CROSS CULTURAL COMMUNICATION COMPETENCY IN BUSINESS INTERACTION: A THEORITICAL STUDY

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INTRODUCTION

- Development of multinational businesses in Indonesia today is very fast
- There are 2390 multinational companies from America, Europe, Asia, Africa and the Middle East with more or less 8340 senior executives from the various countries are operating in Indonesia (Business Monitor – 2014)
- Multi cultural issues are one of the various issues surfaced in connection with the international business context.
INTRODUCTINO (CONT.)

- Matters concerning cross cultural communication involve all stakeholders: in the relation with superior, subordinate, friends in the company, as well with consumers, society, government and others outside the company.

- Leaders of companies that are doing businesses in various parts of the world will understand/comprehend that differences and variety are not simple matters in managing a company.
The Phenomena of Global Change

1. Change of meaning in the concept of space and time: The triple-T movement (telecommunication, transportation, tourism) asserts that global change cannot be stopped. The flow of cultural interaction among nations is accelerating without being able to hold it back.

2. The dynamic of the market and the economy in various nations become dependent on each other.
1. The increasing cultural interaction through the development of mass media, especially television, films, and the transmission of international news.

1. The increase in common problems, such as the environment, multinational crisis, inflation, and world safety. It can be deducted that this transformation brings us to globalism, awareness and new understanding that the world is one.
What kind of competency that is required to be able to compete in the interaction of global business?

The logical answer is cross cultural communication competency.

Cross cultural communication appeared in various form of business, it appear that cross cultural communication demand the attention from various aspect of business and the study of cross discipline.
The Purpose of the Study

- This working paper studies theoretically the conceptual competence of cross cultural communication in business interaction.
- The main study: communication perspective and supported by management perspective, human resource, and psychological communication.
- The aim of this study is to find a conceptual model that is relevant for developing it academically as well as its implementation in the business management.
Smith, Hecker, Chua, Feng, Herb, Jackson, Mogaji Srivastava, Thomson & Yanchuk (2004) mentioned that a few problems often surface due to different cultures in one working place in the global company.

Those problems usually are about:
1. Language
2. Directness/assertiveness
3. Rules and flexibility
4. Treated as stranger/out group
5. Hierarchy and power
6. Personal/task centered
7. Universalistic (individual/collectivism)
Sweeney and Twomey in Hoed (1998) have once conducted a research concerning “Employer’s Tracking of Graduate and Skill” in a company in America. Their research seeks as to the level of requirement for hard (academic ability) and soft skills (personality) on candidates.

Milburn (1997) in Management Review - from the perspective of communication expressed that communication is not only as a cultural background expression, but also as one that shape cultural identity.
Halsall (2005), did a researched about cosmopolitanism rhetoric in a global company using postmodern approach. It is revealed the necessity for global company manager and employee to transform themselves from “local” into “cosmopolitan.”

Meanwhile, multinational company need to have personnel that are able to communicate with sensitivity cross cultural if they desire to guard the continuity and development of the company outside the country where the company originated (Kartikawangi 2013).
### Three Perspectives of The Study

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Human Resources Perspective

- Human Resource Management of the personal self is the ability of the personal self or person by person in leading, developing, and digging the human resource that is in himself.

- Human Resource Management of another person is the ability of a leader in digging, taking advantage, and organizing the human resource potential of another person in an organization or company for a specific purpose in accordance with the aim of the organization (Firsher, Schoenfeldt, and Shaw, 1996).
Communication Psychology Perspective

- In a psychological perspective, study concerning cross cultural communication becomes an important factor in understanding the dynamic relation between individual in a global interaction.

- In a global business interaction communication must be constructed as well as possible so that it does not create misunderstanding.
Samovar, Porter, and McDaniel (2009) who quoted many researcher concerning cross cultural communication competency, said that there are five important competencies that influences a person to interact effectively and properly in another culture.

The five components are:

- motivation to communicate
- sufficient knowledge about culture,
- capacity to communicate accordingly,
- sensitivity
- character
To be able to enter into an interaction between culture, a person need to learn:

- to know their own culture
- to know their own perception
- to know about how to carry out the said perception
- monitor oneself
Communication Perspective

Communication Accommodation Theory

- Communication is influenced not only by features of the immediate situation and participant’s initial orientation to it, but also by the socio-historical context in which the interaction is embedded.

- Communication is not only a matter of merely and only exchanging information about facts, ideas, and emotions, but salient social category membership are often negotiated during interaction through process of accommodation.
• **Interact ants have expectations regarding optimal levels of accommodation.** This expectation is based on stereotypes about out-group members as well as on the prevailing social and situational norms.

• **Interact ants use specific communication strategy (in particular, convergence and divergence) to signal their attitudes towards each other and their respective social group.**
Multilevel analysis on cross cultural business interaction that is developed by Ayoko, Hartel, Fisher, Fujimoto (2004) pointed out three level of interaction, which are:

- Level 1. In an organization: co-worker relationship
- Level 2. Organization and local culture: service provision
- Level 3. Organization and other culture outside of the organization

Study in this writing focuses on level 1, that is, the relation between employees in an organization from the point of view human resource management, psychological communication, and cross cultural communication.
MODEL OF CROSS CULTURE COMMUNICATION COMPETENCY IN AN ORGANIZATION

Organization and other culture

Organization and local culture

Internal Organization

Corporate culture
Vision and mission
Corporate goals and strategy

HR Strategy

Individual
Cross Cultural
Competencies:
Cultural awareness,
Emotional competence

Team
Cross Cultural
Competencies:
Openness to dissimilarity,
Conflict management
skills
CONCLUSION and RECOMMENDATION

- Based on the study that is done, it can be understood that in deciding strategy and implementation of human resource management, the organization need to consider cross cultural communication competency.
- This competency is needed internally in business interaction between individual as well in a team, which in turn will support external interaction.
- This study also produces Cross Cultural Competency that is suggested for further studies.
- Based on this, the writer gives a scientific recommendation so that further research uses this model in its empirical research to test the truth and to solidify this model as a scientific model.
THANK YOU

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