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## Does Cross-cultural communication competence facilitate Expatriates' assignment in MNCs in Foreign Subsidiaries?

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### Key words

Cross-cultural communication competence, expatriates, MNCs, globalisation, Ghana.

### Abstract

*The present study was designed to understand the importance of expatriates' cross-cultural communication competence. The researchers surveyed various expatriates assigned to the Sub-Saharan African state of Ghana. Multiple regression was utilised to test our hypotheses. The results indicated that cross-cultural competence; interpersonal skills in host cultural values; and cross-cultural training were positively related to expatriates' cross-cultural communication competence. Pre-departure training of expatriates also correlated positively with expatriates' cross-cultural communication competence. Implications for future research are presented.*

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### Introduction

To what extent are expatriates able to self-examine their personal ethnocentrism based on the notion of global cultural difference? This is a major question of significance in cross-cultural communication studies since behaviour interpretation, sense-making, and cultural meanings are core to the communication behaviours of expatriates on assignment. With the shift from national to globalisation of business, it is widely accepted that culture is substantially affecting the management of MNCs. However; it appears that realistic concepts of how to achieve cultural sensitivity in international management are lacking. Being aware of the cultural sensitivity of a particular culture has to do with the competence in the communication behaviours including attitudes, values and perceptions of the indigenous people. This is even more important when globalisation of the world economy continues to drive companies to seek out markets, technologies, and human resources in other lands. This increase in global business has led to more employees being sent on foreign assignments now than ever before, and signs show that businesses would continue to expand their human resources in foreign countries in the future (Van der Bank and Rothmann, 2006).

The increasing globalisation of business activities also exerts a significant influence on MNCs' IHRM. Research shows that the role of international assignees as carriers of knowledge between the parent companies and subsidiary units continue to grow as a result of capitalising on business opportunities in developing and emerging economies. MNCs depend a lot on the use of international assignments. Therefore and increasingly, expatriate employees have to be able to operate smoothly within foreign cultures, and it appears competent cross-cultural communication has become progressively more valued by international organisations as an approach to effectively respond to the dynamic global competitive markets. Sociological studies on MNCs operating in different cultures have shown that increased interaction has led to better

understanding of the host culture (Dovido et al., 2003). This is because communication is the medium for instruction, assessment, interpersonal relationships, group interactions, and parent and host company relations. It requires the interpretation of speech, tone, facial expressions, body language, gestures and assumptions shared between the communicants about the context and purpose of the exchange (Bradby, 2001). Communication is the process of conveying data, information, ideas, and thoughts from one person to another or a group of people. Communication in the form of writing, talking, listening, is essential to assignees' role and therefore consumes a great deal of time (Phatak et al., 2005).

Of all factors that influence cross-cultural adaptation process, the expatriates' communication skills is the most important (Toyokawa and Toyokawa, 2002), because understanding the values, attitudes and behaviours of people in various countries is key to knowing how to do business with them. The awareness of cultural difference in a foreign country is an essential skill for expatriates of multilateral organisations who work under supervisors from host countries (Banutu-Gomez, 2002) because, all the bitter and serious problems between host nationals and expatriates are mainly interpersonal work or social relations in origin and often arising from ineffective communications and a misreading of verbal and non-verbal communication signals (Harris and Moran, 1996). This has led to the conceptualisation of MNCs as multilingual communities (Luo and Shenkar, 2006) in which the implementation of key management decisions such as foreign subsidiary control often involves the crossing of language boundaries. Thus, appropriate cross-cultural skills that facilitate more effective interaction among people from diverse national and cultural background is needed to avoid high levels of expatriates' failure rates (Debrah and Rees, 2011).

Research evidence also shows that successful MNCs are those that equip their expatriates with global perspectives (Stroh and Caligiuri, 1998). These include HRD practices that provide opportunities to develop a global orientation, and global leadership skills. Host communication competence is an expatriate's ability to effectively communicate his/her experience to others in the host society. It is the overall internal capacity to decode and encode information in accordance with the communication practices of the host culture (Kim, 1988, 1995). Hence, Okpara and Kabongo (2011) affirmed that both internal and external cross-cultural communication provides the invisible glue which can hold a disjointed multicultural project team together. They stressed that effective cross-cultural communication is the key to managing expectations, misconceptions, and misgivings on multicultural project teams. Good communication strategies are critical in establishing, cultivating, and maintaining strong multicultural working relationships on heavy construction engineering projects (Ochieng and Price, 2010).

However, it appears the IB literature has not sufficiently dealt with such an issue confronting MNCs with regard to expatriates' assignment especially in developing countries. Most of the IB literature is dominated by expatriates' cross-cultural training and adjustment (See Tung, 1981, 1998; Black et al., 1991; Caligiuri et al., 2005; Mendenhall and Stahl, 2000; Chew, 2004; Black and Mendenhall, 1990; Waxin and Panacio, 2005). This may have led to the wide gap in the area of expatriates' cross-cultural communication. Thus, Adler and Graham (1989) have criticised most IB researchers for largely focusing on a single culture or comparing multiple cultures, rather than investigating people's actual interactions in cross-cultural contexts. Intercultural learning would be more effective if it would lead to practical competency in cross-

cultural interactions, which requires both a more comprehensive understanding of the other cultures and a critical reflection on one's own culture (Milhouse, 1996). Hence, to expand our knowledge on expatriate training and cultural adaptation globally, more research is needed particularly in the unexploited areas of the global world, and this work seeks to fill part of the gap. The fate of the world depends on better understanding between cultures, religion, and nations. It is communication that can facilitate such understanding, and shared human concepts can facilitate dialogue, and communication of any kind (Wierzbicka, 2006).

## **Literature Review and Hypotheses**

### **Cross-cultural communication**

While it is an acceptable fact that communication is very important to all human beings, cross-cultural communication is nonetheless a basic form of human behaviour derived from the need to connect and interact with people elsewhere (Samovar and Porter, 1997). Therefore, the study of cross-cultural communication reveals the inseparability of human communication theory and its application (Tannen, 1984). The practical significance of cross-cultural communication is its ability to help us to understand the differences in context-related communication styles (Hall, 1959) given the heterogeneity of societies affected by global migration and the increasingly cross-cultural nature of business negotiations, and the interactions of different people throughout the world. The different human behaviours arise from the messages that people respond or interpret, which would be meaningful to other different people (Samovar and Porter, 1997). The range or aspects of communication behaviour can vary from culture to culture, and they signal the different levels of how individuals mean what they say (Tannen, 1984) hence; communication is a complex process comprising much more than the linguistic component. It requires the interpretation of speech, tone, facial expressions, body language, gestures and assumptions shared between the communicants about the context and purpose of the exchange (Bradby, 2001). Hence, successful communication requires not only the transmitted message, but whether it is understood. Cross-cultural communication is significantly more demanding than communicating in a single culture because culturally different individuals have less common information (Thomas, 2008). The ability of people to accurately perceive the communication behaviour of others is influenced by their cultural fields. And the extent to which the cultural fields of individuals overlap reduces the opportunity for distortion in the communication process. Thus, the more each party understands the other's situation, perspectives, and culture, the easier it is to use similar expression patterns (Thomas, 2008).

### **Globalisation of Expatriates and Cross-Cultural Communication Competence**

A critical skill for managing people and processes in other countries is cultural savvy-knowledge of the cultural variables affecting management decisions (Deresky, 2008). Cultural factors have considerable impact on globalisation and the context for communication at work on the MNC and its management (Guirdham, 1999). Thus, most blunders made in international operations can be attributed to cultural sensitivity (Ricks, 1983); and so, as globalisation continues to push more and more expatriates into new environments, expatriates are introduced into an acculturation process that can either be exciting or a problem (Chanda, 2007). This situation calls for more accommodation by host and expatriate' cultures if major organisational disruptions are to be avoided (Landis, 2008). Increasing competition in the global markets is pushing organisations to pay greater attention to expatriates' competencies in the management of international business. It is argued that competitive successes or failures in the global market

are strongly influenced by the quality of HR of the MNCs (Schular et al., 2004). Thus, the need for international staff on international assignment to gain cross-cultural competencies has intensified (Martin and Bamber, 2005). While there are some common or generic competencies that are required for conventional responsibilities of global workers, the specific management and leadership roles require distinctive competencies (Debrah and Rees, 2011). The distinctive competency requirements for expatriates are those that are heavily influenced by the task, organisation and the environment in any given context (Brownell, 2006); and the intrapersonal and interpersonal attributes are central to effective global leadership (Debrah and Rees, 2011). Prahad and Hamel (1990) describe these capabilities as 'core competence' and say core competence is the collective learning in the organisation and relate, particularly to how to coordinate and integrate the different talents in the organisation. Core competence according to them is "communication, involvement, and a deep commitment to working across organisational boundaries" (p.82). According to Muray et al. (2000), global competition revolves around effective communication between multinational companies and their interest groups. For that reason, successful communication requires that not only the message is transmitted but also that it is well understood. Communication can affect the way expatriates integrate into host country's political economy and ultimately determine the impact of globalisation on the economy (Van Ruysseveldt, 1995). According to Connor (2000), global managers must understand the global marketplace, which means they must have a high degree of cultural sensitivity, and when they move to a new country they make a conscious effort to fit in, respect the culture, and learn the language. The global manager or expatriate must be equipped with cross-cultural communication skills, the ability to form close personal relationships, conflict management and negotiation skills, cross-cultural ethical skills, and social and cultural literacy knowledge (Mendenhall and Osland, 2002). Hence we hypothesise that;

**H1:** *Expatriates' cross-cultural communication competence will have a strong positive association with their interpersonal skills in host cultural values.*

Globalisation of trade means MNCs integrate their production facilities and their human resources in different countries; and this brings about cultural influence on individual workers and the problems inherent in the production and interpretations of messages between cultures (Porter and Samovar, 1997). Expatriates come into a different culture carrying along their native culture. They try to shape their behaviours and that of others by maintaining their traditional or preferred cultures in the new multicultural environment (Matsumoto, 2000). This situation can be very problematic because, culture is largely responsible for the construction of our individual social realities and for our individual repertoire of communicative behaviours and meanings (Porter and Samovar, 1997). Issues of symmetry, power and authority between expatriate managers and workers of the host country can create enormous amount of misinterpretations based on their different cultural framings as, culture determines values and regulations that govern human communication in specific environments. For example in a high context culture, much of the information resulting from communication is internalised within the physical context (the communicator), while in a low context culture, very little information is embedded in the context or within the participants (Hall, 1959). Communication between an expatriate staff and a local staff involves two different voices and persuasions. On one instance, the voice of an expatriate from a different culture with a different frame of reference; on the other hand, the voice of a local staff with a different voice and a different frame of reference. This is what makes cross-cultural communication a difficult process. Framing is a state of an individual's mind or

feeling, and in most literature, framing is used to illustrate the basis on which expectations of two different people in communication interpret meaning. Tannen (1993) describes frames as “structure of expectation based on past experience which serve to filter and shape perception” (p. 53). Much of the miscommunication between people results from framing as individuals have different preferred ways of thinking and communicating their experiences. People do not only see things the way they are, they also tend to see what they expect to see, as well as what they want to see and this appears to be the basis of their interpretations. Scollon and Scollon (2001) assert that in any social interaction between people of different cultures, there is bound to be inferences in communication. They report that the conversational “inferences arise out of our customary ways of being in social situations” (p.12). Workers must therefore be trained to accept the differences of other cultures and learn the values and behaviours of the host country that are likely to impede effective communication at work. Hence we hypothesise that;

**H2:** *Expatriates' cross-cultural communication competence is directly and positively associated with cross-cultural training of expatriates.*

Workers are expected to use effective communication skills in the jobs they hold. All aspects of communication including: written, oral, and nonverbal communications are required by international employers and their employees. However, these aspects of communication must be used in the most efficient way to the benefit of the organisation. The absence of communication can cause a failure in interpersonal relationships and apparently, cause the dissatisfaction of workers leading to problems relating to efficiency and productivity in companies (Villegas and Cerveny, 2004). Thus, knowledge, skills, and attitudes are essential for successful cross-cultural communication to be observed, discussed and practised (Huber-Kriegler et al, 2003), because the differences in culture are the major cause of any international assignment problems (Van Bakel, 2002). Therefore effective cross-cultural communication skill is the expatriate's ability to achieve understanding through verbal or non-verbal interaction between cultures (Ricard, 1993).

In today's global market place, the issues of communication satisfaction and national cultures are critical to MNCs operations. The individuals' national culture has a significant effect on their communication satisfaction, and therefore it is essential for expatriates to have an understanding of their host cultural differences in order to achieve high levels of communication satisfaction (Al-Nashmi and Syd Zin, 2011). The possibility of 'Western' perceptions highlights an important difference between expatriates and host employees' approaches to work when communicating with each other, and this underscores the importance of training in cross-cultural communication in the management of MNCs in developing countries. This is because the relationship between cross cultural communication competence and the performance of multicultural teams supports the contention that, cross cultural communication competence develops managers on multicultural teams in high interpersonal skills, high team effectiveness skills, and an ability to manage cultural uncertainty (Matveev and Nelson, 2004). Therefore we hypothesise that;

**H3:** *Expatriates' cross-cultural communication competence is directly and proportionally related to cross-cultural competence of expatriates.*

## **Methodology**

To test our hypotheses empirically, data were collected from business expatriates in multinational companies in Ghana. The target population for this study included all current expatriates working in all multinational companies in Ghana, and who have been at post for at least the past six months. We restricted the time to at least six months to minimise the error of an expatriate's dearth of knowledge on both the local employees and the Ghanaian culture since in most cases; the first three to six months are used for familiarisation, thereby offsetting a possible confounding effect of participant's lack of knowledge

A convenience sampling method was used as it is based on the selection of samples from a population that is available to the researcher by virtue of easy accessibility (Bryman and Bell, 2007). This method is typically used in exploratory and cross-cultural studies to ascertain the true nature of the phenomenon under study. This involved visiting MNCs located all over the country and getting expatriates to answer the study questions. The questionnaires were distributed via the respective HR managers of the MNCs. This comprised of MNCs from all sectors of the economy ranging from extractive & mining, Banking & Finance, Communication, Food & Beverage Automobile & Electronics, and others. The questionnaires were sent to the companies from December, 2011 to June 2012. In all, 300 questionnaires were given out to the various MNCs and after several follow-ups in the seven months period of the data collection, two hundred and ten (210) questionnaires representing 70% were retrieved successfully. However, two hundred and four (204) of the questionnaire collected back representing 68% were adequately completed and found useable. The other six were half-filled, and were therefore deemed inappropriate to be included in the study.

## Measures

### *Dependent variables*

We measured cross-cultural communication competence using the concept and measures of the Cross-cultural Communication Competence (CCC) questionnaire based on the 3C Model (Matveev et al., 2001). 7-point Likert scales with response formats labelled from 1 strongly disagree to 7 strongly agree was used. In all, 2 items measuring cross-cultural communication competence with an aggregate internal reliability of Cronbach's  $\alpha$  .885

MNC outcomes was measured with 3 items using the performance orientation and cooperative culture variables of Matveev and Nelson (2004) framework. Reliability score was  $\alpha$  = .904

### *Independent variables*

To measure the importance of cross-cultural training of expatriates, 9 items on a combination of the importance of training in host cultural values and previous knowledge adapted from pre-departure knowledge scale by Black (1990) was used. Using Exploratory factor analysis and principal component analysis (PCA), the 9 items were reduced to 7 items with an aggregate Cronbach's  $\alpha$  of .908.

Interpersonal skills was measured based on the CCC (Matveev et al., 2001), a total of 13-items measuring interpersonal skills was reduced after using the PCA to 6 items with an aggregate internal reliability of Cronbach's  $\alpha$  .779

Inadequate communication skills of expatriates was measured with 2 items with a Cronbach's  $\alpha$  of .655.

Cross-cultural competence was also measured with 2 items with a Cronbach's  $\alpha$  . of 384. It appears the low figure might have resulted from the earlier cross-loading and the subsequent

removal of variables to a smaller number of two. (See Appendix 2 for Component factor structures of the variables used and their alphas)

An additional question to solicit respondents' open-ended opinion was; Could you please suggest other advantages that expatriates can benefit from training in host country's cultural values?

This was to obtain the candid views of expatriates on the importance of host subsidiary cultural impact on their lives.

### **Control variables**

To control for demographic and other biases we included several control variables in our analysis. Gender and marital status of the participants were measured with direct questions coded as 1 = Male and 2 = Female and yes/no respectively. Since expatriate assignment abroad can be influenced by these variables. Similarly, the question on whether the participant had attended a pre-departure cross-cultural training was used to control cross-cultural communication competence. This dichotomous variable 'participation in a pre-departure CCT' was measured with a single yes/no question.

**Table 1: Means, Standard Deviation and Correlations**

	Mean	St.D	1	2	3	4	5	6	7	8	9	10
1. Gender	1.12	.33	-									
2. Marital status	1.84	.51	-.27**	-								
3. Family	1.37	.59	.17**	-.29**	-							
4. Pre-depart training	1.78	.41	-.02	.14*	.05	-						
5. Cross-cult. training	11.18	2.29	-.04	.29**	-.09	-.08	-					
6. MNC outcomes	5.25	3.21	.08	-.16*	.06	-.12*	-.01	-				
7. Interpersonal skills	35.5	4.22	.02	.18**	-.11	-.04	.33**	.05	-			
8. CCC Competence	7.85	2.34	.02	.01	.03	-.23**	.30**	.06	.33**	-		
9. Inadequate Com	14.1	1.88	-.20**	.11	.00	.05	.17**	.10	.23**	.22**	-	
10. cultural competence	39.6	7.57	-.13*	-.05	.16*	-.04	.10	.12*	.12*	.33**	.45**	-

\*P< .05, \*\*P< .01, N=204

### **Results**

Data for this study were analysed using the SPSS 16.0 package. To assess the maximal prediction or contribution of each of the independent variables to the dependent variable, we employed a multiple regression model where all the independent variables: importance of training, interpersonal skills in host cultural values, and cross-cultural competence of expatriates as test variables were entered together in model 2. On the other hand, model 1 only included the control variables (Gender, marital status, and pre-departure training). To check for multicollinearity, Table 2 provides the means, standard deviations and bivariate Pearson

correlations for the variables used. Although there are a few significant inter-variable correlations among the independent variables, none of the coefficients exceeds .45. Due to these low levels of inter-variable correlation, multicollinearity does not appear to be a serious problem. This was further supported by the tolerance values of each of the independent variables mentioned above as: .900, .961, and .971 respectively. These values are far above the accepted tolerance value of .10. In addition, the VIF values of the independent variables of .826, .876, and .903 respectively are well below the cut-off of 10.

The results of the regression analyses in Table 3 display the correlations between the variables, the standard regression coefficients,  $R^2$ , and adjusted  $R^2$ . From the results, all three hypotheses were successfully supported by the data, signifying that all three independent variables made a statistically significant contribution to the prediction of the dependent variable. In addition, expatriates' participation at a pre-departure cross-cultural training has an impact on expatriates' cross-cultural communication competence, but gender and marital status of expatriates do not influence their cross-cultural communication competence.

Table 3 shows the results and percentages of the open-ended question to expatriates on the advantages of cross-cultural training on host cultural values.

**Table 2:** Results of Regression analysis

	<i>Dependent variable</i> : Cross-cultural communication competence	
	Model 1	Model 2
<i>Independent variables</i>		
Importance of cross-cultural training		.182**
Interpersonal skills in host culture		.235***
Cross-cultural competence		.284***
<i>Control variables</i>		
Gender of respondent	.026	.048
Marital status of respondent	.055	-.025
Pre-depart. training	-.239**	-.193**
<i>Model statistics</i>		
R	.238	.521
$R^2$	.057	.272
Adjusted $R^2$	.043	.250
Change in $R^2$	.057	.215
F-value	4.013**	12.253***

\*\*P < .01, \*\*\*P < .001

**Table 3.** Benefit from training in host country's cultural values

Expatriate ideas on benefits of host culture	Frequency	Percent
Help expatriate dependent family members integrate into the Ghana society	4	2.0
Understanding the two cultures influences decision making process at work	10	4.9
Enable mutual respect of cultural differences	9	4.4
Communication makes life outside easier and effective	6	2.9
One becomes more tolerant and accepting of others	9	4.4

Understand the way people think, deal with issues and what drives them to do what they are doing	21	10.3
No response	145	71.1
Total	204	100.0

## Discussion

In this study, the researchers investigated the significance of expatriates' cross-cultural communication during international assignment. Three major antecedent variables of multinational companies (Importance of cross-cultural training, interpersonal skills in host culture, and cross-cultural competence) were considered as predictors essential to the outcome variable (expatriates cross-cultural communication competence). The study found an overall positive relationship between cross-cultural communication competence and the three predictor variables above, meaning that all three hypotheses were strongly accepted. Our analysis shows that the three predictor variables (importance of cross-cultural training, interpersonal skills in host culture, and cross-cultural competence) explain an additional 22 percent of variance in expatriates' cross-cultural communication competence. This is a statistically significant contribution by our regression model as a whole,  $F(6, 197) = 12.25, p < 0005$ .

The empirically confirmed relationship support to our hypotheses gives explanation to the fact that expatriates' cross-cultural communication is necessary for expatriates' successful international assignments. The findings of this study are consistent with those of Matveeve and Nelson (2004), Luo and Shenkar (2006), and Zander (2005) on the important role of cross-cultural communication competence of expatriates in MNCs. For example, Zander (2005, p. 83) emphasise that 'communication is an essential component of leadership and a vital managerial competence' and that internationally mobile managers are aware of the important role of communication and language for expatriation. Similarly, Caligiuri et al. (2001) argue, that 'both cross-cultural training and the language spoken in the host country affect the accuracy of expatriates' expectations prior to the assignment - and that having accurate expectations, in turn, positively affects cross-cultural adjustment'.

Hence, our analysis support the assertion that cross-cultural competence is very essential in successful cross-border business especially when Western expatriates are assigned to businesses in Sub-Saharan African countries due to the overarching cultural differences. It is not surprising therefore that in our study, cross-cultural competence as a predictor variable makes the strongest unique contribution of explaining the outcome variable when the variance explained by all variables in the model is controlled for. Though importance of cross-cultural training predicted strongly on cross-cultural communication, its variance indicated less of a unique contribution as compared to those of expatriates' cross-cultural competence, and expatriates interpersonal skills in host culture (See Table 2). Our finding presumes that, it is very essential for expatriates especially from the West going to developing countries on assignment, to have basic competence in host cultural value systems. This will enhance their cross-cultural communication skills and competence. This is further supported by our control variable 'pre-departure training'; as it correlated well with the outcome variable in both model 1 and 2 (See Table 2). This also points to the central role of pre-departure training as a prerequisite for expatriates' interactional adjustment (Pucka et al., 2008). On the other hand, all other control variables like gender, having a family, and marital status of expatriates in the host country were found not to influence expatriates cross-cultural communication competence. This means except

pre-departure training, there was no significant result found with the three other control variables.

The findings of this study show the importance of cross-cultural communication in the management of MNCs and their subsidiaries. A key feature of MNCs is the transfer of managerial expertise, knowledge and skills through human resource and employment practices across borders. The ability of the global manager or the expatriate to understand the communicative behaviours of the local people will in no doubt aid in the successful transfer and delivery of knowledge and skills to the local managers. Success in enhancing the MNCs' human resource internationally means the development of transnational HRD interventions which is very important in policy areas of global management development of the subsidiaries (Metcalf and Rees, 2005), and encouraging efficient knowledge sharing to the subsidiary communities. This study also adds new insights to our knowledge about expatriates' views on the benefits of expatriates training in subsidiary host cultural values. Twenty-one respondents representing 10.3% of the total sample size said expatriates will benefit from "understanding the way people think, deal with issues and what drives them to do what they are doing". This is a very significant suggestion to the success of MNCs management on foreign subsidiaries. The more training is given to expatriates about the local culture of the indigenes, the better expatriates learn to understand the behaviours of the local people thereby averting possible misunderstanding of conduct that could trigger off conflict. On the other hand, 4.9% of respondents said expatriates will benefit from informed decision making especially on local employees if they (expatriates) are trained in the local cultural values. This capability will possibly resolve the usual problems of misunderstanding of the different work attitudes between expatriates and local employees emanating from different cultural contexts and dimensions. Particularly, in the area of time management between the West and Sub-Saharan African countries, there are wide variations of the concept of real time. Also, 4.4% of respondents said training expatriates in host cultural values will "Enable mutual respect of cultural differences" and "One becomes more tolerant and accepting of others". At the same time, 2.9% and 2.0% of respondents believed that expatriates training in host cultural values will lead to "Communication makes life outside easier and effective" and "Help expatriate dependent family members integrate into the Ghanaian society" respectively. Hence, the benefits of cross-cultural communication competence of expatriates are enormous. The competence of cross-cultural communication during international assignment will not only benefit expatriates as individual workers, but also their family members and the host communities as well leading to better adjustment of assignees in their new environment.

Cultural differences can create challenges for MNCs doing business in other countries because of the variations of cultural patterns that are observed by people from different countries. Therefore, the competence in cross-cultural communication of expatriates will enable a better understanding of how culture influences business relationships in MNCs outcomes; and also, minimise the problems that often result from misunderstandings or value conflicts between expatriate managers and host country employees who are obeying different culturally based communication rules. Consequently, the importance of cross-cultural competence of global managers in MNCs is directly associated with MNCs' performance outcomes. Since global managers will be equipped with the necessary cultural skills to be able to effectively discharge their duties. Hence this study provides support to this assertion. In Table 1, cross-cultural

competence correlates with MNCs total outcomes, and this is explained by a variance of 14% which is a modest contribution to the outcome variable (MNCs outcome).

### **Conclusion, Limitations and Direction for Future Research**

This work sought to find out if cross-cultural communication competence facilitates expatriates assignment in foreign subsidiaries. We used three aggregate variables thus; cross-cultural training, cross-cultural competence, and interpersonal skills in host cultural values as predictors to the outcome variable - cross-cultural communication competence. The assumed relationship between the predictors and the outcome variable were strongly supported. Therefore, cross-cultural communication competence is very essential for expatriates positive and efficient work flow in foreign subsidiaries particularly in developing countries and those of Sub-Saharan Africa. In a developing economy such as Ghana, organisations can become more effective if there is effective interpersonal communication between managers and their employees (Abugre, 2011a); for the reason that, effective communication in business organisations is very critical in retaining worker satisfaction, and consequently worker performance in organisations (Abugre, 2011b). Hence, this study has highlighted the importance of cross-cultural communication when sending employees abroad and clearly points to the role of expatriate's cross-cultural and communication competence as a competitive advantage to MNCs in international business.

Finally, our work provides an extensive analysis of how cultural variables influence the dynamics of cross-cultural communication. This is supported by an enquiry into the general perceptions of expatriates' cross-cultural training. As a result, the respondents provided their candid opinions on the advantages of cross-cultural training in an open-ended manner whereby hypothesised causal variables could not in actual fact generate the information required (see Table 3) which is very unique to this study. Thus, our findings provide a robust theoretical contribution to the IB literature in the area of cross-cultural studies.

These findings have practical implications for managers and management teams of MNCS who are committed to improving expatriates' assignment and their general adjustment in host subsidiary environments. Equally, our findings have implications for multicultural team performance. Effective team work between expatriates and local employees can become effectual when both groups of workers understand each other's communication behaviours. The appreciation of indigenous cultural behaviours will enable local employees work with expatriates with little or no suspicion. With the current globalisation of diversity and workforce, managers in multinational organisations must be effective cross-cultural communicators in order to function effectively and achieve high levels of work performance. Therefore, cross-cultural communication competence facilitates successfully expatriates' assignment in foreign subsidiaries.

There are however, some limitations to consider in reading this paper First, the data stem from a single country - Ghana. Therefore, generalisation to other developing countries may be problematic. Another limitation of the study is the lack of an individual expatriate performance or behavioural outcome. Therefore, future research could employ 3 to 4 countries in order to look at the patterns of similarities and differences. Also, future research can add individual expatriates' performance index or indices to measure the impact of expatriates' cross-cultural competence and their performance outcomes in the subsidiaries.

These drawbacks notwithstanding, it is hoped that this research has focused on what has been an important and often overlooked subject in international business studies.

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