

Explain, with reference to social identity theory, stereotyping, generalising, perception and attribution theory why some employees of the international organization may be treated differently from others

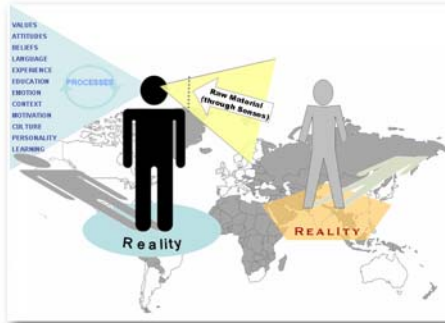
Critically evaluate the performance of multicultural groups working within the international organization

Evaluate why it is important to understand culture and intercultural communication in the contemporary workplace of the international organization

Critically evaluate methods for building cross-cultural competence and discuss the cultural challenges both working with and managing people from different cultures

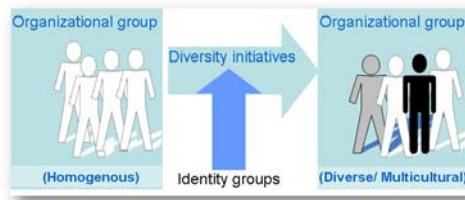
Evaluate diversity and multiculturalism as source of sustainable competitive advantage

Discuss the organisation consequences of discriminatory behaviours



Globalization and Internationalisation create internal and external challenges for the organization. Economic and social arguments (creativity, improved market place understanding, stakeholder approval and winning talent) are devised to manage the international organization as a diverse and multicultural entity. Strategic arguments are also created for such an entity through RBV theory – a diverse and multicultural organization is difficult to imitate.

Diversity concerns all the ways in which we differ, i.e. origin (culture), gender, age and profession. Individuals use such characteristics to group and label people (social identity theory). This process occurs for several reasons. People need order in their lives and to structure the world around them. They therefore categorise aspect of their environment and associate learned knowledge with categories. This helps guide their thinking and behaviour toward others. Similarly people have a need to form a self identity. They do this by classifying themselves. This self-identity is then used to guide their behaviour. People tend to favour others like themselves and may discriminate against those they perceive as different. This can lead to prejudice, conflict and homosocial reproduction – i.e. the driving out of diversity. This may then manifest as costly business problems such as poor motivation, decreased loyalty, absenteeism, high labour turnover and legal action.



Developing cultural competence and managing the performance of multicultural and diverse groups requires some understanding of the way people think and behave. The international business manager or professional must see the world from other perspectives if they are to understand and manage the behaviour of themselves and others worldwide. Such an understanding is facilitated through an appreciation of perception. People may 'see' the world and events occurring within it differently; they may therefore respond differently.

Bias may occur throughout the perceptual processes (halo effects, stereotyping and generalisations) resulting in discriminatory behaviours. Such behaviours may be unfair and could lead to poor business decision making. This may manifest in increased business costs or missed opportunity.

Knowledge of the above factors is likely to improve your ability to work in different countries, cultural environments and social groups. Such knowledge may help with business negotiations, communication, decision making, coordination and control, managing and motivating others. When such knowledge is routinely practiced at the organizational level, competitive advantages associated with the diverse and multicultural organization are more likely to take hold. Organizations must strive continuously to attain such advantages, constantly facing the forces of homosocial reproduction and the natural drive towards the creation of homogenous organizations.

## Key Terms

### SOCIAL IDENTITY

Part of the self-concept which comes from our membership of groups

### DIVERSITY

All the ways in which we differ

### STEREOTYPING

The tendency to ascribe positive or negative characteristics to a person on the basis of a general categorisation and perceived similarities. It occurs when an individual is judged on the basis of the group to which it is perceived that person belongs.

### DIVERSITY

valuing, respecting, and appreciating the differences (such as age, culture, education, ethnicity, experience, gender, race, religion, and the sexual orientation, among others) that make people unique

### PERCEPTION

"The process of selecting, organising and interpreting information inputs to produce meaning "

### MULTICULTURAL ORGANIZATION

An organization that contains many different cultural groups and values diversity

### ETHNOCENTRIC

a belief that home nationals are superior

### CULTURE

Shared ways of thinking and behaving (Uniformity)

### PREJUDICE

"Prejudice is an attitude, usually with negative feelings, that involves a pre-judgement about the members of a group"