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Short annotation (approx. 100 words):

Employees are the main resource of any business. They seek to be recognized and awarded by their team, their leaders, so healthy relationships shall be established in the workplace. Employees in firms come from various cultures thus aim to achieve a common goal, it is common that the disputes between personalities occur, causing interpersonal tensions conflicts and frustrations. The overall performance of the firm – its productivity, efficiency and effectiveness - can increase dramatically if the diversity in the workplace is managed effectively. This article discusses the intercultural, business, and communication strategies that are a part of intercultural business communication. It analyzes cultural differences in the workplace and advises communication tips for employees.

Research question:

Research Question 1: What are benefits of diversity in the workplace?

Research Question 2: Can you describe the Hofstede's model of national culture?

Research Question 3: How to ensure good intercultural internal cummunication in an organization?

Text of the paper / article:

MANAGING DIVERSITY IN A WORKPLACE

Problem Statement

This article's objective is to discuss the intercultural, business, and communication strategies that can solve the problems in international organizations with intercultural business communication. It analyzes cultural differences in the workplace and advises communication tips for employees. Both managers and employees of international companies can benefit from this information. Actually, also my colleagues found this information interesting, as we work in an international telecom company and sometimes cannot understand why miscommunication happend or we experienced other than expected behaviour of colleagues from various countries.

Employees are the main resource of any business. They seek to be recognized and awarded by their team, their leaders, so healthy relationships shall be established in the workplace. Employees in firms come from various cultures thus aim to achieve a common goal, and it is common that problems, like disputes between personalities occur, causing interpersonal tensions, conflicts and frustrations. The overall performance of the firm – its productivity, efficiency and effectiveness - can increase dramatically if the diversity in the workplace is managed effectively.

Possible Solutions

1. Communication model

Good communication skills remove the barriers to effective communication in a culturally diverse environment. These barriers in communication can occur on multiple levels in the process of communication, which will be analyzed below.

Claude Shannon and Weaver developed the Model of communication in 1949 (by businesstopia in Communication, 2018). Their model includes source of information, message encoder, transmitter, signal, channel, decoder of message, receiver and noise – see Figure 1.

Before communication starts, we shall ask ourselves what is the desired outcome of our message, what is our goal to communicate and choose an appropriate channel and communication type. We shall appropriately encode the signal (the message) and receiver shall properly decode it. Giving feedback is also a powerful and productive tool for both sides – information source and receiver. Especially in multicultural and multienvironmental communities, feedback can provide a basis for necessary communication changes, clarifications, and adjustments, if needed.
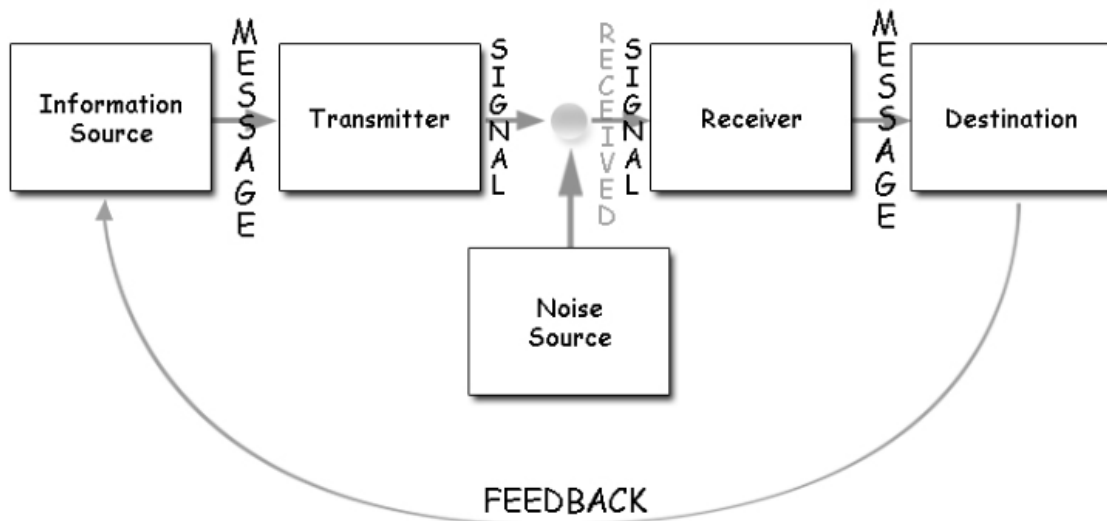

Figure 1. Claude Shannon and Weaver: the Model of communication. businesstopia, (2018, January 6). *Shannon and Weaver Model Of Communication*. Retrieved from https://www.businesstopia.net/communication/shannon-and-weaver-model-communication

When sending communication to other countries or to members of different cultures, where different languages are used, the problem with communication arises or increases. The receiver may not get and fully understand the same message as was sent. Here, also dialects and phrases might have different connotation in various countries.

2. **A national culture view**

National culture includes differences in values and beliefs among people of the societies. The link between culture and communication is important to understand because it is through the influence of culture that people learn to communicate.

There are differences in national cultural beliefs that may have an impact on work related situations. One example are religious beliefs. If an employee's religion requires prayer during the day, we should remember not to schedule essential meetings at that time. This will create the message that the employee is important. Allowing flexibility around holydays when possible also considers different religious backgrounds.

Geert Hofstede is one of the most important authors on the subject of national cultures. Hofstede's studies provide a simplified comparison between societies' responses in the defined dimensions. He identified six independent dimensions of national culture differences. These dimensions help make predictions on how people from these cultures could behave in some situations. The dimensions are as follows (by Hoftede Insides, 2019):

- Power Distance Index (PDI)
- Individualism versus Collectivism (IDV)
- Masculinity versus Femininity (MAS)
- Uncertainty Avoidance Index (UAI)
- Long Term Orientation versus Short Term Normative Orientation (LTO)
- Indulgence versus Restraint (IVR)

When the index differentiates by 10 points, there are already notable cultural differences between nations.

In my work at the major international telecom provider, there is a multinational team of so called "multiplicators" (senior employees who multiply the knowledge among their team members), that I coordinate. In this team, the following nationalities exist: Croatian, Greek, Polish, Slovak, German and Hungarian. We can compare them using Hofstede's national culture model – see Figure 2 and Figure 3.
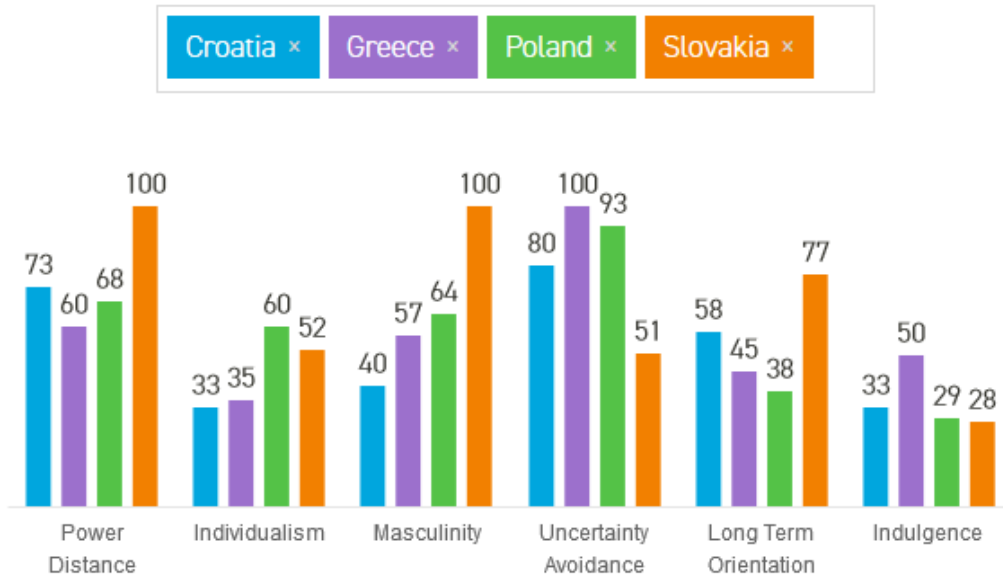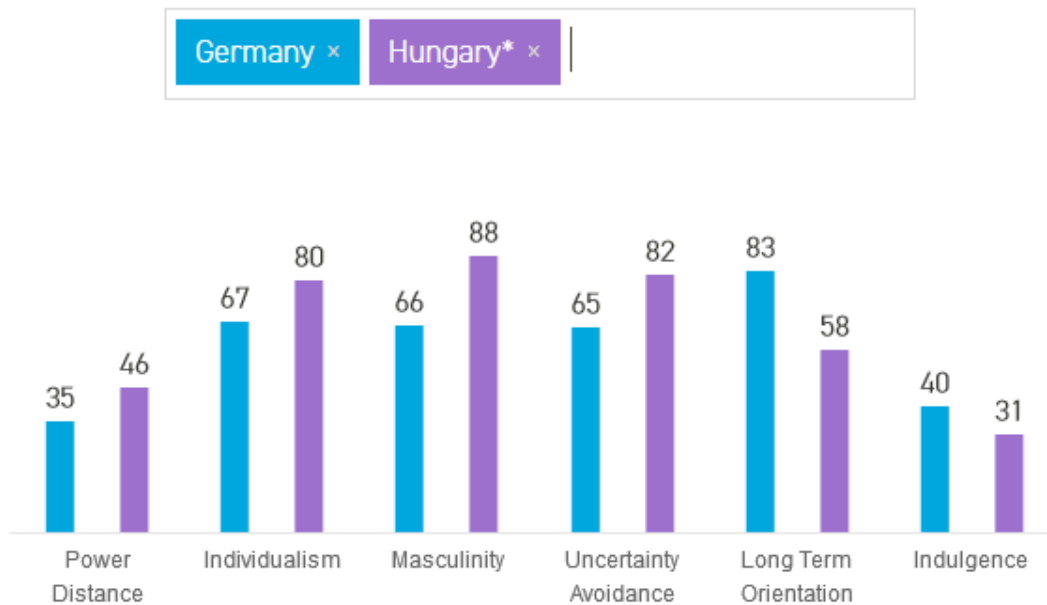
| Croatia × | Greece × | Poland × | Slovakia × |

Figure 2. Hoftede's national culture dimensions for Croatia, Greece, Poland and Slovakia. Hoftede Insides, (2019, July 02). *Compare countries.* Retrieved from https://www.hofstede-insights.com/product/compare-countries/

| Germany × | Hungary* × |

Figure 3. Hoftede's national culture dimensions for Germany and Hungary. Hoftede Insides, (2019, July 02). *Compare countries.* Retrieved from https://www.hofstede-insights.com/product/compare-countries/

a. *Power distance index (PDI)*

This dimension expresses how a society handles inequalities among people. In societies with low Power Distance, people wish to have equal distribution of power and demand justification for inequalities. Status symbols of power are important in high Power Distance countries.

Croatia	Greece	Poland	Slovakia	Germany	Hungary
HR	GR	PL	SK	DE	HU
73	60	68	100	35	46

Figure 4. Summary of the Data from Figure 2 and Figure 3 – PDI values. Own compilation

In the multiplicator team, this index starts with 35 for German colleagues and ends up with 100 for Slovak ones – huge difference. So the Slovak colleagues, followed by Croatian ones will accept hierarchical environment, they will tolerate better privileges of powerful leaders than other nations. German colleagues, also Hungarian ones, will expect equal distribution of power within a society, they believe in independence and that management facilitates and empowers, applies less control. Communication shall be direct, open, participative and informal. Responsibilities shall be delegated, performance and achievement lead to promotions. Decision making may take longer time, autonomy and space to execute tasks is beneficial.

On the other side, we shall expect that Slovak colleagues will communicate to managers with care and respect, they will not give their opinions, express disagreement. They will do it indirectly and informally. These colleagues shall get clear instructions and expectations, much initiative shall not be expected. Promotions shall depend more upon seniority and experience, not upon achievements. Leaders do decisions. People will avoid telling bad news, only good ones, it will take efforts to find out what goes wrong. Senior people – in hierarchy and age – shall be respected, titles shall be used. Leaders will have closed doors, delegation of tasks is low.

b. *Individualism versus collectivism (IDV)*

Individualism can be defined as a preference in which individuals are expected to take care of only themselves and their immediate families. Its opposite, Collectivism, represents a preference in which individuals can expect their relatives or members of a particular ingroup to look after

them in exchange for their loyalty. A society's position on this dimension is reflected in whether people's self-image is defined in terms of "I" (individual) or "we" (in-group).

Croatia	Greece	Poland	Slovakia	Germany	Hungary
33	35	60	52	67	80

Figure 5. Summary of the Data from Figure 2 and Figure 3 – IDV values. Own compilation

The highest IDV index is in our example in Hungary, the lowest in Croatia, closely followed by Greeks. That means that Hungarian colleagues have highly individualist society, personal fulfillment is desired. These colleagues will not request security of employment comparing with Croatians or Greek ones. Hungarian colleagues will not tend to or tolerate employment of friends or family members, they will prefer strangers. Giving personal opinion is in high IDV countries appreciated.

Croatians and Greecs are loyal to their bosses, accept clientelism and family of their bosses at work.

c. Masculinity versus femininity (MAS)

The Masculinity side of this dimension represents a preference in society for achievement, competitiveness, heroism and material rewards for success. Its opposite, Femininity, stands for a preference for cooperation, modesty, caring for the weak and quality of life, is more consensus-oriented. It can be related to as "tough versus tender" cultures.

Croatia	Greece	Poland	Slovakia	Germany	Hungary
40	57	64	100	66	88

Figure 6. Summary of the Data from Figure 2 and Figure 3 – MAS values. Own compilation

In low MAS countries like Croatia, feminine approach preveals, with modesty, equality, solidarity, fairness, quality of life with leisure time, taking care of handicaped. Conflicts are to be avoided or resolved by compromise, consensus and negotiation. Cooperation is highly valued. Focus is not only on the job, private life is equaly important. An average employee is considered the norm, not the best student.

The highest MAS score is reached by Slovakia, followed by Hungary. People in high MAS score (maskulin one) will tolerate long work hours, short holidays, more travel, competive working enviroment, personal/individual achievement, they will expect promotions and apprisals in public, and gaining privileges (also material success), formalized assessment with fix targets and high work commitments. They say, winner takes it all, being the best is a high motivator. Meeting shall have clear objective, decision shall be taken. Business can be discussed also after working hours.

My past experience relevant to MAS index - while the Norwegian boss leaves the office without finishing important work for home at 16.00, as his family waits for him to have dinner together, the Korean boss asks us to stay 36 hours without sleep and finalize the reporting (systems needed some adjustments) or cancel summer vacation, as the company/employer needs us during this summer. This dimension shall be also considered when calling by phone to different time zones. Some cultures will deal with you also in the evening (Asians), while others like to respect their private life after working hours. Therefore, you should not call them after work.

d. *Uncertainty avoidance index (UAI)*

The Uncertainty Avoidance dimension expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity.
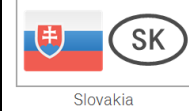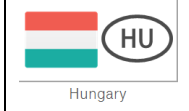
HR Croatia	GR Greece	PL Poland	SK Slovakia	DE Germany	HU Hungary
80	100	93	51	65	82

Figure 7. Summary of the Data from Figure 2 and Figure 3 – UAI values. Own compilation

Countries exhibiting high UAI, like Greece, followed by Poland maintain rigid codes of belief and behaviour, and are intolerant of unorthodox behaviour and ideas. These countries do not accept change easily, are risk adverse (contingency plans), intolerant to unorthodox ideas, behaviours. They implement strict rules, policies, regulations. Focus is on punctionality, structure, details, opinions shall be documented by facts and statistics. Good manager shall be also an expert who knows more than his employees.

Low UAI societies, like Slovakia and Germany maintain a more relaxed attitude in which practice counts more than principles, unpredictability is accepted. Compromise is a sign of strength. Showing emotions is childish, means that one cannot control himself.

e. *Long Term Orientation versus Short Term Normative Orientation (LTO)*

This dimension is referred to as (short-term) normative versus (long-term) pragmatic.
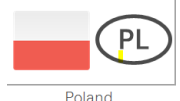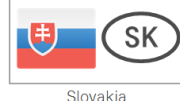
Croatia	Greece	Poland	Slovakia	Germany	Hungary
HR	GR	PL	SK	DE	HU
58	45	38	77	83	58

Figure 8. Summary of the Data from Figure 2 and Figure 3 – LTO values. Own compilation

High societies, like Germany, followed by Slovakia are more pragmatic, long-term oriented. They like to save and invest their earnings, rather than spend right now. They are future-oriented and accepting change. To reach long-term goals, they need to be self-disciplined, invest in learning. Self-discipline and efforts shall be measured on long-term (5 – 10 years). Truth is dependent on time and context, can change in time. Gentleman agreement has the same value like a written contract. Also the connotation of punctuality in meetings and planned interactions are strictly kept comparing with lower score countries.

The lowest score was in Poland, followed by Greece. Here, tradition and relegion plays important role in life, respecting intellectual property rights is of high level. During my work in Greece, I have experienced situations that after 10-minutes coffee break no Greek colleague came back to day-long meetings, they came maybe after 30 minutes or not at all, with a message that they have important work to do. As a lesson learned we started to implement only lunch breaks and encouraged the colleagues to fullfil their biological needs individually, when needed during our sessions. The meeting attrition has improved with this measure.

f. Indulgence versus restraint (IVR)

Indulgence stands for a society that allows enjoying life and having fun. Restraint stands for a society that suppresses gratification of needs and regulates it by means of strict social norms.
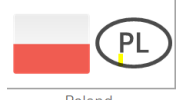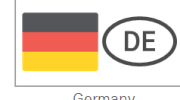
Croatia	Greece	Poland	Slovakia	Germany	Hungary
HR	GR	PL	SK	DE	HU
33	50	29	28	40	31

Figure 9. Summary of the Data from Figure 2 and Figure 3 – IVR values. Own compilation

More restrained countries have lower IVR score – it covers Slovakia, Poland and Hungary. In these cultures employees may be more serious, but also more critical, they request structured approach and order, need more encouraging to participate. These people do not spend money easily, are thrifty.

On the other side, Greek colleagues tend to having a lot of leisure time, enjoy life, use email and internet privately at work, are more optimistic, spend money as/when they wish.

Conclusion: When we obtain information from the six cultural dimensions, we can predict how people from different cultures will behave in certain situations, how to communicate with them, which motivation awards shall be chosen for them. Still, individual preferences, values and beliefs shall be considered when dealing with concerte individuals, as their characteristics can differ from the general culture they come from.

3. An organizational culture view

Organization culture is to organizations what personality is to people. Culture combines many things: work practices, values, how processes and other systems are carried out, styles of leadership, decision making and thinking about organizational challenges and solutions. One can define organizational culture as a set of the organization values, shared essential assumptions, and beliefs that are presented to new joiners and within the teams as the appropriate way to act and think. The organizational culture can determine, among other things: how effectively and quickly tasks can be performed; how receptive a company is to change; and how employees interact with each other. Changing a culture is probably one of the most challenging and difficult tasks a manager has.

Organizational Culture is defined as the way in which members of an organization relate to each other, their work, and the outside world in comparison to other organizations. It can either enable or hinder an organization's strategy. (Organizational culture). There is no "**right**" or "**better**" culture. Any culture (like a personality) can be adaptive to its environment or not, in balance or not, and authentic or not. Determining and aligning a management approach that is being implemented with the existing organizational culture is the difference between flourishing success or abject failure. Not all ideas are good ones, depending on their fit with the organization's culture.

National Culture and Organizational Culture are not the same. But, the larger the group of employees becomes, the more noticeable national culture will be. It should be noticed that the actual company culture may differ from company values, as these reflect the idealized culture, rather than the actual culture. A well-set organization culture can be a valuable asset to the organization. It can increase its adaptability and interactions with its environment, it can help to choose suitable management styles and priorities, and even increase organizational efficiency, encourage creativity and loyalty. For example, a culture of greed was among the primary reasons cited for the collapse of Enron.

According to Hofstede, his five dimensions of national cultures, which are based on values, are not suitable for comparing organizations within the same country. Hofstede considers these two different fields of study, with national cultures belonging to anthropology and organizational

cultures belonging to sociology. Hofstede created a new approach for organizational cultural differences throughout six dimensions:

Dimension 1: Means-oriented vs. Goal-oriented

Dimension 2: Internally driven vs. Externally driven

Dimension 3: Easygoing work discipline vs. Strict work discipline

Dimension 4: Local vs. Professional

Dimension 5: Open system vs. Closed system

Dimension 6: Employee-oriented vs. Work-oriented

Organizational culture is the main aspect of any successful organization. A positive culture can help attract and retain loyal and committed employees, which, in turn, can strengthen relationships with customers and other partners. Oganizational culture must be monitored and nurtured to ensure that it reflects the organization and its vision.

The size of this paper does not allow to analyze this aspect futher.

4. Internal communication

„It's not what you say. It's how you say it".

Internal communication in a multicultural organization is a source of many challenges on all employment levels. It uses different formality degrees – from a party celebration to newsletters. Appropriate channel selection, as the means by which a message is transmitted, is necessary.

There are the following communication types with relative channels:

a. Verbal communication

According to many researchers, verbal communication adds up to just 10 % of influence in communication. Another 20 % is how we say words, how we express ourselves, pauses in our speech. Verbal communication can be oral, written and electronic.

I. Oral communcation

Oral communication includes face to face, by telephone, Skype, video conferencing, monthly meetings, workshops. Oral communication is suitable for simple, routine instructions, emotional encouragements, building rapport, providing feedback/criticism.

Also, face to face communication can be easier than the below types of communication in cases, when we want to avoid misunderstandings in challenging situations (giving feedback to an employee).

Language is the source of meaning, different cultures can assign different meanings to particular words. In addition, one object can have a different name in various cultures. Managers can adopt the usage of cultural-related motivating languages to encourage employees in order to build a positive working atmosphere.

On the phone, we shall be aware of our voice tone, how we stress words. Receiver can easily hear you smile or breath.

II. Written communcation

Written communication can be in a form of a letter, report, memo, posters, magazines – new instructions for future reference, to avoid dispute, like technical documentations, financial figures.

Written communication shall fit to a receiver, so when writing to highly educated employees, we use different selection of words than to less educated ones. Using slang is not recommended, especially in the multi-language cultures, as nonnative speakers may not understand it. Technical words and abbreviations shall be used with care, or a list of definitions shall be given. Dominance or discrimination will obviously not be accepted in communication.

III. Electronic communication

Electronic communication includes fax, email, intranet, blogs, digital newsletters, screen savers, backgrounds on PC, SMS in mobile phone, WhatsApp, instant messaging, social media.

They provide a record of communication, comparing with verbal communication. We can observe their increased usage these days, as electronic communication is very efficient and fast. On the other side, interpretation of messages in emails can be conflicting, also because employees feel the lack of nonverbal communication.

Subject line in emails helps a receiver to get an overview of your topic. We should not skip it. Starting with name will help to have some personal touch. Here, respect for culture is inevitable. In some countries, like Scandinavia or Russia, we can use the first name in a friendly manner

(Hello Anna), while in other countries like Germany or Korea, bosses like to be named as Dear Mr Hong or Dear Mr Glass (not Hi Ingook or Hans).

Communication shall be as simple as possible to eliminate differences in language and tactful to different cultures. Power of positive thinking and cheerful attitude, seeking solutions to problems (Let's try..., How can we...) can also contribute to successful communication.

In our experience with Asian (Korean) verbal communication, we observed that Koreans were not able to say „no", when being directly questioned in negotiations. This resistance comes probably from their Buddhist past, which requests not to offend a communication partner. Knowing this, we tried to submit important decisions through an approval workflow, where they had to click yes/no, in these cases they were able to express their right decision.

b. Nonverbal communication

Approximately, 70% of our daily communication is nonverbal. Actions speak louder than words. It covers our tone of voice, body language, touch, physical proximity, eye contact. When a listener has a conflict between our verbal and nonverbal communication, he will tend to trust the nonverbal one, or will have conflict in receiving the message. That is why we shall concentrate on communicating verbally how we really feel, to be authentic in our communication.

Body language includes our facial expressions, gestures, our style of eye contact, breathing rate, swallowing or coughing, blushing, standing/sitting. Various cultures show their expressions of joy, anger, sorrow, disgust in different ways. Some cultures make less eye contact or physical contact in general, then others. From our experience, physical contact – and also keeping less personal space in business interactions between two persons - was closer in cooperation with Italians or Arabs, more distance was kept with Scandinavians or Koreans (Asians in general). Koreans consider staring to one's eyes as aggressive behavior. We should look over their shoulder or around their ear. When our Korean boss (1,55m tall) approached his subordinate (2m tall), the standing position was not suitable due to a feeling of domination. The request, „Let's sit down", always came.

c. General recommendations for the receiver

So, we shall understand who our audience is, have understanding of their knowledge, their missing pieces and limitations, and be able to send a complete message, so that they can decode it.

The receiver, for the sake of successful communication, shall pay attention to the sender and not create his or her own conclusions/assumptions in advance. He/she shall not interrupt or give negative comments/movements. He/she shall not have prejudices in clothing, skin color, or race.

Conclusion

Multinational organization shall develop an authentic and trusting organizational culture, paying attention to intercultural communication and its specifics, to be able to maintain and motivate the best labor market employees in long term. In such organizations, there is high employees' retention and loyalty. If there is the lack of focus on an individual, humane approach, organization fails to deliver high performance and productivity in long-term run. Organizations are living organisms, not just inorganic machines.

Well performing teams are a mix of different skills, personalities, also different cultures. Through their variety, they achieve better results in dealing with issues, finding higher quality solutions. We need to use our cultural differences to create a competitive advantage for our projects and companies. The effectiveness of diversity training programs can be measured with an index Return on investment (ROI).

In the future, it will not be the technical management that will be our greatest challenge but the intercultural communication skills, we must truly master to become effective global companies. Even if we do not get it right always, employees will appreciate willingness to meet him or her on common ground, and this motivates all colleagues to work cohesively, reaching for the highest potential.

The global multinational companies must exercise also an understanding of how the other person wants to be treated in a business environment. Making efforts to get to know the individuals in each team requires high level of managerial soft skills, and effective ways to implement these skills making an individual feel visible and important.

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