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THE IMPACT OF MULTICULTURAL EMPLOYEES ON DECISION-MAKING IN MULTINATIONAL COMPANIES

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TIIVISTELMÄ

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Opinnäytetyön nimi	Monikulttuuristen työntekijöiden vaikutus monikansallisen yhtiön päätöksentekoon
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Tämän tutkimuksen tarkoituksena oli valottaa monikulttuuristen työntekijöiden vaikutusta monikansallisten yhtiöiden päätöksentekoon. Tutkimusongelma pyrki mittamaan kuinka kyseessä olevat työntekijät vaikuttavat tapaan, jolla päätöksiä tehdään monikansallisissa yhtiöissä, käyttäen esimerkkinä liike-elämän viittä eri toimintoa (liikeneuvottelut, henkilöstöresurssien ohjaus, kansainvälinen henkilöstöresurssien ohjaus, toimintatapojen suunnittelu ja toimeenpano, lähestymistapa verkostoitumiseen, sekä sisäinen liikeviestintä). Tutkimuksessa perehdyttiin muutamiin merkittäviin kulttuuriulottuvuuksien teorioihin, ja tarkasteltiin myös kulttuurin ja liiketoiminnan välistä suhdetta ja osoitettiin, kuinka paljon edellinen voi vaikuttaa jälkimmäiseen.

Tässä tutkimuksessa käytettiin kvalitatiivista tutkimusmenetelmää, samalla kun teoreettinen ja empiirinen viitekehys perustui tietoon, jota saatiin kirjoista, tutkimusjulkaisuista, Internetistä, tieteellisistä aikakauslehdistä ja haastatteluvastauksista. Case-yritys oli suomalainen yhtiö, jolla on yli kymmenen tytäryhtiötä ympäri maailmaa ja noin 44 % sen maailmanlaajuisesta työvoimasta on monikulttuurisia työntekijöitä. Kuitenkin sen päätoimiston henkilöstöstä vain 2% on monikulttuurisia työntekijöitä. Kolme koehenkilöä valittiin heidän halukkuutensa ja osallistumismahdollisuutensa perusteella vastaamaan tutkijan esittämiin suullisiin haastattelukysymyksiin tapausyhtiön tiloissa.

Tutkimuksen tulokset vahvistivat, että monikulttuuriset työntekijät vaikuttavat monikansallisten yhtiöiden päätöksentekoon, sillä tutkimus pystyi antamaan näyttöä tämän väittämän tueksi. Lisäksi se paljasti, että laajuus jolla kyseiset työntekijät vaikuttavat päätöksentekoon, riippuu useista tekijöistä kuten henkilöstön yhteishengen vahvuudesta ja ko. työntekijöiden tehtävänimikkeistä. Kuitenkaan, tapausyhtiön päätoimistossa, jossa tutkimus suoritettiin, vaikutus ei ollut niin laajaa kuin tutkija oli olettanut. Yksi selitys tälle saattoi olla monikulttuuristen työntekijöiden pieni lukumäärä.

Yhteenvedona, tutkimus osoitti alueita, joilla jatkotutkimuksia voidaan tehdä lisäarvon saamiseksi. Lisäksi se myös tarjosi ehdotuksia tapausyhtiölle kuinka se voisi tarttua kriittisiin huolenaiheisiin, jotka tunnistettiin tutkimuksen kuluessa.

ABSTRACT

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The purpose of this study was to highlight the impact of multicultural employees on decision-making in multinational companies while the research problem sought to measure how such employees influenced the way decisions were made in multinational companies using five business activities as examples (business negotiations, human resource management & international human resource management, policy formulation & implementation, networking approach, as well as internal business communication). The study explored some prominent theories on cultural dimensions, and also examined the relationship between culture and business by showing how much the former can affect the latter.

The qualitative research method was used in this study while the theoretical and empirical frameworks were based on the information obtained from textbooks, research publications, academic journals and interview responses. The case company was a Finnish establishment that has over ten subsidiaries world-wide and approximately 44% of its global staff consists of multicultural employees, even though in its head office, multicultural employees made up only 2% of the entire staff and three subjects were selected on the basis of their availability/willingness to take part in the interviews that were conducted within the case company.

The results of the study confirmed that multicultural employees influenced decision-making in multinational companies since the research was able to provide some proof in support of this claim. In addition, it revealed that the extent to which such employees influenced decision-making relied on several factors such as their combined staff strength and their respective job positions within the company. However, at the case company's head office from where the study was performed, the impact was not to the extent that the author had anticipated. This was probably due to the small number of multicultural employees there.

In conclusion, the study pointed out the contributions that have been made by this research with regards to the value-added in addition to suggesting areas where future research can be conducted. It also offered suggestions on how the case company can address some critical concerns that were identified during the research.

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ABBREVIATIONS

B-2-B – Business-to-business

CEO – Chief Executive Officer

CRM – Customer Relationship Management

GDP – Gross Domestic Product

GUI – Graphical User Interface

HRM – Human Resource Management

IHRM – International Human Resource Management

JP – Job Performance

JS – Job Satisfaction

KDMs – Key Decision-Makers

KYC – Know Your Customer

MEs – Multicultural Employees

MNCs – Multinational Companies

SMEs – Small and Medium-scaled Enterprises

1 INTRODUCTION

For multinational companies today, decision-making is one of the most important functions of the management team. This significant process has become an integral part of a multinational company's business practice since such commercial entities also make decisions on how to manage their local and international resources in a manner that guarantees high return on investment. (Parrot, 2013)

Generally, staffs of multinational companies consist of employees who come from other nationalities (multicultural employees or MEs) besides the indigenous employees, and these multicultural employees are an influential part of such companies since they also contribute to the overall success of the business enterprise. One significant area where multicultural employees can provide credible input towards the success of multinational companies is in the area of decision-making within such organizations. (Gannon & Newman 2002)

“The robust business conditions of today inspire the need for indigenous companies to expand their business operations beyond local geographical boundaries; an action that has resulted in the increased movement of employees, goods and services between the countries of the world” (International Monetary Fund, 2014). Presently, this trend has led to the evolution of an important theme in International Business known as Multicultural Employees or Multicultural Workforce, because such persons play a crucial role in the success of multinational companies. (ibid)

In multinational companies, there are several stages that are involved with decision-making (figure 1, page 14). As a process, decision-making in multinational companies cuts across various business areas such as leadership, communication, company policy formulation and implementation, inventory and purchase management, and supply chain management, logistics, corporate social responsibility, international human resource management (IHRM), business communication, customer relationship management (CRM), business negotiations, human resource management (HRM), company ethics, company core values, corporate value perception, staff development and overall team activities, to mention just a few. (Gannon & Newman 2002)

Since the list of a multinational company's decision-making processes is vast, this thesis used five business areas to show that MEs can influence decision-making in multinational companies (MNCs). The five business areas include Intercultural Business Negotiations, Networking approach, Policy formulation and implementation, International Human Resource Management and Business Communications. (Gannon & Newman 2002)

However, before we examine these areas in detail, let us consider the background of this research since this will give us a better understanding of the topic.

1.1 Background of the study

Over the years, several attempts have been made to classify human needs into a simplified concept. Prominent among these was the work of Abraham Maslow, who established what has become today known as the *Maslow's Hierarchy of Needs*. The complex nature of the human species could be considered to be an overall reflection of the ever-changing nature of our needs and our individual uniqueness could also be viewed as a reflection of our value system or cultural orientation. Since multinational companies comprise employees from different countries, such platforms bring together individuals with unique needs, and it is with this understanding that we approach the research problem.

1.2 The research problem

The research problem was to show how multicultural employees affected the way multinational companies made their business decisions. By focusing on the decision-making processes involving key business activities such as Intercultural business negotiations, Customer relationship management, Policy formulation and implementation, International Human Resource Management and Business Communication, this research was designed to address this concern.

Since the culture and organization of multinational companies differs from those of Small and medium scale enterprises – also known as SMEs, it is important to mention at this juncture that this work focused only on multinational companies and the impact that multicultural employees can have on decision-making within

such companies. Accordingly, the framework of the research may not be applicable to the decision-making dynamics of SMEs since the framework of decision-making in SMEs differs from that of MNCs. (Gannon & Newman 2002)

1.3 Research objective

The objective of this research was to highlight the impact of multicultural employees on decision-making in multinational companies by using five business activities (intercultural business negotiations, human resource management & international human resource management, policy formulation & implementation, networking approach, as well as internal business communication) to measure the influence that these employees have on decision-making within such companies. Although some readers might view certain aspects of the international human resource management (IHRM) as overlapping with those of the human resource management (HRM), this study will treat them as separate themes by limiting the HRM aspect to the local/indigenous company's human resource practices whereas the IHRM aspect will concentrate on the foreign human resource management activities.

1.4 Structure of the thesis

The thesis is divided into two parts; the theoretical and empirical parts respectively. The theoretical part begins with an introduction of the topic and also deals with the definition of the research problem and the objective for the study. This segment also includes the definition of key terms and an evaluation of the existing relationship between culture and business by considering a number of renowned cultural dimension theories. The empirical part of the thesis explains how the data was compiled, analysed and reported. In addition, this segment provides details on the research method that was used to conduct the study and explains why this method was the preferred option.

The concluding chapter presents a summary of the results, examines the limitations of the study, and also offers some suggestions to the case company on how to harness the resources of its multicultural employees with strong emphasis on

the need for its business managers to develop a better understanding of the concept of multiculturalism in the workplace in a bid to incorporating multicultural employees into decision-making roles within the company. The report ends with a summary of the contributions of the research in terms of value-added, an assessment of the reliability and validity of the research along with some suggestions on areas to be considered for future research in this field.

1.5 Definition of key terms

1.5.1 Culture

The term *culture*, describes the manner in which members of a group conduct themselves within a given place over a significant period of time. It refers to the unique aggregate of thinking that defines the way such individuals combine to get things done (Gerard & Kevin, 2012). In addition, it is the “different attitudes, behaviours and ways of doing things by people living in different parts of the world” (Qamar, Muneer, Jusoh and Idris, 2013).

1.5.2 Multicultural Employees

By definition, *multicultural employees* are a company's workforce comprising persons from a variety of ethnic / cultural backgrounds. (Fitzsimmons et al., 2011)

1.5.3 Multinational Company

A *multinational company* can be defined as “a business entity that is committed to its international business activities to such an extent that it reproduces its domestic business in different business markets and countries of the world” (Rhinesmith, 1996). In addition, it can be defined as “a corporation that has its facilities and other assets in at least one country other than its home country. Such companies have international replicas in different countries and usually have a centralized head office from where they co-ordinate the company's global activities” (www.investopedia.com).

1.5.4 Decision-making

Decision-making is the process of selecting a logical option from a list of the available choices. During the process of making a good decision, the decision-maker must examine all the possible benefits and consequences of each option, and from these, such a decision-maker must determine which option best suits the particular situation. (<http://www.businessdictionary.com>)

Figure 1 below shows the various stages that are involved when it comes to decision-making in multinational companies.

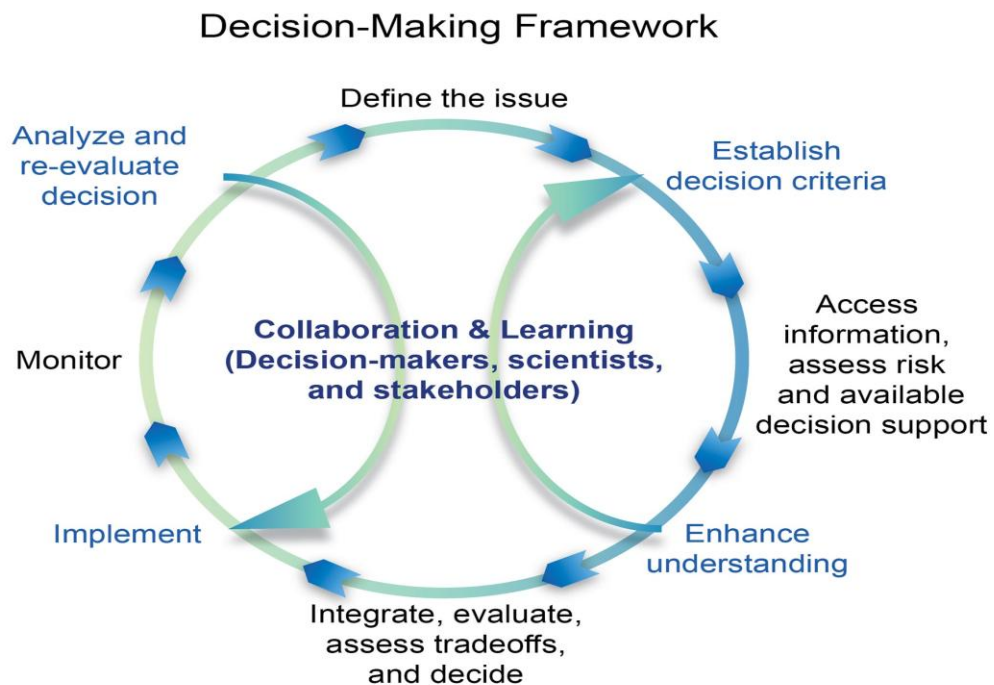


Figure 1. Decision-making framework in multinational companies

(Source: www.globalchange.gov)

2 THE INFLUENCE OF CULTURE ON GLOBAL BUSINESS

This section evaluates the relationship between business and culture by examining how culture can influence a multinational company's business practices. The chapter considers the various types of business organizations that exist, the major elements of culture, as well as some well-established cultural dimension theories.

2.1 Types of business organizations

In 1993, Thomas Cox carried out a study whose primary aim was to establish a model that would act as a reference material for several companies in America. The study cited three fundamental organization types with regards to cultural diversity (multiculturalism) development: the *Monolithic organization*, the *Plural organization* and the *Multicultural organization*, respectively. (Cox, 1993)

First, Cox came up with the idea of the *monolithic organization*, which he said was largely characterized by a homogeneous work force comprising mainly white males with sometimes few women or minority males in key management positions. Furthermore, he stated that such an organization could exist in any situation where only one identity group was mostly the dominant one. According to him, the employees from the dominant group could be Hispanics, Blacks, Latinos or even Caucasians. He mentioned that such work environment, made it pertinent for the minority group (such as foreign nationals) to embrace the organization's ideals that were already in place. He also pointed out that since this type of organization generally placed little emphasis on the integration of the other cultural minorities, it was apparent that discrimination and prejudice would likely be among the major issues to be seen here. In addition, he stated that "one advantage of this type of organization was that inter-team conflicts were based on culture versus group identity which was almost non-existent or largely minimized due to the relative homogeneity and cultural uniformity of the workforce" (Cox, 1993).

With this in mind, Jorgensen (1993), investigated further into such a claim and she observed that it could become difficult for both business owners and managers alike to turn such monolithic organizations around with ease, especially if they

were large and their workforce was deeply entrenched in its ideals and cultural values. She stated that "managing diversity could be compared to implementing quality" (Jorgensen, 1993), and went ahead to emphasize that it was a difficult task to define the concept of quality since it required a massive culture overhaul.

Secondly, Cox considered the *Plural organization*. He proposed "that in several important respects, this second model was merely an improvement of the first (the monolithic organization) since it had a more heterogeneous membership composition compared to the monolithic organization" (Cox, 1993). In its bid to attain the status of being a plural organization, such an organization took initiatives (e.g. operational measures like the need to acquire the appropriate training on equal opportunity issues, encourage recruitment and promotion policies that give preference to minorities, and periodic review of salary systems to ensure fair treatment of all workers within a company) to be more inclusive of persons with cultural backgrounds that differed from those of the dominant group. Such improvements had the tendency to spur greater levels of personal and social interaction between members of different cultural backgrounds and this was capable of encouraging minority members to increasingly identify with the host organization. (Cox, 1993)

Thirdly, Cox described the *multicultural organization*, also known as multinational organizations or multinational companies – MNCs (some examples are shown in figure 2, page 17 below). One of the main objectives of a multinational business establishment is to function in a way that indigenous regulatory authorities can embrace the local extension as a national unit. Other features of a multinational company include that they usually have a big size, structured way of making decisions, large number of competitors, huge clientele base, operates in more than one country and on several occasions, they possess huge intellectual capital. (ibid)



Figure 2. Some multinational companies

2.2 The major elements of culture

In multinational companies, culture affects the way things are done since the daily actions of all the members of stall are weighed by it, relative to the acceptable modes of behavior within such organizations. To a large extent, this is so because culture legitimizes certain forms of actions that are considered acceptable within such settings, and prohibits other forms of behaviors that are termed unacceptable (Arnold & Randall *et al.*, 2010). Although there have been several attempts in the past to categorize the basic elements of culture (e.g. Schein, 1985; Hofstede, 1983), Cummings and Huse (1989) established a simplified model of the elements of culture using an analysis that was based on the different definitions of culture in existence at that period of time. They concluded that culture was made up of four major elements (figure 3, page 18), each of which exist at different levels of awareness:

- a) *Basic assumptions:* These are unconscious assumptions that are often taken for granted. They are not negotiable and exist at the lowest level of cultural awareness.

- b) *Values*: They are the next higher level of awareness that exist within organizations and they inform the members of the group about what they need to pay attention to. They deal with what *ought* to be in organizations.
- c) *Norms*: These are the unwritten code of ethics or rules of behavior within a group. They are slightly below the surface of cultural awareness and they guide how members should behave themselves in peculiar circumstances.
- d) *Artefacts*: These include observable behaviors, rules, systems, and structures of the organization. They are the visible forms of the other elements of cultural located at the highest level of cultural awareness.

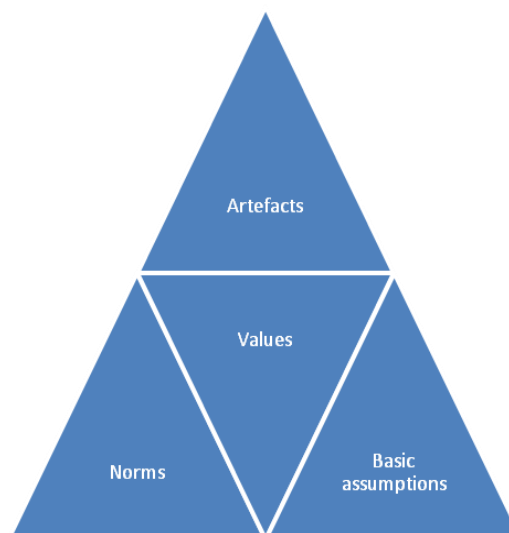


Figure 3. Major Elements of Culture

(After Cummings and Huse, 1989)

2.3 The impact of culture on business

In order to appreciate how multicultural employees can influence the decision-making within multinational companies, it is pertinent for such companies to understand the cultural diversity of its entire workforce and the degree to which culture can affect their overall business activity because “the failure to understand cultural differences can generate dire consequences for its international business activities” (Ricks, 2006). To begin with, certain aspects of culture are tangible while other aspects of culture are intangible. The visible aspects of culture are of-

ten easy to identify, for instance, the manner in which people dress or the food that they eat. On the other hand, it usually takes more effort to understand and appreciate the importance of the invisible aspects of culture since they are often implicit, e.g. assumptions, beliefs and values. Usually, it is the invisible elements of culture that have the most impact on the manner in which consumers respond to a company's product. (ibid)

2.4 Cultural dimension theories

Cultural dimension theories are a set of systematic framework that enable us to understand cultural differences more effectively by comparing how individuals tend to behave in various cross-cultural settings. As at today, there is no uniform evaluation model of cultural aspects because the existing cultural models can be considered to be an illustration of the multifaceted approach to the subject. Well-known cultural models include those of Oksaar (1988), Hall (1989), Hofstede (1991), Trompenaars & Hampden-Turner (1998), Gesteland (1999) and GLOBE (2004). Although it is difficult to directly compare the results of these cultural dimension theories since there are several differences amongst them especially in the variables that they used and the measurement tool that was used to evaluate such variables, Table 1 (page 24) contains a comparison between some of these cultural models and the presentation of this comparison clearly reveals the heterogeneous nature of the research basis that was used in conducting the study of these cultural dimensions. With this in mind, this thesis will explain two of these theories in detail:

1. Trompenaars and Hampden-Turner's cultural dimension
2. Hofstede's cultural dimension

2.4.1 Trompenaars and Hampden-Turner's cultural dimension

Trompenaars & Hampden-Turner (1998) developed the seven dimensions of culture model (figure 4, page 22) after conducting a research on the values and preferences of persons from different cultures around the world. Their research revealed that "individuals from different cultures were not just sporadically different from one another; but that they were different in very unique or specific and even

determinable ways” (Trompenaars & Hampden-Turner, 1998). They said that this was so because each culture had its own set of values and beliefs as well as different preferences on a variety of factors. Furthermore, the model highlighted that one culture was not necessarily better (or worse) than another; but instead, individuals with different cultural backgrounds simply made different choices and what distinguished these individuals was the focus of their respective preference regarding the following seven cultural dimensions:

a) Universalism versus particularism

The main characteristic of the universalism cultural dimension is that individuals place a high importance on rules, laws, obligations and values. Examples of such cultures can be found in the U.S., the U.K, Canada, the Netherlands, Scandinavia, Germany, New Zealand, Australia, and Switzerland. On the other hand, the particularism dimension believes that each circumstance and relationship, dictates the laws that they live by. For instance, such cultures can be found in Russia, China and Latin-America.

b) Individualism versus communitarianism

In the individualism cultural dimension, persons believe in self-achievement and personal freedom. Examples include the U.K, Australia, New Zealand, and Switzerland. On the other hand, communitarianism embraces individuals who believe that the group has preeminence over the individual. Examples include Latin-America, Africa, and Japan.

c) Specific versus diffuse

In the specific cultural dimension, individuals prefer to keep work and personal lives separate since they believe that relationships do not have much impact on work objectives. Examples include Switzerland, Germany and the Netherlands. On the other hand, in diffused settings, individuals see an overlap between their work and personal life. These persons believe that

good relationships are critical to meeting business objectives. Examples of such cultures can be found in Argentina, Spain, Russia, India, and China.

d) *Neutral versus emotional*

Neutrally-cultural individuals make a great effort to control their emotions. Typically, reason influences an individual's action far more than their feelings because such persons do not readily reveal their thoughts or feelings. Examples include Sweden, Finland, and Germany. On the other hand, in the emotional cultural dimension, individuals want to find ways to express their emotions, even spontaneously, at work. In such cultures, it is considered okay to show emotion. Examples include Spain, Italy and France.

e) *Achievement versus ascription*

In the achievement cultural dimension, individuals believe that a person's worth is a reflection of what he/she does. Such cultures are performance-based. Examples include Canada, Australia, and Scandinavia. On the other hand, in the ascription dimension, individuals believe that you should be valued for who you are. Here, behavior is defined by power, title, and position. Examples include Italy, Japan, and Saudi Arabia.

f) *Sequential-time versus synchronous-time*

In sequential-time dimension, persons like events to happen in order. Such individuals place a high value on punctuality, planning (and sticking to your plans), and staying on schedule. Examples of such cultures include Germany, the U.K., and the U.S. On the other hand, synchronous-time individuals view the past, present, and future as interwoven periods. They often work on several projects at once, and view commitments as flexible. Examples of such cultures include Japan, Argentina, and Mexico.

g) *Internal direction versus outer direction*

Internal-direction individuals believe that they can control nature or their environment in a bid to achieving their set goals. Examples include Israel,

Australia, New Zealand, and the U.K. On the other hand, individuals from outer-direction cultures believe that they are controlled by nature or their environment. While at work or in relationships, such people focus their actions on others and also avoid conflict where possible. They often need to be reassured that they are doing a good job. Examples include Russia and Saudi Arabia.

A critical drawback with this model is that it does not provide information on how to measure people's preferences on each dimension. As such, it is best to use the model as a general guide when dealing with individuals from different cultures.



Figure 4. Trompenaars and Hampden-Turner's cultural dimension

2.4.2 Hofstede's cultural dimension

When approaching persons from other cultures, what do we say to initiate a conversation in the right way that will not be misinterpreted? Are there cultural issues that we should be aware of in such circumstances? To address this, Hofstede (1983), emerged with a cultural dimension model (figure 5, page 23) as follows:

- a) **Power/Distance (PD):** refers to the extent of inequality that exists – and is accepted – among individuals with and without power. A high power-distance score indicates that such society accepts an unequal distribution

of power whilst a low power-distance score means that society members view themselves as equals since power is shared and well dispersed.

- b) ***Individualism (IDV)***: refers to the strength of the ties that individuals have with other persons within the community. A society with a high individualism score indicates loose connections whereas low score would have strong group cohesion.
- c) ***Masculinity (MAS)***: refers to how much a society sticks with traditional male and female roles. High masculinity scores are found in countries where men are expected to be tough and assertive. However, in low masculinity societies, the roles are simply blurred and you see women and men working together equally across so many unique professions.

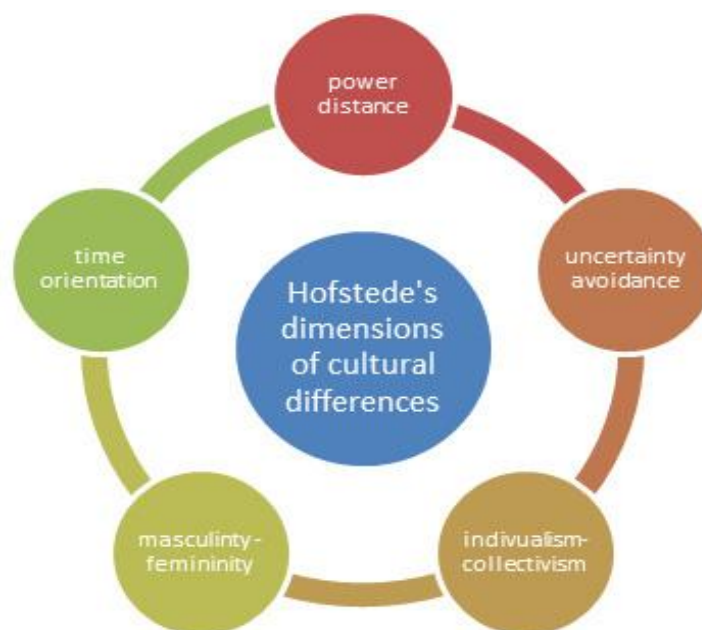


Figure 5. Hofstede's cultural dimension

- d) ***Uncertainty/Avoidance Index (UAI)***: relates to the degree of anxiety that individuals of a society feel when they find themselves in uncertain situa-

tions. High scoring nations attempt to avoid ambiguous situations whenever possible since they are governed by laws that seek collective truth. However, low scores indicate that members of the society value differences.

- e) **Long Term Orientation (LTO)**: refers to how much society values long-standing traditions and values – as opposed to short-term ones. In countries with a high long term orientation scores, saving face and delivering on social obligations are significant, and as a result, these are considered to be very important in such societies.

An advantage of this model is that its findings were unlikely to be affected by differences in company cultures since the research included only employees from one multinational organization while a drawback of the model is that the culture of this one company could skew more general results such as those that were capable of showing the impact of multicultural employees in such firms.

Table 1. Comparison of some cultural dimension models

	Trompenaars & Hampden Turner	Hofstede	Hall/Hall	Gesteland
Research basis	10 years of research. As part of this, they sent questionnaires to more than 46,000 managers in 40 countries.	Interviews with IBM employees from 50 countries	30 years personal experience with intercultural communication as well as 180 interviews (inhomogenous) from three countries: U.S.A, France and Western Germany	26 years managerial experience as well as conversations with business travellers at airports, bars, etc.
Cultural dimensions	seven dimensions: 1.Universalism vs particularism. 2.Individualism vs communitarianism. 3.Specific vs diffuse. 4.Neutral vs emotional. 5.Achievement vs ascription. 6.Sequential time vs synchronous time. 7.Internal direction vs outer direction.	five dimensions: 1.Power/Distance 2.Collectivism vs Individualism 3.Femininity vs masculinity 4.Uncertainty avoidance 5.Long-term vs short-term orientation	four dimensions: 1.Time: monochron vs polychron 2.Context: high vs low 3.Message speed: fast vs slow messages 4.Space: high vs low territoriality	five dimensions: 1.Relationship vs deal-focused culture 2.Low vs high context culture 3.Formal vs informal culture 4.Polychronous vs monochronous culture 5.Expressive vs reserved culture

(Adapted from Astapenko, 2008: 92)

3 MULTICULTURAL EMPLOYEES AND DECISION-MAKING IN MULTINATIONAL COMPANIES

Multinational companies make decisions across a wide range of business issues. However, the quality and effectiveness of such decisions depend on several factors such as the company's procedural rationality, political stability of the business environment as well as the organization's behavior, amongst other things. (Arnold & Randall et al., 2010)

3.1 Multicultural employees in multinational companies

In the past two decades, some established companies CEOs (appendix 1, page 87) were able to catapult their respective multinational organizations into global recognition and judging by their positions in the organogram of such multinational companies, one can see how they were able to use their multicultural awareness to enhance the commercial fortune of their respective companies. This statement confirms the work of Fitzsimmons who emphasized the fact that multicultural employees within a multinational company can to a large extent, influence critical decisions in such companies (Fitzsimmons et al., 2011). In MNCs, examples of business activities that involve decision-making include international human resource management, business communications, logistics, supply chain management, and customer relationship management. Depending on several factors such as the existing decision-making dimension within a multinational company, two broad considerations are made when it comes to making decisions within such companies (Johnston & Menguc, 2007). The considerations include the following:

- a) Knowing to what degree should specific business actions be standardized or differentiated across the various products and geographic markets in which the company conducts its business operations?
- b) Knowing to what degree the responsibility for specific business actions should be centralized within the head office? In this regard, should such activities be made global or regional? Or should they be decentralized into smaller, international subsidiaries or affiliates?

For key decision-makers, part of the challenge involves defining the company's approach with regards to the parameters that it should consider while engage in its decision-making processes. This means that business managers of multinational companies would have to make up their mind on whether to use the 'differentiation versus the standardization' approach or the 'decentralization versus centralization' approach when making critical business decisions.

3.2 Differentiation versus Standardization

To a great extent, the definition of *standardizing* business activities will depend on several factors such as the nature and relevance of the business activity in question. For instance, within the context of a company's marketing decisions surrounding the choice of a product, the business activities that are often associated with the marketing function are described using parameters such as Place, Price, Promotion and Product, and the complete standardization of the product would involve designing a product that will be viewed by its end-users as being identical in every way within each geographical market that the company's product will be traded, thus reducing cost for the company. Conversely, complete product differentiation would incur additional cost for the company since this would mean modifying relevant attributes or characteristics of the product in unique ways to suit each individual geographical market where a company intends to sell the desired product. (<http://cbe.wwu.edu>)

An essential objective of international marketing managers is to identify where and how specific changes in product features will be more profitable to the organization in the long-term. Another example is to consider if complete standardization of pricing would amount to setting the exact same price in every geographical business market in which the product will be sold (this can only become effective after adjusting the respective trade currencies involved with each transaction). On the other hand, setting a different price for the same product in every individual geographical business market is likely to create inimical consequences for the company since it is overwhelmingly inefficient and impractical, in the vast majority of cases. (ibid)

3.3 Decentralization versus Centralization

A major attribute of the centralization-decentralization dimension is that decisions regarding the product's design are be considered to be the responsibility of a company's Head Marketing manager and the product features selected by this person will be subsequently used by other subsidiaries of the company within the multinational organization. (ibid)

Figure 6 below shows the broad dimensions of decision-making that multinational companies use as well as showing the independence that exists between them.

Standardized products and processes/Centralized decision-making	Standardized products and processes/Decentralized decision-making
Differentiated products and processes/Centralized decision making	Differentiated products and processes/Decentralized decision making

Figure 6. Decision-making dimensions in multinational companies

(Source: <http://cbe.wwu.edu>)

In order to explore how multicultural employees can influence decision-making in multinational companies, this thesis will consider some business activities within multinational companies that can be used to measure the impact of multicultural employees on decision-making within such establishments.

3.4 Business activities in MNCs where MEs can impact decision-making

In MNCs, various departments within the organization are involved with different business activities on behalf of the company. Hofstede et al. (2010) referred to such activities as *intercultural encounters* in the workplace and bearing in mind

the broad nature of such intercultural encounters (leadership, communication, company inventory management, supply chain management, logistics, corporate social responsibility, company ethics, company core values, corporate value perception, staff development, staff motivation/compensation and overall team activities, to mention just a few), they suggested that there was need for multinational companies to focus on the role of multicultural employees in these activities. (Hofstede et al., 2010)

As shown in figure 7 (page 31) below, this research will focus on only five of these five business activities, they include:

- a) International business negotiations
- b) Networking style and approach
- c) Policy formulation and implementation
- d) International Human Resource Management
- e) Internal business communication

3.4.1 International business negotiations

Hofstede and his colleagues proposed that all business negotiations shared some universal attributes such as having an initially undefined end-result, two or more groups with (partly) conflicting concerns, a common need for agreement due to an anticipated benefit, a means of communication between the concerned groups, as well as a control/decision-making structure on either side by which negotiators are linked to their respective supervisors. For multinational companies to achieve effective business negotiations in international business, in comparison with the negotiator's own culturally-determined values, there is need for each negotiator to have an insight into the range of cultural values to be expected among partners from other nationalities since different participants in a business negotiation may hold different values and objectives (Hofstede et al., 2010). They also mentioned that in international business negotiations, it was a critical point for MNCs to address such concerns since the culture of a place could influence the business negotiations that occurred within such territories in the following ways:

- Power distance could influence the extent of centralization of the control and decision-making framework
 - Indulgence could ultimately influence the atmosphere of negotiations as well as the degree to which the negotiators were expected to adhere to protocols
 - Collectivism could influence the need for cordial relationships between opposing negotiators.
 - Long-term perspectives from all the concerned parties could influence the perseverance to achieve desired outcomes, even at the cost of sacrifices.
 - Uncertainty avoidance could influence how ambiguity and distrust can be tolerated in opponents who display unfamiliar trait patterns/behaviors, in addition to the need for structure and ritual in the negotiation process.
- (ibid)

Where multicultural employees are involved in intercultural business negotiations, they are capable of deploying their multicultural experience into the planning & arrangement of the negotiation, determining the negotiating style & ethics, interpretation (if interpreters are required) and handling of external communications materials such as the final communiqué. (Hofstede et al., 2010)

3.4.2 Networking style and approach

Multicultural employees play a crucial role in two significant areas here, namely in the management of a diversified clientele using CRM and also in the determination of the networking approach to be adopted by the multinational company. CRM is an abbreviation for Customer Relationship Management. It deals with all aspects of interaction that an organization has with its customers (internal and external), whether such a company is products or service-oriented. Generally, while the phrase is mostly used to describe a B-2-C (business-to-customer) relationship, CRM systems have been used in the same manner to manage diversified clientele, business contacts, contract bids, tender applications, supplier inventories, trade wins and sales leads. (Gummesson, 1999)

A customer relationship management system is a computer-software designed to make the process of CRM simpler by incorporating a user-friendly interface -

generally called Graphical User Interface, or simply GUI. Examples of CRM systems in use today include SAP CRM and Caesar CRM 2012. To a large extent, CRM addresses the concept of KYC (Know Your Customer), a major concern required to successfully conduct business today. Since MNCs are known to serve a vast clientele, it is to the multinational company's advantage to include multicultural employees in the design, development and implementation of its CRM activities. This is so because such employees can draw from their collective diversified cultural experiences to serve a wider clientele. For example, in a multinational company whose main business activity is advertising, multicultural employees can provide a wider perspective as to how product advertisements can be made in order to offer tailor made services to a wider audience. A multinational company's capacity to offer customized services to a wider clientele could prove to be a deciding factor in the market arena, since the multinational company can gain competitive advantage as a result.

Moreover, as Gummesson (1999) mentioned, the concept of customer relationship management is often thought of as a unique business strategy that is capable of enabling businesses to thrive and also:

- Systematically increase a company's profitability by collectively decreasing its management costs
- Attract new customers and prospects for the company
- Retain existing customers with the company
- Enable the provision of better customer experience and satisfaction
- Helps to sort out promising customers from non-promising ones
- Promote the understanding of other customer-related issues

In addition, a multinational company's networking approach can be influenced by its multicultural employees in the sense that they can assist in determining how employees are allowed to network. For example, giving out a business card with your left hand, or shaking hands using the left hand, giving and receiving bribes in order to get a contract, etc., could be perceived as being insulting and therefore

unacceptable in certain customs. For these reasons, having multicultural employees in networking teams can enable other employees to conduct themselves in the utmost professional manner at all times since true professionalism is not only about what we profess or say; rather it is more about what we implement or do.

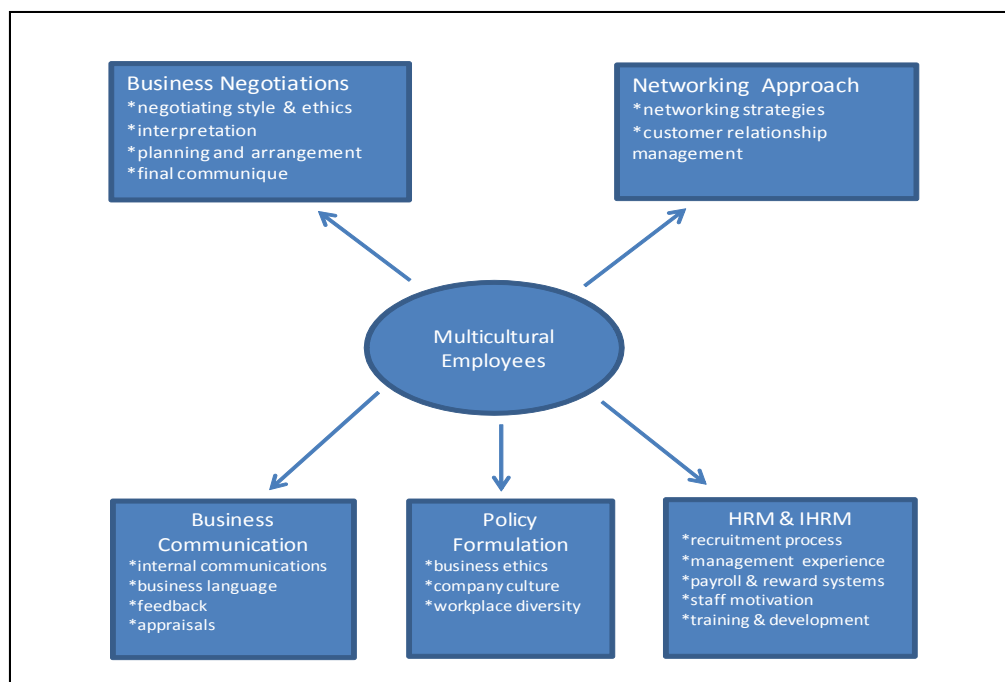


Figure 7. Areas where multicultural employees can influence decision-making

3.4.3 Policy formulation and implementation

Multicultural employees influence decision-making regarding policy formulation and implementation in multinational companies in several ways. However, this report will consider only three of such areas: business ethics, company culture and policies regarding workplace diversity. First, since multinational companies operate across diverse cultures, multicultural employees play a critical role in the design and implementation of a company's business ethics especially within the foreign territories where the company conducts its business operations as it relates to *International Business Ethics*, which DeGeorge (1999) described as being "concerned with one's opinion regarding what is wrong and right, and thus is a research

into our perspective concerning what we ought and ought not to do in the conduct of business”. (DeGeorge, 1999)

Secondly, *Company culture*, also known as *organizational culture*, or *corporate culture* or *organizational climate*, refers to the “specific behavior that sets apart employees of one business company from the employees that work for other business establishments or companies, it is the collective programming of the mind that distinguishes the members of one company from others” (Hofstede et al., 2010). In addition, they suggested that a company’s culture had the following attributes:

- *Socially-constructed*: means that it has been created and preserved by the persons who collectively form the company
- *Historically-determined*: reflects the company’s history
- *Holistic*: refers to a whole, it exceeds the sum of its parts
- *Difficult to change*: the extent of difficulty is relative (ibid)

Since corporate culture is socially constructed as mentioned above, multicultural employees play a huge role in decisions that concern a multinational company’s organizational culture because such employees collectively form the company. In essence, multicultural employees can encourage such companies to have policies that encourage its staff to embrace diversity in the workplace and in a dispensation where a company’s image is considered to be crucial to gaining competitive advantage, using tools such as a company’s corporate social responsibility to establish a reputable brand name should not be disregarded. (Brewster et al., 2007)

Furthermore, multinational companies should acquaint themselves with appropriate information regarding the legal ramifications of diversity. This means “knowing the rule regarding diversity in your specific business territory because it is advisable to be familiar with such laws since everyone is required to follow it” (Brewster et al., 2007). For example, in the United States, Title VII of the Civil Rights Act of 1964 makes it illegal for companies to discriminate against any employee on the basis of gender, religion, race, color, or nationality. By constantly reviewing its policy on workplace diversity, multinational companies can train its

employees on ways of dealing with the subject (Cortina and Landis, 2013). Appendix 2 (page 89) shows a diversity brochure from the United States of America.

3.4.4 International Human Resource Management

In today's business environment, many commentators consider an organization's investment in its human resources to be a *primary essential* to its ability to succeed because effective HRM has become a pre-requisite for the successful performance of a multinational business enterprise (Gannon & Newman, 2002). Alongside the need for cultural awareness, cultural differences come into human resource management literature using essentially two channels:

1. International Human Resource Management (IHRM), *and*
2. Comparative Human Resource Management (CHRM)

International Human Resource Management considers the manner in which global organizations manage their human resources considering the contexts in which such companies function and operate. It deals with how to manage employees on a global scale and adds extra complexity to the task of managing employees beyond what obtains in a national or country-specific setting. Various literatures on IHRM are saturated with instances of home country practices which may not be acceptable in other nations in whose business markets the company participates. Clearly, this reveals the need for such companies to pay attention to its multicultural workforce. On the other hand, Comparative human resource management is country-specific since it examines the extent to which human resource management differs from one country to another. (ibid)

In the past, most studies in International Human Resource Management were focused more on the issue of expatriation, which by definition, "concerns the cross-border responsibilities and assignments of employees that often last for a significant time period" (ibid). However, IHRM covers a broader platform than the management of expatriates since it also deals with the management of people on a global scale. Ultimately, the manner in which business managers address such issues could adversely affect the commercial/economic dexterity of any organiza-

tion. This point shows how MEs impact decision-making in this area. When dealing with multicultural employees, some important issues that are often associated with HRM and IHRM in MNCs include managerial competence, work experience, payroll administration, taxation, reward system, staff motivation and manpower development. In this way, multicultural employees can affect how a multinational company makes its decisions regarding these HRM & IHRM concerns since such a company must take the interest of its multicultural employees into consideration when designing/implementing its HRM or IHRM policies.

3.4.5 Internal business communication

Basically, multicultural employees can influence decision-making of business-communications in multinational companies in the following ways: the company's internal communication style, choice of business language, and feedback systems (useful in appraisals). A multinational company's internal communication style is the manner through which it transmits information internally within the company. Since the company comprises individuals from different nationalities, there is need for such a company to adopt an effective means of internal communications. In multinational companies, subsidiaries are constantly involved in the business operations of the company and it is imperative for such "operational units" to be engrafted into the multinational company's mainstream activities.

By having a functional internal communication system in place at all times, multinational companies can communicate (in writing for instance) company policies that clearly forbid bullying, tribalism, prejudice and other non-professional discriminatory behaviors in the workplace. Such disturbing concerns should be addressed in a company's recruitment policy, its employee manuals, or company handbook regarding how employees ought to conduct themselves in the company. This practice is called the "internal broadcasting of the diversity message in a manner that is capable of creating a common language for all members of the business organization" (Malgady, 2011). To this end, multinational companies should be encouraged to develop effective communication systems that can connect all the parties within a company using one or more lines of communication to transmit information within the company in a manner that minimizes ambiguity or

misinterpretation of the message. Good examples of this include the use of emails or periodic bulletins that are published by the company in a language that is understood by its entire staff, and are used by the company to address critical business issues involving the company.

Effective feedback systems enable employees and management to have a platform to dialogue, settle differences and offer useful suggestions on ways to move a company forward. Using platforms such as frequent appraisal systems, employees can be encouraged to have their say in how a company conducts its business activities. By doing so, employees become involved in how such a business entity is run. Both supervisors and team members can have the chance to offer constructive criticism to each other in bid to advancing the company's business agenda. This means that periodic appraisals should not be a one-way or unidirectional approach. Instead, a functional 360-degrees feedback approach should be adopted into the appraisal module of multinational companies. Put simply, a 360-degree appraisal approach means that not only do supervisors have the responsibility of appraising their team members, but it also guarantees and enables each team member to appraise their respective supervisors as well. Such practical feedback mechanism allows for openness and flexibility in the workplace. (ibid)

Since employees from different nationalities are involved with how messages are transmitted in multinational companies, such companies will have to choose a business language that is widely understood by its entire staff and such business language can be easily used to establish effective internal communications amongst the members of staff within a company. (ibid)

To demonstrate how each of these points function in practice, the next chapter on methodology shows how multicultural employees influence decision-making within multinational companies by using a Finnish company as case study.

4 METHODOLOGY

This chapter describes the research method that was used during this study in addition to presenting a summary of the case company, interview questions and answers from each respondent, results & analysis of each response.

4.1 An overview of the case company

The case company is a multinational Finnish company established in 1943 even though its first products emerged in 1946. By the 1960s, a considerable part of the company's products had already been exported to the U.S, Great Britain and Iceland. As a result of the growing export market at that time, the company's productivity had doubled in 1965 and by the end of the 1970's, its export figures had amounted to 54% of the company's total turnover. Today, the establishment is a multinational company and a member of an internationally recognized Finnish business Group that was established in 1984. Presently, the case company is involved in the development, manufacture and sale of highly innovative products/solutions whose application span across several industries across the world.

With 13 subsidiaries across the globe (for instance in Sweden, Norway, Denmark, Russia, Brazil, Germany, France, Spain, The United Kingdom, The United States of America, Italy, Mexico and China) the organization has over 900 employees worldwide, 500 of these reside and work in Finland (the others reside and work in the countries where the company's subsidiaries are located abroad). The company is also involved with other strategic business partnerships all over the world since more than 89% of the company's products are sold in over 88 countries. Its turnover in 2013 exceeded 100 million Euros. Moreover, the establishment is still exploring options for further expansion into other territories.

The company is a global market leader in its field of operation and as a result of its huge and constant investment in R&D (Research and development) over the years, its unique range of products and solutions has gained international recognition by receiving numerous awards on innovation and sustainable development with important ISO certifications to show for it. From its Head Office in Finland,

the company administrates over its global business operations even though some degree of autonomy is given to the respective country Managing Directors to handle the affairs of their respective subsidiary within the context of staff recruitment, local taxation and ethical requirements. The offices of the CEO and senior managers of the company are located at the Corporate Headquarters of the company here in Finland. Some of the business units whose offices are located at the head office include those of marketing, design, laboratory experts, electronics and electrical maintenance, export sales, business development, applications specialists, customer relationship specialists, production, research support and logistics, to mention just a few.

This company was selected as the case study because about 44% of its total employees (globally) are citizens of other nations (considering the number of employees from its subsidiaries). This shows that the establishment accounts for a fair percentage of multicultural employees across its entire global workforce and inevitably, this satisfies the purpose of this report. It is important to mention here that, the total staff strength of the multicultural employees in the Head Office of the case company account for only 2% of the entire head office workforce.

4.2 Choice of research method

In this report, using the qualitative research method, personal face-to-face interviews were used as a method of primary data collection from willing respondents. All the interviews were conducted within the premises of the case company in November 2014 and each interview was conducted separately with each respondent in order to safeguard their identity and ensure openness and sincerity in their individual response.

Qualitative research methods are used in those types of researches that are carried out using open- and closed-ended questions in well-structured interviews and inferences drawn from personal observations whereas the quantitative research method adopts statistical means (for example) to gather information. It is commonly used when the results can be determined in a systematic manner (Ghauri & Gronhaug, 2005). Since the thesis intends to highlight the impact of multicultural

employees on the decision-making process in multinational companies, it was assumed that a personal observation of events and use of well-structured oral interviews were the best available options of gathering in-depth responses in a bid to addressing the research problem. Having worked with the export sales team for five months, I believe that I was in a fair position to see how the case company's employees interacted with one another as they went about their daily business routines. The duration of the personal observation was for five months and this gave me the platform to connect with different individuals from diverse cultural backgrounds, gender and business departments. Whilst with the case company, I had been involved in various business activities such as team communication, negotiating, networking retreats, policy implementation, personnel training and strategy development meetings. As a result, the research was conducted within a natural environment and this encouraged clarity and transparency since they enabled me to remain focused on the objective of the research.

Altogether, the sample group of this research consists of three respondents from the case company: two multicultural employees and one Finnish business manager. The respondents were selected on the basis of their availability and willingness to participate in the oral interviews that were conducted within the premises of the case company. Bearing in mind the confidentiality agreement in place between the company owners and all its employees, all the respondents chose to remain anonymous in this report. However, their anonymous personality does not jeopardize the integrity of this report since one can assume that the feedback of each respondent was a true reflection of their individual opinion regarding each interview question.

4.3 Analysis of the interview responses

In an attempt to gain a broader perspective regarding the extent to which multicultural employees were involved in decision-making of key business activities within the case company, oral interviews were conducted with three employees of the case company. The interview involved separate sessions with one business development manager of the company (to gain the management's perspective) and subsequent separate sessions with two multicultural employees. The interviews were

performed this way because I intended to achieve a panoramic view of the sequence of events within the case company in relation to the research problem. Furthermore, this approach enhanced the possibility to understand the views of the management and employees of the case company as it concerns the topic. Besides, this method also gave me the platform to evaluate the company's response to multiculturalism in the workplace, especially as it concerns the impact of multicultural employees in key decision-making processes within the company.

This section of the research examined the feedback from each respondent to the interview questions presented to each of them. Each respondent was presented with 15 interview questions (appendix 3 and 4 on page 90 and 91 respectively), and the analyses of their responses are presented in two forms below: the Business Manager's interview questions and response as well as the employees' interview questions and responses. A summary of the three interview responses along with an analysis of the interview responses are outlined below. The analysis below aims to show the link between the theoretical and empirical frameworks in order to provide the reader with a deeper understanding of the main concepts that are related to the topic.

Interview One: From a Business manager's perspective:

1. Would you consider this company to be multicultural?

Answer: *Yes, the company is multicultural.*

Analysis: The aim of this question was to determine if the business manager was well informed about the nature of the case company. It sought to find out if the top management had been able to communicate the company's objectives to its line managers in a manner was well understood. The response suggested that the business manager was acquainted with the knowledge of what it means for a business establishment to be regarded as a multinational company. Most likely, such information must have been provided by the company's top level management during board meetings with mid-level managers and heads of various departments. It also suggests that the internal communication strategy of the company at management level appeared to be effective, at least at management level. Bearing in

mind the presence of its subsidiaries around the world, the case company fits the definition of a multinational company and this confirms the work of (Rhinesmith, 1996).

Furthermore such unilateral understanding and knowledge amongst the mid-level management regarding what kind of company they work for indicated that the management had been able to communicate its business objective and goals to its business managers in a manner that minimized ambiguity/misinterpretation by using effective messaging systems. In addition, it pointed to the fact that such messages had been well received and transmitted down the organization's management chain. This confirms the need for multinational companies to have an effective internal communication system as stated by Christopher (2012).

2. Have you had the chance to work with MEs in your team before?

Where?

Answer: Yes, in my previous employment.

Analysis: This question intended to find out the length of work experience that the respondent might have had with MEs in the past since such could offer a clue as to how well the business manager was acquainted with the idea of working with multicultural employees. The response suggested the depth of the business manager's experience in terms of working with colleagues from different nationalities. Having worked with multicultural employees in previous job placements, it appears that the respondent was comfortable with having multicultural individuals as colleagues or team members. Although the response does not provide a concrete answer as to whether the respondent got along well with such individuals, as mentioned by Jorgensen (1993), it clearly shows that experienced business managers play a critical role in the management of multicultural employees since their previous exposure to multicultural employees helps to promote better understanding amongst the teams that they lead.

Worthy of mention is the fact that most business managers have not had the chance to work with multicultural employees in their professional careers. Jorgensen (1993) suggests that this could be caused by one or more of the following:

- Perhaps the length of the business manager's work experience was too short and as such he/she has not yet had the privilege of working with multicultural employees. Better still, the business manager has had a long work experience, however, their previous employer might not have embraced the concept of multiculturalism in the workplace and as such, multicultural individuals were not employed in such business settings.
- The last possibility was that there were multicultural employees in the company or companies that such business manager had worked with in the past, however, such employees were not reporting directly to these business managers.

Either ways, previous experience with multicultural employees made it easier for business managers and other employees to work with MEs again in subsequent job assignments (*ibid*). In addition, this response points to the fact that in order for multinational companies (and their business managers) to embrace the idea of incorporating multicultural employees into key decision-making areas within their respective companies, such organizations must have had the opportunity to study such MEs in a bid to build a lasting relationship with such employees, and building trust takes time. Where trust has been established over time, this will make it easier for multinational companies to assign multicultural employees into prominent positions within the organization, especially as it concerns decision-making. (Johnston & Menguc, 2007)

Furthermore, considering Hofstede's theory on cultural dimension discussed in the second chapter of this thesis, the reader can infer from the respondent's answer that just like our beliefs and values, cultural acceptance within the workplace is yet another factor that requires a lot of time to effect the much required change as mentioned by Hofstede et al. (2010). Since the invisible aspects of culture are hard to comprehend (hence, more difficult to change), our beliefs/values require time and greater effort to alter our individual preferences or perspectives, and this confirms Hofstede's opinion on the issue. As mentioned by Hofstede, such cultural concerns make it necessary for MNCs to expose themselves to as many multi-

cultural employees as possible so that they (the MNCs) can take advantage of the unique opportunity to learn about the culture of their MEs and modify their company activities/policy/strategy to suit the local requirements in the territories that they conduct their business activities abroad (Hofstede et al., 2010). One way such companies can achieve this, is to embrace the concept of multiculturalism in the workplace. Multinational companies can do this by endearing their employees to become passionate about the company and its business e.g. including multicultural employees into decision-making processes, especially within business territories that the company is not so familiar with.

3. Are MEs critical success factors in this company?

Answer: *Yes, they are, even in today's business as a result of global trade.*

Analysis: the purpose of this question was to determine the business manager's understanding of the importance of having MEs in the workforce of MNCs. More so, it intended to find out if such employees were assets to a company or not.

This answer underscores the role of the company's MEs in the organization's overall business success, with emphasis on the company's subsidiaries. It points to the fact that its subsidiaries contributed largely to the case company's overall business achievements as mentioned by Johnston & Menguc (2007).

In addition, the response suggests that as stated by Parrot (2013), the respondent was aware of the significant growth that has been made in the field of global trade especially with regards to the role that multicultural employees play in the global market place. It also highlights the interplay of the forces of demand/supply alongside the interdependence of economies that currently exists amongst the nations of the world. Such possibilities have been attributed to the growth in globalization as shown in the trade across national as well as regional borders. Since global trade (trading across borders) entails doing business across different cultures, the business manager's response projects the significance of today's companies to include multicultural employees among their workforce (ibid). As a result, there is need for MNCs to embrace MEs into their global business decision-making processes.

The respondent's answer further highlighted the fact that the former practice where indigenous companies refrained from employing multicultural employees was no longer the acceptable norm, since the dynamics appear to have evolved into internationalization of a company's business activity. As emphasized by Jorgensen (1993), this speaks to an agenda that requires business managers of multinational companies to acquire separate skill sets and diversified perspectives on how to successfully manage and conduct business on a global scale. "Multicultural employees can provide multinational companies with useful ideas that could lead to an overhaul of an organization's business dynamics" (Ricks, 2006).

For instance, in a multinational company that was involved with online advertising business in countries all over the world, having multicultural employees that understand the local culture (language, norms, ethics, attitudes) of the visitors to a company's website or blog can facilitate a more rewarding experience for such customer or prospect. Such multicultural employees were in the best position to advise the company on what to include (or exclude) on its local website in the destination country of choice since they understood the concerns that the local customers could misinterpret to be culturally unacceptable. (ibid)

Another good example would be to consider the business activities of a multinational company in the Middle-East, where some media advertisements that are considered to be acceptable/effective in the Western world like in The USA, could be deemed inappropriate for the locals since they were against their religious or cultural beliefs. Assuming such multinational advertising agency would have multicultural employees within its workforce that understood the culture of the middle-east, cultural challenges like the one presented in the scenario above could be avoided, thus, saving time (required to withdraw such commercials from public circulation) and resources that would have been wasted on litigations or fines. (Christopher, 2012)

In the case company, local websites of each subsidiary are published in the language of the country they operate in. This enhanced the effectiveness of the company's communication with its customers in such locations. Although, the contents of such communication material (brochures, product catalogues, promotional

fliers, etc.) were subject to ratification by the head office advertising or marketing manager, as mentioned by Johnston & Menguc (2007), the other country managers have the autonomy and responsibility of ensuring that such materials were understood locally. In addition, each subsidiary is headed by a country manager who has a good understanding of what is required to successfully conduct business in a legitimate manner within the host country. The subsidiaries recruit local employees that could easily relate with local prospects and clients in that country (ibid).

This makes it pertinent for MNCs to invest in the training of its MEs so that they can make significant contributions toward supporting the company to achieve its business objectives and goals. As the dynamics of international trade gains complexity and continues to evolve, proactive MNCs will position themselves to be competitive in the future. As economic powers shift from one country to another, MNCs should plan for the future if they are to remain profitable in the long-term.

4. What are some of the common cultural factors that influence routine work activities in the company?

Answer: Gender inequality, language restrictions, culture shock, communication styles among teams, team involvement, need for equal pay, social inhibitions, religious beliefs, stereotypes and the media.

Analysis: This question dealt with the challenges that multicultural employees were likely to face in the workplace bearing in mind the sensitive nature of culture and the extent to which it impacted on business as highlighted by Ricks (2006). Among other critical issues, this answer highlighted the issue of *gender discrimination* in the workplace, especially as it relates to female multicultural employees in MNCs. Hofstede's cultural dimension on masculinity addressed this concern when his research mentioned that "the masculinity cultural dimension referred to how the society embraced the traditional male and female roles" (Hofstede, 1983).

Gender discrimination in the workplace can be considered to be a form of discrimination on the basis of gender. Also known as sexism, this form of harassment can become a multicultural issue if not well contained. For instance, in certain cultures, women were considered to be sexual symbols in the society, especially by

their male counterpart. Besides, in some cultures, females were not considered fit to do some jobs that are *perceived* to be for men alone while in other societies, men were considered to be better commercial business managers in the workplace than their female counterparts, or vice-versa. (ibid)

The issue of gender discrimination is currently tackled at a national level in most countries as most governments have seen the need to step into the situation. For instance, the German government recently (in March 2015) set a gender quota in boardrooms of companies operating in the country. The country became the latest and most significant nation so far to commit to improving the lot of women viz-a-viz their representation on corporate boards of major companies. Its Chancellor, Angela Merkel, signed the law which makes it mandatory for some of Europe's biggest companies to grant up to 31% of its supervisory roles to women with effect from 2016 since currently, less than 21% of the seats on the boards belonging to such establishments were occupied by women. Such decision has the potential to significantly alter the landscape of corporate governance in Germany and could likely have far reaching implications on other countries of the European Union. (www.nytimes.com)

The tenet of multicultural diversity regarding sexual harassment in the workplace advocates that female employees should not be hired as sexual symbols for men to stare at or abuse, and vice-versa, even when the external society embraces such trends, business organizations should not promote such practices. Instead, each individual should be employed on basis of their qualification for the position with regards to the skills and job-related talents they possess. In the event that a woman is qualified to be promoted but overlooked simply because she is a woman, such actions could spur drastic consequences and display of negative attitudes among the staff in the workplace (Wilton, 2013). In the head office of the case company, female managers occupied almost 50 percent of the total managerial seats in the company compared to their male counterparts. This shows that the company embraced the concept of equality in the workplace since women had the same rights as their male counterparts in the case company and further confirms the work of Hofstede who concluded from his research that the Finnish culture was a feminine

society, one that “the focus was on working in order to live, and people embraced quality, solidarity and equality in their working lives” (Hofstede, 1983).

The influx of negative attitudes into the workplace is becoming unprecedented. As a matter of fact, it is fast becoming a big diversity issue for Human Resource managers to address on a company-wide level. In a situation where employees of other backgrounds, races, or ethnicities work together, prejudice and stereotyping can become prevalent leading to untold discrimination. (Wilton, 2013)

As international business professionals, on no account should discrimination be used as a criterion by management or human resources managers when dealing with an employee in the hiring or firing stage. This trend is still predominant in today’s workplace and there exist no indication that such harmful practices will be aborted or contained anytime soon. This is a growing concern for multinational companies as well as their multicultural employees. Hofstede (1993) suggested that “in a society where the feminine cultural dimension was predominant (as in Finland), business managers were able to resolve workplace-related conflicts through dialogue” (Hofstede, 1993). My experience from the interviews that were conducted in the case company attests to Hofstede’s claim since discrimination was not pronounced on any level within the organogram of the case company.

When negative attitudes occur for reasons as those mentioned above, the employer should take quick measures where possible to address/resolve the issues between the concerned employees otherwise, where such concerns are not quickly addressed, the employer could risk having an intense work environment, with poor working conditions, wrong moods and inimical attitudes among the members of staff; this could result in a scenario where a company’s workforce is neither willing nor motivated to work hard. Overall, such could necessitate civil law suits against (the company or its staff) and increase overall cost for the company in the long run. (Wilton, 2013)

As a footnote, all qualified candidates, regardless of their gender or sexual orientation, deserve a fair chance to be considered for promotion and should be given an equal opportunity when being considered for a job position or responsibility.

Such discrimination should be avoided in MNCs because they can nurture stereotypes within the workplace.

Another concern is that of *stereotypes* in the workplace. Put simply, these are often generalized or perceived beliefs regarding the behaviors of persons belonging to certain groups and they can be caused by several factors (appendix 7, page 94). The classification of such groups can be performed by using any criteria such as gender, sexual orientation, age, occupation, religion or even social status and they vary in their favorability when practiced. (Arnold & Randall *et al.* 2010)

Award-winning novelist, Chimamanda-Ngozi Adichie, revealed her story of how she identified her unique and authentic cultural voice in poetry when she stated that: “Our cultures comprise many overlapping stories that if we hear only a *single story* about another culture, country or person, we risk a critical misunderstanding of such a person, culture or country” (Adichie, 2009). She went on to mention that the problem with the single story narrative was that it created stereotypes, and that the issue with stereotypes was not that they were untrue, but that they were incomplete since they made *one* story become the *only* story. A major consequence of stereotypes is that they made our recognition of equal-humanity difficult to accept, robbed people of their dignity and emphasized how we were different from each other, rather than project how we were similar to each other. When we reject the single story perspective, we become aware of the fact that there is never a single story about any person, place or culture in the first place, and only then can we regain appreciation and tolerance for others. (Adichie, 2009)

The analysis of the interview responses to some extent indicate that there were some forms of stigmatization in existence within the case company, especially on the basis of language and cultural affiliations. This was very disturbing because a major concern for companies who seek to harvest the huge benefits of having a multicultural workforce is to discourage its employees from practicing any form of stereotyping or stigmatizing in the work place. (Gannon & Newman, 2002)

In addition, Malgady (2011), suggested that the role of *culture shock* in a multinational business establishment cannot be underestimated since it dealt with the per-

sonal disorientation that an individual (or multicultural employee) may feel when exposed to an unfamiliar way of life when employed to work in a new company. It involved a move between social environments, or simply a switch to another kind of life and way of thinking. Most multicultural employees experience culture shock in multinational companies especially if such employees have never had the experience of working in a foreign country previously. They are easily bothered with cultural concerns or issues that appear disturbing to them. Company practices, organizational behaviors, choice of business language, business ethics and delicacies/meals that are served in company restaurants, are some of the factors that can contribute to cultural shock within multinational companies. Hence, human resource managers in multinational companies should ensure that they are well equipped to modify company practices that tend to enhance cultural shock among its multicultural employees (Brewster et al., 2007). The analysis of the interview responses revealed that most multicultural employee in the case company were faced with cultural shock at some point in their career with the company and this confirms the results from the study conducted by Malgady (2011) who mentioned that such outcomes were likely to happen to multicultural employees.

Furthermore, the push for *equal pay* in the workplace has been a long-standing issue, especially when it concerns MEs and their local counterparts. In most developed economies such as the United States of America, the Equal Pay Act stipulates that employees of different gender types i.e. men and women working in the same company and doing the same job should receive the same pay regardless of their cultural affiliations. The need to establish equal pay among a company's workforce has become one of the most keenly-debated subjects when it comes to managing a diversified work force. However, there are some other qualifications such as job experience and education which play a crucial factor in determining how much pay an employee gets paid for the same position when compared to another person using a different pay scale within the same business entity or organization. This becomes necessary especially when such employees originate from different countries. Consequently, in the event that both employees have similar/equivalent education and job skill-set, the financial compensation should

be equal otherwise, diversity issues could spark-off other unwanted scenarios in the workplace.

Another concern is that of *religious and political beliefs* of employees. This can prove to be an important disagreement factor in the workplace. If not properly addressed, the religious or political beliefs of employers and employees could become contentious, and such could lead to cultural-diversity issues in the workplace. The practice within global companies today is that employers and all the employees within the work environment are entitled to their respective opinion – be it religious or political. To keep discrimination from sprouting within an organization, it is pertinent for all concerned parties to embrace tolerance and inclusiveness since these will require changes in responses and mindset of the entire team. Moreover, such actions should be prohibited and the employer needs to make it mandatory for its employees not to impose their political or religious beliefs on other employees (Wilton 2013). Within the case company, the interview responses revealed that the impact of religious or political beliefs amongst employees could not be considered as a huge factor that was capable of generating disagreement amongst employees in the workplace. Somehow, the staff had found ways to separate their religious/political views from their work life.

5. In your opinion, do (MEs) impact the way this company makes its decisions?

Answer: *From the subsidiary perspective, yes they do. Although from the Head Office here, the influence is not readily visible.*

Analysis: once again, this response suggests that the business manager valued the contributions of multicultural employees in enabling the business organization to grow and such understanding shows the significance of multicultural employees in multinational companies. However, the response also suggests that the extent to which such impact can become readily visible depends to a large degree on the size (staff strength) of the multicultural employees in the workplace. Most likely, the more multicultural employees you find in a multinational company, the more likely they were to impact decision-making within such a company. Within the case company, decision-making at subsidiary level was handled by the resident

Managing Director and key-decision makers there. However, in the case company's head office, only 2% of the total number of staff there were multicultural employees. Perhaps, this explains the reason why their impact was not readily visible there. Another possibility that could be associated with the response was the position that such multicultural employee(s) occupied within the company. As mentioned by Johnston & Menguc (2007), this meant that if such multicultural employee occupied a higher position within the company, the chances were higher for such an individual to play a critical role in decision-making compared to if such an individual occupied a lower rank within the company.

6. How could the company better integrate multicultural employees into its decision-making processes?

***Answer:** Exploring avenues of enhancing the understanding of what's expected in this particular environment, having a generally understood official business language, promote subsidiaries understanding of corporate strategies, goals and objectives as well as adequately translate meanings of interest within the company-wide spectrum.*

Analysis: this response showed the importance of some of the key issues that have been discussed in this research. The idea is that multinational companies should make some reasonable effort to incorporate multicultural employees into its company activities since such measures were required to optimize employee performance. This answer highlights the importance of having a widely understood business language and clear definition of roles and responsibilities within the company in order to avoid duplication of effort amongst the company's staff. Most often, in instances where there exists poor communication within a company's management and its employees, misconceptions/misunderstandings can easily arise, and no single group of employees can become more affected in such situations than multicultural employees.

To this end, as stated by Christopher (2012), it is imperative for key-decision makers in multinational companies to promote a unified understanding of company's goals, corporate strategies and business interest to employees in its subsidiaries so that all employees can have a common understanding regarding the company's position on any issue at all times. Clearly, this reflects the need for having a

good communication/feedback system in the multinational company using a language that everyone within the company understands.

When everyone within the entire company (at group-wide level) was on board and up-to-date with relevant information, it becomes easier for such employees to contribute to critical issues that have the capacity to determine a company's competitiveness in the market place (ibid). This makes it more realistic for team members to liaise, dialogue and share ideas that can move their respective teams and the entire company to greater heights of achievement. From the interview responses, compared to their counterparts in the subsidiaries, it seemed like the head office staff were well informed of recent developments within the company since it took a longer time for such information to reach other employees in the subsidiaries.

7. Should Finnish companies be encouraged to hire multicultural employees?

Answer: Yes, they should be encouraged to do so if they want to remain competitive in the years to come. Having MEs is a critical advantage for companies.

Analysis: This answer highlights multicultural employees as one of a multinational company's major asset. It underscores the critical position that such individuals occupy towards ensuring that a company remains competitive in today's business place (Fitzsimmons et al., 2011). In addition, it also suggests that there was a shift from the conventional norm that prevailed in the past among Finnish companies when such companies found it difficult to embrace the idea of multiculturalism in the workplace on a larger scale. Perhaps these indigenous business establishments had concerns regarding hiring foreign nationals into key business positions within their organizations in the past. Thankfully, the remarkable achievements in the field of science and technology as brought about economic growth and internationalization of local Finnish business firms. The world is indeed becoming a global village.

The response also revealed how the Finnish business culture had evolved over the years. This could be seen as a good thing for the Finnish business climate since it opens the doors to widen its economy and also encourages its companies to hire the services of foreign experts to perform sensitive business functions within its

companies. Moreover, one can infer from this response also that the Finnish economy is largely export-dependent, and this single opinion makes it all the more necessary for Finnish companies to invest in multicultural employees since this group of individuals are vital to foreign/international trade bearing in mind that foreign trade is an integral part of the Finnish business culture and exports account for almost 50% of Finland's GDP. (www.finland.org)

In the case company, over 89% of its products were exported abroad annually. This supports the notion that the export business is essential to the commercial values of the Finnish culture. It further underscores the significance of the Finnish company as a vital economy for investors having been ranked as one of the most competitive economies in the world. Finland's closest markets include parts of Russia, UK, Sweden, the UK, the Baltic countries and Northern continental Europe whereas the country's major trading partners consist of the Netherlands, China, Russia, Germany, the UK and Sweden. The nation's business relationship with these countries has been further strengthened by cultural knowledge, effective logistics, seasoned experience in venture-capital operations and good language skills. (ibid)

In today's international business terrain, it is nearly impossible to do business as a multinational company without the input of multicultural employees. Embarking on global trade without such employees could prove to be inimical to the commercial fortunes of a business venture.

8. Do MEs influence how the company communicates internally?

***Answer:** Here at the Head Office, not really. However, across the subsidiary network, yes they do.*

Analysis: Amongst other things, this response shows the impact of communication across cultures. Christopher (2012) mentioned that effective communication within a company is one that cuts across cultural barriers and presents a true picture of what is to be expected based on the content of the message. Internal communications provided the platform for the management to pass across information to all the staff on matters that concern the company's activities. It helped to ad-

dress critical issues that may affect the manner in which the external environment perceived the company (as a brand) and builds up credible testimonial for the company amongst its customers and the industry it participates in. This answer projected the significance of internal communications in multinational business establishments and the role that multicultural employees played in determining such. As mentioned before, the population size of this group of employees was vital if one was to see a clear impact that such employees have on how a company communicates internally. (Christopher, 2012; Fitzsimmons et al., 2011)

Within the cases company, the internal communications style and technique within its subsidiaries was customized to suit the local business environment and this enhanced the effectiveness of subsidiaries in their respective business domains.

9. Is an official business communication language used in this company?

Answer: Both the Swedish and Finnish languages are used here, although the Swedish language is mostly used by the Head office staff in daily communications. The English language is used when we have external visitors and we need to make company presentations to them.

Analysis: the response draws our attention to a critical issue that concerns effective communication in the workplace. This answer emphasized the need for MNCs to have a uniform business language that cuts across all departments of the company and adopting a common official business language within the company could go a long way towards facilitating effective information dissemination within the company (Christopher, 2012). Moreover, when all employees of a company had a common understanding of what was contained in a message, this enabled each one to know what to do, when to do it, and how to accomplish required tasks within the stipulated time frame. Such awareness eventually minimized misunderstandings in the work environment and saves time by avoiding the unnecessary wastage of resources.

10. How does the use of several languages affect MEs?

Answer: It can be a barrier to those who cannot use these languages fluently. Initially, this sets them off especially if they are not conversant with either the Swedish or Finnish language. But with time, they adapt by learning one of both lan-

guages to get along with other staff easily. Everyone is encouraged to know how to use the English language.

Analysis: In addition to the analysis for question 9 above, this response was a clear reflection of the need for cultural adaptation and flexibility on the part of the multicultural employee. The willingness to embrace new cultures, e.g. by learning a new language, could be the key to becoming effective in a multinational work environment. By speaking and understanding the local business language (in this case the Finnish or Swedish language), MEs in this company can become more involved in the regular day-to-day small-talks amongst colleagues. As such, they can become easily engrafted into key processes within the company since they have overcome the initial challenge of having to communicate fluently with the indigenous staff.

11. What is management's policy regarding cultural tolerance in the company?

Answer: Overall, every staff is expected to be culturally-tolerant towards others. The norm here is that everyone should be respected and given the space to carry out their job functions without distracting others. The open-door policy makes it easy for this policy to enjoy high patronage.

Analysis: This response shows that the company's owners have in one way or the other been exposed in the past to the concept of multiculturalism in the workplace. By promoting cultural-tolerance in the workplace amongst its employees, the company appears to be a good example of a Finnish company that recruits multicultural employees into its workforce and this confirms the findings of Fitzsimmons et al. (2011).

By encouraging mutual respect among staffs, the company's human resource policy seems to be on the right path towards curbing the menace that is often associated with managing multicultural employees in the workplace (Brewster et al., 2007). For example, having an open-door policy within the company facilitates smoother deliberations and promotes the freedom of speech. This enables all the staff to offer suggestions and constructive feedback on matters that involve the growth of the company. Such ambience in the workplace ultimately enhances true professionalism, curbs prejudice and fosters team work among the employees

(ibid). Moreover, the response could also suggest that the owners of the company were aware of the fact that multiculturalism in the workplace had its own challenges since it comes with its fair share of issues, and where multiculturalism was not well managed in the workplace, such inaction could brew negative results or consequences for the company in the long run.

12. Do staffs work well in teams or as individuals?

***Answer:** This depends on your job function. Some jobs require that you work alone while others require team work. However, each person is responsible for his/her contribution towards the achievement of set objectives. The answer to that question depends on the job function.*

Analysis: This response reflects the business manager's understanding that job roles were distinct in MNCs. It further established the fact that each employee was important to the company regardless of their cultural background since everyone in a multinational company had something to contribute to the company's overall success (Fitzsimmons et al., 2011). It further showed the need to appropriately define job roles and responsibilities so that each employee can know what is expected of him/her. This supports the findings of Jorgensen (1993) who emphasized the need for effective job purpose analysis to be conducted before hiring a staff to occupy a vacant position within the company. Such measures, she said, could help to ensure that only the right candidate was giving the job and that such employee was responsible for their actions. Since the employee knows what it takes to get the job done, the individual will not hesitate to work with other employees if the requirements of the job demands that he/she must do so. Such understanding minimizes the possibility of infractions in the work place and this will in turn guarantee quicker turnaround times and smoother work transitions and job assignment deliveries by employees (Humphrey et al., 2007). From my personal observation, this seemed to be the case within the case company.

13. Are your colleagues (fellow department managers) well equipped to manage MEs in their teams?

***Answer:** In my personal opinion, I do not think so. Not every person can boast of having the same qualities as I do. We are all different and the leadership style of each business manager differs in line with the individual's personality.*

Analysis: This question reflects the importance of MNC's team leaders to possess management skills required to effectively manage multiculturalism in the workplace. As mentioned by Jorgensen (1993), the response suggests that the management skill that is required to look after a multicultural business team differs from those that are required to supervise conventional teams. This puts more emphasis on the concerned business management to garner as much skills as possible in dealing with the various scenarios that can present themselves while managing a culturally-diverse team. Such leaders should be open-minded and willing to learn from everyone else. The challenge for such managers will be to know when to make the right decisions regarding issues that affect multicultural members of their team bearing in mind the sensitive nature of how culture impacts business.

The message from this answer could also be that MNCs should only allow business managers who have had previous experience with working alongside multicultural employees to take on tasks that will involve MEs in the company since they have the experience of working with such group of employees in the past since companies who fail to embrace this practice, could be positioning themselves for negative outcomes in the future (Ricks, 2006).

14. How are decisions made in your team, collectively or individually?

Answer: *That depends largely on the time that is available to make such decisions and who is the most experienced member of the team to handle such concerns. In the event that there is enough time to collectively discuss the matter, then a team meeting is held to deal with the issue, otherwise it is my responsibility to make such critical decisions.*

Analysis: This response points to critical factors that affect the quality of decisions such as the time available to make such decisions and the experience of the key decision-maker. For quality decisions to be made, the right person(s) must be at the helm of affairs in guiding others to make the best possible decision(s) using the resources that are available at the company's disposal (Johnston & Menguc, 2007). It also shows the need to value the input of each team member in decision-making regardless of the nationality. Such proactive measures could promote understanding, loyalty and a deeper sense of belonging amongst employees since they know that the company values their contribution and suggestions.

In the final analysis, the response also shows that the team leader (in this case, the business manager) will always have the overall responsibility to determine the team's next line of action; the boss will always have the final say when it concerns what goes on in his/her team! This confirms Hofstede's study where he mentioned that in feminine cultures such as Finland, "conflicts were resolved by compromise and negotiation since incentives such as free time and flexibility were highly favored" (Hofstede et al., 2010).

15. Do you see the need for periodic appraisal of your team? How often is this performed?

Answer: Yes, there is a need for this and it should be done as often as possible.

Analysis: This highlights the need for continuous feedback to be implemented across board in all companies since this allows for open dialogue and deepens the understanding of all stakeholders regarding critical issues (Christopher, 2012). Periodic appraisals provide the platform for the appraisee to also provide feedback to the appraiser, and vice-versa. This kind of 360-degrees feedback enables team members to resolve issues in a more professional manner and also guards against unnecessary disruptions among team members. In turn, this will enable smoother work flow and greater job achievement in the company. It also highlights the frequency to conduct such appraisals by suggesting that the more frequent appraisals are held between employers and their employees, the better for both the company and its employees because such practice has the potential to eliminate a backlog of events that have been left unattended to, and such issues when left unresolved, can hamper business relations amongst employees and their line managers or supervisors. (ibid)

Interview Two (and Three): From the multicultural employee's perspective:

1. Would you consider this company to be multicultural?

First respondent: Yes.

Second respondent: Yes

Analysis: Both responses suggest that even the staffs of the company are aware of the type of institution they work with. This is perhaps an indication of a viable

information dissemination system within the company, or an attestation to the fact that the company's mode of internal communications appears to be effective. This further reinforces the need for a multinational company to have a functional means of reaching its staff (Christopher, 2012).

2. What challenges do you face as a multicultural employee? Are they more cultural than they are professional?

***First respondent:** They are more cultural. For instance it is difficult to understand the day-to-day small talks if you cannot speak and understand the Swedish language.*

***Second respondent:** Being accepted. Understanding individual job roles and knowing the clearly defined work load for each person (unclear work areas).*

Analysis: The first response shows how important it is for a company's employees to have a good grasp of the local language (in this case, the Swedish language), citing the daily difficulties that such foreign employees could face at work when they do not speak/understand the local language. Like the invisible aspect of culture, this response also points to the fact that within every multinational business establishment, there is a secondary language besides the primary/official business language, and it appears that in addition to the official business language, the secondary language is what multinational employees need to understand more in order to get along with the indigenous staff in the company. On the other hand, the second response suggests the need for clarity of information transfer within the organization by clearly defining the respective work responsibilities to all staff since this will also enable multicultural employees to know what they are expected to do on the job (Gannon & Newman, 2002).

Collectively, both responses indicate the significance of having effective communication in a company where information is transmitted in a manner that minimizes ambiguity. This suggests that both the informal and formal forms of communication are essential in the workplace, especially for multicultural employees. As mentioned by Trompenaars and Hofstede respectively in the section on cultural dimension theories, in a performance-based work environment, it is important to know what is expected of each employee so that the job demands can be delivered accordingly. (Trompenaars & Hampden Turner, 1998; Hofstede 1983)

3. Do you feel accepted by other team members here?

First respondent: Yes, I do. This is strictly based on my professional competence on the job.

Second respondent: No, not entirely.

Analysis: the difference in response suggests that teams within the case company were formed using different sets of criteria. In the case company, since some teams were formed based on job tasks, their priorities and objectives were different from those of the other teams. For instance, whilst some teams accepted their team members based on their respective job competence, other teams did so based upon the length of experience that such an individual had on the job. This confirms the findings of Gannon & Newman (2002) who reported that different factors contributed to how teams were established in companies.

Gannon & Newman (2002) suggested that different factors contributed to how teams were established in companies and the basis for accepting a multicultural employees into teams cut across various factors such as the interpersonal skill of the multicultural employee, his/her competence on the job, educational qualification, cultural background and length of experience in the field. These were some critical points to consider when building multicultural teams and those who manage such diverse pool of individuals ought to be aware of these factors because having such an understanding could go a long way towards defining how to motivate such staff. Besides, Jorgensen (1993) reported that such proactive measure was required from business managers in order to optimize the job performance of their multicultural team members. Within the case company, the business manager that I interviewed appeared to have a good skill set on ways of successfully managing multicultural employees in teams having had previous experience of working with such employees in the past.

4. Do you struggle to fit in?

First respondent: Sometimes, especially in social matters.

Second respondent: Of course, every day.

Analysis: This response reflects a constant struggle that most multicultural employees face in any multinational business establishment. It underscores the importance of having a healthy self-esteem without feeling belittled or ineffective in the workplace. As reported by Fitzsimmons et al. (2011), the first few months for multicultural employees in a new multinational company setting can be very challenging, especially if the employee has never had such experiences before. Finding oneself in the midst of new faces takes time. Encouraging self-management and self-awareness are some of the strategic ways that a multinational company can assist its multicultural employees to be able to handle workplace diversity issues since remaining true to oneself at all times can prove to be a vital asset especially in a multicultural atmosphere. Rhinesmith (1996) mentioned that one way to achieve this could be for the multinational company to appreciate as well as celebrate the cultural diversity of its workforce.

5. Have you earned your place?

First respondent: *Based on my professional capacity I would say yes.*

Second respondent: *The culture does not allow for that in the short term.*

Analysis: As mentioned by Fitzsimmons et al. (2011), several multicultural employees struggle with the identity crisis while working with multinational business establishments. Both responses suggest that within the case company, an employee's view(s) as to whether he/she has earned their respectful place within their team is more subjective depending on an employee's orientation and approach to certain professional or cultural issues. This was so since each person's perspective on a particular subject could differ from the views or notions of another person. Again, as mentioned in the introductory section of this research, human needs differ from one person to another and based on the uniqueness of our individual needs, we all have different ways of interpreting the intentions of others towards us (Gannon & Newman, 2002). The above statements suggest the need for multicultural employees to remain original and authentic in their dealings. Furthermore, it encourages continuous self-assessment by all employees in a bid to addressing the concerns that are often associated with the identity crisis phenomenon.

6. Is there need for self-validation?

First respondent: There is always need for that especially in a job environment such as ours.

Second respondent: Yes, if you have to feel respected and accepted here.

Analysis: This is another critical issue that often concerns multiculturalism in the workplace. Getting the right support/backing from one's supervisor as well as from other colleagues at work can become an important motivating factor that could enhance the job performance of multicultural employees. As mentioned by Cummings & Huse (1989), this criterion could also determine how long an employee works with a particular organization.

Although these responses highlight the multicultural employees' need for affirmation, the issue of affirmation can be considered in two ways: first from the multicultural employees' perspective and then from the company's key decision-makers perspective. Some multinational companies do not have an efficient recruitment process (appendix 6A, page 93) in their human resource framework to cater for this. As a result, they recruit employees that are from minority groups in order to satisfy the collective affirmative action. However, if all employees were to be considered on the basis of their respective qualifications in any recruitment exercise, there would be no need for affirmative action and there won't be need to consider this option (Wilton 2013). In the past, some employees from minority groups often felt that they were being overlooked for a promotion or specific job position because of the need for affirmative action which conveys the overall desire of the dominant group. This could be an issue in the workplace if such promotion exercise was conducted using wrong selection criteria and for the wrong reasons such as to stigmatize or discriminate against a minority group (ibid). It was difficult to evaluate the true situation of things within the case company regarding this point because of the short period of time that I spent with the company.

7. Is self-validation an easy process?

First respondent: Not at all. It is quite lengthy and sometimes discouraging.

Second respondent: It is not an easy process. It takes so much time and energy to accomplish.

Analysis: these responses suggest that it takes time for multicultural employees to find their feet when employed in new places. It emphasized the need for patience and tolerance from business managers and the company at large towards embracing such employees into its mainstream business activities. Self-validation becomes essential for multicultural employees since this will boost their confidence and allow them to express themselves in a manner that enables them to maximize their potential in the company. Generally, such employees will need to get it right with themselves before looking outward to others for encouragement, motivation and even validation.

8. How do you get your business points across in a manner that does not offend others?

First respondent: By remaining objective to the matter at hand. In several cases, speaking politely with the aid of a good diagram also helps during presentations.

Second respondent: I do my best to communicate effectively. Regular team meetings have helped to improve my social skills in this area.

Analysis: these responses support the findings of Christopher (2012) since they show the significance of effective communication by developing one's communication skills. The second respondents mentioned that he achieves this by using team meetings to build his networking and social skills. The other respondent highlighted the significance of clear information which we have dealt with above, and collectively, both responses attest to the need for communication to be encouraged in the workplace, as mentioned by (London, 2013).

Furthermore, both responses also point to the need for multicultural employees and multinational companies to become aware of the sensitive role that culture plays in business especially as it concerns effective communication in the workplace. As mentioned by Brewster et al. (2007), multicultural employees and multinational companies cannot risk ignoring such critical issues, and as result, HR managers of multinational companies ought to consider incorporating personnel training and manpower development into a company's human resource management policy. Malgady (2011) was opinion that an advantage of such action would be that such measure could act as a platform to prepare all staff on how to respect

the rights of other employees in the work place. Furthermore, such action could assist to sharpen the communication/presentation skills of its employees in order to equip them with the right skills on how to pass across their message(s) in a professional manner by remaining objective and focused on the issue at hand, without any infringing on the cultural beliefs of others. (ibid)

9. Are you satisfied with the company's mode of internal communication?

First respondent: At first, when I joined the company I was not, but I am learning to adapt each day.

Second respondent: It can be improved by using a more widely accepted language like English.

Analysis: these responses correspond to the business manager's view on the subject of using a common business language that is understood by all the staff within the company, as mentioned above. The subject of internal communications has been dealt with in detail under the business manager's interview response and the multicultural employees' response bears resemblance to the previous opinion from the business manager. It suggest that MNCs should have a uniform business language across the entire company, one that was understood by all its employees and one that was used by the management to communicate with its staff. as mentioned by Christopher (2012), such unified language tool can be used to reduce the negative perceptions of inequality in the workplace by fostering team spirit and a sense of belonging amongst all staff, especially multicultural employees.

10. What is the significance of speaking and understanding the local language?

First respondent: If you need to be up-to-speed with what is going on within the company, understanding the local language is very important.

Second respondent: It is very important here.

Analysis: This concern has been dealt with in previous analysis above.

11. Are there other MEs in your team besides you? Would you feel better if there were?

First respondent: Yes, there are and it helps to know that I am not alone here.

Second respondent: No, I am the only one in my team. May be it could help if someone else was there too.

Analysis: Perhaps, this response indicates the need for MEs to have a sense of belonging in the MNCs that they work with. It could also point to the fact that multicultural employees have more influence regarding what happens in a multinational company when they are more in size/population. This suggests that fewer multinational employees lack the required dynamics to generate the kind of impact that is needed to get noticed by the company owners. The implications of such incapacities can be minimized by recruiting more multicultural employees to balance out the staff strength. In this regard, Malgady (2011) emphasized that multinational companies would need to consider the following concerns:

- How many multicultural employees must a multinational company have on its payroll in order to balance out its staff strength with those of indigenous employees within the company? Besides, who defines the point at which such a balance has been achieved?
- Does the multinational company have enough multicultural employees with the right qualification, skill, and job experience to take up professional roles within such company when there is need to fill up vacant positions within such companies? If yes, were such multicultural employees willing to relocate to the areas where such companies conducted their business operations? In several cases, these areas were unfamiliar and completely new to such multicultural employees.
- What was the size of the multinational company? Did it have the financial capacity to support a large number of multicultural employees on its payroll, or not?

These are some of the important questions that multinational companies would have to consider when seeking to address the issue of cultural imbalance in the workforce. From my observation at the head of office of the case company here in Finland, there appeared to have been an imbalance in the number of multicultural employees when compared to the staff strength of their local counterparts.

12. What suggestions can you give to improve the internal communication in the company?

First respondent: *As a global company, it would be nice to adopt the English language as the official language of communication in the company.*

Second respondent: *Communication with people from other cultures may be difficult even though you speak the same language; this can be improved by getting more feedback from staff and including them in the decisions that concern how we work in the company.*

Analysis: These responses emphasize the need for MNCs to understand the significance of effective communication in international business by stressing that as a result of the dynamic nature of global business, MNCs must position themselves in a way that enhances their accessibility whilst remaining visible in the market. It speaks to an agenda that recognizes the fact that doing business internationally involves cutting across different cultures and for MNCs, having a good understanding on how to relate to each culture could be a deciding factor in ensuring its continuity and sustainability in the market place. As mentioned by Ricks (2006), the success or failure of MNCs in most case could depend on how they respond to the cultural impact that culture has on the way they are allowed to conduct their business activities in countries where they operate.

13. How are decisions made in your team? Can this be improved?

First respondent: *Sometimes, collectively during team discussions. This depends on the Head of the team.*

Second respondent: *As a team, we make decisions together if it concerns all of us and such has been brought to our attention by our supervisor.*

Analysis: These responses advocate for collective responsibility when it comes to decision-making amongst teams. It emphasizes the need for active participation by team members regardless of their cultural backgrounds. Such practice fosters a sense of belonging amongst team members in multinational companies and business managers should be trained on how to use this to the company's advantage. Where multicultural employees were involved in the decision-making within their teams, such action could become a catalyst to motivate employees since this deepened their loyalty to the team and the company at large. Since such employees have been made to know that they were significant to the success of the company,

they can take ownership of tasks and job assignments and execute these in a professional manner knowing well that they would be held accountable for their actions and decisions.

14. As a ME, do you feel important to your team? Does your opinion matter?

First respondent: My contributions to the team are strictly on professional basis. Although having a deeper social connection could promote better understanding between us. I am satisfied that my opinion matters also.

Second respondent: Yes, I should. I believe my opinion counts since my contributions help to improve my team's productivity.

Analysis: in a multinational company that is driven by performance, individual success is often measured by productivity. Although the scale for measuring such achievements could differ between teams, the bottom line remains that there must be a mechanism to measure employee productivity in terms of determining the extent to which such productivity is aligned with team goals. Schein (1985) suggested that by showing multicultural employees that their contributions to the team counts, it paves the way for such employees to offer future contributions to the team, without holding back or feeling rejected.

15. Do you easily get the support you need from your colleagues to perform better at work?

First respondent: Yes, I do.

Second respondent: Generally, yes.

Analysis: These responses suggest that work-relationships are based more on professional capacity to get the job done, rather than on cultural affiliations. It also indicates that well-trained employees are able to distinguish between the demands of the job and their personal demands as mentioned by Schein (1985). Since these multicultural employees can attest to the fact that they both receive the kind of support they require, it is a good indication that a cordial working atmosphere exists within the case company.

4.4 Summary of findings

The results from the study support the claim that multicultural employees impact decision-making in multinational organization. Although, within the case company's head office, the degree to which multicultural employees impact decision-making was not to the extent that the author had anticipated. Amongst other things such as the limitations of the research, the outcome of this report could have been due to the fact that a very small percentage of the head office total staff population consists of multicultural employees.

In the final analysis, the extent to which multicultural employees can influence decision-making in multinational companies depends on several factors. Malgady (2011) reported that these factors can be grouped under three main categories: organizational, environmental and individual factors respectively. The organizational factors are those that are caused by the business organization or multinational company while the environmental factors are those that are controlled by the business environment or market place in which the company conducts its business activities. On the other hand, the individual factors concern the perception of the multicultural employee or such employee responds to different issues. All these are pointed out in detail below:

- a) The *issue* that requires decision-making. If the concern does not require the contributions or involvement of multicultural employees, the company is not obliged to engage these employees in such decision-making process. Closely linked to this is also the *situation* at the time that the decision is required, e.g. the available time to come up with a decision. Where there is a short time period to come up with a decision, most companies avoid a lengthy decision-making process where possible. These two separate factors could be both an organizational and an environmental issue.
- b) The size of the multicultural workforce, the larger the population of multicultural employees in a multinational company, the more influential they become since they will earn the company's attention in several prominent

areas of concern within the company's business framework. This is an organizational factor.

- c) The position of multicultural employees in the company. The higher they are on the management cadre, the more influential they can become in impacting key business decisions. For instance, a multicultural Executive Director is more likely to command more influence in a company's decision-making process than a multicultural employee would be able to accomplish as a marketer in the same company. This is an organizational factor.
- d) The multicultural employee's years of experience in key positions within the company also plays a critical role. This concerns how long such an employee has worked within the same multinational company. This falls under the individual factor.
- e) Closely related to the above-mentioned point is the degree of expertise that the multicultural employee has on the subject that requires decision-making. Where a multicultural employee holds a high level of expertise/exposure in a field, such a person will most likely be more influential in making decisions concerning that area. In addition, the communication skill of the multicultural employee can aid in the reception and transfer of information involving key business decisions. Such smooth flow of information can ultimately minimize the misinterpretation of facts in daily communication amongst team members; reduce the time that it takes to convince stakeholders or key decision-makers while making decisions amongst teams. This is an individual factor.
- f) The need for the multicultural employee to embrace the local culture. His/her capability to adapt to the customs of the host community can go a long way to determine if such an employee will be accepted in the workplace. When MEs are accepted into a multinational company's mainstream activity, it makes it easier for such employees to be incorporated into key decision-making roles of a company. This is an individual factor.

- g) The company's willingness to embrace employees from other cultures and incorporate such persons into vital positions in the organization. To a large extent, this can also be influenced by the size of the multinational company. Usually larger-sized multinational companies will have more multicultural employees within its staff and there is a higher possibility that involve more of such employees will be involved in decision-making within such large-size companies compared to smaller ones. Here also, the organizational behavior of a multinational company towards diversity in the workplace and how it designs, monitors and develops its cultural tolerance policies in the workplace, goes a long way towards defining the company's position on the issue of multiculturalism. A multinational company that embraces the idea of providing an equal-level playing field for all its employees regardless of their cultural background, will not only project itself as an employer of choice but also as a role model in the society in terms of fulfilling its corporate social responsibility. Such measures could be viewed as bold steps for the company in the eyes of local prospects and international business partners. This is an organizational factor.

- h) The work experience of the multicultural employee's manager. This concerns who manages the multicultural employee and the years of experience that such a business manager has with working with such employees. This is both an organizational and an individual factor.

- i) The decision-making framework that a company adopts in making its business decisions. This concerns the policies and procedures that currently exist within a company and how these affect the decision-making processes in such organizations. Where a company adopts a framework that encourages active participation from other employees besides its key decision makers, such platforms can enhance the possibility of multicultural employees to be engaged in the decision-making process. Moreover, the market in which the organization operates in can decide the extent to which multicultural employees can influence how decisions are made in

such markets, especially if the multicultural employees have better knowledge and understanding of the market. This is both an organizational as well as an environmental factor.

- j) The level of trust that the multicultural employee has been able to build with the company's management team could play a huge role in the decision making tasks that are assigned to such employee. This is both an organizational as well as an individual factor.
- k) The multicultural employee's perception on the issue(s) that require decision-making. This means that a multicultural employee's view on a matter can affect how he or she evaluates the situation since the individual's perception could impact on where the information is sought and the type of information that he/she regards as being relevant to the decision-making process. Such views could be cultural, religious, or even gender-related. In addition, the personal characteristics and experience of the multicultural employee as it concerns the subject that requires decision making. Such characteristics can affect a multicultural employee's perception. These include his/her background, personal values, personal expectations and personal interests, to mention just a few. This is an individual factor.
- l) The organizational politics and hierarchy within the company can also affect how multicultural employees influence decision-making in such companies. Moreover, the overall company behavior and culture is a crucial factor towards determining the extent to which multicultural employees are capable of influencing decision-making in such a company. This is an organizational factor.

The afore-mentioned factors are some of the parameters that can influence the extent to which multicultural employees can impact how decisions are made in multinational companies.

5 CONCLUSION

The role of multicultural employees in decision-making within multinational companies cannot go unnoticed. In a time when creativity and flexibility are considered to be essential in order to remain competitive, multinational companies need to ensure that they maximize the potential of such employees by adapting their business dynamics to accommodate the challenges that are often associated with multiculturalism in the workplace. Such companies can achieve this even while remaining flexible to meet the growing needs of its teeming customers (Fitzsimmons et al., 2011).

When managed properly, multicultural employees are capable of providing tremendous benefits to the multinational companies that they work with, especially in the area of decision-making aimed at enhancing greater teamwork, outside-the-box thinking and promoting an atmosphere of mutual respect in the workplace. A multinational company that can achieve this could proceed to develop a reputation for itself as an employer of choice in the long-term (Jorgensen, 1993). Ultimately, not only will the company have the ability to attract and retain the best talents from a shrinking labor pool, it can reduce turnover costs. The case company's management has shown that it has a good understanding of the significance of its multicultural employees. For instance, by granting autonomy to its subsidiaries, the case company has shown that it recognizes the importance of cultural diversity and the role that multicultural employees have on the company's success.

Although the results from this study cannot be generalized based on the limitations pointed out below, it confirms the cultural dimension theories of Trompenaars and Hampden-Turner (1998) as well as that of Hofstede (1983) and offers the opportunity to understand the need for multinational companies to incorporate multicultural employees into its decision-making processes.

Bearing in mind the scope of this study, the following factors were considered as limitations that influenced the overall outcome of this research:

5.1 Research limitations

First, it was difficult to get an approval from the case company's management to conduct an official research on the company along the lines of the topic for the thesis. This explains why the company's name is not mentioned in this work. One can speculate that one reason for this might have been that, the 5-month professional practical training period with the case company was insufficient to build the trust and openness that would have allowed for such permission to be granted since the company (as any other reputable business venture) remains discrete and conservative in the dissemination of its trade secrets.

Perhaps, should I have worked for a longer time with the case company, this could have given me the opportunity to build stronger professional ties with the company, and maybe such achievement could have facilitated the management's willingness to give its full backing to the project. The approval would have resulted in the willingness of more managers and employees of the company to freely participate in the research knowing that the management approves of it. This supports the position of several authors who have conducted research on different business establishments as mentioned by Cortina & Landis (2013), "it is important to engage the top management of a company when conducting research in organizations". However, I remain thankful for the sincere responses and cooperative nature of those three employees who agreed to answer the interview questions on the grounds of anonymity.

Secondly, since only one case company was used for this work, the results obtained from this one company might not present the overall picture of the results that could be obtained from conducting such a project on a broader scale using more multinational companies as case studies (for example, as mentioned by Ghauri & Gronhaug (2005), using several case studies could enhance the authenticity of a research's results. Accordingly, perhaps the results from this study would have represented a more generally accepted outcome if 15-20 multinational companies were used as case companies instead of just one company). Even though only a fraction of the case company's head office staff comprises foreign nationals (2% of the head office staff are foreign nationals), such a number does

not give a true representation of what could have been encountered should there have been a larger sample size to work with.

Thirdly, since just the Head Office staff of one company was used to conduct the research, as mentioned by Malgady (2011), the dominant culture of the local head office employees (who by-and-large make up about 98% of the head office staff population, in this case, Swedish-speaking Finns) could create some degree of bias in the work habit of the company's employees or even in the quality of information that was provided by the respondents. In the case company, this claim was clearly visible. Besides, if this research were conducted in a subsidiary of the company (e.g. in Brazil), perhaps the outcome would have been different from the ones presented in this report, due to the dominant culture of the largest employee group there. For instance, if the company's dominant employee population has a positive attitude towards employees from other cultures, such action could be as a result of the fact that the company culture encourages its staff to be more accommodating and more willing to work with individuals from other cultures. In contrast, in another business enterprise where the reverse trend was the norm (that is, where the local employees are not encouraged to accept employees from other countries/culture), the findings from this study would be completely different and this would offer credibility to the work of Malgady (2011).

Closely linked to this is the issue of sample size that was used in this work. Since most of its findings were from the company's head office here in Finland, the research was conducted in a single business atmosphere due to the accessibility and time-constraint available to the author to witness events on a first-hand basis. This explains why the number of interviewees was quite small. To a large extent, Ghauri & Gronhaug (2005) suggested that such factor could affect the reliability of a research; as such the results from such a research might not be applicable elsewhere. The results from the study cannot be generalized or applied in another Finnish company, except in a situation where the business conditions were similar to that of case company that was used in conducting this study.

Moreover, using only the qualitative research method for the study had the tendency to overlook certain vital information that could have been identified if for

instance, the quantitative research method was also utilized. It would have been interesting to see the outcome of the results had both research methods been used collectively in conducting the study. As mentioned in subsequent sections of this report, perhaps this suggestion could be considered in areas for future research. Ghauri & Gronhaug (2005) suggested the use of more than one research method (where possible), however, to a large extent, this will depend on factors such as the aim/purpose of the research, the time available to conduct the research, available resources, research conditions and competence of the researcher, etc.

In addition, the period during which the research was conducted at the case company was a very demanding one and this could not be avoided. Most key decision makers that I had in mind to involve in this project were very busy and mostly away on business trips since the end-of-year business activities and New Year budget forecast preparation for the case company was in top-gear during the period. It was during this period also that the preparations for the company's end-of-year sales results were been compiled. As a result, it was not possible to schedule meetings with key persons during the period that this research was carried out. This confirms the opinion of Ghauri & Gronhaug (2005) when they reported the issue of *time* was crucial when conducting a research.

On a final note, a major flaw of the qualitative research method is the incapacity of its author to remain impersonal since he/she could miss some crucial observations or information required to address the concerns of the research problem (ibid). In this study, I was aware of the situation in the company having completed my professional practical training with this company during the same period. Since I was capable of including my own perspectives regarding how the information was analyzed, this could be considered as a limitation. Moreover, considering the fact that my individual opinion and/or cultural background could influence the manner in which the research was performed, it was possible that such could affect the interpretation, analysis and reporting of the results.

By taking into account the works of Ghauri & Gronhaug (2005) and Cortina & Landis (2013) respectively, I was able to identify the above mentioned points as some of the limitations that were encountered in the course of carrying out this

research and would suggest that researchers who seek to perform future studies in this field should consider these concerns when embarking upon relevant studies in this regard. On the basis of these limitations, the following are some suggestions for the case company.

5.2 Suggestions for the case company

The associated issues were identified in the course of conducting this research and the company's leadership should take quick measures towards addressing them as this could assist towards enhancing the company's profitability in the long run.

5.2.1 Improve the internal language of communication

Adopting a common business language across the entire company could be more effective towards promoting a sense of belonging and understanding amongst all staff regardless of their cultural background. Internal memos, office language, company magazines and bulletins, product brochures and information catalogues should be written and printed in the English language, for example. As suggested by Christopher (2012), having one business language across a company would make easier for employees to understand each other and recognize their roles towards the realization of the company's objectives. Moreover, disputes can be resolved amicably in a timely manner and more contributions can be made by everyone in crucial matters that require urgent attention.

5.2.2 Seek better ways to motivate staff

In today's business world, it is a known fact that employees are amongst the most valuable assets that belong to an organization. As such, it becomes imperative for the management of multinational companies to ensure that their multicultural employees were properly equipped with the right tools, workspace and other job-related accessories that are required to perform their respective job assignments. Furthermore, the need to support members of staff in discovering their competences and developing their talents has been ranked amongst the top critical success factors in doing successful business in modern times. Continuous training of all company personnel, putting in place a functional and effective rewarding sys-

tems, providing equal pay to staff that are doing the same job regardless of their gender or cultural affiliation, granting holiday pay to members of staff on vacation, as well as providing educational grants for employees who intend to further their studies could be some practical measures that companies can adopt in providing better motivation for its workforce.

As mentioned by Jorgensen (1993), “staff motivation is a critical success factor in today’s global business”, and this shows the need for MNCs to ensure that they have what it takes to motivate their employees, especially those from other countries. A company’s capability to do so could go a long way towards enhancing job performance and loyalty among its employees (appendix 5, page 92).

Another way to achieve this will be to ensure that the right employee is given the right job along with the right tools to perform the job. Having the right recruitment/employee selection process in place can facilitate this because by selecting the right candidate for a job, chances are that such a person will have the required motivation to successfully accomplish their future work assignments. This involves the company to design an effective job purpose analysis (appendix 6B, page 93) and link such analysis to its staff recruitment process in order to guarantee that only the best candidate gets the job.

5.2.3 Have a more accessible feedback system

The role of effective communication in the success of any business cannot be underestimated. In a multicultural company, there is need to fine-tune the internal communication style of its information dissemination system. By using a multi-source feedback system (figure 8 on page 77), this can encourage open communication in the workplace.

Ensuring that a company adopts a common business language could be of much benefit towards providing the enabling environment for all the workers to thrive and excel in their practice since they can give (as well as receive) constructive feedback. Amongst other things, London (2003) suggested that such a system could improve the overall work performance of employees. This in turn, could

provide business managers the opportunity to have a better understanding of their team members in addition to recognizing the possible relationships between job performance (JP) and job satisfaction (JS), as shown in figure 9 (page 78).



Figure 8. Feedback sources for multi-source feedback

(After London, 2003)

As London (2003) mentioned, another way of achieving an effective feedback system is to increase the frequency of appraisals from once in a year to let's say, once every quarter. The management should also introduce the 360-degrees appraisal system which allows employees to also appraise their supervisors, and vice-versa. In addition, where possible, management should endeavor to engage its employees in meaningful discussions by allowing employees to have their say in what happens within the organization from time-to-time.

There is need for the company to become more active on social media platforms such as FaceBook, Google Plus, Twitter and Instagram. Such platforms should be incorporated into an organizations feedback system since they could be used to address customer/employee complaint issues, receive constructive criticism/suggestions from internal employees as well as external customers.

5.2.4 Endeavor to retain employees

One cannot ignore the competitive nature of today's business world. The practice staff-poaching is constantly on the increase as companies continuously lose their best staff to larger competitors (Gannon & Newman, 2002). The reason(s) why employees leave one company to another cannot be generalized, but most often, employees leave for other companies because of dissatisfaction with their current jobs or a lack of motivation/recognition from their employers. Such practice, if allowed to continue, could ultimately affect a company's profitability. Companies lose money when those employees that they have trained decide to leave for other companies. This is so because it takes more time and resources to get new replacements for such employees that have resigned from one company to go to work with another. (ibid)

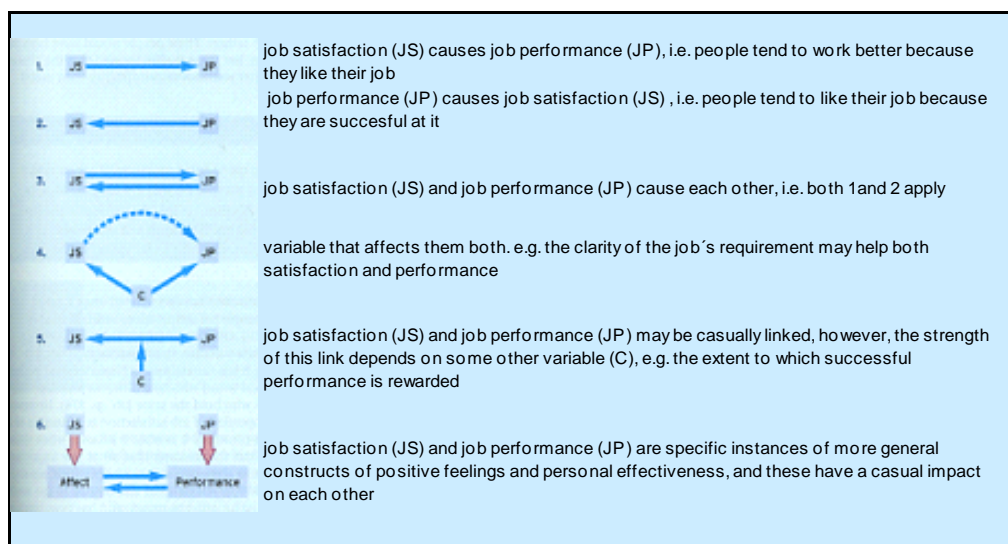


Figure 9. Relationships between job satisfaction (JS) and job performance (JP)

(After Arnold & Randall *et al.* 2010)

Business establishments should be encouraged to desist from the habitual practice of losing their best assets – instead, they must do all they can to retain them. By losing one's best talents to rival organizations, a company stands the risk of losing its market place in the long-run since business information, confidential trade secrets and technical know-how also leave with these staff when they depart to rival

companies. Information from exit-interviews should be treated with the confidentiality it deserves and all the matters discussed during such interviews should receive proper attention from HR managers in order to prevent a repeat of such exit.

5.2.5 Think global

Even though most domestic business companies are built locally, they should be encouraged to think globally especially if they are involved in international trade. One way to achieve this would be to incorporate international best practices into all levels of its business functions from idea conceptualization through to the planning, development, marketing, sales and after-sales activities (Johnston & Menguc, 2007). This translates to building locally, but thinking globally! In addition, within the management of its Human Resources, key positions must be occupied by competent and seasoned personnel with a proven track record to always achieve the desired results.

5.3 Reliability and Validity of research

The purpose of reliability is to reduce the bias and errors in a research to a most bearable minimum. It is the degree to which the same results can be obtained when measurements are taken at different times. It refers to the dependability or consistency of a measuring parameter and most often, could be used to evaluate the effectiveness of a measuring tool. Ghauri & Gronhaug (2005, 81) along with Silverman (2005), mentioned that reliability evaluates how reliable the actual results of a research is, citing that a research's findings are reliable when its results are consistent with those from separate studies that were conducted using similar parameters or where the environment of investigation were similar or exact.

This study is reliable since the information was obtained first-hand from the willing respondents even though it might not be a complete representation of what could be encountered elsewhere. Having witnessed the manner in which the employees interacted with one another as they carried out their respective job functions, the author can confirm that the findings of this study are reliable in this context. Overall, three interviews were conducted during this research bearing in

mind the limitations that were encountered in the course of this study. Compared to quantitative research, measuring reliability in qualitative research appears to be more challenging even though it can be accomplished with greater discipline when conducted as objectively as possible.

The validity of the study, which refers to the authentic nature of the work was achieved since the research problem was adequately addressed and the project was able to show some areas where multicultural employees impact decision-making in multinational companies (the case company). Put simply, this is a measurement of the extent to which the investigation has measured the principal concern/objective of the study. Silverman (2005) suggested that such measurement could be one means of securing the truth since there are various means of measuring the validity of a study. Moreover, the research was able to achieve its objective since the work showed in some ways that multicultural employees can (and do) impact the way multinational companies make their decisions. I can confirm the validity of the information provided in this report as they represent an eye-witness account of happenings during my period of working with the company and based on this, I can affirm that the following observations are the value which I consider that this research has been able to add to the discussion on this topic.

5.4 Contributions of the research in terms of value-added

This segment looks at the value that this thesis has been able to add to the conversation regarding this topic. It presents my opinion on what I consider to be the relevant contributions that this research has brought to the attention of its readers in terms of value added. These include the fact that:

- a) This research has been able to show that multicultural employees are an essential aspect of the commercial success of multinational companies since they are able to challenge the dominant narrative regarding how decisions are made in multinational companies. As a result, multinational companies should do what it takes to motivate and retain such employees in its workforce.

- b) The study also showed that multicultural employees can influence how decisions are made in multinational companies by projecting the subject of multiculturalism in the workplace since it showed the role that culture plays in international business. Furthermore, the study revealed that the issue of multiculturalism in the workplace demands serious attention from all stakeholders and should not be ignored since it has the capacity to determine the direction of core business practices in today's global commercial enterprise.
- c) Furthermore, the research proposes that government policies should be designed and implemented in a manner that they are capable of creating an atmosphere which encourages multinational business organizations to recruit multicultural employees. Such policies should make it possible for qualified and seasoned multicultural employees to attain key decision-making positions within the organization structure of multinational companies, provided that such employees have what it takes to successfully fulfill the demands of such responsibilities.
- d) In addition, there is need for Finnish multinational companies to recruit more multicultural employees if they are to remain relevant in the international business world. This suggests that multinational companies in Finland should modify their business module to include multicultural employees since this is now the trend internationally. By doing so, Finnish companies will position themselves in a manner that they can take on new challenges whilst breaking existing barriers that prevents them from gaining more global recognition in several sectors of international business such as international human resource management, information technology and innovation management.

In view of these value-added contributions, the following areas are some of the suggestions that I consider to have the potential to stir a more informative debate on the topic, and as a result, considerations should be given to conducting more research in these fields.

5.5 Suggestions for future research

Based on the findings from this report, the following suggestions are a number of areas that I consider would be relevant for future research. Although the list is non-exhaustive, it provides the reader with a view into some areas to consider should he/she intend on deepening their understanding of the topic. The areas for future studies could include:

1. Evaluating how the Finnish government and business establishments can mitigate cultural aspects that are not conducive to innovation or cultural-diversity acceptance within the workplace.
2. Studies that assess the policies on cultural diversity in the Finnish workplace, since Finland has developed into what can be characterized as an innovative society within a relatively short period of time.
3. Measurement of multicultural employees' job satisfaction level in relation to how they are involved in decision-making within multinational companies. Since business climate responds to changes in the cultural or political/economic circumstances, such study could also be used to measure the extent that culture can impact business in multinational companies.
4. How multicultural employees affect decision-making in Small and medium-sized enterprises (SMEs).

As a step in the right direction, in order to enhance the validity and reliability of the research in the suggested areas, future research should also pay attention to the following important issues and ensure that these factors are considered in the design, implementation and final analysis of the intended research:

- a) By combining both qualitative and quantitative research methods, future research should be conducted over a longer period of time to gain a better understanding and true picture of the situation since such approach could add more value to the research.
- b) The use of 15 - 20 companies as case studies will go a long way towards enhancing the reliability of the research results. Besides, as suggested by Ghauri & Gronhaug (2005), including more respondents will help to

achieve a more vivid picture of the situation. One way to achieve this can be to secure the company's top management's approval since this will encourage every staff to be willing to participate in the research.

- c) Individual, rather than collective cultures should be considered in future research. e.g. 'the impact of Nigerian multicultural employees on decision-making in Finnish multinational companies', could be one way of achieving better results in future areas of research. In this report, since only the Finnish culture was the predominant culture in the case company's head office, to some extent, some readers could be of the opinion that such factor could have the capacity to influence the outcome of this research.

As shown in the results from the case company, multicultural employees are useful assets to multinational companies and this makes it important for key decision-makers within such organizations to be aware of the issues that are often associated with multicultural employees in the workplace. By taking proactive measures to address these concerns, multinational companies could open themselves to vast opportunities that come with engaging this unique pool of employees since such employees could become instrumental to enabling such companies to achieve their overall business objectives. For this to happen, multinational companies must seek for strategic ways to integrate its multicultural workforce into its core business activities and one way of doing this would be to incorporate their multicultural employees into decision-making functions within their companies.

In conclusion, it is also important for multinational companies to position themselves to overcome the numerous challenges that are often associated with having multicultural employees in the workplace. In essence, it becomes the responsibility of the management board of such companies to weigh the gains of having such employees and decide on the extent to which such multicultural employees are allowed to be involved in decision making activities in their respective business organizations. Besides, ignoring the role of such employees in a company's decision-making process could prove inimical to the commercial fortunes of such a business enterprise in the long run.

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APPENDIX 1. Some multicultural individuals in major MNCs

Indra Nooyi, CEO, Chair of PepsiCo	Completed her Master's degree at Yale, after completing two degrees in India and being raised there.	"Although I am a native daughter of India, I am also an American businesswoman... Graduates, as you find yourselves competing in the global business stage; you must understand that the five fingers of your hand represent the five major continents and their peoples. Each is unique having its own strengths and contribution it makes to the overall success of the body. Just as all fingers must unite and coexist to create a very important tool, the five major continents should also coexist to create equilibrium in the world. As an American business person, you will either make or mar this balance." Business Week, May 2005.
Carlos Ghosn, CEO & President, Nissan and Renault	Born in Brazil French-Lebanese parents. Finished high school in Lebanon, University France. Speaks five languages.	"One of the most important for me... was when I arrived in Japan, a country I did not know at all. I saw that I was able to connect with people in a culture which is known to be very strong. I had to admit the fact that I was able to connect more easily with people than some of my colleagues; this is when I started to say to myself, well this is an asset for a turnaround situation." CNN.com interview, June 2005.
Muhtar Kent, CEO and Chair and CEO, Coca-Cola	Born in New York to Turkish parents. Completed high school in Turkey, University in the U.K., then returned to the United States	"We need leaders with different skill sets – leaders who can be both diplomats and executives... That's why we look for with diverse backgrounds and points of view. We need people who can move seamlessly across borders and cultures." Remarks at CEO Club of Istanbul, Nov. 2009
Andrea Jung, Chair and CEO, Avon	Born in Canada to parents born in China and Hong Kong. Moved to the U.S. during her childhood.	(Referring to her childhood) "we were two Chinese-American children being raised with all the opportunities that this great land afforded, but always being proud of Chinese heritage too... I think Avon is not perceived as an American company because of the kind of leaders we put in." Interview with Charlie Rose, March 2008.

Antonio Perez, CEO, Eastman Kodak	Born in Spain, Completed schooling in Spain and France, then lived in Germany and the UK before moving to the U.S.	“I have lived in so many different places, so many different houses and cultures that I can inform you that it is complex. At Kodak, our business is a microcosm of this complex world...through diversity of thought and innovation; we will continue to deliver breakthrough products that delight customers.” Diversitybestpractices.com, 2006.
Indra Nooyi, CEO, Chair of PepsiCo	Completed her Master’s degree at Yale, after completing two degrees in India and being raised there.	“Although I am a native daughter of India, I am also an American businesswoman...Graduates, as you find yourselves competing in the global business stage; you must understand that the five fingers of your hand represent the five major continents and their peoples. Each is unique having its own strengths and contribution it makes. Just as all fingers must unite and coexist to create a very important tool, the five major continents should also coexist to create equilibrium in the world. As an American business person, you will either make or mar this balance.” Business Week, May 2005.

(Source: Fitzsimmons et al., 2011)

APPENDIX 2. Employee Demographic Table

DIVERSITY BROCHURE											
EMPLOYEE DEMOGRAPHIC TABLE											
As of 08/01/2013											
EMPLOYEE CATEGORY	TOTAL	MALE					FEMALE				
		White	Black	Hispanic	Asian	Amer Ind.	White	Black	Hispanic	Asian	Amer Ind.
Officials & Managers	6,518	3,369 52 %	167 3 %	170 3 %	368 6 %	8 0,12 %	1950 30 %	134 2 %	100 2 %	250 4 %	2 0,03 %
Executive/Senior Managers	937	532 57 %	21 2 %	29 3 %	52 6 %	2 0,21 %	247 26 %	12 1 %	13 1 %	28 3 %	1 0,11 %
First/Mid-Level Managers	5,581	2,837 51 %	146 3 %	141 3 %	316 6 %	6 0 %	1,703 31 %	122 2 %	87 2 %	222 4 %	1 0,02 %
Professionals	10,584	3,55 34 %	241 2 %	227 2 %	1,002 9 %	7 0,07 %	3,76 36 %	405 4 %	246 2 %	1,136 11 %	10 0,09 %
Sales	5,271	1,93 37 %	121 2 %	128 2 %	81 2 %	17 0,32 %	2,558 49 %	180 3 %	131 2 %	113 2 %	12 0,23 %
Technicians	1,922	805 42 %	158 8 %	45 2 %	115 6 %	3 0,16 %	515 27 %	125 7 %	18 1 %	135 7 %	3 0 %
Administrative Support	1,510	53 4 %	12 1 %	8 1 %	2 0 %	0 0 %	1,191 79 %	141 9 %	83 5 %	19 1 %	1 0,07 %
Craftworkers	917	667 73 %	80 9 %	30 3 %	22 2 %	3 0,33 %	69 8 %	31 3 %	10 1 %	5 1 %	0 0 %
Operators	1,462	745 51 %	169 12 %	52 4 %	12 1 %	3 0,21 %	299 20 %	150 10 %	22 2 %	7 0 %	3 0 %
Laborers	482	232 48 %	62 13 %	21 4 %	6 1 %	1 0 %	107 22 %	43 9 %	7 1 %	2 0 %	1 0 %
Service Workers	79	29 37 %	10 13 %	6 8 %	0 0 %	0 0 %	22 28 %	6 8 %	3 4 %	2 3 %	1 1,27 %
Total Workforce	28,745	11,38 40 %	1,02 4 %	687 2 %	1,608 6 %	42 0,15 %	10,471 36 %	1,215 4 %	620 2 %	1,669 6 %	33 0,11 %

NB: The percentages in the table may not total 100 percent as a result of rounding.

United States data as of 8/10/2013

source: www.merck.com/about/how-we-operate/diversity/2013EEO-1-diversity-brochure.pdf

APPENDIX 3. Business Manager's Interview questions

GENERAL QUESTIONS

1. Would you consider this company to be multicultural?
2. Are MEs critical success factors in this company in today's business world?

IHRM & HRM QUESTIONS

3. Have you had the chance to work with MEs in your team before? Where?
4. Are your colleagues (fellow department managers) well equipped to manage MEs in their teams?
5. In your opinion, do (MEs) impact the way this company makes its decisions?
6. Should Finnish companies be encouraged to hire multicultural employees?

NETWORKING APPROACH QUESTIONS

7. Do staffs work well in teams or as individuals?
8. What are some of the common cultural factors that influence routine work activities in the company?

BUSINESS COMMUNICATIONS QUESTIONS

9. Is an official business communication language used here?
10. Do MEs influence how the company communicates internally?
11. If yes, how does the use of several languages affect MEs?
12. Do you see the need for periodic appraisal of your team? How often is this performed?

POLICY FORMULATION/IMPLEMENTATION QUESTIONS

13. What is managements policy regarding cultural tolerance in the company?
14. How are decisions made in your team, collectively or individually?
15. How could the company better integrate multicultural employees into its decision-making processes?

APPENDIX 4. Interview questions for multicultural employees**GENERAL QUESTIONS**

1. Would you consider this company to be multicultural?

IHRM & HRM QUESTIONS

2. Are there other MEs in your team besides you? Would you feel better if there were?
3. Do you easily get the support you need from your colleagues to perform better at work?

NETWORKING APPROACH QUESTIONS

4. What challenges do you face as a multicultural employee? Are they more cultural than they are professional?
5. Do you feel accepted by other team members?
6. Do you struggle to fit in?
7. Have you earned your place?
8. Is there need for self-validation?
9. Is self-validation an easy process?

BUSINESS NEGOTIATIONS QUESTION

10. How do you get your business points across in a manner that does not offend others?

BUSINESS COMMUNICATIONS QUESTIONS

11. Are you satisfied with the company's mode of internal communication?
12. What is the significance of speaking and understanding the local language?
13. What suggestions can you give to improve the internal communication in the company?

POLICY FORMULATION/IMPLEMENTATION QUESTIONS

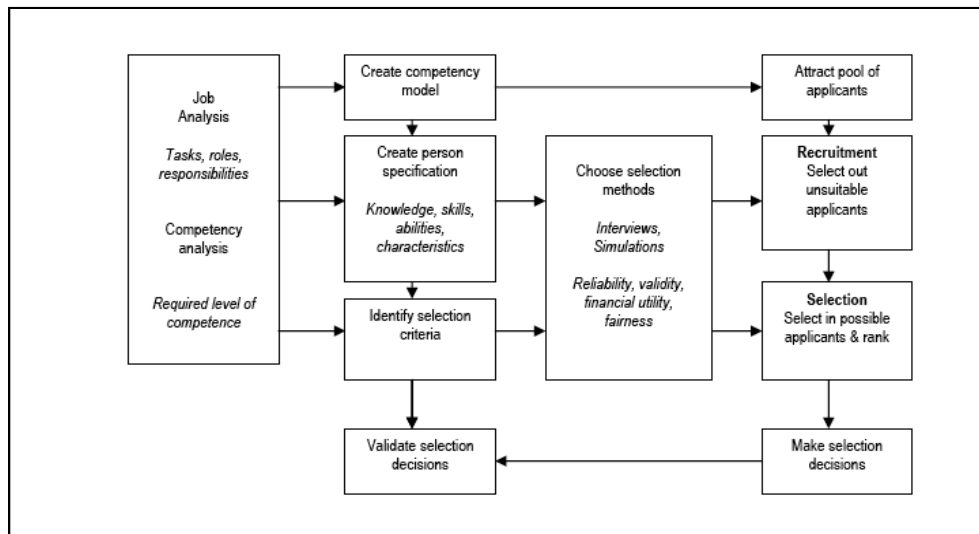
14. How are decisions made in your team? Can this be improved?
15. As a ME, do you feel important to your team? Does your opinion matter?

APPENDIX 5. Mean correlations of job characteristics with motivation, satisfaction, performance and commitment

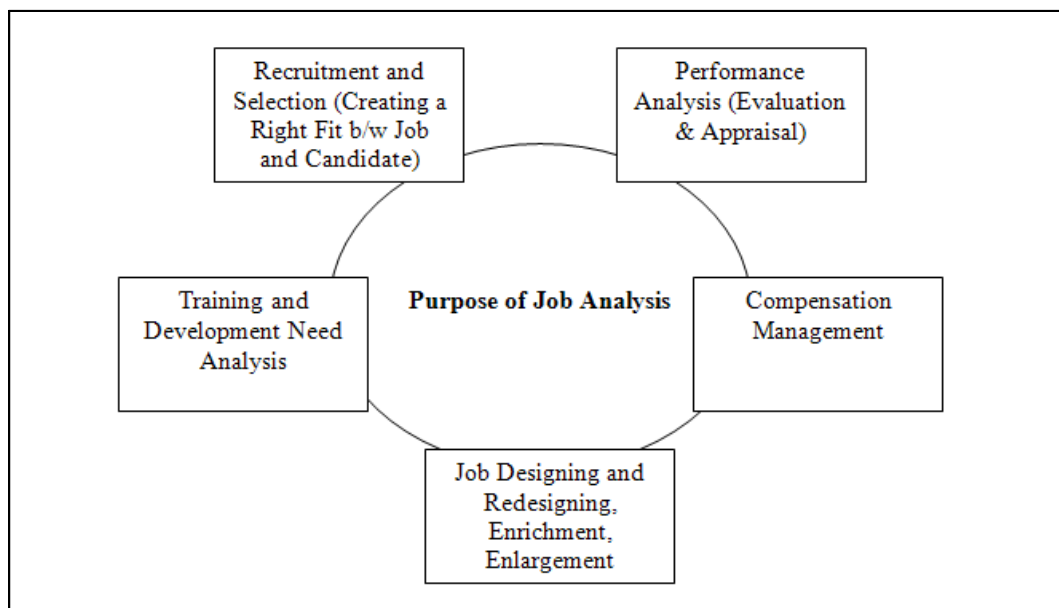
	Work motivation	Work satisfaction	Work performance	Organisational commitment
<i>Task characteristics</i>				
Autonomy	0.27	0.37	0.14	0.30
Task variety		0.35	-0.03	
Task significance	0.30	0.31		0.34
Task identity	0.17	0.23	0.05	0.18
Feedback from job	0.29	0.33	0.09	0.29
<i>Knowledge requirements</i>				
Information processing		0.31		
Job complexity		0.32	-0.06	
Skill variety	0.30	0.32	-0.03	0.23
<i>Social factors</i>				
Interdependence	0.21	0.23		0.34
Feedback from others	0.22	0.32		
Social support	0.11	0.41		0.56
Interaction outside organisation		0.05		
<i>Work context</i>				
Physical demands		-0.15		
Work conditions		0.20		

(Source: Humphrey et al., 2007)

APPENDIX 6. Staff selection process stages (A) and Job purpose analysis (B)



(A)



(B)

APPENDIX 7. Some causes and consequence of stereotypes