An Analysis of Cultural Diversity and Scope of Business Collaboration

Sharma Khemraj[1], Phramaha Chakrapol Acharashubho Thepa[2], Yuang-shiang Chao[3]
Dr. Sneha Patnaik[4]

[1]Department of Business Administration, Management Science, Nanhua Universityy, Taiwan.
[2]Department of Religion and Philosophy, Mahamakut Buddhist University, Thailand.
[3]Department of Finance, College of management, Nanhua university, Taiwan.
[4]Ph.D., Department of healthcare Administration, Asia University, Taichung, Taiwan.

Abstract

Cultures, socioeconomic statuses, ideas, and behaviors from all over the world come together in today's global economy. In today's globalized economy, success on a global scale requires an ability to bridge cultural gaps. When launching a culturally diverse company with international alliance-building aspirations, it is essential to grasp the significance of culture. This is usually done when there are ethnic hurdles that are in the way of a company's progress and expansion. Keeping this in mind, we set out to research and evaluate how companies handle ethnic alliances and how they integrate cultural diversity into their own operations. Examining the interconnectivities between theoretical and organizational contexts, the study explores both in depth. You can also see how extensive the changes are. Key tools to grow and sustain multicultural business alliances in this globalization environment include training, friendly collaboration, inclusivity in power sharing management, awareness of local culture, and regular preparation for necessary transformations.

Keywords: cross cultural business, business cultural diversity, culturally diverse workforce, cross-cultural business administration, cross-cultural partnership

Introduction

Cultural diversity, social inclusivity, ideas, and practices from all around the world come together in today's global economy. To succeed on a worldwide scale, cross-cultural inclusion is essential in today's increasingly globalized economic environment. In order to break down ethnic obstacles that slow down company growth and development, it is vital that one comprehends the part culture plays in multinational corporations.

The increasing globalization has raised the expectation of collaboration amongst people of many religious persuasions, nationalities, and other characteristics. According to Miminoshvili and

Černe (2022), a framework and a defense against harassment and bias have long been provided by competent diversity management. There have been major managerial consequences surrounding diversity as of late (Morris, 2023).

As the diversity of communities continues to grow, it is expected that diversity will play an ever more critical role in the years to come. Companies that want to be creative, adapt to new circumstances, and survive must be diverse. The difficulties are become more and more important and pressing, especially for the future, as the diversity of populations increases in a number of countries.

Accepting and effectively managing diversity is a cornerstone of effective employee engagement that can boost organizational efficiency. Managing diversity can reap the benefits of rising multiculturalism or ethnicism as a result of globalization of trade, more workforce responsiveness, an increasingly global business environment, and a greater public recognition of the value of varied populations (Multiplier, 2023).

Here, we should provide some real time facts to justify the inclusivity of cross-cultural adoption in workplace that boosts the scope of better business management and opportunity of business expansion (InStride, 2021).

- As per the McKinsey survey report, there is a 35% higher probability of outperformance for corporations that are perceived as having a more diverse and inclusive workforce.
- The importance of inclusiveness and diversity is emphasized by 69% of executives, as per Glassdoor study.
- Managing People report states that the decision-making performance of diverse teams is 87% higher.
- A majority of corporate executives (92%) think that a well-planned program of employee training and development can assist a company in reaching its diversity and inclusion objectives. (as found by The Way)
- Bacillus cereus confirmed that revenue increases by 19% when management teams are diverse.
- A small percentage of the businesses in the Fortune 500 are led by women. According to Fortune, if the labor force were more diverse, GDP might rise by 26%. In the case of McKinsey
- COVID-19 has made the disparities in employment equity even worse. This dilemma poses a 1.8 times greater threat to women's careers compared to men's jobs. While women only make up 39% of the workforce worldwide, they are responsible for 54% of all job losses. In the case of McKinsey

Broadening our outlook, if we turn our attention to a company's management and partnership goals and cross-cultural impacts, the trend indicates that transnational partnerships across borders have been increasingly important in the last few decades. As significantly observed, cultural variations between the home nations of the alliance members have a substantial impact on alliance-related procedures and results, according to previous research (Khemraj, Wu, & Chi, 2023).

These variations impact the ways in which businesses communicate with one another, get insight from one another, and share expertise, resources, and information. Therefore, "double layered acculturation" can hinder "the informal chemistry that is necessary for interaction and continuing settlement of disputes in alliances", which is in contrast to domestic alliances (Elia et al., 2019). When MNCs' overseas branches form strategic alliances, the problem becomes much more complicated. As a result of their dual-cultural background, which includes both their parent company's culture and the host country's, cultural diversity takes on more complex forms in these contexts. This suggests that "multiple-layered acculturation" is a significant obstacle: checking a subsidiary's cultural fit with its partner on both the host-and home-country dimensions is necessary to get a whole picture of how well the two can work together in a strategic alliance (Khemraj et al., 2023).

References such as Di Minin & Bianchi (2011), Monteiro & Birkinshaw (2017), and Zaheer & Hernandez (2011) suggest that the host country dimensions that range is linked to the extent to which the subsidiary can learn from the partner, while the home country dimension is about how much the subsidiary can combine the partner's knowledge with what the parent business's internal strengths.

In this context, this research attempts to explore and evaluate a company's policy adoption to incorporate cultural diversity within its own organizational domain as well as in managing partnership in multicultural environments (Khemraj et al., 2023). In this article, both theoretical as well as organizational cases are discussed in separate sections, and their interconnectivities are analyzed. Also, the scope of betterments is located. At first, a relevant review of literature is presented from where the primary insight on the conceptualization of this research has been prepared and implemented.

Related Works

It becomes clear from the study done by **Adamczyk (2017)** that variations in culture play a major role in the international business landscape of today. Here, the author pointed that when doing business on a global scale, entrepreneurs should take the time to learn about the local culture before forming any partnerships or forming any plans for expansion. This will help them avoid or at least mitigate the impact of cultural differences.

The report demonstrated the interconnectedness and complexity of the issue by drawing extensive connections between national cultural traits and several domains of international commerce. Knowing these distinctions is critical for effective business management, as this issue presentation demonstrates.

Nikolova & Simroth (2013) examined how religious and linguistic variety in a certain area affected people's entrepreneurial behavior and discovers that there was a U-shaped relationship between cultural diversity and entrepreneurship. The authors added three new theoretical pieces to findings over the existing analyses on cross-cultural organizational diversity. Unlike earlier studies, the outcomes as they found might serve not just entrepreneurs' successes but also their failures when they try to start a business (the "entrepreneurial trial").

The authors also contended that spiritual variety is strongly associated with enterprising trial and that linguistic heterogeneity impacts entrepreneurial success, but that these two forms of diversity were important at different points in the entrepreneurial journey. Furthermore, they contextualized prior research that was divided on whether cultural heterogeneity favorably or negatively impacts business, regional, and country performance by identifying a non-linear link between diversity and entrepreneurship.

Yang Yang & Konrad (2011) explored the current research on the causes and effects of methods for managing diversity. In light of the established frameworks, as they studied, the authors built a research model describing multiple potential future research routes by applying dependent on resources and organizational theories. Thereafter, they also highlighted areas where studies examining diversity management strategies could contribute to the development of these two schools of thought.

The researchers, based on their findings argued that resource-driven theories (Barney & Clark, 2007) and the theories of institutions (Scott, 1995) might provide light on diversity management approaches in research. Research on diversity management strategies can subsequently could aid in the expansion of these two schools of thought. Concerning the causes of diversity management practices, resource-based theory proposed a connection between diversity practice adoption and the establishment of firm strategies, and institutional theory provided a framework for comprehending the social and normative elements impacting diversity practice adoption.

The idea of institutionalization offered a potential explanation for the variable effects of diversity practices across companies, which is relevant to the adoption of diversity management strategies. To ensure that diversity management produces uncommon and hard-to-imitate resources, resource-based theory recommends implementing approach bundles.

They inferred that when it comes to the results of diversity management strategies, one school of thought holds that legitimacy is the most important outcome variable, whereas the other school of thought holds that creating and maintaining a competitive edge are more important.

Hernik & Bieniecka (2017) provided business modeling, organizational diversity supervisors, and the management of human resources (HRM). Business model principles were evaluated in the text, along with conclusions on the benefits and drawbacks of a model based on handling diversity. This piece as the researchers had composed was more of a theoretical musing.

The paper highlighted that incorporating diversity into market activity was mainly to foster a climate that encouraged innovation, creativity, and higher efficiency. Therefore, more creativity could lead to profits for the company. Along with the monetary gains, there may be social benefits, such increased empathy and job satisfaction.

Jones et al. (2020) examined existing research and real-world examples about cultural influences on creative thinking and new product development, using commonly used tools to measure team diversity, and implementing ideas from the science of team science (SciTS) into innovation teams. Some of the most important things as researchers learned included the value of cultural awareness tools, the significance of standardizing communication, the SciTS principles, and how to evaluate each other's thinking patterns in a team setting. Innovation teams benefitted from diversity since it enhanced creativity. To make the most of these benefits, the authors opined that team chemistry were crucial, and members must be competent across cultures. Even with distributed teams, the odds of success improved with the right evaluation tools and team practices in place.

This essay composed by **Ely & Thomas (2021)** took a look at the variety of discourse in the public eye and brings back a contention that was made by the same writers more than 25 years ago: that in order for companies to reap the benefits of more gender and cultural diversity, they needed to be open to change and have a learning mindset.

Establishing confidence and fostering an environment where people felt safe expressing themselves were two of the most important things leaders could do. The other two were actively fighting oppression and bias and embracing diversity of thought inside the organization as a whole. Lastly, leaders should learn how to accomplish the firm's core work by utilizing employees' expertise and perspectives related to their identities.

Bartosik-Purgat & Rakowska (2023) investigated the purpose of determining differences and parallels in interpersonal interaction between business-to-business partners in cross-cultural settings. The most significant cultural impact as was found here was among elder (50+) business partners, according to the general findings. The younger generation was quick to change and open to new ideas. The researchers studies the business interactions approaches in the nations for

organizations looking to break into the American and Chinese markets as they were based on the findings of this investigation. The researchers anticipated that coordination between SMEs' B2B business partners from Poland, the rest of Central and Eastern Europe, the US, and China could be beneficial from the study's results, which might have helpful practical managerial value.

Christopher (2023) opined that recognizing and understanding the peculiarities of multicultural business contexts and capitalizing on the management strategies that arise from them are, then, of the utmost importance. Thus, multicultural and diversity management have the potential to become a widely used tool for improving the effectiveness of global business processes.

The researchers observation found that currently, theories of global economic growth and population rise relied heavily on migration, free labor movement, and the cultural diversity they provide. They highlighted the significance of people of diverse nationalities and cultures living together in harmony. Immigrants and foreign workers seemed to be the answer to the problem of dwindling working-age populations in many Western countries. But this leads to a collision of basic social values, ideologies, and ways of life.

Problem Statement and Motivation

The success of commercial relationships in today's globally integrated and linked world is highly dependent on cultural diversity. A person's or a society's cultural norms, beliefs, ideas, attitudes, and social conduct can be defined in a variety of ways. A community's (or an individual's) conduct and mentality are shaped by their shared experiences, values, beliefs, and ideas; this is what we mean when we talk about culture. Religion, language, gender roles, social dynamics and structure, traditions, rituals, and laws are all crucial parts of any culture.

Organizational culture and national traditions are both part of cultural adaptation in global business. The groups benefit from a deeper comprehension of the inner workings of local companies and labor forces. The advantages of diversity are many, and they include new insights, better ideas, more creativity, and better problem-solving skills. It encourages social responsibility, increases cultural awareness, and helps businesses reach a wider audience.

Nevertheless, these varied perspectives have the potential to question established standards, ignite imagination, and result in revolutionary answers. When a tech business and a marketing agency work together, they can bring their unique viewpoints and experience to the table, which can lead to creative solutions for expanding into new areas.

Some of the cultural obstacles that influence companies worldwide are given below:

Gaining familiarity with regional commercial norms: Companies' inability to adapt to local business practices is a fundamental cultural problem in global trade. One major obstacle to

international trade is the lack of knowledge on how to conduct business in foreign countries without taking cultural, political, and economic effects into account.

For example, cultural factors have a significant effect in many Asian countries. People in Japan hold their elders in the highest regard because of the importance they place on social hierarchy. But in the United States, the organizational structure is more flat.

Recognizing variations by region: Companies that look at the broad picture typically fail to account for regional variations in developing markets. Subcultures encompass more than just ethnic and geographical diversity; they also incorporate factors like the ways in which men and women shop and think differently.

Modifying corporate strategies for regional sales: Consumers' mindsets and actions are profoundly impacted by cultural norms. The key to building a wide and diversified consumer base is personalization, yet many organizations still follow the one-size-fits-all strategy. They need to reorganize their business models so they cater to local tastes, habits, and buyer profiles.

The modification of HR policies: An international firm with little cultural understanding that hires locals may find it difficult to recruit, retain, and use global talent. Personal dedication, contentment in one's work, intrinsic motivation, and the ability to resolve conflicts culturally differ. Human resource policies need to be rethought to meet local cultural profiles in order to comprehend these variances.

Building an environment that values and respects diversity: Top global talent is attracted and retained by an inclusive and varied workplace, which also promotes access to new clients, fosters creativity, and drives innovation by responding to the diverse needs of customers. One must remember that prejudice, discrimination, and cultural disputes are obstacles to cross-border trade, and that diversity and inclusion concerns differ from country to country.

Changing the way management is done: There are distinct cultural concepts that underpin the management models and practices of every given firm. While that makes perfect sense in theory, issues emerge when certain behaviors fade away from different cultures without taking those differences into account. Providing training to employees on how to navigate cultural differences is the organization's duty.

Overcoming the obstacles, in order to extend the business opportunity in multicultural domain a few cultural factors and their impact on multinational corporations in international business can be explained in the following forms:

Exploring untapped markets: When you do business on a global scale, you must explore new markets. When interacting with international customers or developing a marketing strategy for a foreign branch, businesses must be mindful of cultural differences.

Commercial discussions: When it comes to conducting business, different cultures have different views. Some see the conclusion of negotiations as the signing of a contract, while others see it as the birth of a solid commercial partnership.

Distinct personalities: At every level of an individual's professional life, including how they dress and interact with people, cultural norms have a significant impact on personal style. When conducting business, it is important to adhere to the cultural norms on the proper attire and protocol. Making a good impression and securing important business deals depend on one's familiarity with the nuances of other cultures and their corresponding protocols.

Organizing a team: Organizational culture has a significant impact on deal-making strategies. Culture has an impact on all parties involved in a business negotiation, whether it encourages hierarchical roles or societal equality.

Diversity and inclusion: An inclusive and diverse workplace is defined by an organization's openness to individuals, ideas, and practices from many cultures. A varied and competent staff is the result of an inclusive and sensitive work environment. In addition, stakeholders, investors, and clients are left with a lasting impression of these principles.

Given that businesses are now getting a much broader opportunity to move beyond their domestic territory, understanding and inclusion of diverse cultural ethics in business policies and partnership is thus a crucial part of business administration. Summing up the aspects, we can say that embracing diversity in business collaborations fosters a deeper awareness and knowledge of different cultures.

By bringing together people from many cultural backgrounds, businesses may create a more welcoming and accepting workplace for all employees. With this knowledge, companies may better modify their offerings to meet the needs of a wide range of customers and prevent embarrassing cultural gaffes. A food manufacturer, for instance, can reach more people by teaming up with a local chef to make sure their products are suitable for people with different dietary requirements and cultural preferences.

Now that inclusion of cultural diversity is evidently an essential part, we should ensure an optimal business model that incorporate permitting workplace and compatible policies that can create successful business ties and long terms partnerships with culturally diverse

Materials and Methods

This research is developed and composed to highlight the vitality of building up a compatible business management environment that can allow diverse cultures as a part of its workforce as well as carry out multicultural partnerships in a successful manner. The context is agreed as important and subjective for extensive research in terms of the current trend of business

aspirations where many evolving businesses are aiming to extend to the market with cultural diversity. However, they are found struggling or even shrinking due to lack of knowledge or awareness of the impacts of cultural diversity on their business activities.

Likewise, theories and practical instances are discussed in this article to examine the feasibility, effectiveness and implications as applicable between the theoretical and practical formulations. Consequently, their scope and prospects are analyzed aiming for the establishment and sustainability of the culturally diverse business alliances. In this research existing cross-cultural partnership and workforce management models are analysed and assessed provided with practical instances to validate them. Alongside, the applicability of theories and their utilities in developing and strengthening cross-cultural business partnerships are analyzed.

Overall, the efficacy and compatibilities of the current prevalent cross-cultural business partnerships are justified in this article aiming for their growth and sustainability to ensure collaborative socio-economic development.

Findings and Discussion

(a) Theories on Cross-Cultural Business Partnership

Culture functions on three distinct levels, the most basic of which is the level of the visible and palpable. Architecture, rituals, clothing rules, making contact, contracts, language, dining, and so on are all areas where artifacts and attitudes can be seen. Culture deals with values and conventions at a secondary level.

The way things are, as stated factually, are what are known as beliefs or norms. What is happening at level one and what is considered right or bad are explained by these cultural rules. General preferences about what is good and bad, and how things ought to be, are at the heart of values.

On the third and most fundamental level, we have fundamental assumptions. The only way to piece together what's going on at this level is to extrapolate from what's happening on lower levels, which isn't easy. The process of trying to explain the reasoning behind our actions in accordance with specific standards or values is known as interpretation. It has to do with asking "Why?" and trying to find a more nuanced response than "Because!"

Based on the dimensions of culture as described above, the following four diversity management theories are mostly used as fundamentals of building the multicultural business model (Atyah, 2016):

The theory of organizational psychology: For workers seeking streamlined processes and regulations, this theory offers a set of techniques that may work better. It is applicable to any job in any company.

Theory of contingencies: According to this idea, an organization's stance in a variety of domains—including culture and strategy, the organisational environment, and individual employees—determines the success of diversity management and the organization as a whole.

Goal-Seeking Theory: According to this theory, management needs to clarify corporate goals through good diversity management in order to avoid difficulties in accepting and implementing them, which in turn leads to poor organizational performance.

Theory of Learning: The core tenet of this idea is that diversity management initiatives are crucial for reevaluating the organization's fundamental processes and responsibilities, with the goal of streamlining operations and enhancing overall performance.

The following theories are applied to assess the performances and operations of cross-cultural businesses:

Theory of resources: The cognitive advantages held by individuals from diverse backgrounds can lead to performance improvements and contribute value to the business. This is where diversity comes in. This idea posits that a diverse workforce provides organizations with a competitive advantage through enhanced knowledge, easier access to markets, and better collective thinking, all of which contribute to improved performance.

The principle of social utility: According to this approach, achieving diversity management is as simple as associating an individual's group membership. Incorporating rules for the organization and the teams into the process of developing an individual's sense of self-worth will boost motivation.

The theory of contingencies: Using this idea as a framework, researchers have examines how different attitudes toward diversity in the workplace affect productivity. According to this hypothesis, the outcomes for the groups that were tested are influenced by a complex interplay of characteristics including telecommunications conflict, group cohesiveness, and harmony with respect to employees.

Incorporating diversity management strategies into a company's overall strategy has a positive effect on organizational performance, according to a study that found higher levels of performance in diverse companies. In contrast, organizational performance falls at organizations with a high degree of diversity that put less emphasis on diversity management practices.

(b) Business Models on Cross-Cultural Business Partnership

Basically, based on the cultural diversity, scholars cannot define a neutral model applicable in every cultural domains to manage cross-cultural businesses and partnerships. Gopalkrishnan's (2019) article takes a close look at cultural competency, a widely used framework for cross-cultural collaboration, and analyzes its strengths and weaknesses. As an alternate paradigm, "culturally dynamic partnership" offers a more inclusive and equitable approach to cross-cultural collaboration. This framework takes a page out of previous frameworks' playbooks and offers a path ahead that gives agency to everyone involved in a partnership.

The three main components of cultural competencies are typically utilized in conventional cross-cultural models as mentioned below:

- When it comes to fostering good interactions between cultures, an emotional mentality that includes attitudes like sensitivity, respect, and openness to difference is helpful. There are two parts to cross-cultural competence:
- The first is the intellectual component, which entails learning about cultural similarities and differences; this helps with building relationships and avoiding misunderstandings;
- The second is the behavioral component, which entails developing skills in areas such as working with interpreters, developing communities, and crafting policies.

Although this concept is well-liked by organizations and government entities, it fails miserably when applied to a global setting due to its focus on trainable competencies. The first problem is that prejudice and power imbalances are not being adequately addressed. Interactions between and within cultures can and do give rise to problems of dominance, racism, discrimination, and power.

Rather than addressing the disparities in resources and power that exist across cultural actors, cultural competency frameworks promote inclusion through concepts like camaraderie, adaptability, better communication, and tolerance. Many nations whose cultural competence is highly regarded have endured colonization, and as a result, their populace have endured the marginalization and loss of power that accompanies it. If a framework is incompatible with this fact, its usefulness becomes highly doubtful.

There is a significant challenge with using cultural competency frameworks when dealing with immigrant and refugee groups that face prejudice and bigotry in Northern nations where "whiteness" is highly valued. There is still an inward focus, on the practitioner and their organization, even in more complicated and evolving models of cultural competence like the multi-dimensional model. Neither the client nor the community are mentioned.

Cultural competency, according to some, is similar to new kinds of racism since it "otherizes" some people and relies on rigid, absolutist conceptions of culture (Pon, 2009). The idea that culture is static, unchanging, and unchangeable is, to put it mildly, incorrect. In today's

interconnected globe, cultures are always evolving into new hybrids through mutual influence and exchange.

This phenomenon is further highlighted by Chen (2015). According to Gopalkrishnan (2013b) and Van Oudenhoven and Benet-Martínez (2015), people within cultures have multiethnic or even bicultural lives, alternating between several cultural perspectives and identities. Culture is dynamic and ever-changing because of the ways in which people interact with one another and with larger groups.

Cultural competence literature, according to Spivak (2006), becomes a political problem when it presents culture in a static way that benefits society's powerful at the expense of society's disadvantaged. When considering "whiteness" as a yardstick by which other civilizations are judged, Pon (2009) is extremely critical of this perspective.

Last but not least, the idea that a practitioner can be "competent" in interacting across cultures is problematic and forms the basis of cultural competence as a concept. Due to the "top-down" character of this method, most field training is aimed at organization employees and, on occasion, community group leaders who are tasked with interacting with members of the community.

The term "culturally dynamic partnership (CDP)" refers to a method of collaborating across cultures that prioritizes creating a safe space for all parties involved to learn from one another and grow in their understanding of how to work together fairly in partnership with people from different cultural backgrounds.

In this context, the term "culturally dynamic partnership" refers to an approach to working with others that does not prioritize the "other" and instead emphasizes the importance of individuals collaborating with one another. Sincere partnerships that tackle racism and power dynamics form the bedrock of CDP.

Establishing a culturally safe space where people can feel comfortable negotiating power dynamics is the first order of business in this setting. Researchers in New Zealand, including Maori nurses, came up with the idea of "cultural safety" (NACCHO, 2011; Skellet, 2012). A place where people can feel secure enough to be themselves without fear of harassment, discrimination, or rejection because of who they are or what they require. The key is to listen attentively, learn from one another with grace, and respect one another's meaning and experience. Referenced in Williams (1999, p. 213)

Although these principles were developed primarily for use with indigenous peoples in nations that have a long and troubled history of colonization, they are highly adaptable and can be used

in a wide variety of intercultural contexts. As part of its partnership strategy, CDP would work to ensure that all interactions are as fair as feasible by actively working to shift power dynamics.

This is an attempt to change the way certain so-called "partnerships" work, where the powerful partner usually ends up making all the important choices because of the enormous power differential between them. When power dynamics are left unchecked, one cultural group or organization can easily dominate the process while the other is reduced to a passive observer. Although this is more of a problem in nations that have experienced colonization, it is common in many other nations when the dominant culture imposes its values on minority groups.
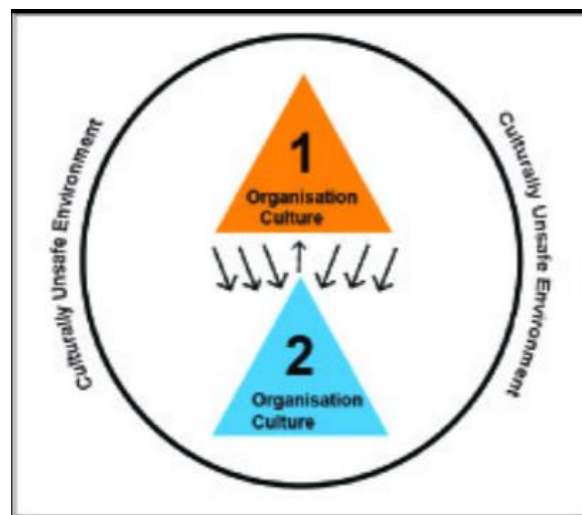

Figure: Framework of building cross-cultural business partnership showing traditional power dynamic as depicted by (Gopalkrishnan, 2019)

These partnerships as developed by CDP framework undergo transformation as a result of interactions, which might affect one or both partners. In settings where people are progressively shifting their cultural identities and perspectives, it is crucial to prioritize cultural change and hybridity in practice, as culture is ever-evolving.

Cultural transformation and an expansion of "mutual understanding" are both outcomes of encounters that take place in such a welcoming setting. Here is where the two cultures that are engaging can reach mutually acceptable and comfortable understandings. Important processes that may be involved include commonly held beliefs, values, attitudes, and patterns of behavior.

Cultures are constantly evolving and people are learning more about themselves and others, which is expanding our sphere of mutual understanding and making it easier to avoid cultural conflicts. The various ways in which the two cultures differ outside of this area will persist and,

who knows, perhaps even evolve over time. When seen through the lens of diversity's synergies and the belief that cultural diversity opens up new opportunities for everyone involved, these differences are less likely to cause friction.
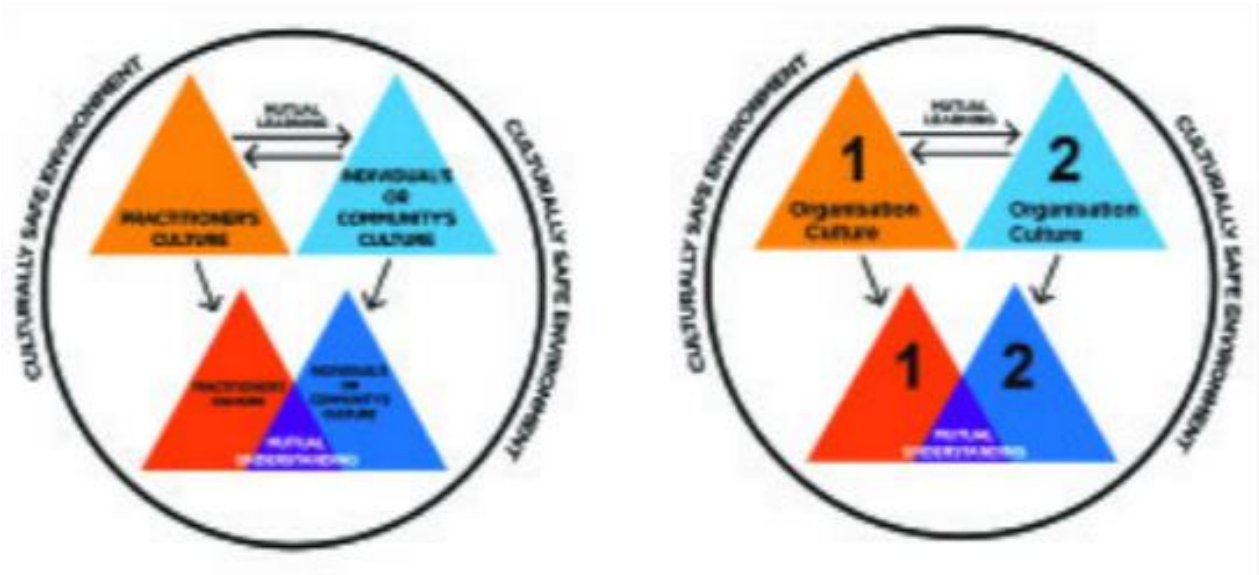

Figure: Framework of building cross-cultural business partnership showing collaboration and mutual understanding in power dynamic as depicted by (Gopalkrishnan, 2019)

The concept of "mutual understanding" could be further developed through an investigation of CDP training. Humanitarian entrants currently settling into Australia are clients of Australian Humanitarian Settlement agencies, and in order to work "effectively" with them, staff members in these agencies have traditionally participated in cultural competence, cultural awareness, and culturally responsive training.

Everyone who might otherwise be left out is included in these procedures, not just the usual suspects like cultural gatekeepers. In patriarchal societies, for instance, this is essential for including women in decision-making. This is also true for other marginalizing variables, such as handicap, class, caste, or sexual orientation. On a deeper level, this means that every person involved in CDP needs to constantly assess their own power dynamics, both historically and in the present, in order to strive for partnerships that are more cooperative, collaborative, and power-sharing.

However, there are four broad management styles that cross-border alliances typically take, and these approaches hold true regardless of the number of enterprises or nations involved (Jackson

& Schuler, 2018). Each of these strategies reflects a unique approach to navigating the cultural variety inherent in international partnerships.

Portfolio	**Blending**	**New Creation**	**Absorption**
Maintain separate cultures	**Choose the best elements from each culture**	**Develop a new culture that fits the new organization**	**Assign legitimacy to one culture and expect assimilation by members of the other culture**

Figure: Four broad culturally diverse business partnership management styles

(*Source:* Jackson & Schuler (2018))

Using these frameworks, we can ensure how a manager goes about their day-to-day work in the context of different cultures and their values. A person's cultural preferences shape how they carry out their tasks, according to this study's premise. Therefore, mutual understanding and cultural training as instructed in CDP is an important aspect of sustainable cross-cultural organizational management and partnership business administration.

(c) Practical Cases of Cross-Cultural Businesses and Partnerships

A number of factors, and frequently more than one, contribute to the failure of cross-border alliances between companies. Here are some common causes of failure (Jackson & Schuler, 2018):

- Unrealistic expectations,
- Poorly thought-out strategy,
- Sloppy preparation,
- Clumsy execution all contribute to a lack of unity behind a single overarching message,
- Loss or mismanagement of key talent,
- Unchecked cultural clashes between partners,
- Distrust between managers of the two companies, and astronomically high costs for transitioning and coordinating efforts.

We discuss on a few cross cultural business partnership problems to get a clear understanding of the scenario and the vitality of cross-cultural business development and partnership model to serve for sustainability and growth (Browaeys & Price, 2019), (Jackson & Schuler, 2018).

Problem Instance 1

One of the most commonly mentioned reasons is cultural clashes, which are frequently related to other factors. Culture clashes are typical in cross-border alliances, and they can arise for a variety of reasons, including differences in company culture and national culture. The two varieties are likely linked, and they're certainly not easy to separate. Problems like the one DaimlerChrysler encountered are typical. It was soon clear that there was a lack of genuine collaboration and cooperation, despite claims that management were aiming to combine the finest components of both companies.

For instance, executives from Daimler refused to use Chrysler parts in Mercedes vehicles. Two distinct operational headquarters were maintained by DaimlerChrysler, one in Germany and one in Michigan, even though the two companies were technically "one" in name. "We have a clear understanding: one company, one vision, one chairman, two cultures" (The Economist, 2000), said Juergen Hubbert, chief passenger car officer at Daimler, two years after the merger was officially completed.

Problem Instance 2

In terms of crisis management, cross-cultural interactions play a crucial role. A practical instance should suffice the need: An executive from Japan, clad in a surgical mask, gave one of the first public statements from Toyota after the company announced the recall of its vehicles in January 2010. When it gets cold in Japan, people often wear masks. Experts in crisis management, however, are using the image to represent a corporation that has failed to adequately communicate with consumers during the crisis. It reflects a typical case of misinterpreting the cultural and regional customs (Bhujell et al., 2021).

Toyota has gone from being a family friend to a complete stranger, according to Robbie Vorhaus, founder and chief executive officer of the crisis reputation consultant Vorhaus Communications. Toyota confirmed it would recall millions of vehicles with sticky accelerator pedals, but it took days before the public in the US and Europe learned about the recall. The chief executive officer of the corporation, Akio Toyoda, has remained largely out of the spotlight throughout.

As staff at regional offices awaited instructions from Tokyo on what they could and could not disclose, the crisis has provided a rare glimpse into poor communications within Toyota's vast

operation. Regardless of the facts of a problem, firms have bungled their message to consumers in the past during crises involving defective products (Bhujell et al., 2021).

Problem Instance 3

As cross-cultural businesses are coming under tough competition, they need to know the people's attitude and responses so that they can extend their businesses in cross-borders. For example: The campaign, which is sponsored by Switzerland Tourism, the city of Lucerne, and the Indian arm of Kuoni Travels, encourages Indians to go to the sets of popular Bollywood films and "experience the magic" for themselves. The next page of the same newspaper features a full-page advertisement for tours to various locations, including the United States, Europe, Egypt, Turkey, Australia, and Kenya, run by Cox & Kings, a recently listed Indian travel agency.

The commercials show how countries and travel businesses are competing to attract Indian tourists, who are utilizing their newfound wealth to enjoy family vacations abroad, something that was once only possible for the wealthy. According to Suhel Seth, managing director of Counselage, "Indians are tired of seeing Manhattan only in Hindi films." Today, he has the opportunity to join the action by heading there, therefore he's definitely going.

The annual number of Indian tourists is far lower than the 45 million Chinese tourists. However, by 2020, the World Tourism Organization predicts that nearly half a million Indians will travel abroad for vacation. Although it only accounts for a small fraction of India's population, it represents a massive untapped opportunity for international tour operators.

Problem Instance 4

The importance of human friendships in the effectiveness of cross-cultural partnerships has been highlighted by both research and anecdotal evidence. For instance, when asked what made a joint venture between an American and Italian firm work, management cited the close relationship between the two parent companies' chairmen as a key component. Employees at FESA, a partnership between Japanese Fujitsu and Spanish Banesto, did not have the personal relationships necessary to build the trust necessary for learning and information transfer to take place.

The above discussions of the practical cases, in varying way emphasize the need of awareness, understanding and preparedness before proceeding for a culturally diverse partnership or organization ventures. Certainly, as suggested in the theories and models of culturally diverse business administration, the need of Inclusion and diversity (I&D) is certainly a factor of significant business justification than ever before, according to the presented business cases (McKinsey, 2020).

Over time, businesses with a more diverse workforce have a better chance of exceeding their industry rivals in terms of profitability, whereas organizations without a varied workforce face increasingly problems and lagging in the competition. Even while the trend of culturally diverse alliances are showing struggling trends by moving at a snail's pace, certain companies are making significant headway. Thus regular surveillance and assessment on these organizations are essential to scale up the methodical, company-driven strategy and strong, coordinated efforts to promote inclusiveness (Seah, 2023).

The cases shown above, although aligns with the theories and business models, but as mentioned in the chosen cross-cultural business model, the strategies are diverse based on the alliances and they need friendly collaboration, closeness and understanding on the prospects and mutual commitments to work as an integrated unit in culturally diverse business partnership ventures.

Conclusion

This article explores cross cultural business management culture that is a current emerging trend of organizational culture and competitive advantage. From the findings as discussed in the past sections the need of interpreting, assessing and upgrading it qualitative functionality is certainly an essential task of business administration. Both formal and informal aspects of an organization's culture are encompassed by management culture, which is distinct from organizational culture.

There is a clear demarcation between the many components of management as we have explored in this article, such as, culture, including instructional, informational, communicative, standardizing, regulatory, and other organizational responsibilities. Therefore, it is essential for an international company's success to have a thorough grasp of local business procedures.

Unfortunately, as exemplified, many companies fail miserably when they expand into foreign markets without first researching local business practices. As a result, they encounter difficulties in gaining the trust and support of their new stakeholders and employees. Training, Friendly Collaboration, Inclusivity in Power sharing management, Awareness on local culture and Regular preparedness for necessary transformations are found as the key tools to grow and sustain in multicultural business alliances that are currently evolving in this globalization environment.

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