

Research on Cross-Cultural Management in International Business Activities

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Abstract: *The promotion of cross-cultural management work can provide strong support for the high-level promotion of international business activities of enterprises. The article first summarizes the main roles and impacts of cross-cultural management in international business activities of enterprises, believing that cross-cultural management plays a role in the cultural differences between East and West in terms of personal relationships, cooperative norms, time awareness, and cultural conflicts, propose cross-cultural management strategies in international business activities of enterprises, by strengthening cultural construction, optimizing negotiation methods, adjusting strategic decisions, and adjusting market choices, to ensure the high-level operation of cross-cultural management related work.*

Keywords: *International business activities; Cross cultural management; enterprise*

1. Introduction

Cross cultural management arises from the development of international business activities in enterprises, precisely because of the cultural differences between different countries, international activities will inevitably be influenced by cross-border cultures in actual implementation. There are different cultures among different countries, and their cultural heritage, sources, and history are also different^[1]. People who grow up in different cultures will also be influenced by the long-term influence of culture, which will have a subtle and long-term impact on their behavior habits. Under the influence of different countries and cultures, people may exhibit different trade habits in international trade due to cultural differences, which in turn affects the development of international trade activities. Sometimes, due to cultural differences, commercial and economic activities may ultimately fail in negotiations, causing serious obstacles to the international business activities of enterprises. If multinational enterprises have a considerable understanding of the corporate culture of their partners before engaging in commercial activities, they can effectively avoid cultural differences causing errors in business transactions and increase the fundamental conditions for cooperation between both parties^[2]. Therefore, valuing cultural differences and strengthening cross-cultural management is a necessary spirit for enterprises to carry out business activities in international business activities.

2. Research and Development of Cross cultural Management Theory in International Business Activities

Culture is a spiritual synthesis formed by people's production and life under certain geographical constraints. It is a special factor created for human society and has a profound impact on people's future production and lifestyle. Cultural management "is a special theory derived from sociological research, which is a differentiated management form of people and things in different cultural backgrounds. Its purpose is to achieve efficient management on different cultural foundations and enable enterprises to demonstrate their necessary competitiveness on different cultural soils. Regarding the cross-cultural management of international business activities, the most prominent is the cross-cultural dimension analysis model proposed by Hofstede's cultural dimension theory. According to this model, cultural differences can be mainly manifested through five dimensions of analysis, such as individualism dimension, authority level dimension, gender dimension, time dimension, and level dimension. Subsequently, with the development of business and economic theory research, FonsTrompenaars proposed a model of corporate culture and corporate value based on the "cross-cultural dimension analysis model", which includes employee attitudes towards employers, methods of employee thinking

and learning, attitudes towards people, corporate adaptations, and corporate compensation models. These theories promote and influence each other, ultimately forming a modern enterprise management model^[3]. The author believes that international economic and trade are constrained by clear national boundaries, but with the development of economic globalization, the concept of national boundaries has become increasingly blurred, and trade and culture have a mutually influencing and promoting effect, further affecting people's lifestyles.

Therefore, cross-cultural management in international business activities has now evolved from a simple issue of cultural differences to a problem of diverse behavioral influences that needs to be dialectically addressed. Based on existing survey results, domestic and foreign scholars have identified cultural characteristics that are unique to the British people, including prominent individualism, unequal behavior, strong self-control, reserve, loyalty, conservatism, honesty, exclusivity, coexistence of class and freedom concepts, based on research on British social culture, folk culture, and social values^[4]. Under the trend of economic globalization, the international trade behavior of the UK has undergone changes one after another. For example, the existence of "British port trade" is a product of the development of international trade in the UK, creating inclusive business activities and cross-cultural exchanges in this process. The business culture of the French is quite unique. They tend to think deeply about problems, have a skeptical attitude towards business behavior, do not attach importance to the business process, have a casual work style, and prefer to adopt a flexible approach to business activities. China's business culture is deeply influenced by Confucian culture. In international trade, China shows both individualism and collectivism, and pays attention to dialectical analysis of objective facts.

3. The impact of cross-cultural management on international business activities of enterprises

3.1. Personal Relationship Issues

The distance between Eastern and Western regions is relatively far, and there are also obvious cultural differences. In Eastern and Western cultures, there are different attitudes towards personal relationships. In Western culture, more emphasis is placed on individual values and interests, highlighting individual rights, abilities, and independence, and emphasizing the individual as an individual. When dealing with personal relationships, Eastern culture places greater emphasis on the combination of individual and collective interests, as well as the idea of combining collective and national interests^[5]. It also emphasizes prioritizing collective interests when there is a conflict between collective and individual interests, and prioritizing national interests when there is a conflict between collective and national interests. This is also well reflected in the culture of Chinese enterprises. When evaluating individual abilities, enterprises emphasize the contribution of individuals to the development of the enterprise, emphasizing the harmonious relationship between people.

3.2. Differences in cooperation criteria

In the development of international business activities, it is ultimately necessary for both companies to approach the negotiation table, express their intention to cooperate, and sign the final contract. The cultural differences between the East and the West also have an undeniable impact on the contract criteria. In Western culture, there is a greater emphasis on the legal spirit of normative provisions and the importance of contract awareness. This is also reflected in the legal nature of contract plans and the formulation of contract spirit in actual international business management. At the same time, employees in enterprises also have strong legal norms and contract spirit, and the behavior of enterprises and individuals is more constrained and regulated by contract spirit. In Eastern culture, more emphasis is placed on the norms of contract norms that come from moral constraints, which is different from the norms of legal provisions emphasized in the West, and there is greater emotional tolerance and space. This requires cross-cultural management to see the differences between both parties in the formulation of cooperation guidelines, so that both parties can meet their own cultural needs while also respecting the requirements and regulations of other countries for cooperation.

3.3. Time Differences

In terms of time, there are also different manifestations in the conduct of business activities. Western countries place more emphasis on time awareness, treating time as a part of their work indicators, and have a stronger sense of time. In some Western countries, when inviting time invitations,

they emphasize strict adherence to time and a precise understanding of time. For example, the meeting will be held on time according to the originally scheduled meeting time, and there will be no unreasonable delay allowed. The time planning requirements are very strict. In Eastern culture, the awareness of time is not very strong, and even if a meeting is scheduled at a certain time, there may still be instances of missed appointments or widespread delays^[6]. Therefore, when conducting international trade activities, enterprises need to recognize the differences in time understanding between both parties, especially when Chinese enterprises engage in business cooperation with Western countries with strong time concepts, they should emphasize strict adherence to the predetermined time, otherwise it may be considered as a neglect of their culture.

3.4. Avoiding Cultural Conflict

The lack of trust generated by cultural conflicts can ultimately lead to the failure of cooperation between both parties. On the one hand, it is reflected in the lack of trust between managers and employees in both parties' enterprises, which can cause communication difficulties and distance between the two parties, ultimately leading to the collapse of the entire cooperation; On the other hand, when multinational corporations engage in commercial and economic activities, due to differences in the positions and cultures held by both parties, they may exhibit different business behavior abilities and corresponding thinking abilities in different cultural backgrounds, which may lead to cultural conflicts in the communication process of business activities. So this also highlights the role of cross-cultural management in avoiding cultural conflicts, requiring countries around the world to establish global strategic concepts, emphasize the establishment of global business awareness, shift general market and resource strategies towards global business strategies, and gradually globalize capital and production. This is also an effective measure to strengthen the competitiveness of multinational enterprises.

4. Application Countermeasures of Cross cultural Management in Enterprise Business Activities

4.1. Strengthening Cultural Construction

Pankkimerwett clearly pointed out in his book "Who Says Distance is Not a Problem" that in business activity management, distance not only needs to be analyzed from a spatial perspective, but also needs to integrate factors such as cultural, geographical, and economic differences. In the context of economic globalization, Chinese enterprises should not underestimate cultural differences in national business activities, but should deeply recognize the cultural environment in which the target country and partners are located^[7]. Nowadays, there are relatively many channels for cultural construction provided to various enterprises. Taking the trade construction of the ASEAN Free Trade Area as an example, the China ASEAN Expo and the China ASEAN Cultural Industry Forum are important channels for Chinese enterprises to understand the culture of countries related to the East China Free Trade Area. Based on this, Chinese enterprises should strengthen cultural construction with a focus on their own business development. The cultural construction here not only refers to the understanding of culture, but also emphasizes the formation of a management model with cultural characteristics and the formation of a new corporate culture system through communication, communication, infiltration and other methods. As Alfred Adler pointed out, the concept related theory, that is, "the change in concept, from the hierarchical system of cultural influence, cultural compromise and cultural adaptation to cross-cultural cooperative learning". Cross cultural management should focus on cultural construction and advocate for cultural integration. Through various measures, personnel can gain a deeper understanding of different cultures and make "cultural integration" a characteristic of corporate culture, thereby subtly influencing corporate management and business behavior.

4.2. Good negotiation methods

Cultural differences are not only reflected in values and other aspects, but also in the behavior of business entities. For example, in business negotiations, the behavior of the participants is mostly deeply influenced by their own culture, exhibiting profound regional customs and habits. Especially in the process of foreign trade business negotiations, it is common for personnel from both countries to become curious or not understand the "polite practices" adopted by the other party. For example, Chinese people often celebrate through gatherings or gatherings after a transaction is completed^[8]. However, for Americans, completing work or other tasks after the transaction is completed should be

more efficient. If Chinese companies do not consider the behavior of Americans and require them to participate in gatherings after negotiations are completed, it may actually affect the cooperation between the two parties. Therefore, during the negotiation process, attention should be paid to adjusting the negotiation methods based on the culture and behavior patterns of the target country and the target enterprise, and presenting the characteristics and core competitiveness of the enterprise in an open and inclusive manner, in order to avoid unexpected losses.

4.3. Adjusting strategic decisions

The impact of cultural differences on business decision-making is mainly manifested in two aspects: on the one hand, it is the positioning of the company's strategic development goals; On the other hand, it is the business model chosen by the enterprise. Especially in the formulation of enterprise business strategies, Chinese enterprise leaders often make judgments based on their own culture on the business management goals of the target enterprise and the target country, or adjust their strategic goals in the target area. However, this model leads to decision-making bias. For example, in the trade between China and Japan, there are significant differences in the business objectives of the two countries' enterprises. Japanese enterprises often consider the issues of "efficiency and quality" in their business activities, while Chinese enterprises often consider the issues of "political achievements and publicity" while considering the benefits^[9]. As a result, the two sides have different positions and differences in the process of negotiation, and due to the influence of the enterprises setting strategic goals in advance, causing ineffective adjustment of business activities. In fact, in international business activities, enterprises should focus on considering the "needs of the target enterprise". The successful business case of "KFC" in China can be regarded as a typical example of international business activities. KFC is based on the "cultural diversity policy" and adheres to the "China based" business philosophy, adjusting its business methods according to the soil of China. Therefore, Chinese enterprises should deeply consider cultural differences and similarities in international business activities, prioritize the needs of others, and adjust their development strategies in order to achieve good business results.

4.4. Market Selection Adjustment

Enterprises that develop in different cultural soils will inevitably have certain differences in their behavior when selecting target markets. For example, in the United States, which values individualistic culture, when entering overseas markets, it is often more decisive in controlling market entry opportunities. Therefore, the reason why major American brands can establish a foothold in various countries is not only because the American economy is more mature, but also because American companies are better at seizing opportunities. However, there are certain problems for Chinese enterprises in entering overseas markets. The moderate and conservative Confucian culture has led to managers in Chinese enterprises being more inclined to conduct repeated research when entering other countries' markets. However, in the process of complex requests and repeated research, enterprises miss out on good opportunities. In fact, the determination of market selection strategy should not only consider timing control, but also consider the consumption tendencies of consumers in the target country. For example, if the target country's consumers have a prominent "local consumption tendency", the "brand entry" strategic development model is not applicable, but rather the development model of establishing new companies. In international business activities, market selection methods and entry methods should be adjusted based on culture.

4.5. Strengthen personnel selection

In the process of building international business related teams, it is necessary to select team members based on the needs of cross-cultural management, so that the development of cross-cultural management work can be improved with the support of high-quality professional talents, in order to better meet the needs of international business work. In the process of formulating the operational plan for cross-cultural management work, it is necessary to strengthen attention to the construction of talent recruitment management measures, especially to summarize the various conditions required for conducting business activities, so that cross-cultural management measures can provide more accurate support for the development of talent selection related work during the construction process^[10]. The selection of cross-cultural management personnel should not only take foreign language proficiency as the main assessment basis, but also achieve research on the mastery of foreign traditional culture, so that international business activities can be carried out with full respect for foreign customs, and the construction of cross-cultural management measures can be achieved, thereby meeting the innovative

operation needs of international business related work, And ensure that cross-cultural management teams can receive higher levels of human resource support.

5. Conclusion

Due to the cultural differences among different countries, multinational enterprises need to first emphasize the research and understanding of local culture when entering other countries and new markets, strengthen the survival ability of enterprises to carry out international trade activities in the area, and emphasize the adaptability of enterprises to cross national cultures. Therefore, enterprises are required to strengthen their understanding of the importance of cross-cultural management in corporate business activities, as well as the role and impact of cross-cultural management in international business activities.

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