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## The Shaping of Intercultural Communication Through Business Relations

**Abstract:** *Globalization and rapid changes in the operating environment of contemporary organizations have led to fundamental changes in their functioning and development. The number of interactions initiated by businesses continues to increase. Companies are increasingly likely to initiate business contacts with partners on international markets. Business activities are no longer confined within national borders. Market actors enjoy full freedom of developing and entering new markets. The success of those measures is largely determined by effective intercultural communication. This article analyzes the existing views about the effect of organizational culture, national culture and communicative competencies on the development of an intercultural communication model. This problem will be discussed based on international research findings, and it will be exemplified by business communication standards observed in Japan.*

**Keywords:** *communication, national culture, organizational culture, business relations, communicative competencies*

### Introduction

Organizations have to establish strong relations with culturally distinct partners to maintain their global competitive advantage. In order to build such bonds effectively, companies have to improve their intercultural communication skills. International communication is a complex process which has to be managed effectively to foster an understanding of global business relations. Those relations are characterized by a diversity of forms and distinctive features. New business structures such as clusters and co-opetitive models are excellent examples of different approaches to business organization and operating principles. In both models, companies simultaneously cooperate and compete with their market rivals to achieve competitive advantage. Although

those interactions seem to be contradictory, they deliver a wide range of benefits for both parties, including access to a partner's resources which, through synergistic effects, supports the development of global competitive advantage, acquisition of new skills and competencies, the opportunity to venture into new markets, including international markets, reduced transaction costs and risk, greater innovation capability and, consequently, improved performance and profit generation [Romaniuk K., 2012, pp. 75-86]. These are only some of the advantages of a co-opetitive business model. EU programs encourage businesses and organizations to enter into various forms of cooperation involving clusters and co-opetitive models, both nationally and internationally.

Business interactions in the global arena require considerable effort on the partners' behalf as regards intercultural and national communication. In the last 20 years, researchers have attached growing significance to the effect of culture on business principles, values, communication styles and practice. They observed that cultural diversity which accompanies globalization applies to all aspects of international business [Frey-Ridgway S., 1997, pp.12-23]. For this reason, this article analyzes the existing views about the effect of organizational culture, national culture and communicative competencies on the development of an intercultural communication model. This problem will be discussed in view of international research findings, and it will be exemplified by business communication standards in Japan.

### **Nature of intercultural communication**

Although intercultural communication research dates back to the period marking the end of World War II and the creation of the United Nations Organization in 1945, the term was first used in the 1950s by E. T. Hall in his book *The Silent Language* [Otten M, Geppert J., 2009, p. 3]. With the advance of globalization, intercultural communication seems a highly pertinent issue in the contemporary world.

The term is rooted in social psychology, international relations, linguistics, anthropology and rhetoric, but it can also be exemplified by practical applications, including intercultural training, teaching of English to foreigners and international consulting, etc. [Gudykunst W.B., 1985, p. 99].

Intercultural communication is often defined as "communicative relationships between people or groups originating from various cultural environments" [Baldwin J.R., Hunt S.K., 2002, pp. 272-286, Barnet G., Lee M., 2002, pp. 275-290]. The above definition is highly generalized, and it fails to describe the specific features of such relations or the course of their development in view of cultural differences separating the partners. A more

precise definition of intercultural communication was proposed Porter, Samovar and Jain who described it as “producing, transmitting and interpreting symbols through verbal and nonverbal channels between people with different national cultures” [1981, p. 177]. This definition addresses the problem more broadly by recognizing that communication is a process. This approach implies the need for a discussion about the sender and the recipient, communication channels, interpretation which is consistent with the sender’s intentions which, in turn, are determined by his or her ability to encode the message (symbols), etc. In the communication process, errors can be easily made in each of the above categories. This can be illustrated with a German phrase used by President John F. Kennedy during a speech delivered in West Berlin. Kennedy probably made an error by saying “Heute, ich bin ein Berliner” which can be translated as “Today, I am a jelly doughnut”. The American president meant to say “I am a Berliner” or “I am a person born in West Berlin”, but the term “Berliner” is used colloquially to denote a jelly doughnut in various parts of Germany. Another example is Chevrolet’s promotional message for a compact car in Latin America. Chevrolet used the phrase “No Va” which literally means “doesn’t work” in Spanish [Jandt F.E., 2001, p.2]. These examples illustrate that the cultural context in which both partners operate has to be thoroughly understood for business relations to flourish.

An interesting definition of intercultural communication was proposed by Knapp and Knapp-Potthaff who made a reference to the place in which partners introduce into their relationship a specific (from the point of view of their membership in a social and cultural group) knowledge that is of key significance for “normal” verbal and nonverbal interpersonal relations, regarded as indispensable features of the communication process [1987]. The above definition is closely related to the general concept of culture. A similar approach was adopted by J. Allwood who saw culture as a crucial determinant of intercultural communication. His definition of the term focuses on communication, a process of sharing information and knowledge, as well as the level of awareness in interactions between people representing various cultures. According to Allwood, cultural differences result from nationality as well as from participation in culturally diverse activities [1985].

The presented approaches to the concept of intercultural communication and a review of published sources support the formulation of several conclusions. Firstly, the cited definitions share certain elements. All authors stand in agreement on the rudimentary components used to build their definitions, namely culture and communication as a process. Secondly, the authors were also in agreement as regards the nature of intercultural communication which is based on relationships between culturally distinct partners. Thirdly,

many researchers did not define the concept of intercultural communication, instead, they focused on factors which determine this process. Those factors will be reviewed in successive parts of this article [see also: Spinks N., Wells B., 1997, pp.287-292, Harvey M.G., Griffith D.A., 2002, pp. 445-476]. Fourthly, intercultural communication is an interdisciplinary concept that draws upon multiple fields of study.

### **Determinants of intercultural communication. A proposed model**

In the light of the reviewed studies, there are two principal aspects determining intercultural communication: cultural factors and communicative competencies. The former deals with the extensive concept of culture in general, with hundreds of definitions being proposed in literature. For the needs of this article, the author will first differentiate between two types of culture and will then proceed to describe their nature in detail.

The success of long-term business relations is determined by every partner's willingness to invest in the development of effective communication. Without efforts to learn about each other's culture, the exchange of information and knowledge will be limited, and the sender and the recipient will be unable to fully benefit from their relationship. The cultural framework should be analyzed from the point of view of a nation as well as an organization. National culture encompasses values, beliefs and tenets which define the life style of social groups and populations by relying on fundamental concepts that had been conveyed to individuals in early stages of development [Griffith D.A., Harvey M.G., 2001, pp. 87-103]. National culture is not only rooted in daily life, but it also shapes the way reality is perceived by a social group, it describes mutual relationships, the roles played by individuals, their mutual obligations and duties to an organization. Factors such as social customs, space, friendship, cohesion, time, social class systems, religion, gender, ethical norms, individualism and society's attitude towards those values, which vary extensively across national cultures, play a key role in shaping effective intercultural communication [Wells B., Spinks N., 1994, pp. 302-309].

Although national culture has a direct bearing on an organization, the culture of an organization is manifested by the cultural standards of its members, its principles, operational process and procedures. National culture has an unavoidable influence on organizational culture. Members of an organization transfer their own cultural standards to corporate ground, thus participating in the process of cultural modification. Organizational culture is perceived as a set of shared values, behaviors and beliefs that foster an understanding of a company's operating principles and norms shaping the behavior of its employees

[Griffith D.A., 2002, p. 257]. It amalgamates the culture of a nation with that of the communities present in the organizational environment. Interactions between both cultures may improve or limit communication effectiveness, therefore, they should be regarded as key elements in international business relations.

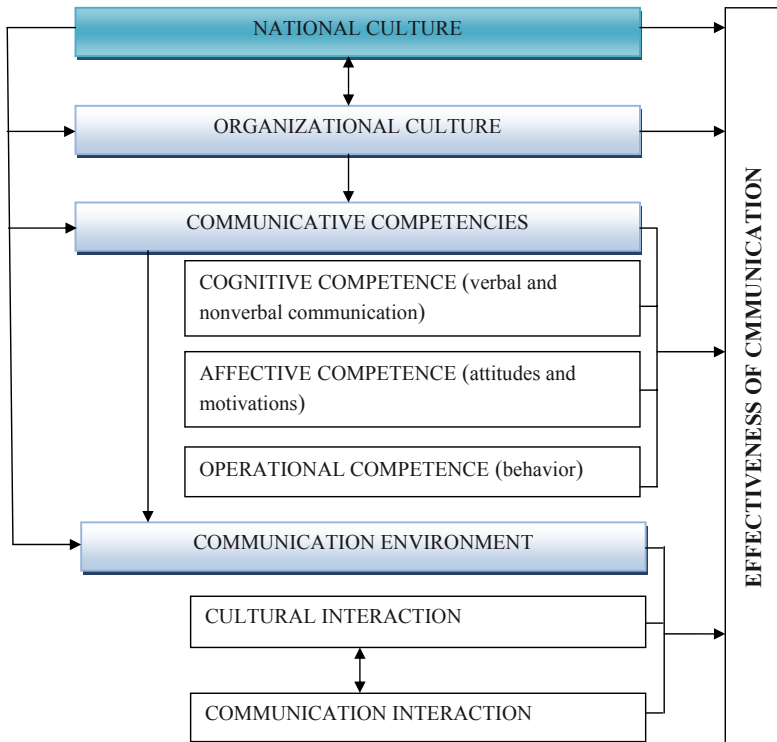
The second determinant of intercultural communication are communicative competencies. They can be defined as a set of communication skills and knowledge which contribute to the establishment of effective communication with business partners representing diverse national and organizational cultures [Cui G.S., Van den Berg S., Jiang Y., 1998, pp. 69-85].

Y.Y. Kim identifies the following types of communicative competencies: cognitive, affective and operational [1991, in: Griffith D.A., 2002, p. 258-261]. Cognitive competence is the ability to understand the meaning of verbal and nonverbal language. It relies on psychological concepts rooted in an individual's internal system of values which affects his or her ability to interpret information obtained from others in the communication process. Affective competence makes a reference to human emotions and esthetic tendencies. The existing concepts, unconscious attitudes and motivations determine the way we interpret information obtained from people representing various cultures. Operational competence is the ability to flexibly respond to a communicated message.

Communicative competencies are based on a cross-cultural understanding of communication processes between business partners. No two national and organizational cultures are identical, which is why specific communication and cultural protocols have to be negotiated to further the development of a shared communication environment for all partners. Casmir notes that communication protocols, appropriateness of strategies, monitoring and communication feedback mechanisms are all dynamically adjusted for successful communication to occur, thus suggesting not only communication interaction, but also cultural interaction [1999, pp. 91-116]. Communication interaction is the hybridization of communication protocols between partners and, consequently, the development of a new set of communication standards. By deploying clear methods of conveying messages, such efforts facilitate mutual understanding between partners. In practice, cooperating organizations could develop a specific set of concepts, a sort of a unique dictionary. Cultural interaction involves an adjustment of cooperating organizations' cultural protocols and the development of new, shared norms that could significantly differ from the standards applicable in a given organization or society. This approach laid the foundations for collaboration between Japanese businesses and American contractors.

Cultural determinants and communicative competencies directly influence the effectiveness of intercultural communication in the process of intensifying business relations. Mutual interactions between the two factors are illustrated by the proposed model (Fig. 1).

**Fig. 1.** Model of intercultural communication



Source: own study.

National culture determines all elements shown in Figure 1, and it plays a key role in the development of intercultural relations. Firstly, it affects organizational culture by influencing the way an organization's members perceive the appropriate social norms, values and principles of conduct. It creates a unique organizational climate which is manifested through interpersonal relations, individual behavior, patterns of thought and action that contribute to the achievement of formal goals in a corporation. Secondly, it conditions communicative competencies by defining methods of verbal and nonverbal communication, influencing the attitudes and motivation of an organization's

members, their behavior and ability to respond flexibly to the received messages. Thirdly, it impacts the communication environment, becoming an integral part of new cultural and communication protocols.

The dominant role of cultural determinants in intercultural communication and business relations reflects a high demand for information that would enable an organization to achieve success in a varied business environment.

### **Intercultural communication and business relations in Japan**

In Japan, business relations and organizational culture are deeply embedded in the cultural context which differs considerably from the Western model, and it is largely determined by religion – Shintoism and Buddhism. For many Japanese, business communication that does not adhere to Japanese cultural standards may be an uncomfortable, unpleasant or even a frightening experience. There are several reasons for the above. Japan was a politically isolated country in the 17<sup>th</sup> century, and it moved into the modern era with a system of rules of social behavior that was based on feudal and familial principles. Owing to internal transportation problems, different parts of the country remained separated, and inhabitants of Japanese regions found it difficult to communicate even in late 19<sup>th</sup> century [Bennett, J. W., McKnight, R. K., 1966].

Japanese is rarely spoken outside of the country, therefore business communication with Japanese contractors takes place mainly in English. This can give rise to misunderstandings and errors in the decision-making process, and partners from culturally distinct parts of the globe may experience frustration due to their inability to develop a shared understanding of the discussed issues. The services of an interpreter are usually required during negotiations to overcome those problems.

J. Eto observed that Japanese are very shy in contacts with foreigners due to a fear of failure in communication conducted in the English language. According to Eto, the Japanese are one of the most homogenous people in the world who assume that one's own perceptions do not differ from those of other Japanese, whereas Westerners generally believe that others naturally have feelings of their own. The Japanese are able to read other people's feelings from their facial expression, eyes and body language [1977, p. 45].

Japan's unique communication style, cultural and social values and linguistic factors are rooted in vertical collectivism, namely the belief that the interests of a group are superior to those of an individual. In a vertically structured society, individuals see themselves as part (or an aspect) of a larger group, and they accept the fact that inequalities may exist within the group. In-group orientation means that an individual from the group may assume the role of a



carer who is willing to collaborate with others without expecting gratification, and separation from the group causes a feeling of anxiety. By contrast, out-group orientation applies to a group where one individual is responsible for the distribution of power, but performs this task in an unjust or unfair way. This leads to a conflict between an individual and other group members [Peltokorpi V., 2007, p. 71]. A. Rao and K. Hashimoto conducted research in the area of intercultural communication to observe that despite significant cultural and linguistic limitations, the Japanese rely on various strategies to increase the frequency of and deepen their unique methods of intercultural communication and management, such as creating coalitions, demonstrating kindness, resorting to reason or using pressure [1996, pp. 443-466].

### **Conclusions**

On a globalizing market, business success is no longer determined by the ability to skillfully formulate product and marketing offers, but by an in-depth understanding of the partner's unique cultural environment. Dynamic growth of companies which strive to reinforce their competitive advantage requires a novel approach to management, including on new markets. Corporations face new challenges. They are forced to search for contractors outside their country of origin, geographical region or political structure, such as the European Union. Businesses have to expand into new, sometimes exotic territories. Investors show a growing interest in South Asia or the Far East, including India and China, as well as countries torn by internal conflict, among them Iraq or Afghanistan. Their economies are culturally diverse, and intercultural communication plays a vital role in establishing successful business relations on distant markets. There are many gray areas in our knowledge of intercultural communication, and in addition to cognitive research in the area, the issue should be explored from a strategic point of view. Further work is needed to deepen our understanding of the mechanisms that condition the effectiveness of intercultural communication.

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