

Basic Requirements for Global Business Success: Cultural Awareness, Sensitivity and Competence

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Abstract

As the impact of globalization is growing, the need for intercultural communication competence increases. In the present-day multicultural context, cross-cultural interactions are encountered on a daily basis, so, business people, like everyone else, are forced to escape the comfort of their culture-specific habits of mind and patterns of behaviour and thus be able to engage in effective cross-cultural communication with their business partners and clients. This article is based on a more extensive research study analysing the interaction between Romanian, French and Indian employees inside of a multinational company located in Romania. In order to gauge the level of cultural awareness and competence at corporate level, a 29-item questionnaire has been used, and conclusions have been drawn based on the respondents' answers to the questions, the most relevant of which are discussed here. The article aims to determine the extent to which the empirical data of this research coincides with the theoretical information that has constituted the basis for the questionnaire design.

Keywords: *cross-cultural communication; cultural awareness, sensitivity, competence; occupational culture.*

1. Preliminary Considerations

.1. An Introductory Note

The present business context, under the influence of globalization, is defined by increasing connections between people from all around the world, from different cultures. Economy, politics and culture are all extending from one side of the world to the other. The boundaries are blurred, so this linkage is connecting people, at least on the surface. If it can be easy to interact with our neighbours and people from our country because their behaviour is similar to us, interacting with individuals from a totally different cultural background might be a little difficult at first if we are not prepared for it. As the impact of globalization is growing, the need for intercultural communication competence increases. In this multicultural context, cross-cultural interactions are encountered on a daily basis. So, business people are forced to escape the comfort of their culture-specific habits of mind and patterns of behaviour.

Cross-cultural interactions help us better understand ourselves and our unconscious, culturally shaped, behaviour patterns: when foreigners become our reference to reality, they function as a mirror for us which depicts our differences through their alterity. So, if we are open to honestly observe and analyse ourselves, we can learn a lot and find new ways to improve our abilities.

In situations of cross-cultural interaction between business people (e.g. during negotiations), when interlocutors are really willing and able to connect in a culturally aware and competent manner, chances are that the whole communication process flows smoothly and is easier to reach a win-win result.

Apart from theoretical knowledge about the differences in behaviour between cultures, the success of intercultural communication requires skills such as sharpening our senses to perceive delicate signals, a balanced attitude, self-control, as well as emotional and social intelligence (Goleman, 2007). Nowadays, when people “talk” a lot due to the sophisticated means offered by high technology, when there is an inflation of words which have lost their power through overuse, it is important to note that simply talking does not always mean communicating in the real sense of the word. Talking is about sounds, real communication is about communion, and also about how you perceive the other in order to adapt your message to his/ her non-verbal feedback. Effective communion is something that cultural competence makes possible.

1.2. Requirements for dealing with cultural differences: cultural awareness, cultural sensitivity, cultural competence

The three basic requirements for effectively dealing with cultural differences are:

- cultural sensitivity
- cultural awareness
- cultural competence

Cultural sensitivity is manifested through the importance one attaches to the feelings of people from a different cultural environment. In order to be culturally sensitive one should be very attentive, tolerant and flexible.

Cultural awareness can be firstly defined as one’s ability to go through a humbling process of self-reflection and analyse one’s own cultural values, beliefs and perceptions. Secondly, it is the ability to take note of, observe and understand other cultures’ values, beliefs and perceptions.

There are several levels of awareness which show how people evolve in accepting cultural differences:

- the parochial level, when one considers his way the only way of acting, basically one does not sense that other cultures behave differently;
- the ethnocentric level, when one realizes the differences between cultures, but believes that what is different is wrong, so one’s way is the best;

- the synergistic level, when one realizes the differences, accepts them and tries to find a middle way of understanding, in spite of these disparities;
- the participatory level, when one does not want to build a road between two different cultures, but to create a new shared cultural approach to a certain situation.

Cultural competence is a skill that goes further than cultural awareness. It does not imply only understanding cultural differences, but also the ability to shift and change one's behaviour according to the distinctions observed. To be able to work and communicate across cultural boundaries by purposely controlling and modelling one's behaviour in sync with one's foreign partner. It is, basically, the art of applying the knowledge resulted from cultural sensitivity and awareness.

.3. Theoretical Considerations on classifications of culture from various perspectives

The theoretical framework of this study is represented by the classifications of culture provided by three authors, Edward T. Hall, Geert Hofstede and Fons Trompenaars, with an emphasis on only some of the cultural differences identified by them, i.e. high-context vs. low-context (Hall); Large vs. Small Power Distance, Individualism vs. Collectivism, and Strong vs. Weak Uncertainty Avoidance (Hofstede); Neutral vs. Affective (Fons Trompenaars):

High- versus low-context communication

Enunciated by Edward Hall (Hall, 1989:91), this opposition refers to how direct or indirect the communication style of a culture is and the extent to which it depends on the contextual framework or not.

Monochronic versus polychronic cultures

This classification of cultures, by Edward T. Hall, makes reference to a culture's attitude towards time. Basically, monochronic people prefer to schedule their activities very rigorously, and do "one thing at a time", whereas polychronic people are not so strict when it comes to scheduling and prefer to perform several actions simultaneously. (Hall, 1959: 78, Hall, 1989: 17)

Power distance

This concept, used by G. Hofstede (Hofstede et. al, 2012: 61-93), refers to the emotional distance which separates the bosses from their subordinates, based on the principle of inequality between people; this dimension may also point to the level of formality in a culture According to Hofstede, apart from a few notable exceptions, Large Power Distance cultures, which are more hierarchical, tend to display a higher level of formality than Small Power Distance cultures, which tend to be more egalitarian and informal.

Individualism versus collectivism

This cultural dimension, enunciated by G. Hofstede (Hofstede et al., 2012: 94-136), analyses the purpose of a person's actions: if they are performed for the benefit of the group or for the benefit of the individual only.

Uncertainty avoidance

This dimension, according to G. Hofstede (Hofstede et al., 2012: 184-227), measures a culture's tolerance of everything that is ambiguous and unpredictable.

Neutral vs. Affective

Fons Trompenaars (among other authors) distinguishes between Neutral and Affective cultures (Trompenaars and Hapden-Turner, 1998: 69-80) in terms of expressing emotions freely versus controlling one's emotions.

2. The research study

2.1. The research method: the questionnaire

The research method for this study was a questionnaire of 29 questions answered by colleagues from the multinational company one of the authors of

this article works for. The company is led by Indian managers, so the organizational culture is expected to be influenced by the Indian culture. Its Romanian employees interact on a daily basis with French and Indian partners.

Some specifications about the interaction with the French partners are needed in order to clarify the nature of the relationship the Romanian employees have with them: the multinational has a French client company whose accounting team, located in France, does only part of the accounting process, the rest of the process being ensured by the Romanian team. Due to the fact that they are the representatives of the client, they dictate to the Romanian employees how to carry out their work process. They are the Romanian employees' supervisors, so, everyone in their team, from the lowest position to the highest, is a kind of superior to the Romanian employees.

17, 6% of the Romanian respondents of the study are males, and the rest of 82, 4 % are females. The Romanian respondents are aged between 23 and 30. 76, 5% of the Romanian participants in the research are process associates, while the rest of 23, 5% are team managers. The Romanian respondents have an experience of interaction with their French and Indian partners ranging between 1 year and 10 years.

2.2. The research objectives and results

The main objectives of this research have been:

- A. to identify the cultural differences between the three countries studied: French, Romanian, and Indian;
- B. to determine if the answers to the questionnaire coincide with the information constituting the theoretical framework of the study (the theories of Hall, Hofstede and Trompenaars);
- C. to assess the level of cultural awareness, sensitivity and competence of the Romanian employees of a multinational company when dealing with their French and Indian partners

A. Cultural differences

- The degree of individualism

Because France is the most individualistic of the countries analysed (according to Hofstede the individualism score is 71, which is more than twice as high as the Romanian one: 30), problems were expected to arise due to this culture gap. Individualistic people organize their lives and activities according to their own will, that's why the French partners tend to be more egocentric and indifferent to how other people feel. When asked to name a negative characteristic of the French culture, most of the Romanian respondents mentioned superiority and arrogance in various ways, such as: "they believe that they are on the top of the world and no one is like them"- this behaviour is perceived as annoying by Romanians, who due to their collectivistic nature are more selfless and humble. The Romanians feel offended when they are treated with superiority, while for the French this is just normal behaviour, whose effects they are unaware of.

Furthermore, one of the sources of conflict mentioned by the Romanian respondents is the lack of communication from the French. This is due to a difference mental programming, to use Hofstede's analogy between cultural determinism and computer programming: Romanian employees, who are part of a collectivistic culture with a high power distance index (90), expect and wait to be told what to do. Even though the French are also quite a large power distance nation (with a PD score of 68), they are individualistic, so they expect their subordinates to know what they have to do without being told, and to take initiative.

- The level of expectations

The French client is known among Romanian employees to be a "tough one" because of its exigent demands. The French expect refinement in all types of activities, no matter how unimportant they may seem to us and if that requirement is not met, they criticize us. The Romanians find these sophisticated requirements or dissatisfactions exaggerated and irritating, an impression which is probably influenced by our humble and simple style inherited from our peasant ancestors. We are not used with this type of fancy attitude in every situation.

- The formality level

In the business context, the French put an emphasis on formality and professionalism, which sometimes works as a barrier with which Romanians do not feel at ease (which is surprising, since Romanian culture, which is very hierarchical, should be at least equally formal). Some of the negative characteristics enunciated by the Romanian respondents were rigidity, harshness, and “the fact that they are not always warm” – which may be due to what is perceived as an exaggerated level of formality.

- The way of expressing opinions

Even though both the Romanians and the French, like all Latin nations, are members of high-context cultures, the French present a peculiarity: in the business arena they actually behave in a low context manner, which means they are direct and straightforward. This implies they give negative feedback bluntly. This generates discontent because the Romanians, used to toning down their criticism of others’ mistakes, take this direct criticism personally. They do not understand that their supervisors did not want to offend them, but only behaved as they are used to.

- The organization of work

The Romanian respondents consider the lack of tidiness and organization of their Indian partners a source of conflict between them. They are clumsier than us and tend to be inattentive.

- The courage to admit lack of knowledge

When asked to name a negative characteristic of the Indian culture, some respondents mentioned that they did not have the courage to admit clearly that they did not understand a procedure. This “flaw” may be caused by the sense of shame specific to Asian cultures, where losing face is a big issue. They may find it disgraceful to ask for further explanations about something they should already know. The way people ask questions, directly or indirectly, is influenced by the high or low context communication style. Both Romanians and Indians belong to high context cultures, but it seems that Indians are higher context than us.

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- Self-control

When asked about how the Indians react in times of conflict, the respondents oscillated between “complaining to a superior” and “with calm and understanding”, but no one mentioned dramatic reactions. This validates their neutral behaviour (which manifests itself by hiding emotions and feelings); the Indian employees seem to be less impulsive than the Romanian and the French (which were described by the Romanian respondents as behaving impulsively in times of conflict).

B. Do the answers to the questionnaire coincide with the information constituting the theoretical framework of the study (the theories of Hall, Hofstede and Trompenaars)?

Here are some of the questions included in the questionnaire:

- Question: “Who decides and controls the work process?”

Answers: 70% of the respondents said that “the employees were expected to take initiative and 30% said that “work is not done unless tasks are delegated by managers with clearly defined instructions”.

This question was aimed at identifying the level of power distance. The main work process characteristics are directed and established by the French partners. Nevertheless, when answering this question, the respondents must have thought of the new situations they encountered in their day-to-day activity, for example when facing a particular situation with a vendor. These are cases when they have to take initiative and to find the best measures in order to solve any problems that may occur.

- Question: “Your foreign partners are:
 - a. highly sensitive to interruptions - 65% of the respondents;
 - b. easily breaking an action chain - 35% of the respondents.

This is a case where the occupational culture has a huge impact on the behaviour of the partners. According to Edward Hall, the French have a combined attitude towards time: they tend to be monochronic in their intellectual activity and polychronic in their behaviour. However, in this case, according to the majority of the answers, they turn out to be monochronic. This is because in the accounting field interruptions are not welcome and they may have a financial impact, so this justifies the sensitivity of the French to interruptions.

- Question: Do your French collaborators encourage standardization or

innovation of the work process?

Answers:

“Standardization”-64%

“Innovation”-47%

“Other”-11%

Standardization reduces the chances of unexpected outcomes. The French UAI is very high: 86, the Romanian UAI is also high: 90. However, the UAI of the culture is not the only factor which influences the facts in this situation. The occupational culture has again a huge impact in this case: it is obvious that the accounting process is one that should have a broadly standardized system which ensures financial security.

The majority of answers coincide with the theories exposed in the theoretical information this research was based on; however there are some discrepancies between them. In assessing the level of conformity between theory and empirical findings we should take into account not only the differences between the national cultures involved, but also the impact of organizational culture and occupational culture. Moreover, the physical context (the fact that the French partners are located in France, while Romanian employees are in Romania), has an impact on the relationship the Romanian team has with the French: distance is a barrier to developing it to its full potential (which could happen if this spatial barrier did not exist).

C. The level of cultural awareness, sensitivity and competence of the Romanian employees of a multinational company when dealing with their French and Indian partners

The second part of the questionnaire, from question 19 to the end, aims to observe how culturally aware, sensitive and competent the Romanian respondents are. Firstly, they were asked to name a value appreciated in their own culture.

The main values declared by them were: empathy, easy to adapt, team work, patience, honesty, diligence, responsibility, a friendly and optimistic attitude, charisma, rigour. Qualities which are closely connected with the collectivistic perception of the world: they all express requirements for blooming human relationships. So they prove that they meet the first condition of cultural awareness by having the ability to analyse and identify the values appreciated in their own country.

Secondly, the Romanian respondents were asked to give examples of negative characteristics of French culture. Most of them chose superiority,

arrogance but some expressed it indirectly, for example: “they believe that they are on the top of the world and no one is like them”. These observations show how Romanians’ more collectivistic and therefore more selfless attitudes clash with the individualistic style of the French (more self-oriented and paying less attention to the needs of others).

Moreover, the Romanian respondents’ cultural awareness was checked, and how well they acknowledged that what was different might be better, by asking them to draw a parallel between countries and to think of positive aspects of French culture that were missing in Romania. Many answers coincided. The majority of the Romanian respondents considered that their foreign partners were better at handling stress. They said that the French were never stressed, seemed to have everything under control, were more relaxed and confident. This being said, our conclusion is that the participants were aware of a flaw in the Romanian nation: Romanians tend to be more irritable and to lack confidence. This fact may be caused by the lack of financial stability in our country, which distinguishes it from France.

Furthermore, the Romanian participants involved in the research admire the fact that the French love and respect their nation. We are known to be a nationalist country, but recently people tend to lessen their love for the nation. Instead of national pride, more often a sense of national shame can be noticed.

Switching from cultural awareness to cultural competence, the Romanian research participants were asked if they changed their behaviour when interacting with a French partner and what they did differently. Some answered: “Nothing” which clearly indicates that there are persons among them who are not very culturally competent if they do not feel that there is a difference in the French partners’ habits and attitudes that should determine them to adjust their behaviour accordingly. These respondents proved to have the lowest level of cultural awareness: the parochial one, according to which one considers one’s way of acting the only way, and does not sense that other cultures behave differently.

However, the rest of the Romanian respondents seem to understand the different perspective of the culture they came into contact with, so they adapt to what they feel that the other part would like to see/ hear. The majority of Romanian respondents explained that adopted a more formal attitude than usual when interacting with the French: excessive politeness, a courteous and sometimes distant attitude. They sensed it right that the French admired this type of professionalism and formality.

Moreover, there were respondents who mentioned that they always tried to bring logical arguments and organize their speech in a manner based on logic.

This is another sign of cultural intelligence and competence because the French tend to admire logical arguments.

The best evidence of cultural competence was given by a respondent who said that 80% of the time he opted for an “in-the-mirror” approach. This clearly indicates the attention to establish a rapport and to engage into synchrony by acting flexibly according to the other person’s behaviour. Moreover, this type of approach proves the highest level of cultural awareness which was mentioned in the theoretical part: the participatory one, according to which one does not only want to build a road between two different cultures, but to create a new shared cultural approach to a certain situation.

To sum up, Romanian respondents generally show maturity of action in dealing with their foreign partners through behavioural and attitudinal changes resulted from their awareness and understanding of cultural differences.

3. Conclusions on Cultural Differences and the Level of Cultural Awareness, Sensitivity and Competence in the Corporate Environment

The empirical research has found out that there are cultural differences among the countries analysed.

Firstly, even though both the Romanians and the French belong to Latin cultures, so they have behavioural similarities, the results of the survey show that there still exist cultural differences between them, such as: the degree of individualism, the level of expectations, the formality level, the way of expressing opinions.

Concerning the agreement between the conclusions resulted from the answers and the theoretical information, some of the Romanian respondents’ replies do not totally coincide with Hofstede’s scores and the statements of other theoreticians, while others do. The discrepancies are in some cases caused by the combined impact of national culture, organizational culture and the work field (occupational culture), as all of these cultures influence the behaviour, the attitudes and the mentality in the work place.

According to the answers received, we can conclude that most of the Romanian participants involved in this research prove to be culturally aware, sensitive, and competent. They are able to sense their partners’ different perspectives and expectations. Furthermore, they try to put their knowledge into practice by changing their behaviour according to what they believe their partners’ expectations and preferences are. As regards the cultural awareness level, most of the Romanian respondents have reached the synergistic level which implies that one realizes the cultural differences, accepts them and tries to find a middle way of understanding, in spite of these disparities. Nonetheless,

they need to put in a lot of dedication in order to improve and to reach the highest level of cultural awareness which only a few can attain: the participatory level, which implies the creation of a new shared cultural approach. In order to do so, they should have the necessary theoretical information about the French culture's characteristics. This would help them have a better psychological understanding of their partners' perspective, which may enable them, for instance, to avoid taking their business partners' criticism personally.

Secondly, another basic requirement for global business success is that each side involved in cross-cultural interaction should not think of tolerating their partners' cultural characteristics, but of engaging into an exercise in alterity. Thus, one can have a better understanding of one's partner's needs and preferences.

Moreover, the Romanians should be aware of their unconscious and hidden cultural beliefs in order to avoid making assumptions and prejudging, to have empathy, humility and to use the differences to their advantage.

The high amount of scientific discoveries brought by neuroscience nowadays talk about the concept of neuroplasticity of the brain. This shows how plastic the human brain is, how it can change significantly and learn new things at any age. That says a lot about our potential to adapt to other cultures and to change our behaviour for the sake of mutual understanding.

In conclusion, every cross cultural interaction is an opportunity for each of us to deepen our understanding of the vast realities and mental programs that underlie people's behaviours. The conditions needed for this is an unbiased mind, the desire to walk a mile in someone else's shoes, combined with the humble assumption that what is culturally different is not only not wrong, but may sometimes even be better, and beneficial in the professional (business) environment.

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