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CORPORATE COMMUNICATION CHALLENGES IN MULTICULTURAL ENVIRONMENTS

Review
Article

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Abstract

In the current economic environment where globalization is powerful and demographic changes complex and continuously changing, the cultural and structural dimensions inside and outside business are getting more intricate. Management and companies leaders search a more complex and valuable solution to increase shareholders satisfaction, to protect the environment and keep calm internal circumstances. The more complex the changes are, the higher the leaders challenges for setting the successful path to their organizations are and our aim in the current paper would be to present several solutions found through communication tools.

BACKGROUND

Current economic environment has a common ground for most of the multinational companies that struggle to lead by their rules instead being lead. Several authors (Miller, 2012), (Varkala, 2010), (Constantinescu, Gîrboveanu and Dumitrascu, 2011), (Perl-Vorbach, 2010), (Harris, Nelson, 2008) found different challenges for companies under the multicultural pressure and communication complexity. The changed economic environment under the pressure of digital age, mostly present by digitized communication world wide, internet connection, survival through transformation, knowledge industry, downsizing the human participation, globalization, diversity, two-career families, (Harris, Nelson, 2008, pp.8-12) imposed an increased area of leaders involvement in companies strategic communication as a survival element.

METHODOLOGY

The current paper aims to highlight the main communication challenges a company faces in a multicultural environment seen from different perspectives and approaches. One of the aiming question is if the multiculturalism can improve or challenge communication inside companies and how this can be seen or put on the right path. An extensive literature review concerning the communication challenges and how they can be overcome and how they can contribute to sustainable development have been analysed and structured in an eligible pattern. In addition, an extensive review of information systems in cooperative activity forms thus arrive at a research approach that is a combination of case analysis and descriptive study. The literature review forms the basis for the research hypothesis on environmental information and environmental information systems, and in particular, on the exchange of environmental information in inter-organizational cooperation.

INTRODUCTION

According to Van Riel and Fombrun (2007, p. 35) strategy, brand and identity should be overlapped by the common corporate communication and through a management communication along the marketing communication and organizational communication it should be found a strategic way to keep the organizational reputation. Following the idea, the organizational reputation looks like the

stock exchange informational flow where anything depends on the created image and somehow this is true if it is to check the number of communication failure that finally costs market position even bankruptcy. The linkage in between stakeholders, communication strategy from within the company and shared information are linked to the company reputation that keeps on the direct proportioned level the economic results and share market (Picture 1).

In order to create a better overview the two authors have sort the task-related communication activity within organizations into three types as management communications, marketing communications, and organizational communications (Picture 2.) where the latest two heavily support through specialists the first one to build the organization identity and visibility (Van Riel & Fombrun, 2007, pp.12-15).

THE CHANGING GAME

Miller opinion regarding the diversity as the main challenge of the economic current state (2012, p. 225) is basically common with Van Riel and Fronbrum but studied from a different perspective: threats and opportunities. The co-cultural appartenece of various members inside organisations where we can mention women, people on different ethnicity, people with disabilities are likely to differ substantially from the experiences of white men who mainly have cultural the manier opportunités. With differences from case to case employees are confronted with stereotyping and prejudice, with relational and systemic barriers, and sometimes with lack of legal protection. Those were the moments when leaders in multinational organizations prepare their own internal regulations and values to create same conditions for their employees and to increase the access to information to those that have smaller chaces. In this moment, as companies are an enormous field of expression, communication is very important and several examples will be presented as failures or opportunities. Analyzing the phenomén Cox and Blake (1991) consider diversity as competitive advantage and he took into consideration few variables: (1) cost, (2) resource acquisition, (3) marketing, (4) creativity, (5) problem-solving, (6) organizational flexibility. To prove how is it possible to increase the organisation performance there are ways to manage the diversity and organizational competitiveness through social responsibility (Picture 3).

Managing cultural diversity in a productive way can provide competitive advantage as follows:

1. Cost Argument =>The integration of emerging countries inside the organizations, it becomes more diverse, in the meantime the cost on salaries and using a cheaper infrastructure will increase the comparative advantage over those companies which don't. Communication tools must be used differently with various areas of receptors, inside and outside the organization.

2. Resource-Acquisition Argument => Increasing reputation as company that use ethnic minorities and other groups with less favorable opportunities on the market will increase the good name but also the competition for the best personnel, also and the pool resource for employment will increase.

3. Marketing Argument => Multi-national organizations use their members roots and cultural sensitivity to bring advantages in campaign.

4. Creativity Argument =>Diversity improves the number of ideas and of the level of creativity as different backgrounds are merged.

5. Problem-solving Argument => The extended range of population involved in companies produces dysfunctionalities in communication, but also heterogeneity in decision and problem solving groups that can be delivered thorough critical analysis of issues.

6. System Flexibility Argument => Multiculturalism implies a less standardized, and therefore more fluid reaction to a new market and potentially cost effective (Cox & Blake, 1991, Picture 5).

According to Van Riel and Fombrun for successful implementation of a successful communication we should have a 1. corporate identity, 2. Corporate image, 3. Corporate strategy, 4. Corporate brand, all these used for bringing comparative advantage to the corporation.

Understanding the importance of communication in the company's success or failure on the market as "management communication is not only a task that takes place at the top of the organization" but is present and common base for all levels in a company (Pincus et al., 1991, apud Van Riel & Fombrun, 2007) and several areas are mentioned as parts that rely on communication as can actively change the game. So communication tools can:

1. developed a shared vision of the company within the organization;
2. established and maintained trust in the organization's leadership;
3. initiate and manage the change process;
4. strengthen the identification of employees with the organization (2007, p 15).

Managers can easily become iconic figures and branding themselves might have a negative touch like self indentifying with the role and loosing the sense of company or creating a false image which might not be believed, but of course the manager is not the company and helped by the professionals (team learning) can give a system thinking, mental

models and by personal mastery can build a shared vision (Senge 1994, p.10). Along the manager skills in communication which can lead the organization to a higher level of visibility, we can find communication through products. The marketing communication as part of organizations tools almost in all cases renders to the marketing mix and support sales products, services or brands both sides internal and external. Switching the attention from advertising and indirect persuasion (Frazen, 1984, apud Van Riel & Fombrun, 2007) to a constant public and employers believe that a product is viable and good and highly performant, easily recognizable by the brand and specifications over the financial focus (Picture 4). Taking a look at the organizational communication we can see emphasised together public relation, internal communication social responsibility and environmental communication along advertising and investors communication meetings, a very heterogenous area of analysis. Still we agree Van Riel and Fombrun idea of common areas can be fit in as it is aimed at corporate audiences with external partners (such as shareholders, financial journalists, investment analysts, regulators, and legislators), have a long-term perspective and do not directly aim at generating sales, apply a different style of communication compared with marketing communication; exaggeration and puffery are limited and messages are more formalistic and are generally initiated by external parties (2007, p. 35).

Guidelines for a successful corporate communication refer to corporate identity, corporate image, corporate strategy and brand. All the four ones under the pressure of already mentioned areas, it is created a high pressure for managers that need to follow the company guide values and profitability. In a learning environment the best solution is the management outpace the changes growing, collecting datas received from the market field and use them to overcome other companies. As becoming multinationals, companies face new difficulties but also opportunities if new cultures will bring the company to another level of organization. That stage implies, besides vision and management, a common language, a common culture, values and strategy, all together giving the know how of the company. At this moment the company can shade its profile behind the brand, the initials will decrease the discrepancies.

Strategic communication in the companies will be chosen under the pressure given by the third parties and will be applied in order to follow their best interest. Strongly attached by the marketing communications, organizational communications, and management communications, a coherent approach chosen in a certain form will coordinate the main activities in such way that the company

can be seen as a whole entity. From this perspective the focus, the followed steps and forecasting are very important in strategy success and objectives (Picture 4).

In a heterogeneous environment there were found several threats regarding cultural differences. In every company we can find in different percentages difficulties created by prejudice, different languages, racism, message different approaches and values, defensiveness, unequal power, different approaches on culture, lack of trust, cultural stereotypes, ethnocentrism. As a first step the company must increase the awareness over the mentioned difficulties (Miller,2012, p.234). Having in mind this threats two ideas may come: how to assimilate the change in relation with an organization and how people respond through time to these threats. If it is to count Schein opinion there are two ways: 1. survival in and adaptation to its external environment and 2. integration of its internal processes to ensure the capacity to continue to survive and adapt (2004, p.87). On a deeper analysis we can see Miler approaches in organizational diversity. On her opinion in a classical approach it is believed that would "limit the homogeneity of the workforce and hence be distracting or detrimental to morale, diversity would be strongly discouraged". (Miller,2012, p.234). In time the human resources approach and human relation approach slightly increase the flexibility and allow creativity and ideas emphasised by giving expression space to women and minorities. We can see a higher degree of diversity in systems scholars approach who understand the threats given by the turbulent global environment and diversity is seen as an asset to pass the difficulties mostly by integrating informal communication channels developed by women and minorities. The cultural stage sees the organizations placed where the culture intersects with national, ethnic, and gender-based culture on the process through communicative interaction. The maximum of cultural integration, situated on the other extreme with classical approach would be critical stage where the organizations are seen as subjugated groups that deal with the majority and the ways in which interaction among members of various cultures serves to perpetuate hegemonic relationships are highlighted (Picture 6), (Miller, 2012, p.234).

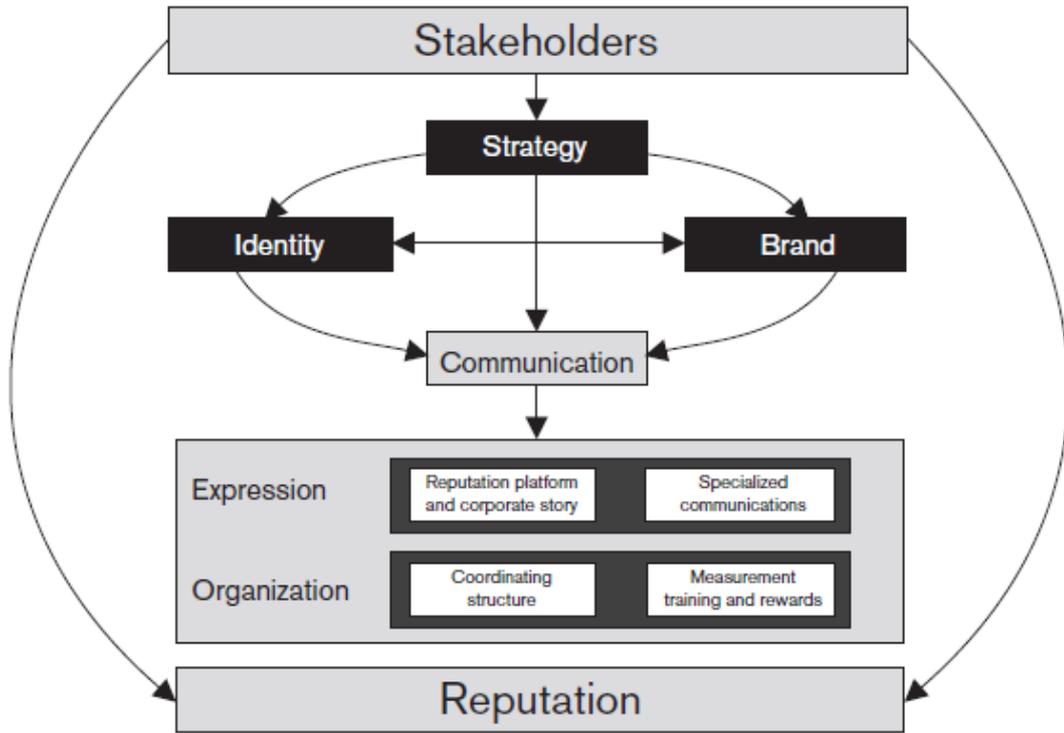
CONCLUSION

After studying different approaches in multicultural environment, how minorities and women participation are involved in the company strategy is easier to understand the ways in which diversity in the workplace extends beyond the experiences of women and racial and ethnic minorities and how various approaches to the multicultural workplace and considered the ways in which diversity can make organizations more effective and better places to work if sinergetic managed with the rest of the environmental variables.

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ANNEXES



Picture 1. Sustainability of communication in a corporation story

Source: van Riel, Cees B.M. Fombrun, C. J. (2007) *“Essentials Of Corporate Communication, Implementing Practices For Effective Reputation Management”*, New York, Routledge, p. 10



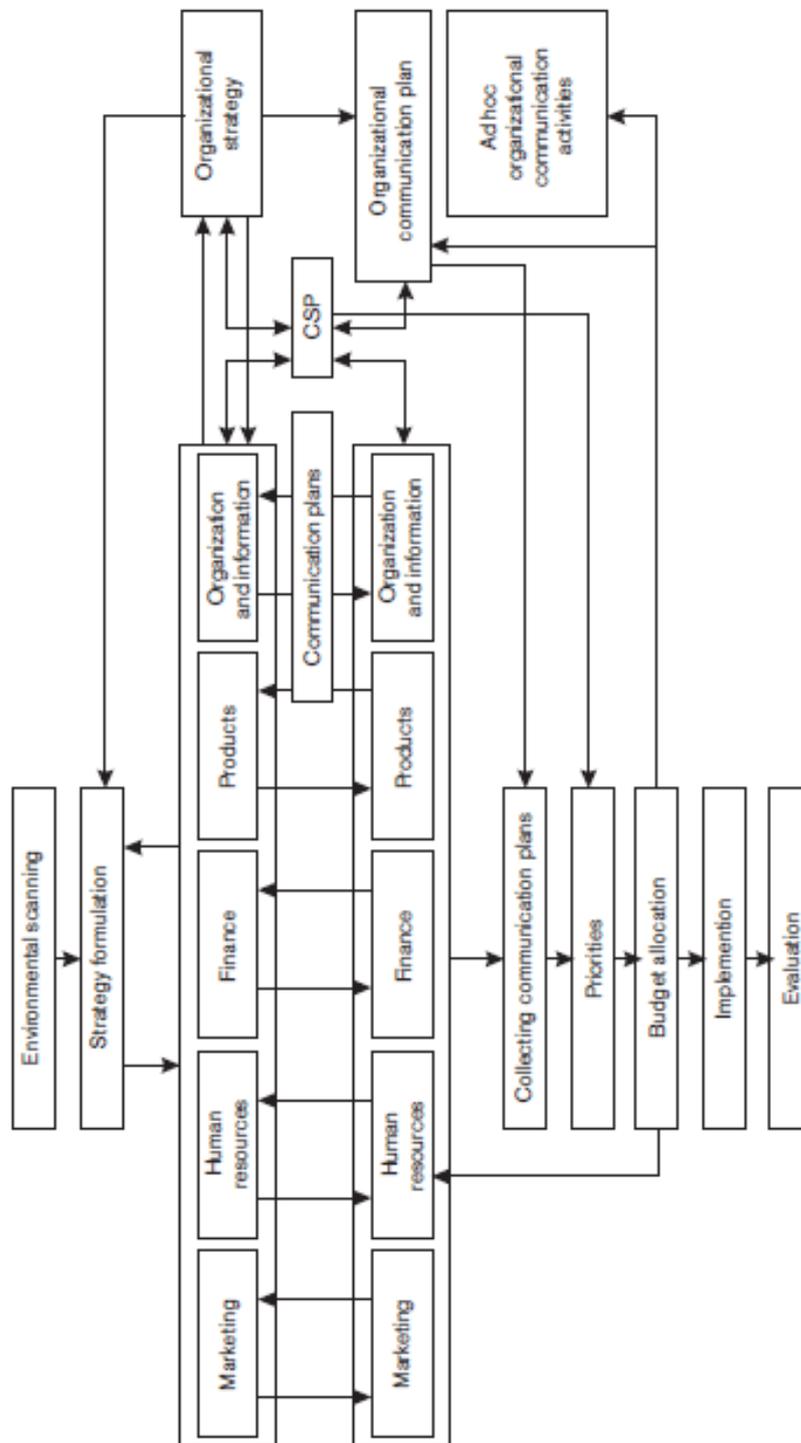
Picture 2. Directing communications through “common starting points”

Source: van Riel, Cees B.M. Fombrun, C. J. (2007) *“Essentials Of Corporate Communication, Implementing Practices For Effective Reputation Management”*, New York, Routledge, p. 35

Dimension	Definition
1. Acculturation	Modes by which two groups adapt to each other and resolve cultural differences
2. Structural integration	Cultural profiles of organization members, including hiring, job placement, and job status profiles
3. Informal integration	Inclusion of minority-culture members in informal networks and activities outside of normal working hours
4. Cultural bias	Prejudice and discrimination
5. Organizational identification	Feelings of belonging, loyalty, and commitment to the organization
6. Intergroup conflict	Friction, tension, and power struggles between cultural groups

Picture 3. Dimensions describing multicultural organization

Source: Miller, K., (2012), "Organizational Communication: Approaches and Processes", sixth edition, Wadsworth, Cengage Learning, USA, p. 224



Picture 4. The process of communication in a company through their departments

Source: van Riel, Cees B.M. Fombrun, C. J. (2007) “*Essentials Of Corporate Communication, Implementing Practices For Effective Reputation Management*”, New York, Routledge, p. 276

1. Cost argument	As organizations become more diverse, the cost of a poor job in integrating workers will increase. Companies who handle diversity well will create cost advantages over those that do not.
2. Resource-acquisition argument	Companies develop reputations as prospective employers for women and ethnic minorities. Those with the best reputations for managing diversity will win the competition for the best personnel. As the labor pool shrinks and changes composition, this edge will become increasingly important.
3. Marketing argument	For multinational organizations, the insight and cultural sensitivity that members with roots in other countries bring to the marketing effort should improve that effort in important ways. The same rationale applies to marketing in subpopulations within domestic operations.
4. Creativity argument	Diversity of perspectives and less emphasis on conformity to norms of the past (which characterize the modern approach to management of diversity) should improve the level of creativity.
5. Problem-solving argument	Heterogeneity in decision-making and problem-solving groups potentially produces better choices through a wider range of perspectives and more critical analysis of issues.
6. Systems flexibility argument	An implication of the multicultural model for managing diversity is that the system will become less determinant, less standardized, and therefore more fluid. The increased fluidity should create greater flexibility to react to environmental changes (i.e., reactions should be faster and at less cost).

Picture 5. Opportunities realized through multiculturality

Source: Cox, T., H., Blake, S., (1991), "Managing Cultural Diversity: Implications for Organizational Competitiveness" University of Michigan, Academy of Management Executive, 1991 Vol. 5 No. 3

Approach	How Diversity Would Be Considered
Classical	Because diversity would limit the homogeneity of the workforce and hence be distracting or detrimental to morale, diversity would be strongly discouraged.
Human relations	Diversity would be neither encouraged nor discouraged. Emphasis would be placed on meeting the needs of women and ethnic minorities, even if those needs diverged from those of majority employees.
Human resources	Diversity would be encouraged because increased creativity and new ideas would increase the competitive advantage of the organization. Emphasis would be placed on maximizing the potential of women and minorities to contribute to the goals of the organization.
Systems	Diversity would be seen as one important avenue for the organization to adapt effectively to a turbulent global environment. Systems scholars might address the integration of women and minorities into formal and informal communication networks.
Cultural	Diverse organizations would be seen as important places where organizational culture intersects with national, ethnic, and gender-based culture. Emphasis would be placed on the process through which the intersection of cultural values is negotiated through communicative interaction.
Critical	Diverse organizations would be seen as the arena in which subjugated groups (e.g., women and people of color) must deal with the dominant class. Emphasis would be placed on the ways in which interaction among members of various cultures serves to perpetuate hegemonic relationships.

Picture 6. Approaches in Organizational diversity

Source: Miller, K., (2012), "Organizational Communication: Approaches and Processes", sixth edition, Wadsworth, Cengage Learning, USA, p. 234