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ABSTRACT

The meteoric rise of Multinational Enterprises (MNE's) and the concomitant increase in international trade and investment speak to the crucial need for a global perspective to be incorporated into the curriculum of the organizational communication course. The communication functions of MNE's are an increasingly important focus for students of organizational communication. Students need to understand the global nature of international business and economics, how to analyze social and cultural aspects of "local" countries, and how to adapt their messages to account for individual country differences. Several methods can be used for building both a global and country perspective into the organizational communication curriculum; they include: (1) studying general information about international issues and "local" concerns about which students should be aware; (2) providing specific content areas of a global nature to be treated in an in-depth manner; (3) introducing knowledge of specific countries or regions; (4) using case studies; (5) using campus resources; (6) incorporating global examples into topics already covered in the organizational communication course; and (7) assigning student projects that include a global perspective. A memo describing the SPICE (Student Panels for an International Curriculum and Education) program is attached. (Contains 20 references.) (RS)

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Global Perspectives and the Organizational Communication Course

by

Paul D. Krivonos

California State University, Northridge

Paper Presented at the

Annual Convention of the

Speech Communication Association

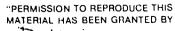
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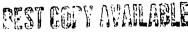
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Global Perspectives and the Organizational Communication Course1

The meteoric rise of Multinational Enterprises (MNE's)2 and the concomitant increase in international trade and investment in the past few years speak to the crucial need for a global perspective to be incorporated into the curriculum of the organizational communication course. "Transnational corporations have become central organizers of economic activity in an increasingly integrated world economy" (United Nations, 1992, p. 1). With branches and subsidiaries in a number of countries, communication is a necessity between foreign divisions and corporate headquarters and will become an evermore present part of organizational life. In addition, MNE's will need to communicate with investors, creditors, suppliers governments and government agencies, and customers around the world. Also, annual and other corporate reports are prepared for audiences in many different countries. The communication functions of MNE's are an increasingly important focus for students of organizational communication. With MNE's becoming an ever increasing aspect of international organizational life, it is more and more important for students of organizational communication to understand the global nature of business and organizational processes.



Estimates suggest that the number of MNE's have increased from around 7,000 two decades ago to over 37,000 MNE's with 170,000 foreign affiliates in 1990 (United Nations, 1993). The United Nations (1992) suggests that MNE's and their foreign affiliates are "beginning to give rise to an international production system, organized and managed by transnational corporations" (p. 5).

It is not just that MNE's are a fact of global business life, but also of business within the United States as well. In 1989 the United States was the home of over 3,700 parent corporations, second only to Germany, with over 13,000 affiliates, second only to China (United Nations, 1992). "By the end of the 1980's, the volume of goods and services sold by foreign affiliates amounted to an estimated \$4.4 trillion, almost double that of world exports In other words, production of foreign affiliates is of greater importance in delivering goods and services to markets world-wide" (United Nations, 1992, p 2). The United Nations (1992) suggests that the number of MNE's and foreign affiliates may even be underestimates. The magnitude of the MNE phenomenon in the United States has been noted by Gross and Kujawa (1988) who indicate that "almost all large enterprises in the United States, Western Europe, and Japan are multinational in character" (p. 16), and that many medium and even small sized companies are also involved internationally.

The rise of MNE's reflect the fact that in terms of international trade, the world economy is becoming more and more integrated. As one of the world's major industrial countries, the United States is solidly part of this trend. For



example the Council on International Exchange (1988, p. 3-4) cites the following statistics:

Thirty-three percent of U.S. corporate profits are generated by international trade.

The 23 largest U.S. banks derive almost half of their total earnings overseas. Four of every five new jobs in the U.S. are generated as a direct result of foreign trade.

The economic well-being of the U.S. is inextricably linked to the world economy, with current U.S. investment abroad valued at more than \$300 billion.

Foreign individuals and corporations hold investments of \$200 to \$300 billion in American manufacturing companies.

Foreign individuals and corporations are estimated to have invested \$1.5 trillion in the U.S., most of it since 1974.

The liberalization of world trade and monetary policy, the breakup of the old communist bloc, the rise of regional trade pacts (e.g., EEC and CER), international monetary accords, (e.g., GATT and the IMF), and the strength of Japan and the little tigers (Singapore, South Korea, Taiwan, Hong Kong, and Malaysia) with their global philosophies and their successes in world trade have all had significant impact on the trend toward a more integrated world economy. Foreign direct investment has also been rapidly increasing in the past few years. The United Nations (1992) reports that in the first 18 months of the 1990's there were 64 bilateral treaties signed for the promotion and protection of foreign direct investment; in the entire decade of the 1980's fewer than 200 such treaties were signed.

And it is not just the G-7 and other industrialized countries that have established such an interdependent global economic system. Since the start of the



Uruguay Round, over 60 developing and Central and Eastern European countries have moved away from control of their economies and MNE's in their countries and toward a more friendly business environment that encourages foreign direct investment (United Nations, 1992).

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Given the rapid rise of MNE's, the expansion of international trade, and the interdependence of the world economy, it is incumbent upon those who teach organizational communication to incorporate a global perspective into the course. Our students need to understand not only that the world economy is now a highly integrated one, but also some of the trends that have led to this global economic integration.

Perhaps even more pertinent to our discipline and to the need for a global perspective in the organizational communication curriculum, is the rapid rise of information technology (e.g., television, telecommunication, computers, facsimile machines, electronic mail, satellite communication, etc.). Labeled the Global Village by McLuhan, this trend leads to a greater and greater expansion of the local village to global proportions (McLuhan & Fiore, 1968). Over the past few decades, the world has become smaller and smaller because of the rapid advances in communication and transportation technologies. Physical boundaries between people of different nations and cultures are fast disappearing as a result of the creation of the global village. During the Gulf War, the images of the battle were beamed to television sets around the world as they were occurring.

The global village is helping to create ever greater integration of the world's economy. "New communication technologies are allowing for a far greater degree of economic internationalization than was previously possible" (United Nations, 1992, p. 101). For example, share brokers and money traders now have the ability to trade in the international arena twenty-four hours per day in New York, London, Tokyo, Paris, Hong Kong, and Sydney to name just a few of the major world trading centers. It is not at all far fetched to believe that the 1987 world wide share market crash either occurred or was certainly exacerbated not only by the interdependence of the world economy, but also by the instantaneous nature of communication between and among the major world trading centers. The concept of the global village and the internationalization of our neighborhood argues that much more strongly for the organizational communication curriculum to include such a global perspective.

There are those, however, who see globalization as only one seemingly oxymoronic part of the process that is impacting organizations doing business in the international arena today. Rather than a purely global perspective, it is argued that communication, production, marketing, and a whole variety of organizational tasks must be focused on the "local" or country level, not on the global level. "Because of language, ethnic, and religious differences among customers, personal selling, by its very nature, is largely country- or subcountry-bound" (Gross & Kujawa, 1988, p. 375).

Thus the global perspective that we build into our organizational communication curriculum needs not only to be international in nature, but must also help our students understand the tasks of perceiving and comprehending not just the global village, but also important and salient "localities" or countries. In an attempt to take these "local" exigencies into account, Fortner (1993) has recast the concept of the global village: "What has actually been created, to alter the metaphor, is a 'global metropolis'" (p. 24). Understanding both a global and a local or country perspective are not actually contradictory. "Achieving success in multinational operations depends on matching the firm's organizational properties and strategies to the demands imposed by host countries" (Kim & Mauborgne, 1987, p. 35).

Our students need to understand both the global nature of international business and economics and how to analyze social and cultural aspects of "local" countries and to adapt their messages to account for individual country differences. Bartlett (1982) argues that strategic problems facing MNE's call for them to be both globally competitive and nationally responsive. Kobin (1987) echoes this sentiment, concluding that the international trade environment requires a knowledge of a wide variety of national conditions and how these affect the global economic system as well as the ability to understand international trends and strategies.

Unfortunately, American business people (and American students) are woefully inadequate in their knowledge of both international and "local" issues. Kim and Mauborgne (1987) see this lack of "local" knowledge leading to a large number of problems faced by Americans conducting businesses in other countries: "Although some have argued that cultures are becoming more homogenized and globalization of markets is taking place due to today's advanced technology in

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transportation and communication, a continuous occurrence of multicultural business blunders is an international business reality" (p. 35).

In order to prepare our students to be vital and effective members of today's organizations, a global perspective must be built into the organizational communication curriculum, a perspective which is sensitive to both international concerns and important "local" interests.

The role of the United States as a leader among nations is changing rapidly. Despite our position of international leadership for almost fifty years, we are ill-prepared for the changes in business, manufacturing, diplomacy, science and technology that have come with an intensely different world. Effectiveness in such a world requires a citizenry whose knowledge is sufficiently international in scope to cope with global interdependence.

Other countries have had to recognize the educational implications of interdependence sooner than we, and are ahead of us in the international education of their students. Our educational system, particularly in colleges and universities, must adapt in order to develop new capacity in our people. The Advisory Council on International Educational Exchange believes that if we fail to internationalize sufficiently our educational institution, . . . we will irreversibly diminish the status of the United States. (Council for International Exchange, 1988, p. 7).

As organizational communication educators, we must heed this call and not leave the task solely to international business educators. It is our responsibility to provide a global perspective, albeit one tinged with "local" knowledge, to our students. There are several ways we can accomplish this task. A treatment of the very need for a global perspective, as outlined above, should be incorporated into the curriculum to help students understand the need to think both globally and "locally." The organizational communication curriculum should help students gain an awareness of the integrated nature of the world economy and how it came

about and some knowledge and tools of analysis for understanding both the global and the "local" issues confronting organizations today.

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Several methods can be used for building both a global and country perspective into the organizational communication curriculum. They include (1) studying general information about international issues and "local" concerns (e.g. world trade and economic integration) about which students of organizational communication should be aware; (2) providing specific content areas of a global nature to be treated in an in-depth manner; (3) introducing knowledge of specific countries or regions; (4) use of case studies; (5) use of campus resources; (6) incorporating global examples into topics already covered in the organizational communication course; and (7) assigning student projects that include a global perspective.

(1) Studying general information about international issues and "local" concerns about which students of organizational communication should be aware. Organizational communication students need to understand that there are a large number of issues that have an impact on both global and "local" knowledge. This does not mean that we should provide organizational communication students with an in-depth treatment of these topics, but rather with an overview of the topics themselves and how they are critical in understanding both a global perspective and "local" conditions. The global perspective can be provided by an examination of the nature of international trade, the interdependence and integrated nature of the world economy, and the place of MNE's in the world economy.

McClelland's (1961) need for Achievement, need for Affiliation, and need for Power provide an early treatment, though one that is still valuable today, of the impact of organizational concepts on "local" conditions. As far as other "local" issues are concerned, Phatak (1983) feels that there are four elements that need to be considered for an effective analysis of any country's particular place within the global setting: its legal environment, its cultural environment, its economic environment, and its political environment of that country. Mason and Spich (1987) point out several issues that need to be faced when considering sending personnel from one country to another: culture shock, family problems that affect employee performance, unrealistic and unfair compensation situations, and repatriation and resocialization or reverse culture shock. Mason and Spich (1987) also identify the need to understand labor and union issues for an understanding of "local" knowledge. Gross and Kujawa (1988), too, focus on the necessity to understand the industrial relations of other countries, especially such concerns as worker representation, the nature of labor agreements and industrial conflicts, and wages and benefits. Austin (1990) posits several cultural factors that impact management behavior in other countries, including social structures, decision-making processes, motivation, and personal interaction and communication. The differential impact of nonverbal messages from country to country and how such messages affect interaction in organizational settings in those countries should be included in the organizational communication curriculum. Some areas of importance to investi-

gate are time, touch, proxemics, emblematic behavior, facial cues, and paralinguistic cues and how they differ in organizations from country to country.

(2) Providing specific content areas of a global nature to be treated in an indepth manner. Hofstede's international differences in work-related values, working in international teams, and technology transfer are three content areas that are particularly important for any student of organizational communication to understand. Providing a global perspective in the organizational communication course necessitates that these topics be given in-depth treatment.

Based on data collected in 40 countries, Hofstede (1980) suggests that there are four dimensions of work-related values which differ from country to country: (1) power distance; (2) uncertainty avoidance; (3) individualism-collectivism; and (4) masculinity-femininity. Power distance examines the relative power of supervisors and subordinates in their work interactions in different countries; that is, the hierarchical status differences in terms of equality or inequality between supervisors and subordinates and their organizations. The uncertainty avoidance dimension looks at openness to change, risk taking, and how much a person follows rules in organizations in different countries. Individualism-collectivism investigates whether a person prefers to take independent action or prefers conformity and interdependent action in different countries. This dimension also probes how much reliance a person places on the self versus the group in the organization. The masculinity-femininity dimension examines whether members of an organization in different countries are assertive and achievement oriented or whether they are

nurturant and socially supportive. A thorough discussion of Hofstede's four dimensions of work-related values and where different countries fall along each continuum can give students in the organizational communication course a much better understanding and appreciation of the communication and managerial styles that are manifested around the world.

It is very important that students in the organizational communication course study what is involved in working in international teams and how to manage the differences that arise in these teams, first because of the greater integration of the world economy and second because working and communicating in teams is an important aspect of working and communicating in organizations. Bantz (1993) feels that there are four important issues that need to be dealt with when working in international teams: (1) language and tactics for managing differences; (2) cultural norms; (3) status; and (4) politics. There are also several important communication tactics that Bantz (1993) identifies for working in international teams, including:

"agreeing on long-term goals, while continuing to negotiate short-term goals; . . . maintaining social support by engaging in confirming communication even when disagreeing; adapting to language differences by slowing, checking out, restating, and using more than one language; discussing group procedures; initiating social discussions of work life to ascertain perspectives; and responding to political differences" (p. 19).

In summary, Bantz (1993) feels that there are four common threads to the tactics that international work groups can use to manage differences: "(1) gather information; (2) adapt to differing situations, issues, and needs; (3) build social as well as task cohesion; and (4) identify clear mutual long-term goals" (p. 19).



A thorough understanding of concepts evident in Hofstede's four dimensions of work-related values and of the issues involved in working in international work teams, especially in the management of differences that arise in these teams as outlined by Bantz, the student in the organizational communication course will better understand the global perspective necessary to function in any organizational setting in the increasingly international world of organizations.

The final conceptual area that will be examined for inclusion in the organizational communication course is technology transfer across nations. Technology transfer is an ever increasing aspect for modern organizations and is a process that should be understood by students of organizational communication. Kedia and Bhagat (1988) posit the need to examine a country's culture, especially in terms of Hofstede's four dimensions of work-related values, organizational culture, and strategic management processes in the successful transfer of technology from an industrialized county to any other country, whether industrialized, moderately industrialized, or a developing nation.

(3) Introducing knowledge of specific countries or regions. Another important way to provide students in the organizational communication course with a global perspective is to investigate communication behaviors in organizations in specific countries. This study can most fruitfully be accomplished with a comparison and contrast to communication behaviors in U.S. organizations. While many countries or regions (e.g., Europe, South Pacific, etc.) provide excellent opportunities to look at communication behaviors, perhaps the most important to examine is



Japan. The advantage of this focus is due to Japan's importance in the world economy and its place as America's major trading partner. Analyzing such topics as major Japanese values (e.g., wa and amae) and how these influence communication in the organization, ringi seido or the bottom up system of decision making, labor and employee relations in the Japanese firm, and the place of trust and friendship in business relationships in Japan can all help the student of organizational communication better understand a global perspective.

(4) Use of case studies. Case studies can also help to incorporate a global perspective in the organizational communication course. The focus of such case studies can be on the global implications of either general communication topics or of specific organizational communication topics and they can be related to specific countries or to more general international issues. Though there seem to be no books of cases or even texts with cases that focus on global issues in organizational communication, there are several sources from which an instructor of the organizational communication course can glean cases which lend a global perspective to organizational communication topics. In Shockley-Zalabak's (1994) organizational communication case book, there are several cases with an global focus as she includes cases from Italy, Singapore, Japan, and Russia. Williams (1981), though dated now, presents cases on industrial relations in New Zealand, some of which are still applicable today. Beamish, Killing, Lecraw, and Crookell (1991) include over 30 internationally focused cases, many of which have communication implications. Gross and Kujawa (1988) have a large number of international cases with many



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having a direct or indirect focus on communication. Kim and Mauborgne (1987) include several brief cases about the international dealings of companies, especially focusing on blunders that organizations have committed in the global arena.

- (5) Use of campus resources. One way to "spice" up the global perspective of the organizational communication course is through such campus resource programs as SPICE that is offered at California State University, Northridge. SPICE supplies classes with a panel of international students to provide a global perspective on a topic desired by the instructor. Experience at California State University, Northridge has been very positive from students and faculty for classes using the SPICE program. (See Appendix A for a full description of the SPICE program.)
- (6) Incorporating global examples into topics already covered in the organizational communication course. Another way to provide a global perspective in the organizational communication course is by using international and other country examples, not just U.S. examples when talking about any specific topic in the course (e.g., interpersonal and group communication in organizations, communication networks, message sending and receiving behaviors in organizations, communication climate, communication and organizational culture, etc.). Many current international management texts are replete with examples that have communication applications.
- (7) Assigning student projects that include a global perspective. Having students' assignments reflect an international flavor is the final way that will be examined for providing a global perspective in the organizational communication



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course. Such assignments might include interviewing someone who works for an MNE, writing an annotated bibliography about a global issue, studying subsidiaries of foreign companies in the United States, or investigating aspects of organizational communication in a specific country. The range of possibilities is wide open to the realm of the imagination.

It is now incumbent upon our field to provide a global perspective to the organizational communication course, no matter the method used. "Competing internationally is a necessity rather than a matter of discretion for many firms" (Porter, 1986). Companies in the United States cannot hope to compete without their employees having a thorough understanding of a global perspective of organizations and organizational communication. This global perspective must be from both international and "local" or country specific viewpoints. This paper has suggested several ways by which such a global perspective can be incorporated into the organizational communication curriculum, including (1) studying general information about international issues and "local" concerns (e.g. world trade and economic integration) about which students of organizational communication should be aware; (2) providing specific content areas of a global nature to be treated in an in-depth manner; (3) introducing knowledge of specific countries or regions; (4) use of case studies; (5) use of campus resources; (6) incorporating global examples into topics already covered in the organizational communication course; and (7) assigning student projects that include a global perspective.

All must recognize the need for increased and widespread knowledge of other countries as a matter of vital interest. International awareness must be placed



high on the list of institutional and national priorities. International education, including study abroad is no longer merely desirable; it is a necessity. We can no longer view the world with some detachment as an interesting and diverse place where we inevitably exercise political leadership. We must realize, and thus prepare for, our intense interdependence with other countries. Every day, great numbers of our citizens deal with problems and decisions arising from relationships with people in other parts of the world. Our standard of living, our security and our nation's prestige are all at stake. We must better prepare ourselves to live in such a world (Council for International Exchange, 1988, p. 6).



¹The author would like to acknowledge Heidi Teegarden for her invaluable help and assistance in the preparation of this paper.

²Multinational Enterprise (MNE), Multinational Corporation (MNC), and Transnational Corporation (TNC) are all terms that are frequently used to describe companies that have direct investment and branches in countries outside the one in which they have their headquarters. For convenience the term, "MNE," will be used throughout this paper, except when one of the other terms is used in a direct quote.



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APPENDIX A

DESCRIPTION OF THE SPICE PROGRAM AT CALIFORNIA STATE UNIVERSITY, NORTHRIDGE



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OFFICE OF INTERNATIONAL & EXCHANGE PROGRAM California State University, Northridge

(818) 885-3053 or 885-3436

Memorandum

September 28, 1993

To: Faculty Members

From: Adele H. Juarez, Director

Office of International & Exchange Programs

Re: Student Panels for an International Curriculum and Education

(SPICE)

The Office of International & Exchange Program is happy to announce that, after an unfortunate delay due to budget constraints, SPICE has survived another year and is again available to the university. This unique and exciting program offers faculty the opportunity to add a cross-cultural dimension to classes while giving the curriculum an international focus. S.P.I.C.E., which stands for Students Panels for an International Curriculum and Education, was developed in the 1987-88 academic year as a free service to faculty.

SPICE consists of international student panels which visit classrooms and share foreign perspectives on various topics. The format and length of the panels vary according to the class. Panels generally consist of three students from different countries addressing a specific topic selected by the professor to meet the needs of the class.

The reactions of students and professors to SPICE panels have been outstanding. The program continues to achieve an important goal: to raise international awareness among students in order to lead them to think "globally". SPICE panelists represent a wide range of perspectives, ideas and cultures. In the past years we have had students representing countries such as Holland, Lithuania, Ghana, Hong Kong, Estonia, Iran, Singapore, Taiwan, Greece, Mexico, China, Hungary, India and Japan.

If you are interested in scheduling a panel, please complete the attached SPICE Participation Sheet. If you require more information about the program, please contact Katherine Watt or Andrew C.K. Ho.

