Abstract: - The phenomenon of pervasive use of advanced technologies in the current global world brings new challenges and opportunities regarding business communication and the company efficiency. The use of these technologies creates dramatically different environment in which business communication occurs and getting to know these conditions will help to increase any company communication efficiency. Information technology makes up a huge part of gross domestic product in many countries and it also influences the way we communicate basic information. Presented article focuses on the impact of advanced technologies on intercultural management communication in companies inasmuch as it can increase the company efficiency.

Key-Words: intercultural management, intercultural communication, advanced technologies, business communication, company efficiency

1 Culture, information privacy and advanced technologies
The Internet affects the culture where it is used; however, culture also affects how the Internet is used. One of the biggest issues connected to culture, communication and advanced technologies is information privacy. “The manner in which Europe views information privacy has its roots in culture and history, leading to a different value set regarding privacy. The preservation of privacy is considered a human right, perhaps partially as a result of an internationalized fear about how personal records were used in war times in Europe. In addition, research by Smith on the relationship between level of concern about privacy and Hofstede’s cultural dimensions revealed that high levels of uncertainty avoidance were associated with the European approach to privacy, whereas higher levels of individualism, masculinity, and power distance were associated with the U.S. approach” [1].

This brings us to the issue of the necessity of localizing, i.e. appropriation, of the use of advanced technologies in communication when doing business overseas, i.e. in a foreign country. Reflecting the local market, environment is therefore crucial for possible success in foreign markets. The management communication from the parent company to its subsidiary, and vice versa, through advanced technologies channels must take this idea into account so that all the cultural clashes are eliminated in advance. “With 75 per cent of the world’s Internet market living outside the United States, multinational e-businesses are learning the hard way that their Web sites must reflect local markets, customs, languages, and tastes, and experiences necessitate attention to every detail to achieve global appearance. In other words, e-businesses must localize to globalize, which means much more than translating online content to local languages” [2]. The complexity of language translation therefore needs our urgent attention since we avoid any pitfalls when trying to localize to be more global and succeed in the global market.

Cultural variables create the environment in which global business operates and proper understanding will influence the levels of communication, motivation and employees’ productivity in general. Adequate research about the given culture is therefore necessary to enhance the intended transfer of information. Take for instance the example of Dell company which launched an e-commerce site in Japan with black borders; black is considered negative in Japan, therefore, the potential clients when checking this website took a look and left without doing any business with the company [3].

High-speed broadband connection has recently enabled new means of global communication around the world. Those organizations which “can
mobilize knowledge and technological skills and experience to create new products, processes and services” [4] will undoubtedly succeed because of their innovativeness.

Shortening product life cycle presents the way to capture and retain market share and “being able to replace products frequently with better versions is increasingly important. Competing in time reflects a growing pressure on firms not just to introduce new products but to do so faster than competitors” [5] with the use of information transfer and information management. In conclusion, responding through innovation to competitors’ offer will increase profitability in the fierce environment of the global market.

2 Communication and its central role in employee trust and company efficiency development

Both recent and traditional research shows the crucial role of trust in managing organizations and their effectiveness and the importance of trust as a prerequisite for organizational and managerial efficiency. It goes without saying that trust is developed and maintained by communication. Both trust and communication "have been shown to enhance such organizational outcomes as employee participation and job performance” [6] because all “communication practices lead to performance outcomes through the development of trust, perceptions of organizational openness, and employee involvement” [7].

Trust is developed by providing information through various multiple communication channels, and conversely, lack of information can reduce trust levels in both employees and management. The way to achieve organizational goals is to increase employee involvement and that can be achieved by realizing specific linkages between organizational efficiency, communication and trust. The results of the research by Thomas et al. [8] clearly show that when employees are provided with clear, true and relevant information, they are more likely to feel involved in the processes and more able to rely on both managers and coworkers. “While quality of information seems to be a prerequisite for trust in coworkers and superiors, it is trust that appears to shape the perceptions of communication openness, which, in turn, predicts an employee’s involvement in organization” [9].

One of the biggest threats for the multinational enterprise operating across national borders is the volatility of the global environment. There are many macroeconomic risks (such as changes in prices and exchange rates), political risks (arising from national governments, such as interest rates government adjustments), competitive risks (arising from the reaction of the competition to the business strategies of our company), and resource risks (such as availability of materials, capital and labour).

Intercultural manager has to take these factors into account so that they are able to develop strategies which help to survive in the competitive marketplace. Broader learning opportunities of the intercultural environment are the basis for such an endeavour which intercultural communication for managers represents [10], and it is a well-known fact that in the knowledge economy high educated employees and management became the key factor of a company success [11].

All nations are now tied directly to a system of international economic interdependence. Modern communication technologies allow us to outsource various tasks and services globally and companies increasingly become totally dependent on their international market. We can conclude here that practically all business conducted today is global – therefore, there is an urgent need to create knowledge, and communication strategies which allow us to implement the procedures that accommodate different cultural rules [12].

3 The role of contextual knowledge in business communication

The global business world and an increasingly open marketplace is bringing new unprecedented opportunities. The possibility of conducting business abroad facilitated via advanced technologies has never been so ubiquitous [13]. Current business research has proved that an understanding of the local culture and business environment creates a huge competitive advantage and “a critical skill for managing people and processes in other countries is cultural savvy – that is, a working knowledge of the cultural variables affecting management decisions” [14]. The significance of cultural knowledge and of the context in which the companies operate has been frequently underestimated and even many failures in international business can be attributed to the insufficient knowledge of the cultural context.

Any kind of cultural awareness enables managers to focus on core business more effectively in the foreign context because it helps them to adapt to the given environment and implement successful and
appropriate policies and business strategies there. It goes without saying that this can even help to enhance efficient interaction between the management and workforce of the company. According to the survey conducted in several Czech companies regarding knowledge management, these companies are willing to implement the basic principles of knowledge management so that they are able to increase their competitive edge [15].

As early as in the 1990s, management studies made it still clear that the lack of appropriate sensitivity in the company’s management and its connectedness to the cultural awareness cost both a lot of money and business opportunities not only in the U.S. environment but globally. Black and Mendenhall [16] found out that cross-cultural differences were the cause of failed negotiations and business interactions, resulting in losses to U.S. firms of over $2 billion a year. We can suppose that the figures today could be much higher in the global world of today’s business.

These findings are, naturally, highly relevant not only in the U.S. market but also in the European business context. Intercultural training, thus, proves to be relevant in current managerial education and employee training to develop cultural sensitivity and increase communication efficiency as well. Incorporating such training has the potential to, subsequently, lead to increased performance of the company and also enhance its profit.

4 Innovative organization and business communication in the MNEs (multinational enterprises)

When building the innovative organization, human capital is considered the greatest asset due to the fact that it is communication which enables the concepts like empowerment and teamworking come true. Extensive global business communication, both multinational and transcultural, has become a ubiquitous strategy and the requirement for any kind of global business. Current business communication is characterised by the choice of multiple channels and media, thus, creating multidirectional communication in various business environments.

Failures in communication in the global world are not only minor lapses but cause failures in profit as well, and “developing mechanisms for resolving conflicts and improving clarity and frequency of communication across such interfaces are critical to innovation success, particularly since so much problem-solving depends on combining different knowledge sets which may be widely distributed across the organization” [17]. Knowledge management within intercultural business communication and international management is critical and highly relevant, highlighting enhanced communication between business counterparts, and through new technologies facilitating mechanisms necessary for lossless transfer of information from the parent company to its subsidiary and vice versa.

Modern innovative intercultural training enables participants to be more competent communicators in international business and global cross-cultural environment in which the business is done. One of the new approaches to intercultural training is to move away from an approach where participants communicate on the basis of pre-taught cultural models/templates. On the contrary, it is vital to analyse our own cultural identities and to view ourselves as others might see us [18]. “Another key element in a more ‘enlightened’ approach to intercultural training is that participants should focus on what occurs in instances of interaction, and analyse in depth the contextual factors and identify issues in trying to explain how interactions proceed. Finally, such an approach involves encouraging a critical stance to the many texts about cultures and intercultural communication which define and explain by means of simplistic and stereotypical cultural models or dimensions [19].

There is enough evidence for the new trend in international management when the companies are adopting new strategies to be successful in the global marketplace and to position themselves appropriately there. The customer base is significantly more and more diverse and this will lead to the need to understand how serve and retain the customer base more effectively. Knowledge management will therefore be a prerequisite and “organizational viability will ultimately depend on the knowledge, skills, abilities, and attitudes of employees” [20]. Both company and individual intercultural competence will become critical. The former will help the company to compete in the global market; the latter will prepare the individual to enhanced cooperation and interaction with individuals from different cultural background. It will generally help the organization to maintain a competitive edge and competitiveness. Being able to cope with the difference and the otherness has the potential to increase revenues and better relationship with customers and ability to expand into new markets with tailored and customized products and services meeting the variable needs of the diverse global market [21].

Generally speaking, it is possible to use the opportunities emerging from globalization, i.e. cost
based on three concepts: increasing labour resources to better use expensive capital, improving shift utilization and developing cheaper capital equipment. By tailoring the best practices to local conditions and fitting conditions to the host country will dramatically increase business opportunities as many business cases prove. And finally, it is aiming at higher quality by focusing on upgrading workers’ and managers’ skills with more intensive training. Increasing the number of supervisors in low-wage countries will significantly improve quality, while still saving money due to offshoring operation. Aiming for higher quality is the win-win strategy absolutely necessary in the global competitive market bringing excellent competitive edge.

There are many required capabilities of an MNE expanding internationally but the most important are considered to be global-scale efficiency and competitiveness, multinational flexibility and responsiveness, and world-wide innovation and learning. By developing these transnational strategies, the company will manage to defend against transnational competition more easily. The challenge for current international companies is to achieve all of them simultaneously. “To develop world-wide advantage, a company must achieve three strategic objectives: It must build global-scale efficiency in its existing activities, it must develop multinational flexibility to manage diverse country-specific risks and opportunities, and it must create the ability to learn from its international exposure and opportunities and exploit that learning on a worldwide basis. Competitive advantage is developed by taking strategic actions that optimize a company’s achievement of these different and, at times, conflicting goals [26]. Global competitive advantage can be achieved through multinational flexibility in both operations and communication and managing national differences and interaction between specific goals of global presence.

5 Conclusion
The current reality of business communication is based almost purely on electronic interaction with people from other cultures, backgrounds, nations and continents. To communicate successfully we must consider the need for cultural adaptation and transcendent culture [27], and not only survive in today’s multicultural society but we manage to prosper, and even economically. To sum it up, we claim that the only viable, modern, innovative and successful approach to intercultural management and intercultural business

savings connected to global industry restructuring and identifying the new market opportunities. Relocating labs offshore, because of dramatic wage differential when comparing low-wage and high-wage countries, lead to dramatic cost-saving. For a U.S. worker who is paid $20 an hour there is an equally qualified one in, for instance, India who is paid for relatively the same output $2. U.S. companies can, thus, cut their costs by around 50% by outsourcing their operations to India and similar countries [22].

The other ways to reduce costs are by reengineering the production processes, e.g. being labour-intensive and doing tasks manually (instead of automation) does not necessarily mean the loss in the quality of the finished product or higher costs as we can see from many operations in low-wage countries. And similarly, running round-the-clock production shifts, even if it means higher wages to pay for off-hours, can reduce operating costs by 30% or 40% [23]. Last but not least, it is the use of local professionals at a much lower cost compared to high-wage countries. When taking the advantage of local engineering talent from low-wage environment to design and build cheaper capital equipment, can reduce the cost dramatically and increasingly more companies, both production and services (customer service centres, e.g. call centres in India), are using this option.

Optimally, when using the full potential of globalization, having the original costs at 100%, by offshoring we reduce these costs by up to 50%, by task redesign and training by 5%, by process improvement by 15%, which accounts to 70% savings from the original cost base [24]. Costs saving is not the only benefit of successful intercultural management; ultimately, it is lowering prices and offering new tailored products and services for current and new customers.

Bartlet et al. [25] provide us with sound strategies to ensure success along global lines, focusing on consistent execution and new ways of viewing the business and managing people throughout the global business management. They talk about four major strategies necessary to implement to everyday transnational business: first, abandon incremental thinking; second, use global assets effectively and efficiently; three, tailor best practices to local conditions; and four, aim at higher quality.

Abandoning incremental thinking means that the leading companies will leave traditional incremental targets with much higher expectation – i.e. adopting bold performance targets sooner rather than later. Using global assets effectively and efficiently will be
communication is to focus on modern ways of communication strategies in global intercultural environment, creating and maintaining communication on the basis of mutual understanding so that we create trust within the organization and between them when doing business globally and internationally. The development of trust and employees involvement is, therefore, crucial for any successful entrepreneurial activities to strengthen the company’s global presence by going beyond simplistic understanding of communication as mere transfer of isolated information.

References:

