross-cultural differences especially concerning cultural and religious events and holidays.
- Promote the organization's commitment to supporting cultural diversity by recruiting people from different cultural backgrounds, maintaining these employees, and promoting them.

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Conclusion:

This chapter represents the basis of our practical work. In the first place, we developed the foundations of our practical study, namely all the methods relating to the development of our questionnaire, its distribution, data collection, but also to the analysis of the latter.

In the second place, the processing of the collecting data allowed us to clarify many points related to the perceptions of employees regarding the cultural diversity present within LG Electronics Company, and to identify the influences of this latter on internal communication. But also to achieve the objectives expected by the distribution of our questionnaire and which are the acceptance and/ or refutation of our research hypotheses.

Moreover, we have closed our chapter by accepting the three hypotheses of our study.

General Conclusion

General conclusion:

Culture represents all traditions, norms, life styles shared by a group of individuals. It is clear at the present time that globalization brought major changes at all levels in the world, including across borders business which made of cultural diversity an effective element at workplaces. Working with people from different backgrounds is interesting and brings more creativity but, it requires being aware about everyone's culture and differences. It also causes big challenges for multicultural companies. Thus, it is important to implement strong intercultural management strategies.

One of the main subjects that have a direct relation with cultural diversity is internal communication. It represents a key to employee engagement, increasing creativity, and developing a successful organizational change. Internal communication overseas has become a difficult and more complicated process because of language and cultural barriers. So they need to develop some skills to facilitate communication and create a climate where employees can interact effectively. The aim of this paper is to analyze success factors and challenges of employee communication within multicultural companies and to find out the kind of relationship between internal communication and cultural diversity. Throughout our research work, we made an effort to give importance to all concepts we found necessary to better understand; cultural diversity, intercultural management, internal communication. We tried to provide an analysis of the importance, the role of cultural diversity and intercultural management and the influence they have on internal communication which is important to the company and employees. To this end, we choose to make our study in a multinational so that allowed us to observe and collect perceptions of people from different backgrounds, and to analyze internal communication challenges between employees within multinationals.

This study allowed us to affirm that:

- Cultural diversity strongly exists in multinationals and has challenges and advantages for the company.
- Intercultural management practices can help overcoming cultural diversity problems especially when companies create one organizational culture to lead employees to one mutual goal.

General Conclusion

- Most of employees in multicultural teams find difficulties in communicating with colleagues from different cultures because of language and cultural diversity barriers.

According to our theoretical where we presented all dimensions of cultural diversity and practical study where we collected employees' perceptions about it, we were able to confirm our first hypothesis which states that: cultural diversity is both an advantage and challenge for companies.

We also found out that even if cultural diversity represents a lot of challenges for internal communication within companies as previously mentioned, intercultural management practices are a necessity to deal with all intercultural problems, to put internal communication under control and to try to improve it within multicultural teams.

Through studying internal communication we found that: developing skills of communication between employees from different backgrounds, and building knowledge about other cultures' norms, traditions, language, religion makes make multicultural communication much easier, develop a feeling of fraternity between workers, reduces misunderstandings, communication problems and drive employees to focus on one mutual objective so productivity will be raised and also companies' performance. Thus a good intercultural communication is a solid platform for an effective intercultural communication which confirms the last hypothesis.

At LG electronics Algeria, despite the efforts made by the company in the field of intercultural management, a part of perceptions showed that the architecture of cultural diversity affects internal communication negatively especially because of the lack of downward communication as showed the practical study so workers rarely communicate to the top managers which dangerous to employee engagement, comfort, and productivity. That is why we gave some recommendations in order to take advantage from the existing cultural diversity.

During the development of this dissertation, we encountered some difficulties generally related to the lockdown because of covid-19;

- In theoretical part it was difficult to find enough documentation.
- Lack of contact with the supervisor.
- Internship and practical study were remotely by internet.

General Conclusion

In the end, given the importance of the subject previously developed. We hope the study we did will be more developed by other researchers so that cultural diversity and employee communication find their real place within business.

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Annexes

Annexe III.1:

Questionnaire

As part of a thesis submitted in partial fulfillment of the requirements for a Master's degree in commercial sciences, major 'International Affairs' at the EHEC Algiers under the theme « The impact of cultural diversity on internal communication», we would be grateful if you could reply to this questionnaire.

Anonymity is guaranteed, we thank you in advance for your contribution to this study.

Axis I: Personal data

1- Are you?

- A man
- A woman

2- What is your age range?

- between 20 and 30 years
- between 31 and 40 years
- over 40 years

3- Are You?

- Algerian
- Expatriate

4- In your company are you?

- Senior
- Employee / Worker
- Technician

5- How long have you been with the company?

- less than 2 years
- between 3 and 10 years
- more than 10 years

Axis II: Cultural diversity within the company

- 6- Has your company implemented favourable practices for the integration of people from all over the country, and even internationally?**
- Yes
 - No
- 7- In your company, are managers comfortable with the presence of different cultures?**
- Yes
 - No
- 8- In your opinion, what place does the subject of cultural diversity occupy within your company?**
- An issue, a problem
 - Advantage, wealth and a source of creativity
 - None
- 9- In what proportion cultural diversity is present in your company?**
- High
 - Average
 - Low
- 10- Have you noticed any forms of discrimination related to the origin, gender, or culture (national or regional) within your company?**
- Yes
 - No
- 11- Does the attachment to the company's culture allow you to overcome the issues of cultural diversity within the company?**
- Yes
 - No

Axis III: The factor of internal communication

- 12- What are the most commonly used internal communication tools in your organization?**
- Display
 - Telephone
 - Internet
 - Idea box/ Suggestion Box
 - Word-of-mouth
 - Written mail
 - Company newspaper
 - Others:

13- Do these three forms of internal communication exist in your company?

- Downward communication (from superior to subordinate)
- Upward communication (from subordinate to superior)
- Horizontal communication (between services)

14- Are there delays in the dissemination of information?

- Always
- Sometimes
- Never

15- Does internal communication contribute to the creation of belonging sense within the company?

- Yes
- No

Axis IV: The relationship between cultural diversity and internal communication

16- When colleagues from different cultural backgrounds are involved in the interaction, do you feel like there are communicating barriers between you and the people you are communicating with?

- Never
- Seldom
- Sometimes
- Usually
- Always

17- Do you think speaking the same language is sufficient enough to achieve effective bussiness communication?

- Yes, speaking the same language is enough
- Non, Knowledge of the other one's culture is a major element for effective communication

18- If you feel as if there are communicating barriers, what do you think the main reason (s) is?

- Language related
- Culture related
- Religion related
- Power distance related
- Related to differences in personal communication goals
- None
- Others:

19- Does internal communication enable your multicultural team to embrace and adhere to the goals of the organization?

- Yes
- No

20- In your opinion, in what way does the architecture of cultural differences within your company affect internal communication?

- Positive
- Negative
- None

Annexe III.2:

Questionnaire

Dans le cadre de la réalisation d'un mémoire de fin de cycle en vue de l'obtention d'un master en sciences commerciales option "affaires internationales" à EHEC Alger sous le thème « l'impact de la diversité culturelle sur la communication interne », nous nous serions reconnaissant de bien vouloir répondre à ce questionnaire.

L'anonymat est garanti, nous vous remercions à l'avance de votre contribution à cette étude.

Axe I: Les données personnelles

1- Êtes-vous ?

- Un homme
- Une femme

2- Quelle est votre tranche d'âge?

- entre 20 et 30 ans
- entre 31 et 40 ans
- entre 41 et 50 ans
- plus de 50 ans

3- Êtes-vous ?

- Algérien (ne)
- Expatrié (e)

4- Dans votre entreprise vous êtes?

- Cadre
- Employée/Ouvrier
- Technicien

5- Quelle est votre ancienneté dans l'entreprise?

- moins de 2 ans
- entre 3 ans et 10 ans
- plus de 10 ans

Axe II: La diversité culturelle au sein de l'entreprise

- 6- Votre entreprise a-t-elle mis en œuvre des pratiques favorables pour l'intégration de personnes de tout le territoire national, et même de l'international?**
- Oui
 - Non
- 7- Dans votre entreprise, les managers sont-ils à l'aise au sujet de la présence de différentes cultures?**
- Oui
 - Non
- 8- Selon vous, quelle place occupe le thème de la diversité culturelle au sein de votre entreprise?**
- Un enjeu, un problème
 - Un avantage, Une richesse et source de créativité
 - Aucune
- 9- De quelle proportion la diversité culturelle est-il présent dans votre entreprise?**
- Elevée
 - Moyenne
 - Faible
- 10- Avez-vous remarqué l'existence de certaines formes de discrimination liées à l'origine, au genre ou à la culture (nationale ou régionale) au sein de votre entreprise?**
- Oui
 - Non
- 11- Selon vous, le fait de s'attacher à la culture de l'entreprise vous permet-elle de surmonter les issus de la diversité culturelle au sein de l'entreprise?**
- Oui
 - Non

Axe III: le facteur de la communication interne

12- Quels sont les outils de la communication interne les plus utilisés dans votre organisme?

- Affichage
- Téléphone
- Internet
- boîte à idée
- Bouche à oreille
- courrier écrit
- Journal d'entreprise
- Autres :.....

13- Est-ce que ces trois formes de communication interne existent dans votre entreprise?

- communication descendante (du supérieur vers le subordonné)
- communication ascendante (du subordonné vers le supérieur)
- communication horizontale (entre les services)

14- Ya-t-il des retards dans la diffusion d'information?

- Toujours
- Parfois
- Jamais

15- Est-ce que la communication interne contribue à la création d'un sentiment d'appartenance au sein de l'entreprise?

- Oui
- Non

Axe IV : La relation entre la diversité culturelle et la communication interne

16- Quand les collègues de différentes cultures interagissent, d'après-vous, existe-il des obstacles de communication entre vous et les personnes avec qui vous communiquez?

- Jamais
- Rarement
- Parfois
- Assez souvent
- Toujours

17- Pensez-vous que parler la même langue est suffisant pour parvenir d'une communication interne efficace et professionnelle?

- Oui, parler la même langue est suffisant
- Non, connaissance de la culture de l'autre est un élément majeur pour une communication interne efficace

18- Si vous indiquez des obstacles de communication, quelle est d'après-vous la principale raison (s) de ces obstacles?

- Obstacles liées à la langue
- Obstacles liées à la culture
- Obstacles liées à la religion
- Obstacles liées à la distance hiérarchique
- Obstacles liées aux différences des objectifs personnels de la communication interne
- Aucune
- Autres:

19- La communication interne permet elle l'adhésion et l'attachement de votre équipe multiculturel aux objectifs de l'organisation?

- Oui
- Non

20- D'après-vous, de quelle façon l'architecture des différences culturelles au sein de votre entreprise influe-t-elle sur de communication interne?

- Positive
- Négative
- Aucune

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