



## **MANAGING CROSS-CULTURAL CONFLICTS IN INTERNATIONAL CORPORATIONS**

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### **Abstract**

This article will explore the challenge of dealing with cross-cultural conflicts in multi-national corporations that is increasingly salient in our era of globalization. Disputes between different cultures may even occur due to different cultural values, ways of communication, approaches to decision-making and management, which always worsen the working atmosphere and efficiency of companies. The main causes and signs of intercultural conflicts are studied, such as language differences; the difference in values and types of leadership among nations; the misunderstanding between cultures on how they perceive time and emotional expression.

The author proposes a conceptual model for managing cross-cultural conflicts, which includes the development of intercultural competence of employees and leaders, adaptive leadership, negotiation and mediation. Particular attention is paid to the role of training, language courses and cross-cultural coaching in overcoming conflicts and increasing the effectiveness of interaction in multicultural teams. The article also contains recommendations for the practical application of conflict management methods in international corporations.

### **Keywords**

cross-cultural conflicts, international corporations, intercultural competence, globalization, communication, cultural differences, conflict management.

### **Problem statement**

In today's globalized world, international corporations face numerous challenges, among which a special place is occupied by cross-cultural conflicts. These conflicts can arise as a result of differences in cultural values, norms, communication styles, work ethics and organizational behavior of employees from different countries. Cross-cultural misunderstandings can not only worsen the working atmosphere, but also negatively affect the efficiency of business processes, labor productivity, and lead to lower employee satisfaction and company losses. In this regard, managing such conflicts is becoming an important aspect of international management in multinational corporations.

The problem lies in the need to understand cultural differences and their impact on employee behavior. Scientific research shows that different cultural values, norms, and ways of communicating can have a significant impact on group dynamics, decision-making, and overall productivity. Despite a significant amount of research in the field of international management, the issue of managing cross-cultural conflicts is still relevant. This is due to both the growing number of international transactions and the increasing diversity of staff in global corporations. Scholars and practitioners are exploring various approaches to solving this problem, including the adaptation of communication strategies, the use of inclusive leadership models, and the development of intercultural competence.

The theoretical significance of this problem lies in the need to develop and improve management models that take into account cultural differences and their impact on corporate interactions. At the same time, the practical relevance is driven by the need of international corporations to increase the efficiency of their operations by minimizing conflict situations and creating a harmonious working environment. This issue is important not only for the successful functioning of individual companies, but also for the development of the global economy as a whole, as proper management of cross-cultural conflicts can help increase innovation, creativity and competitiveness of companies in international markets.

Thus, the management of cross-cultural conflicts in international corporations is an important task for both scholars and practitioners, which requires further research and development of effective tools and strategies.

### **Relevance of the chosen topic**

The management of cross-cultural conflicts in international corporations is becoming increasingly important in the context of globalization and growing international cooperation. The increase in the number of multinational companies and their expansion into new markets is accompanied by an increase in diversity in workforces, which creates unique challenges in human resources management. Cultural differences can manifest themselves in various ways, from communication styles to approaches to problem solving and decision making. This increases the likelihood of cross-cultural conflicts that negatively affect the effectiveness of interaction and corporate culture.

The relevance of the study is due to the need to find effective methods of resolving such conflicts to ensure the sustainable development of international corporations. The globalization of the economy and the rapid growth of international business relationships make cross-cultural issues increasingly urgent. Companies that deal effectively with cultural differences can gain competitive advantages through better interaction, innovation potential, and the ability to adapt quickly in different cultural contexts.

Research in this area will not only allow us to theoretically understand the nature of cross-cultural conflicts, but also to offer practical tools for overcoming them. This is especially important for large international corporations that operate in different cultural environments and require a systematic approach to human resource management that takes into account cultural specifics.

Cross-cultural teams can be a source of innovation and creative solutions if they are managed properly. Research in this area will help identify ways to maximize this potential.

In addition, in today's world, companies are faced with social responsibility and ethical requirements. Understanding cultural contexts helps to ensure ethical business practices and improve the company's image.

Thus, the topic of managing cross-cultural conflicts is relevant not only for the development of management science, but also for business, as it has a direct impact on the productivity, innovation and competitiveness of international companies in the global environment.

### **Analysis of recent research and publications**

In recent years, the scientific literature has paid considerable attention to the issues of cross-cultural management and conflict resolution in international corporations. The study of cultural differences, their impact on business processes and the development of effective management strategies are critical for successful operations in the global business environment.

An analysis of recent research and publications on intercultural conflict management in international business demonstrates the importance of effective management for achieving competitive advantage in a globalized economy. One of the key studies conducted by Kateryna Kryvobok and O. Kanova (2023) emphasizes that intercultural conflict management is critical to the success of international business as it affects the motivation and overall productivity of companies.

The study by Olga Podra and Daria Lysa (2023) emphasizes the need to understand cultural differences in order to prevent and resolve conflicts arising from foreign economic activity. They note that using Richard

Lewis's classification of business culture can help in navigating intercultural differences.

Traditional intercultural communication can no longer limit an organization to increase their efficiency and competitiveness for organizational success in the global market: T. Rachel Shalini (2023) concluded from the study, which supports the significance of cultural awareness within international business. However, every study as part of organisation usually discusses the impact of cultural barriers on decision making processes and this is where a large gap in understanding how management processes in corporations are influenced by cultural differences remains.

Wang Shaojing (2023) in his study examines cross-cultural management with a focus on theoretical and practical aspects of cross-cultural conflict resolution. The author notes that effective management of cultural differences is key to the successful operation of international corporations and emphasizes the importance of cultural integration for achieving global business goals.

Zunwu Feng's (2023) research examines the complexities of cross-cultural management within the realm of international business, highlighting that a company's effectiveness hinges on its ability to navigate cultural variations. The study identifies the specific challenges encountered by Chinese firms in the globalized marketplace and stresses the necessity of incorporating cultural differences into business operations. While it provides a theoretical framework, the study falls short in addressing the practical components of applying cultural integration strategies, marking this as a significant area for future investigation.

The analysis of recent studies shows that the issues of cross-cultural management and conflict resolution in international corporations are widely discussed in the scientific literature, but there are gaps due to insufficient coverage of practical aspects and specific cases. While considerable attention is paid to theoretical approaches to resolving cross-cultural conflicts, research often lacks examples of successful application of these strategies in real-world settings. Studying these unresolved aspects, in particular the impact of cultural differences on decision-making and management processes, is an important area for further research.

### **Purpose of the article**

This research endeavors to formulate a conceptual framework in conjunction with practical suggestions for the efficient administration of cross-cultural disputes within multinational enterprises. It emphasizes innovative strategies for enhancing communication methods, boosting the intercultural competence of both leaders and employees, and fostering an inclusive workplace that minimizes conflicts and bolsters company competitiveness in the global marketplace. The research further seeks to enhance the understanding of cross-cultural conflict mechanisms and propose strategies for their prevention and resolution, considering the evolving dynamics of the global business landscape.

The purpose of the study is based on the analysis of existing scientific publications that do not sufficiently cover aspects of cross-cultural conflicts in the context of management practices, and involves the identification of new scientific facts that can supplement or clarify the already known approaches.

Research objectives:

1. Analyze scientific approaches to the study of cross-cultural conflicts in international corporations, identify their strengths and weaknesses.
2. To explore the main causes of cross-cultural conflicts in global organizations, focusing on differences in cultural values, communication styles and management practices.
3. To determine the role of intercultural competence of managers and employees in minimizing conflicts and developing adaptive strategies for their resolution.
4. Develop a conceptual model of cross-cultural conflict management that would include mechanisms of effective intercultural communication and methods of building an inclusive corporate culture.
5. To offer practical recommendations for international corporations on the implementation of effective methods of cross-cultural conflict management, including conflict prevention strategies through training and development of intercultural competence.
6. Evaluate the effectiveness of the proposed methods based on empirical data or case studies of well-known international companies.

The results of the study will significantly complement the current scientific understanding of cross-cultural conflict management and offer new approaches to creating a harmonious multicultural environment in international corporations.

### **Presentation of the main research material and results obtained**

Cross-cultural conflict is a fundamental aspect of the operations of international corporations that function within a multicultural context. This conflict stems from the collision of diverse cultural norms, values, and communication styles, potentially hampering organizational efficiency and employee interactions (Podra, O., Lysa, D., 2023). To effectively navigate these conflicts, it is crucial to have a thorough understanding of their nature, essence, and characteristics.

This category of discord, which may manifest between individuals or collectives originating from diverse cultural contexts, emerges from discrepancies in perceptions, values, behavioral standards, and methodologies for addressing issues. It may present itself in various ways, ranging from communication misunderstandings to severe confrontations, which can diminish team performance and adversely affect corporate culture.

According to the research of Hofstede and other experts in the field of intercultural communication, cross-cultural conflicts arise when employees from different cultural contexts cannot reconcile their different approaches to communication, decision-making, or understanding of business processes (Khmara, M., & Pilipenko, B., 2020). Such conflicts can be both overt and latent, i.e. manifested in the form of hidden tensions, which leads to a gradual accumulation of dissatisfaction among employees. The emergence of such conflicts is caused by a number of factors that reflect profound differences in approaches to work, management, communication and decision-making. Understanding these factors is critical to preventing and effectively managing conflict in multicultural teams.

There are several main signs of cross-cultural conflict that help identify it in the early stages and develop effective strategies to overcome it (Podra, O., Lysa, D., 2023):

1. Language barriers stem from inadequate proficiency in a shared language or variations in its usage. Even when employees of multinational companies converse in a common language—most frequently English as the global business lingua franca—their levels of proficiency can vary significantly. This disparity may result in misunderstandings or miscommunications. Additionally, language barriers can hinder the articulation of complex concepts, which may ultimately impact performance and foster conflicts.
2. Variations in communicative methodologies. Distinct cultures exhibit their own unique styles of communication. For example, nations such as the United States and Germany favor a forthright approach that clearly articulates information. In contrast, cultures like Japan and China frequently utilize a more nuanced style, wherein meaning is significantly shaped by context, non-verbal signals, and vocal tone. This divergence can result in misconceptions: one individual may perceive directness as impolite, while another may interpret indirectness as an evasion of accountability.
3. Diverse values and priorities. Individuals from various cultures often possess distinct values that shape their priorities in both their professional and personal lives. For instance, some cultures emphasize collectivism and mutual support over individual accomplishments, whereas others prioritize personal success and competition.
4. Differences in approaches to problem solving. Cultures also differ in how they approach conflict or problem solving. In Western cultures, a rational and logical approach is common, where problem solving is based on argumentation and analysis of facts, while Eastern cultures may prefer harmony and avoidance of confrontation.
5. Different perception of time. Cultures may have different perceptions of time, which can also lead to conflicts. In some countries, punctuality and strict adherence to schedules are the basis of working relationships (for example, in Germany or the United States), while in Latin America or the Middle East, time may be more flexible.
6. Different expectations of leadership and management. Cultures may perceive the role of the leader differently. In countries with a high level of power distance (e.g. Russia, India), an authoritarian management style is the norm, and employees expect the leader to make all important decisions. In cultures with a low level of power distance (e.g., Scandinavian countries, the United States), employee participation in decision-making is more common, with the leader acting more as a coordinator or facilitator. Interaction between employees with different expectations of management can lead to conflicts due to dissatisfaction with the management style or different approaches to the distribution of duties and responsibilities.
7. Different approaches to conflict resolution. Different cultures have different conflict resolution strategies, ranging from actively discussing the problem to avoiding conflict situations. Interactions between people who use these different approaches can cause tension and misunderstandings.
8. Differences in motivation systems. In Western cultures, individual achievement and career advancement are often the main motivators, while in Eastern cultures, collective harmony and mutual support are more

important. Conflicts can arise when international corporations use standardized incentive systems that do not take into account cultural differences, leading to employees feeling unfulfilled or seeing no prospects for development.

9. Emotional expressiveness and social norms. Different cultures also differ in their approaches to emotional expression and social norms of interaction. For example, in cultures where emotional expressiveness is common (Italy, Latin America), employees can openly demonstrate their feelings at work. In cultures with low emotional expressiveness (Japan, Germany), restraint and control of emotions are considered important social norms. Conflicts can arise when one employee perceives the emotional expressions of another as inadequate or inappropriate in the work environment.

Consequently, cross-cultural conflict represents a multifaceted phenomenon stemming from the variety of cultural attributes and communicative practices. To adeptly navigate these conflicts, it is imperative to possess a comprehensive understanding of their essence and to timely discern their distinctive characteristics. This understanding paves the way for the formulation of strategies for conflict prevention and resolution grounded in intercultural competence, which serves as an essential instrument for the effective operation of international enterprises.

To avert these repercussions, global corporations ought to proactively cultivate the intercultural competence of their personnel, implement training programs focused on intercultural communication, and devise strategies that adapt corporate culture to a multicultural context. Such measures will aid in reducing conflicts and promoting the seamless integration of employees from diverse cultural backgrounds into a cohesive team.

Modern theories of intercultural communication help to study and analyze these differences, providing tools for effective interaction between representatives of different cultures. The most significant models in this area are those of Gert Hofstede, Edward Hall, and Fons Trompenaars. Each of these models provides insight into how cultural differences affect communication, management, and work organization in a multicultural environment.

Gert Hofstede developed one of the most famous and detailed models for studying intercultural differences. He identified six key cultural dimensions that determine differences in the behavior and approaches of people from different cultures (Khmara, M., & Pilipenko, B., 2020):

1. Power Distance Index (PDI). This dimension describes the extent to which a culture accepts inequality in power and authority between supervisors and subordinates. In cultures with a high power distance (India, Mexico), hierarchy is perceived as normal and natural, and employees expect the manager to make all important decisions. In cultures with a low power distance (Scandinavian countries, Germany), a democratic management style prevails, where employees have more opportunities to participate in decision-making.
2. Individualism vs. Collectivism. This dimension shows how much a society values individual achievement or teamwork. In individualistic cultures (USA, UK), employees are focused on personal success and individual achievement. In collectivist cultures (China, Japan), the interests of the group, harmony in the team, and harmony in relationships are more important.
3. Masculinity vs. Femininity. This dimension describes the dominant values in a culture. Masculine cultures (Japan, Germany) value competitiveness, ambition, and achievement, while feminine cultures (Sweden, Norway) favor cooperation, caring for others, and harmony.
4. Uncertainty Avoidance Index (UAI). This dimension describes the extent to which a society is prepared for uncertainty and risk. In cultures with high uncertainty avoidance (Greece, Portugal), people tend to avoid risky situations and adhere to strict rules and regulations. In cultures with low uncertainty avoidance (Singapore, Denmark), people are more open to change and new ideas.
5. Long-term vs. Short-term Orientation. This dimension indicates whether a culture is focused on long-term planning and strategies or short-term results. Long-term oriented cultures (China, South Korea) value planning for the future, while short-term oriented cultures (USA, UK) place more emphasis on immediate results and achieving goals quickly.
6. Indulgence vs. Restraint. This dimension describes the level of satisfaction of needs and desires in society. In indulgent cultures (Latin America, Western Europe), people are more focused on personal happiness and satisfaction, while in restrained cultures (China, Russia), more emphasis is placed on self-control and restriction.

Edward Hall developed a model that explores intercultural differences through the lens of communication, focusing on the level of context in which information is transmitted. He divided cultures into high-context and low-context cultures, which helps to explain differences in communication styles (Khmara, M., & Pilipenko, B., 2020).

In highly contextualized cultures (Japan, China, Arab countries), most information is conveyed through context: non-verbal signals, intonation, gestures, and not just words. A lot of important information remains "between the lines". People in these cultures rely on shared experiences and understanding of the situation.

In low-context cultures (USA, Germany, Switzerland), communication is more direct, and most information is conveyed through words themselves. In such cultures, meaning does not require additional context or in-depth interpretation, and communication is transparent and clear.

Fons Trompenaars proposed a model that also examines intercultural differences by focusing on key aspects of interpersonal interaction and problem-solving approaches. He identified seven cultural dimensions (Khmara, M., & Pilipenko, B., 2020):

1. Universalism versus particularism. Universalist cultures (USA, Germany) believe that rules and laws are universal and should be applied to everyone equally. Particularistic cultures (China, Russia) are more concerned with circumstances and context, viewing rules as flexible and dependent on the specific situation.
2. Individualism versus collectivism. As in Hofstede's model, this dimension reflects the difference between an orientation toward individual achievement (individualism) and group harmony (collectivism).
3. Neutrality versus emotionality. Neutral cultures (UK, Germany) tend to restrain emotions in formal interactions, while emotional cultures (Italy, Spain) allow open expression of emotions at work.
4. Specificity versus diffusion. In specific cultures (USA, Germany), work and personal relationships are clearly separated. Interactions in the workplace are narrowly focused and limited to specific tasks and goals. In contrast, in diffuse cultures (Spain, China), personal and work relationships are interconnected. For example, successful cooperation requires establishing trusting personal relationships.
5. Achievement versus prescription. In achievement cultures (USA, Australia), a person's value is determined by his or her personal achievements and successes. In cultures of attribution (India, Saudi Arabia), social status and respect depend on one's place in society, as well as on one's family background, age, or gender.
6. Orientation to time. Trompenaars conducted an examination of cultural interpretations of temporality, paralleling the methodologies of Edward Hall. Certain cultures prioritize historical context and tradition, whereas others emphasize future aspirations and innovation. For instance, Western societies tend to be oriented towards future developments and advancements, in contrast to Asian cultures that may place greater significance on historical legacy and traditional practices.
7. Relations with the environment. The final dimension pertains to whether the environment is regarded as a phenomenon that can be manipulated or as a condition to be embraced in its existing state. In cultures that view the environment as amenable to control (such as the United States and the United Kingdom), individuals endeavor to exert influence over their surroundings and facilitate transformation. Conversely, in cultures that advocate for acceptance of the environment (exemplified by China and Japan), individuals tend to exhibit greater adaptability to external conditions and strive for harmony with nature.

Each of these theoretical frameworks presents a distinct methodology for examining intercultural variances. Hofstede's framework emphasizes dimensions that elucidate social and organizational divergences among cultures, thereby offering a comprehensive overview of the impact of cultural elements on management and workplace dynamics within corporations. Hall's framework concentrates on communicative dimensions, particularly how cultural contexts influence the dissemination of information. Trompenaars provides an in-depth exploration of interpersonal dynamics, as well as the implications of cultural disparities on organizational structure and social engagements.

Collectively, these three frameworks furnish valuable instruments for comprehending and addressing cross-cultural disputes in multinational enterprises. Various models may be employed contingent upon the specific context: Hofstede's model aids in grasping cultural influences at the organizational stratum, Hall's at the communicative level, and Trompenaars at the level of interpersonal connections and collaborative interactions.

Intercultural competence is a key success factor for global organizations operating in a multicultural environment. In a globalized business environment, where communication and collaboration between people from different cultures are becoming an integral part of everyday work, the ability to interact effectively with people from different cultural backgrounds is critical. Intercultural competence helps to reduce the risks associated with cultural conflicts and increase the effectiveness of work in international teams.

Intercultural competence is defined as the ability of an individual to interact effectively with representatives of other cultures (Vasylenko, O., 2022). It includes knowledge about other cultures, communication and adaptation skills, and a willingness to accept and respect cultural differences. This competence is not innate, but is developed through learning, experience and practical interaction with other

cultures.

The main components of intercultural competence:

- The cognitive component is knowledge about other cultures, including an understanding of their values, norms of behavior, language and customs. This includes understanding key aspects of cultural models, such as those described by Hofstede, Hall, and Trompenaars.
- The affective component is the ability to emotionally adapt and tolerate uncertainty that arises when interacting with representatives of other cultures. An important aspect is the development of empathy, which allows employees to better understand the emotional and social needs of colleagues from other cultures.
- Behavioral component - includes the skills of effective communication and behavior in an intercultural environment. This involves adapting one's own communication style, the ability to resolve cross-cultural conflicts and find compromises.

For global organizations operating in different countries and regions, intercultural competence is a prerequisite for success in the international market.

In international corporations, communication between people from different cultures can be complicated by differences in languages, non-verbal cues, and cultural expectations. Intercultural competence helps employees to better understand how their words and actions may be perceived by others, which helps to avoid misunderstandings and mistakes.

Intercultural conflicts frequently emerge due to misinterpretations or neglect of cultural variances. The development of intercultural competence equips employees to identify potential conflict sources and to implement timely measures to prevent or mitigate these issues.

Within global organizations, teams are commonly composed of individuals from diverse nations. Intercultural competence fosters synergy within such teams, leading to enhanced understanding and collaboration, thereby contributing to heightened productivity. When employees hailing from varied cultural backgrounds engage effectively and exchange ideas, it paves the way for innovative solutions and novel strategies for addressing challenges. Cultural diversity serves as a wellspring of creativity and facilitates the advancement of new products and services.

For organizations venturing into unfamiliar international markets, comprehending cultural nuances is imperative. The intercultural competence possessed by managers and employees enables them to adjust business strategies more adeptly to local contexts, considering the distinctive behaviors of consumers, partners, and regulatory bodies.

In global corporations, developing a common corporate culture that combines the values of different cultures is an important part of success. Intercultural competence contributes to building an inclusive and tolerant work environment where all employees feel that they are important members of the organization.

To develop intercultural competence, there are many methods that can be applied in educational programs, trainings, and daily activities of international corporations. The most effective methods include (Vasylenko, O., 2022):

1. Training in intercultural communication. Specialized trainings help employees gain knowledge about cultural differences, learn how to adapt their communication to the context, and develop skills in resolving intercultural conflicts. Such trainings can include both theoretical lectures and practical exercises, such as role-playing games or case studies.
2. Language courses. Mastering a foreign language is an important part of intercultural competence. Language courses help not only to master communication skills, but also to immerse yourself in the culture of the country whose language is being studied. Knowledge of a language allows you to better understand the context in which an international organization operates and build trusting relationships with colleagues and partners.
3. Intercultural workshops. Workshops that involve representatives of different cultures facilitate the exchange of experience and understanding of different approaches to work and communication. Workshops can be devoted to various aspects of intercultural interaction: from practical communication issues to a deeper understanding of social norms and values of other cultures.
4. Employee rotation and international exchanges. One of the most effective methods of developing intercultural competence is direct experience in another country. Moving employees between offices in different countries allows them to learn through practice, adapt to a new cultural environment, and acquire valuable intercultural skills.
5. Mentoring and coaching. In an intercultural context, mentoring involves experienced professionals with strong intercultural skills guiding new employees as they adapt to and navigate the complexities of

working effectively in a diverse environment. Furthermore, coaching can be valuable in nurturing personal qualities such as openness to new ideas and adaptability.

The cultivation of intercultural competence represents a multifaceted yet critically essential endeavor for global enterprises. The application of diverse methodologies, strategies, and instruments facilitates the thorough enhancement of this competency among personnel. The amalgamation of cognitive, affective, and behavioral elements not only elevates efficacy within multicultural teams but also fosters the establishment of an innovative and cohesive workplace that recognizes cultural distinctions and values diversity.

The administration of cross-cultural disputes constitutes a principal responsibility for multinational corporations, as such disputes can profoundly influence performance, interpersonal relations among employees, and the overarching corporate ethos. The significance of formulating a conceptual framework for the management of cross-cultural disputes lies in its capacity to systematize conflict resolution strategies, emphasizing crucial factors and mechanisms for their resolution, while ensuring the effective application of conflict management practices in real-world scenarios.

The development of a conceptual model of cross-cultural conflict management includes several important stages (Podra, O., Lysa, D., 2023):

1. The first step is to understand and classify the types of conflicts that arise in intercultural interaction. Conflicts can be associated with differences in communication styles, differences in cultural values, emotional reactions to different situations, and differences in approaches to leadership and management.
2. The model should take into account the cultural differences that often cause conflicts in multinational corporations. These differences may include such aspects as individualism versus collectivism, power distance, attitudes toward time (monochronicity and polychrony), gender roles and hierarchy.
3. Once conflicts have been identified, it is necessary to analyze how cultural differences affect the development and resolution of the conflict. For example, in some cultures, open confrontation may be unacceptable, while in others it is a common way of expressing disagreement.
4. The strategy should include management methods that are most effective in an intercultural environment. These may include negotiation, mediation, adaptive leadership, and specific communication techniques that take into account the cultural characteristics of the parties to the conflict.
5. The framework should be grounded in key theoretical perspectives on intercultural communication, specifically the frameworks established by Hofstede, Hall, and Trompenaars. This will aid in organizing the comprehension of cultural variances and in implementing the most suitable management strategies for diverse cultural environments.
6. An important part of the model is the implementation of a system for monitoring and evaluating the results of cross-cultural conflict management. The effectiveness of the measures can be assessed through the level of employee satisfaction, reduction of conflicts, and increase in the overall productivity of international teams. Preventing conflicts is not always possible, so it is important to have effective strategies for resolving them. Such strategies include (Podra, O., Lysa, D., 2023):
  - a. Conflict mediation. Mediation is a process in which a third party (mediator) helps the parties to a conflict find a common solution. The mediator can be an internal employee or an invited expert. In a cross-cultural context, the mediator should have a good awareness of cultural differences and be able to neutrally guide the dialogue.
  - b. Negotiations with an emphasis on cultural sensitivity. Negotiation serves as a fundamental instrument for conflict resolution within international enterprises. Nevertheless, in a multicultural context, negotiations necessitate heightened awareness of cultural variances. For instance, in certain cultures, candid and emotionally charged dialogues are deemed acceptable, whereas in others, a more formal and restrained approach to negotiation is favored. The efficacy of negotiations is contingent upon the capacity to adjust to the anticipations of the opposing party and to consider their cultural sensitivities.
  - c. Adaptive leadership. Adaptive leaders are able to effectively manage multicultural teams by responding quickly to cultural differences and adapting their management style depending on the situation. This approach minimizes conflicts and creates conditions for productive work, where each employee feels heard and understood.
  - d. Consensus decision-making. A viable approach to mitigate conflicts is through collaborative, consensual decision-making processes. This methodology guarantees that all stakeholders are engaged in the proceedings, considers their perspectives, and diminishes the potential for discord. It is imperative that management not only formally incorporates employees in the decision-making process but also fosters dialogue among diverse cultural groups, which will aid in the early



- prevention of conflicts.
- e. Cross-cultural coaching. Coaching serves as a potent mechanism for enhancing intercultural competence and resolving conflicts. Cross-cultural coaches assist employees in honing their communication skills with individuals from various cultural backgrounds and provide strategies to navigate conflictual scenarios. Coaching may be implemented in either group settings or one-on-one sessions, contingent upon the distinct requirements.
- f. Rotation and temporary relocation of employees. Sometimes it is a useful strategy to temporarily relocate employees to other regional offices to gain a deeper understanding of the local culture. This experience allows employees to better understand how other cultures work and reduces misunderstandings that may arise from cultural differences.

### **Conclusions**

Managing cross-cultural conflicts in international corporations is a critical aspect of modern business in the context of globalization. Cross-cultural conflicts arise as a result of differences in values, language barriers, communication styles and management practices of employees from different cultures. They can have a significant impact on business performance, productivity, and overall corporate culture.

A crucial element in successfully navigating conflicts is the enhancement of intercultural competence among both managers and employees. This involves the skill to engage effectively with individuals from diverse cultures, comprehend their values, and tailor communication strategies to suit various cultural contexts. Culturally aware and adaptive leadership is vital in mitigating conflicts and cultivating a harmonious workplace.

To proficiently handle cross-cultural disputes, international corporations ought to invest in their workforce by providing training in intercultural communication, offering language courses, facilitating cross-cultural coaching, and implementing employee rotation programs. Such initiatives will reduce the likelihood of conflicts, boost productivity, and encourage innovative teamwork.

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