# Leadership Enhancement in Cross-Cultural Management

## - From the Cultural Dimension

## Liangwei Huang<sup>1,a,\*</sup>

<sup>1</sup>School of Logistics Management and Engineering, Zhuhai College of Science and Technology, No. 8, Anji East Road, Jinwan District, Zhuhai City, Guangdong Province, China a. 15868382162@163.com

\*corresponding author

Abstract: From the perspective of cultural dimension, this paper discusses the importance of cross-cultural management for business leaders and how to enhance cross-cultural leadership in the context of globalisation. Firstly, it proposes to cultivate cross-cultural awareness and multicultural wisdom so that business leaders can reduce misunderstanding and cultural conflicts and enhance team cohesion. Secondly, establishing effective cross-cultural communication is proposed to promote co-operation, enhance influence and create a positive work environment. In addition, adopting appropriate cross-cultural employee incentives is pointed out to meet the needs of employees from different cultural backgrounds and to increase team enthusiasm and innovation. Finally, the importance of continuous learning of cross-cultural leadership thinking and approaches to continuously optimise leadership effectiveness is emphasised. These strategies help business leaders to better adapt to multicultural environments, cope with the challenges posed by cultural differences, and achieve improved teamwork and performance, thus achieving sustained success in the context of globalisation.

*Keywords:* leadership, leader, cross-cultural, business, employee

#### 1. Introduction

As globalisation accelerates and businesses operate in increasingly diverse cultural environments, business leaders need to deal with employees, customers and partners from different cultures. The Smooth running of any organization depends on its human resources personnel and their ways of addressing the problems. Human resources are required to perform at all operational levels across all business units be it domestic or global. In such circumstances, the risk of cross cultural discrepancies is inevitable.[1] In such a multicultural environment where differences exist, it becomes crucial for business leaders to effectively improve their leadership skills. In the past, a large number of leadership theories have emerged from scholars' research on leadership. For example, trait theory advocates that leadership ability is innate, situational leadership theory emphasises the need to adjust leadership style according to different scenarios, and transformational leadership theory encourages the stimulation of a common vision between employees and the company. Each theory has its merits and drawbacks and seems to provide part of the answer to the leadership puzzle. In today's complex, dynamic and globalised world, organisations are consistently dealing with change and uncertainty

<sup>© 2023</sup> The Authors. This is an open access article distributed under the terms of the Creative Commons Attribution License 4.0 (https://creativecommons.org/licenses/by/4.0/).

and no one theory has been able to address all the concerns regarding leadership.[2] At the same time, in the past scholars' research on cultural intelligence, some theoretical foundations have been laid that can help business leaders enhance cross-cultural leadership. These include Intellectual Cultural Intelligence, Emotional Cultural Intelligence, Behavioural Cultural Intelligence and Motivational Cultural Intelligence. Cultural intelligence emphasizes the ability not only to function effectively but also to bridge cultural differences.[3] It enables business leaders to better understand, respect, and adapt to employees, customers, and partners from different cultural backgrounds, and to interact effectively in order to lead successfully in a multicultural environment. Therefore, in the process of cross-cultural management, business leaders not only need to possess traditional leadership skills, but also need to continuously learn and cope with various challenges brought by different cultural backgrounds. For example, language barriers and communication problems can lead to unclear messages, cultural differences and conventions can lead to questionable decisions, and time differences and customs can lead to ineffective teams. Good business leaders have a high degree of cross-cultural awareness and sensitivity, are able to respect, learn and adapt to different cultures, communicate effectively and adjust their leadership style, resolve problems and conflicts effectively, and co-ordinate and co-operate in diverse contexts to achieve business goals. On the contrary, poor business leaders may ignore cultural differences, lack effective communication and cultural adaptability, which may lead to misunderstandings and conflicts, reduce the efficiency of teamwork, and affect the achievement of corporate goals. Therefore, business leaders need to continuously learn to improve their cross-cultural management skills and their own leadership, and endeavour to become excellent business leaders, so that they can successfully lead their teams to help their companies achieve sustainable benefits. Effective cross-cultural leadership management helps to motivate employees and also helps in behavioural changes of employees in international business processes. It improves communication between all the stakeholders of the organisation and makes business negotiation effective.[4] Similarly, enhancing leadership in the process of cross-cultural management can not only help business leaders better adapt to the multicultural environment and cope with the challenges posed by cultural differences, so as to effectively lead their teams, promote cooperation and enhance performance, but also help business organisations attract diverse talents and expand their markets and business opportunities, so as to enhance their international competitiveness. In this paper, we will explore how to enhance leadership in cross-cultural management from the perspective of cultural dimensions, in order to help business leaders and other stakeholders to better cope with the challenges of business management in a multicultural context.

### 2. Manuscript Preparation Effective Leadership Enhancement

### 2.1. Cultivating cross-cultural awareness and multicultural wisdom

Cultivating cross-cultural awareness and multicultural wisdom is an indispensable core competency in cross-cultural management. Firstly, cross-cultural awareness enables business leaders to be keenly aware that employees' ways of thinking and perceptions are largely shaped by their cultural backgrounds, thus effectively reducing the occurrence of misunderstandings, stereotypes and cultural conflicts. By studying the history, values and social backgrounds of different cultures, business leaders are able to more accurately anticipate and understand the behaviour and needs of their employees, and have the ability to identify potential signs of cultural conflict and flexibly apply targeted interventions and management strategies to effectively resolve contradictions and conflicts, thereby enhancing team cohesion. Secondly, multicultural wisdom enables business leaders to manage cross-cultural teams more flexibly. By understanding and analysing the differences between different cultures' values, communication styles and decision-making modes, such as holistic versus analytical thinking, dispositional versus situational attribution, and universalism versus particularism,

business leaders are able to continuously adjust their own leadership styles, interact with their employees in a more flexible way, and build bridges of trust and cooperation. This adaptability not only helps to defuse cultural barriers, but also helps business leaders to more powerfully guide their teams towards common goals. In addition, cultivating cross-cultural awareness and multicultural intelligence is important for talent attraction, development and retention. Creating a work environment that respects diversity for employees not only helps to attract talent from different backgrounds, but also brings multicultural strengths into play in the team, bringing sustained innovation and competitive advantage to the organisation by integrating superior capabilities from different cultural perspectives.

#### 2.2. Establishing effective cross-cultural communication

Establishing effective cross-cultural communication is a key element of successful leadership. In a cross-cultural business environment, business leaders not only have to lead employees from different cultures, but also have to communicate and co-operate with partners, customers and stakeholders from different countries and regions. In such diverse environments, establishing effective crosscultural communication helps business leaders understand and respect cultural differences. By listening and expressing themselves effectively, business leaders can better understand and respect the needs and opinions of their employees and partners, thus facilitating co-operation through communication, compromise and finding common interests. For example, business leaders can fully clarify the meanings expressed by employees according to the background differences between highcontext and low-context cultures, convey information in an appropriate way, and reduce the information gap generated in the communication process, thus promoting understanding and respect. Secondly, effective cross-cultural communication can enhance the decision-making power and influence of business leaders. By linking with employees and partners from different cultures in an appropriate way, business leaders can better integrate the unique perspectives and experiences of individuals from different cultures to assist decision-making and increase their influence while gaining mutual trust and respect. For example, business leaders can communicate explicitly through explicit communication to convey guidelines, and implicitly through implicit communication to sense the emotions and needs of their teams, thus ensuring that the message is conveyed effectively and that the team is motivated at the same time. In addition, effective cross-cultural communication helps to build a positive work environment. When employees feel understood, respected and included, they are more likely to be satisfied and show higher commitment to their work, resulting in increased team cohesion and cooperation, which is also a reflection of higher leadership skills of business leaders. For example, business leaders can adopt corresponding leadership styles according to the background differences between individualism and collectivism, emphasising different spiritual concepts, so that employees can complete their work with more positive attitudes and actions, thus enhancing team efficiency and execution.

## 2.3. Adopting appropriate cross-cultural employee incentives

Adopting appropriate cross-cultural employee incentives is one of the most important tools in the leadership process. Differentiated motivational approaches can stimulate the initiative and motivation of employees from different cultures, thus helping business leaders to achieve their leadership goals. First, employees from different cultures may have different definitions of success and achievement. Some cultures emphasise individual achievement and competitiveness, while others focus more on teamwork and the achievement of common goals. Business leaders can develop personalised motivational approaches based on employees' cultural backgrounds to better meet their values and motivations, and thus inspire enthusiasm for work. Second, employees from different cultures may

engage in work contributions in different ways. Some employees are willing to express opinions in public, while others prefer to convey ideas in a private setting. Business leaders can use targeted incentives based on employees' behavioural styles to enhance the engagement and sense of achievement of all employees, thereby increasing the level of innovation in the team. In addition, appropriate motivation can be achieved by tapping into the intrinsic and extrinsic motivations of employees from different cultural backgrounds. For example, some employees may consider bonuses and promotion opportunities to be more important, so clear performance systems and promotion paths will be more popular, while others may place more importance on personal interests and job content, so appropriate job assignments and job content will be more attractive. In a cross-cultural environment, business leaders can effectively enhance leadership by understanding and meeting the individual needs of their employees, building closer team relationships, and increasing employee satisfaction and loyalty.

#### 2.4. Continuous learning of cross-cultural leadership thinking and approaches

Continuous learning of cross-cultural leadership thinking and approaches is of great significance to the continuous improvement of leadership. In a cross-cultural environment, business leaders need to constantly face diverse challenges, such as cross-cultural conflict resolution, maintenance of diverse employee relationships, and management of different work styles. This requires business leaders to maintain a learning and adaptive attitude, and to adjust and improve their leadership methods based on experience and feedback. Firstly, business leaders can deepen their understanding of different cultures by participating in cross-cultural training and seminars. By learning the differences in values, communication styles, and decision-making patterns across cultures, and turning these differences into opportunities for teamwork and innovation, they can more effectively lead employees from different cultural backgrounds. Second, business leaders can facilitate mutual communication and practice among teams. By creating an open, respectful and inclusive work atmosphere, employees are encouraged to share each other's unique perspectives, and to work together in sharing and collaboration to explore how to make the most of these differences to achieve the team's common goals. In addition, business leaders can introduce and utilise a number of theoretical models of cultural dimensions to aid leadership. For example, according to Hofstede's cultural model, different cultures differ in terms of power distance, uncertainty avoidance, and individualism versus collectivism. However, this gives an incomplete overview of the field to which three additional research paradigms contribute: interpretivist, postmodern, and critical.[5] Business leaders can learn from these crosscultural management research mindsets, both in terms of respecting pluralistic thinking and in terms of continually evaluating and optimising in team management to enhance leadership effectiveness.

#### 3. Conclusions

In the context of globalisation, business leaders are facing more and more cross-cultural management challenges and therefore need to continuously improve their cross-cultural leadership. This paper proposes four key leadership enhancement strategies, including cultivating cross-cultural awareness and multicultural wisdom, establishing effective cross-cultural communication, adopting appropriate employee incentives, and continually learning cross-cultural leadership thinking and approaches. The implementation of these strategies can help business leaders better manage their relationships with employees, customers and partners from different cultures, promote teamwork and performance improvement, and provide important support for sustained business success.

Firstly, developing cross-cultural awareness and multicultural wisdom is key. Business leaders need an in-depth understanding of the history, values and social contexts of different cultures to minimise the occurrence of misunderstandings and cultural conflicts. Multicultural wisdom enables

business leaders to manage cross-cultural teams more flexibly and build trust and cooperation. Secondly, it is critical to establish effective cross-cultural communication. Business leaders need to adapt to different cultures' communication styles to reduce information gap and enhance decision-making power and influence. At the same time, positive cross-cultural communication helps to create a positive work environment and improve team cohesion and cooperation efficiency. Thirdly, adopting appropriate employee incentives can stimulate the initiative and motivation of employees from different cultural backgrounds. Business leaders need to develop personalised incentives based on employees' cultural backgrounds to meet their values and motivations. This helps to increase employee satisfaction and loyalty. Finally, business leaders need to continually learn and improve cross-cultural leadership thinking and approaches. Challenges in cross-cultural environments are constantly changing, and business leaders need to adapt to new situations and needs, and continually adjust and improve their leadership approaches.

#### **References**

- [1] Jain, T., & Pareek, C. (2019). Managing cross-cultural diversity: Issues and challenges. Global Management Review, 13(2), 23-32.
- [2] Benmira S, Agboola MEvolution of leadership theoryBMJ Leader 2021;5:3-5.
- [3] Wang, K. T., & Goh, M. (2020). Cultural intelligence. The Wiley Encyclopedia of Personality and Individual Differences: Clinical, Applied, and Cross-Cultural Research, 269-273.
- [4] Alvarez, S. C., & Sahija, D. A Review of Cross-Cultural Leadership and Management in International Projects.
- [5] Laurence Romani, Christoph Barmeyer, Henriett Primecz & Katharina Pilhofer (2018) Cross-Cultural Management Studies: State of the Field in the Four Research Paradigms\*, International Studies of Management & Organization, 48:3, 247-263.