Obstacles to Innovative Interaction:

Communication Management in Culturally Diverse Organizations

Jakob Lauring

Arhus University, Denmark

Abstract

Cultural diversity has often been described as yielding competitive advantages like, for example, innovation resulting from the combination of different cultural perspectives. However, there are also substantial organizational problems related to managing cultural diversity, which need to be overcome in order for diversity to be a useful asset. Based on an empirical study of Danish multicultural companies, this article argues that the understanding of communication processes may reveal important aspects about the obstacles of managing cultural diversity. The main argument is that language-use is linked to social processes that can create boundary creation or social fragmentation within multicultural organizations.

Key words: cultural diversity, multicultural organizations, innovative interaction, innovative thinking.

Introduction

In recent years, cultural diversity has often been described as an organizational asset, to be utilized in the facilitation of innovation and creativity. Nonetheless, the benefits of diversity are not to be taken for granted. Diversity has to be coordinated in order for it to yield any organizational advantage. Consequently, the management of communication between different individuals and groups can be a critical issue. It has been argued that in the increasingly global business environment, successful managers will be those who can manage communication in culturally and linguistically diverse contexts. If organizational members do not communicate well, the innovative potential will be unlikely to blossom.

This article focuses on intercultural communication as a means to creating value in diverse organizations. Based on an exploratory and qualitative study of 14 multicultural ‘knowledge intensive’ Danish organizations, the process of communication between culturally different groups and individuals will be outlined. It is acknowledged that communication mobilizes many kinds of language, not restricted to oral and written forms. Nevertheless, language in the narrower sense of speaking and writing, is the dominating mode of creating meaning through interaction in multicultural organizations. In this article, innovation and creativity is mainly used as emic or ‘native’ terms. In this paper, it is argued that a process of communication has to take place between the different organizational members, in order for there to be a link between cultural diversity and innovation, as the development and implementation of new ideas.

The point of departure for this article is an investigation of the relationship between intercultural communication and value creation opportunities brought on by diversity in multicultural and multilingual organizations. The investigation explores the territory of diversity of languages, which has not been explored thoroughly in diversity management literature. However, the focus on perceptions of language-use and communication style is guided mainly by the scope of the empirical material. Though other differences, such as managerial roles, different attitudes about work, and perceptions of time, could be identified in interviews, the informants do not relate those to communication issues. Hence, the arguments of this paper are empirically driven and while they are not entirely novel in communication research, they have yet to be recognized in most management oriented literature, especially in the areas of diversity management and international management. However, it is not the purpose of the article to relate different demographic (diversity composition) or organizational (size/location/line of business)
variables to successful innovation. In other words, the attempt is not to link particular groups or settings to the results of cultural diversity. The aim is to direct attention to social processes, linked to communication and language-use, which may impede innovative interaction in multicultural organizations. The social processes focused upon in this article are: 1) boundary creation, which confines communication with a group and 2) social fragmentation, which reduces the degree of interaction in the organization.

Cultural diversity and communication

It has been previously argued that diversity will increase the innovative thinking within a group of employees, because different perspectives lead to different solutions to identical problems. Homogeneity, on the other hand, may hold a potential danger of leading to ‘group think’. This implies that multicultural groups, if managed well, should be more innovative, as opposed to more homogeneous groups.

Though much literature seems to embrace the idea that cultural diversity in organizations leads to competitive advantages, there are also opinions that are more sceptical. In their view, there are some major obstacles linked to the management of cultural diversity that need to be overcome – especially with regards to interaction and communication.

Managing communication in multicultural or multilingual organizations is more often a complex task, compared to companies employing only one nationality - or speech community. In addition, suspicion and conflict may arise as a result of communication difficulties in diverse organizations. Barriers to communication in cultural diverse groups have been claimed to lead to absenteeism, low morale, and loss of competitiveness, as well as distrust, discord, and lack of market orientation and customer focus. This implies that companies seeking competitive advantage from cultural diversity face a dilemma. If they embrace diversity, they risk communication problems, and if they avoid diversity, they risk losing some of the benefits of innovative thinking. To reach an understanding of the dilemma, a discussion about the implications of functionalist research on intercultural communication is required, as it claims that there is a close relationship between communication style and cultural distance.

Culture, according to the extensive functionalistic management oriented literature, determines how people encode, transmit, and interpret messages. Hence, it is argued that since culture is the foundation of communication, it represents a possibility for disturbance, which can distort the meanings intended in a message. Similarly, it is stated by Beamer that communication across cultural boundaries does not function when signs are unrecognizable, because they differ from the known frame of reference of the receiver.

By conceiving cultural differences and language as the only barrier for intercultural communication, many scholars have argued that misunderstandings can be remedied by learning about other cultures. In their view, speakers are always perceived as being motivated to achieve a common understanding. For example, when misunderstandings occur, they are understood as doing so because different cultural norms and ways of communicating inflict on the messages being sent out.

While acknowledging the importance of the cultural differences in intercultural communication, it is also the author’s aim to bring the other structural constraints to attention, which may influence communication in intercultural settings – such as power relations in the inclusion and exclusion of other individuals. In culturally diverse organizational settings, it is highly problematic to view communication as a linear transmission of information and reproduction of intended meaning, because of the complexity of the context. As known, the linkage between culture and communication should also be characterized by processes of relationship building and social organization, which may take many different forms in complex settings. In other words, communication is about acting, organizing, and relating, as most other purposive activities in which humans engage. Therefore, communication is not only something that takes place across cultures, but also something that creates culture.

Research design

In Denmark, diversity management has become popular, especially after the arrival of a large number of immigrants and refugees during the 1990s. Immigrants now account for approximately seven percent of
the Danish population. However, a large number of the immigrants have not been integrated into the knowledge intensive part of the labour market. Even though most of the immigrants and refugees living in Denmark are not integrated in knowledge intensive jobs, the rhetoric on the benefits of diversity management has been very positive stating that "the differences between people are an overlooked goldmine in Danish companies" (my translation). Even though the statements about creating innovation through diversity management can be found in all types of organizations, large to small, public and private, the actual practices of cross-cultural innovation are more or less reserved to companies employing foreign experts or inpatriates from subsidiaries, as well as other individuals with non-Danish backgrounds, living in Denmark.

This paper is based on data generated in a qualitative study of 14 Danish multicultural companies. The selection of the companies was based on the percentage of employees with a national background other than Danish, and they represent some of the most culturally diverse organizations in Denmark. The chosen organizations are all internationally knowledge intensive, aiming at achieving an innovative and creative environment through diversity management. All organizations use English as a corporate language.

The study has set out to provide an overall picture of communication issues in culturally diverse Danish companies, and so, a broad range of organizations have been chosen rather than an in-depth study of one or two specific sites. This enables the researcher to develop a taxonomy of the challenges faced by managers in the chosen organizations, adding to the understanding of intercultural communication as a social practice. The study’s limitation is that even though the researcher will gain a broad picture on the informant’s conception of intercultural communication, the actual interaction will only be observed in practice to a limited extent.

The data for this study was generated through semi-structured research interviews. In cooperation with organizational gatekeepers, key informants were identified on the basis of their experience with cultural diversity. Out of a total of 82 interviews with managers and employees, 43 of the informants are Danish, while 39 represent other nationalities. Most non-Danish informants live in Denmark on a more or less permanent basis. However, only five of them come countries from which Denmark usually receives refugees and immigrants from. About 60 percent of the informants have managerial responsibilities. The interviews were performed in Danish as well as in English. With a single exception, all English interviews were conducted with non-native speakers. The native languages of these informants are Polish, Russian, Rumanian, Italian, Dutch, French, Mandarin, Hindi and Arabic.

The interviews took the form of a dialogue between the researcher and the informants, where questions were asked about the effects of cultural diversity on communication and innovative thinking. Interviews were open-ended and informants were asked in broad formulations about advantages and disadvantages of cultural diversity in their organization (see preliminary interview guide). This way, the main themes of the investigation were not selected before entering the setting. They slowly developed through the process of interaction with the informants. Therefore, the interview guide changed during the whole extent of the project. Some questions were added and others deleted. To begin with, communication and language-use were only two of a number of themes to be investigated. However, it became gradually clear through the interviews that language, in one way or another, is linked to all other intercultural issues put forward by the informants. Initially, language use emerged from the data as a means to boundary creation. However, in subsequent analysis and interviews, the social fragmentation became continuously more apparent. This way, the research project, applied an iterative approach, by processing incoming information in a circular fashion, allowing for continuous integration of new questions in the interview guide. In this case, the perception of language-use as the dominant obstacle to cross-cultural interaction could not have been predicted from reviewing the literature on the subject of diversity management.

**The communicative practice of diversity management**

The informants in the research project were all well aware of statements regarding the positive or even profitable relationship between cultural diversity and organizational advantages, such as innovative thinking, creativity, and the synergy of different perspectives. As it was mentioned:

I think that an international environment is the best you can get. You get all the innovation and creativity. The most positive is a different perspective - diversity.
Sharing of knowledge and learning from each other. Diversity - that is the word (Employee, North America).

However, when asked directly to describe situations where diversity contributed to organizational development or innovation, most informants had difficulties finding concrete examples. Some of the informants could not relate to any specific incidences, while others told the researcher that it ‘happened’ more in other departments. As formulated by a Danish manager in a multicultural organization: ‘There is synergy, but it is hard to put into words. It is something like we find a combined route that will get us further’. Or, as stated by a Polish employee ‘I fully agree with the cultural synergy. But, it is difficult to say what it is. It is just something I definitely feel.’. Only in very few interview instances could an actual - often limited - innovative output be outlined as a result of the management of cultural diversity.

Though the actual effect of cultural diversity may be intangible and impossible to distinguish from other business results, there are not many concrete examples in the interviews that demonstrate diversity leading to innovation. This indicates that there is a discrepancy between the common statements of much of the diversity management literature and the practice of the organizations. And, even though it is not always clear to the employees of the organizations, there seems to be some implicit obstacles to the full use of cultural diversity, as a facilitator of innovative thinking. These obstacles are, in this exploratory study, indicated as being communication issues linked to the social practices of the multicultural and multilingual organizations. And, they can be mainly described as being formed by 1) boundary creation and 2) social fragmentation.

Apart from communication, informants also mentioned that cultural diversity caused difficulties, like adjustment of management styles, and the creation of a coherent social working environment. These issues may also have a negative effect on innovative interaction. Nonetheless, there is a general agreement among informants that language-use is the main issue surrounding innovative interaction. Furthermore, it is not only the purely linguistic differences that create the obstacles, but also the social organization of those differences in communication.

**Boundary creation**

To most informants, the formation of social groups based on members’ national affiliation, constitutes a central issue in the organizations. However, the introduction of an international environment and a common corporate language is, in all cases, implemented to counter the problems of communication between the different individuals and groups, creating innovative knowledge sharing. Yet, sometimes the common language is not used consistently. As outlined by a French Canadian employee:

I was in a meeting and we were some English, some Canadians, and Swedes, and Danes, and within half an hour the Danes where speaking Danish and the Swedes were speaking Swedish. And after some time I said – I am leaving! And finally people started speaking English. After that, I actually found out that no one had actually understood each other before. The people from Århus didn’t understand what the Swedes were saying and we didn’t understand much of the Danish at all (Employee, North America).

Altogether, foreign informants frequently accuse the Danish employees of exercising exclusive behaviour because of their tendency to stay together in a Danish-speaking group, and thereby, isolate members of other groups:

People would get together and talk Danish. If you do not, then you will not be invited. You will not be put in the active discussion. It is the social things that are the problem. It is very hard to become part of it. If you start a conversation in English, people cut you short. (Employee, South Europe).

This kind of boundary creation is particularly important in relation to employees’ social integration into the workplace, because employees with limited Danish language skills find themselves unable to participate in social events.
I don’t think the technical side is a big problem. But, if you don’t know the language you get put in a ‘box’. Some of my colleagues are put in a ‘box’. If I say ‘no’ to learning or speaking Danish, the effect would be that I would be isolated. (Employee, North Europe).

Exclusion from informal settings is an important problem felt by non-Danish informants. They might find themselves shut out from social interaction when it is undertaken in Danish. This may show damaging results within innovative interaction. Informal gatherings can sometimes be an important contribution to the innovative capacity, because different viewpoints are shared in an unconventional fashion. A Polish informant describes the situation as follows:

The small-talk is always in Danish. And sometimes, the small-talk gives a lot of information. It gives you an idea of what is really happening. It is something I really miss, to be able to really feel part of the conversation. I don’t think my knowledge is used properly, because I don’t know the small-talk (Employee, Central Europe).

A Canadian employee describes a similar experience, underlining how a lack of Danish language skills might unintentionally isolate foreign employees’ from social exchanges with colleagues. Returning one afternoon from an informal gathering, a group of colleagues confronted her to ask why she had not joined them for a beer, and she replied that she had not been invited. ‘They said, but we were standing here speaking loudly and clearly about going… but it might not have been the right language’. Hence, non-Danish speakers risk developing weaker social ties to co-workers, limiting their involvement in knowledge sharing:

It is not just personal stuff you miss out on but business relations too. If something is going on, if nobody tells you directly, you are not going to know. I would say yes, you can work here without speaking any Danish. You can do your job. But all the learning and what is going on around you, you would miss (Employee, North America).

As could be registered from interviews, more or less consciously, the dominating speech community is limiting the possibility of communication and subsequently, acting and relating as well. However, the Danish community may not be aware of the effect of their communicative practice and often, Danish organizations may be represented as being much more tolerant and international than they actually are. This can sometimes lead to the disillusion of non-Danish organizational members.

When I came here I was so disappointed. We always heard talk about the Nordic countries and the expectations were very high. Like this company. I thought it was more international when I first came here. I asked them before – do I have to speak Danish and they said ‘no, no, we are an international company and we speak English.’ But, they cannot say that it is an international company and that English is the company language. It is just a Danish company with a lot of foreigners (Employee, South Europe).

An exclusion from knowledge sharing, deriving from language differences, could be identified many places. This appears to be a common feature in multilingual Danish organizations, and it illustrates how communicative actions may be used in the social organization of groups and individuals within the local context. Thus, communication in a multicultural setting should not only be related to the relative cultural distance or language differences, as done by much of the functionalist literature on intercultural communication. It should also be related to the active use of those differences in categorization of groups and individuals. In other words, language can be used in communicative processes of both the exclusion and inclusion of individuals. Furthermore, differences in language-use might form distinctions by which individuals and groups, more or less intentionally, can be retained from influence.

Thus, the social boundary creation, linked to categories that are strengthened by language, can be identified as an important obstacle to producing an innovative environment in culturally diverse organizations. Furthermore, the lack of social commitment noted by several informants, points to a second obstacle impeding the constructive use of cultural diversity. This will be explored further below.
Social fragmentation

As indicated by some studies, lacking social coherence can sometimes be the undesired result of cultural diversity. This may be the effect of individuals feeling more comfortable when associating with others that are similar to themselves, meaning that they share the same beliefs, values, language, and other traits. Communication in culturally diverse organizations is, then, different from communication among national peers. As one of the Danish managers said: ‘Communication has to be much more clear than if we were only Danes. We now have to formulate the orders in more plain and precise words’. In this way, daily communication in a second language may well influence interaction. As one of the Danish informants mentioned ‘then one keeps to oneself the little remarks that would otherwise be more natural - for good or bad’. This, in many cases, means less dialogue and more concentration on getting the job done. As outlined by a Danish Manager:

Because of the diversity, you focus more on the professionalism. You don’t think about where people come from, but only whether they contribute their best, no matter how they feel about themselves. You don’t focus on people’s mindset, but on the result. Whether people get along socially or not, is unimportant. In that respect, being only together with Danes probably gives you a wider piano to play (Manager, Denmark).

Another Danish informant describes the situation of a company that has done well in establishing an internationalized environment, by mostly using English for everyday communication. This manager has the impression that even though communication is conducted in English, it still results in the disappearance of some interaction:

There are a number of Danes who have actually left the organization because they find it is no longer the same place to work. There is no longer the same consensus. The culture has been shaken. I don’t know if this is because of the market, or because the company has grown, or because of the foreigners. It may have something to do with the joking and the way we communicate (Manager, Denmark).

Other informants observe how immigrants conduct their everyday tasks without any knowledge of the Danish language, and yet, miss out on ‘all the social stuff and all the small-talk across the lunch table’ (Employee, North Europe). Non-native employees often characterize their conversations as less detailed or ‘deep’, which may be due to the disappearance of humour from communication. As a result, communication becomes more formal and task-oriented. However, as a Canadian employee describes it, this does not necessarily improve communication:

One problem, though, is that if people tell you something, you often get a too-neat version. You can’t really function in this country without speaking and reading some Danish. We had a colleague from Canada who spoke only English and I could hear that when people talked to her, it always came out in a too-neat version (Employee, North America).

The formalization of communication endangers the social coherence and integration of the organization. As a Danish manager observed: ‘Much of the informal interaction derives from a strong organizational culture that is valuable to us’. When speaking to other nationalities, employees find that it becomes more difficult to uphold the same level of communication, and, directly or indirectly; this has a negative impact on the exchange of ideas that are necessary for innovative outcomes.

It is most often easier with only Danes. The meetings become more formal when conducted in English rather than Danish. There is less ping-pong across the table - less informal talking. That is a bit negative. It can be good to have the informal talk because it strengthens the group socially (Manager, Denmark).

Introducing an international environment with a common language might prevent the kind of social categorization described in the previous section. In addition, according to the results of this study, the communication has a tendency to be more explicit, facilitating the integration of non-native employees in
the working routines. Nonetheless, the internationalized environment does not solve all communication problems.

In this exploratory research project, two main obstacles to innovative interaction have been identified. On the one hand, cultural and social boundaries are created, preventing communication between employees that are categorized as belonging to different groups. On the other hand, a social fragmentation may result in less effective communication, with employees abstaining from informal interaction, while speaking a second language. These obstacles to communication may have a vital impact on the possibilities of creating an innovative organizational environment.

**Conclusion**

Cultural diversity has often been described as an important source for organizational innovation. However, the innovative potential cannot be activated without the mutual interaction of the different groups and individuals in the organizations. Subsequently, the communication across cultural boundaries becomes one of the basic preconditions for the development of an innovative international environment. Unfortunately, communication in culturally diverse organizations is often a complicated matter.

The description of employees’ encounters with cultural diversity in the 14 Danish companies, indicates that the effects of social aspects in intercultural communication are more profound than what has previously been suggested in the literature on the subject. Almost all informants mentioned insufficient language skills as being the largest problem, when asked about difficulties attached to cultural diversity. Other cultural differences were not regarded as having a substantial effect on interaction. There might be a number of reasons why informants see language issues as the primary barrier to interaction. In innovative environments, the informal aspects of communication, such as brainstorming, are more important than in traditional production firms. This creates a more explicit need for people to be able communicate without losing too many details and nuances. Therefore, it is clear that language skills have become more important than formerly expected. Furthermore, as Henderson explains, problems that are perceived as being created by cultural differences, are often related to language issues, such as misunderstandings, uncertainty, or whether or not individuals have made themselves clear to others. Another important issue is that innovation oriented organizations often have members with a strong professional culture and strong affiliation with professional communities of practice, such as engineers or medical doctors etc. That may create less focus on national cultural differences.

Generally, the results show that the informants do not realize that, on the one hand, communication and language use is linked to the social organization of the workplace, and on the other hand, the perception of language barriers is also constituted in the process of interaction. This research project outlines how communication can be inflicted by two social processes, creating on the one hand, boundary formation and on the other hand, social fragmentation.

Firstly, to understand the confinement of communication to a limited group within the diverse organization, the focus of intercultural communication should direct more attention to the creation and maintenance of social boundaries, instead of the objectified categories ascribed to a group, such as nationality or culture. Following this, social and cultural boundaries are to be viewed as constituted by continuous inclusion and exclusion through socialization and categorization of differences. Rather than reflecting the objectified human differences alone, the relationship between groups mirror the social organization and communication of those differences.

Secondly, the social fragmentation of diverse organizations may be just as important an obstacle to innovation in diverse organizations, as group formation is. This effect can in some situations be observed in multicultural settings, where organizational members refrain from informal interaction and communication. This ‘constraining’ of communication may result in a reduced degree of socializing, which has implications for the utilization of constructive potential. Cultural diversity may, thereby, lead to a more formalized interaction pattern. Consequently, an environment free of ethnocentrism and group conflicts can become an environment without much interaction and socialization at all.

The argument of this article is that communication and language-use is intertwined with other social practices, and that cultural and linguistic diversity only increases the complexity of interaction further. This implies that the impact of cultural diversity on communication cannot easily be predicted.
Consequently, managing communication in diverse environments should depart from a locally grounded notion of interaction patterns, rather than a general conception of culture, where it is seen as a disturbing filter to be overcome through training in intercultural understandings. Furthermore, the results of this study indicate that language skills may have more impact on innovative interaction than previously described in the diversity management literature. Therefore, some positive effects should be expected from language training. However, insufficient language skills are only one aspect of the communication difficulties. The socially constituted perception of the difficulties may also have a great outcome. In other words, the exclusion of certain individuals from interaction or the fragmentation of social coherence may result as much from the perception and social organization of differences, as from actual limitations in the understanding of other messages communicated by other nationalities. Therefore, the management of diverse organizations needs to direct a lot of attention to the interaction processes on the local level, and guide social classifications in an inclusive and positive way.

This article has argued that the clarification of the link between communication and other social processes could improve the understanding of communication management in culturally diverse environments. Apart from linguistic clustering, the multicultural situation may, as described in this case, create a formalized environment where communication and interaction is limited - an effect that has not been thoroughly dealt with previously in diversity management studies. This calls for further in-depth studies of communication management in multicultural organizations.

References


Semi-Structured Interview Guide, Diversity Management in Denmark.

Subject Time

1) Work background

Employed by Years of employment

Position

2) Personal background Prior cross-cultural experience

Language experience

3) What expectations did you have before entering the organisation?

4) What does cultural diversity mean to your everyday work assignments?

5) In which ways have you adapted to the situation?

6) Are there anything you would like to change?

7) What formal guideline does your organization have with regard to diversity?

8) Does other rules or guideline affect the role of cultural diversity?

9) What effect does cultural diversity have on the social environment?

10) What characterize a valuable employee?

11) In which ways are human differences employed in the organization?

12) What problems do human differences lead to in the organization?

13) How do human differences effect communication?

14) How do you feel when different languages are spoken in daily work situations/social situations?

About the Author

Jakob Lauring is an Assistant Professor at Aarhus School of Business, Arhus University, Denmark. In the last years he has been working with intercultural interaction in culturally diverse organisations.

e-mail address: <JaLa@asb.dk>

Editor: Prof. Jens Allwood
URL: http://www.immi.se/intercultural/.