



Cross Cultural Management Affect on Organizational Climate of ABC Inc

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In economic globalization, transnational corporations are gradually rising and developing. However, multinational corporations form two different regional and cultural resources integration under the condition of various capital sources. Therefore, how to effectively carry out cross-cultural management in transnational corporations has an essential impact on the resource integration and benefit improvement of multinational corporations. This paper mainly takes the cross-cultural management of ABC company as the research object, defines the basic concepts of transnational corporations and cross-cultural management, and analyzes the importance of organizational climate and cross-cultural management in multinational corporations.

Keywords: *Cross-Cultural Management, Taking ABC As an Example*

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INTRODUCTION

In the era of economic globalization, the number of Sino foreign joint ventures is increasing, and the employees are integrated from many different countries. Under such circumstances, if the company system is formulated following China's enterprise management mode, customs, and culture (Jiang et al., 2019), it may affect the work enthusiasm of foreign employees to a certain extent and even cause questions about the company system. As a result, it cannot form a better enterprise cohesion (Chen, 2011).

This article requires that in the development process, Sino foreign joint ventures must consider the cultural differences of various countries and then formulate scientific and reasonable cross-cultural management strategies in combination with the actual situation (Kwantes & Boglarsky, 2007). Therefore, in the research process, this article first analyzes the relevant theories and conceptual contents in detail, then explores the problems and specific causes in today's enterprise cross-cultural management, and finally puts forward targeted countermeasures to lay the foundation for the sustainable development of enterprises (Sun, 2008).

Based on Wang (2009), cross-culture is to have a complete and correct understanding of cultural phenomena, customs, and habits that are different or conflict with the national culture and accept and adapt with an inclusive attitude. Moreover, organizational climate is invisible and untouchable (Jayasundera & George, 2017), but the corporate environment is certainly gradually formed in the continuous communication and interaction between employees. For example, ABC Group Holding Co., Ltd was founded in Hangzhou, Zhejiang Province, in 1999 by 18 people, led by Ma Yun, a former English teacher.

Organizations' business environment is becoming increasingly complicated and dynamic as enterprise internationalization strategies evolve and deepen. Among these, multiculturalism has emerged as a difficulty that multinational corporations must address in their operations and management (Kravariti et al., 2022). As a critical company management practice, human resource management activities are also being impacted by multiculturalism in the context of internationalization (Guttormsen & Luring, 2018). Human resource management in international corporations has become more complicated and dynamic due to cultural friction produced by various "cultural marginal fields." Adequate cross-cultural human resource management guarantees multinational firms success (Moore, 2015). We should focus on the conflict and diversity of cross-regional, cross-ethnic, and cross-enterprise cultural systems in cross-cultural human resource management (Lim, 2002), as well as how to select all-around, full-system, and full-process cross-cultural human resource management activities (Gustafson, 2018). It has risen to the top of multinational firms' human resource management priorities (Kubicek, Bhanugopan & O'Neill, 2019; Srisathan et al., 2020).

Because of the influence of COVID-19, this study only picked a branch of ABC in Gansu as an 11 sample of investigation, and the majority of the surveys were completed on the Internet. As a result, the questionnaire's indicators and dimensions are relatively simple, and some results have limitations. Second, due to its inherent constraints, the response rate cannot provide helpful survey quality information, so the breadth of the questionnaire and the accuracy of the questionnaire data must be expanded further. Third, this article employs typical research procedures such as a literature review, a questionnaire survey, and data analysis. In the future, more advanced methodologies, like incorporating structural equation models and other in-depth analyses, can be utilized to improve the present employee incentive theory and cross-regional post-theory study (Trew, Trigunarsyah, & Coffey, 2013). In addition, it encourages the advancement of theoretical research and practice.

[Figure 1. About here]

LITERATURE REVIEW

Cross-cultural awareness is a complete and correct understanding of cultural phenomena, customs, and habits that are different or in conflict with the national culture and accepting and adapting with an inclusive attitude (Lim, 2002). It develops common sense and eliminates cultural centralism. Empathy is putting yourself in the position of others' joys, sorrow, and experiences to produce emotional resonance. People from different cultures cannot easily communicate due to their further understanding of specific cultural phenomena. In cross-cultural communication, if there is a lack of common sense, we cannot correctly understand and evaluate other people's values and lack of shared background (Kubicek, Bhanugopan & O'Neill, 2019).

Two-way communication is developed. Communication is a circular and interactive process, including the sender, receiver, and information. Communication is the process of information encoding, decoding, and interpretation. Due to cultural differences, people from different backgrounds always understand information from another culture according to their cultural background, resulting in an inaccurate understanding of each other's information and then making wrong judgments and decisions (Zheng, 2007).

To help understand ourselves is to identify the simple behaviors we all have attitudes, opinions, and tendencies. These attitudes not only help us decide what to say and how to say it but also help us decide what to listen to others. The preconception hidden in the heart is an essential reason for many problems in cross-cultural communication and the root of all kinds of contradictions and conflicts (Jiang, 2012).

This article focuses on the successful cases of ABC's cross-cultural management, describes and focuses on some possible problems in ABC's enterprise management, and describes how to formulate specific corresponding management countermeasures—starting from the actual background requirements of cross-cultural operation and management, based on the systematic understanding and practical understanding of China's existing operation theory (Zheng, 2007).

This research makes in-depth research and analysis of the phenomenon problems in cross-cultural operation and management (Van De Voorde, Veldhoven, & Paauwe, 2010; Schwarz et al., 2021), combined with some issues that ABC may present, various decision-making and troubles that ABC may face in the brief history of enterprise development in the past 20 years to conduct in-depth research, analysis, and summary on the experience and lessons learned from the practice of management (Jiang, 2012), find out the main existing problems in the practice of ABC's cross-cultural management, analyze some relevant theoretical expertise and practical difficulties of ABC's cross-cultural operation and direction, and finally analyze and give the specific corresponding management countermeasures to solve these problems (McMurray, 2001). Furthermore, this article focuses on the Chinese cross-cultural management mechanism and business strategy suitable for the enterprise development process of ABC Inc (Matić et al., 2017; Jackson, 2002). Finally, it further analyzes and expounds on the importance of enlightening research on the cross-cultural management strategy for the future development of Chinese enterprises (Song, Varma, & Zhang Zhang, 2021; Wang, 2012).

The objective and the research results are to study the successful cases of ABC's cross-cultural management (Selvarajah, Meyer & Donovan, 2013). Let Chinese multinational enterprises design practical management mechanisms in different forms of cultural atmosphere, more reasonably allocate enterprise resources, and significantly maximize the potential and value of enterprise human resources to improve the comprehensive benefits of enterprises (Zheng, 2010).

On July 23, 2012, ABC Group adjusted its business structure and organization from a subsidiary system to a business group system. As a result, it established seven business groups: Taobao, Yitao, small, just-effective, ABC and international business, ABC Inc small enterprise business, and ABC Inc cloud. On January 10, 2013, ABC Inc Group will adjust its business structure and organization and establish 25 business divisions. The business development of specific business divisions will be the responsibility of the president (General Manager) of each business division. The new system consists of the strategic decision-making committee (headed by the board of directors) and the Strategic Management Executive Committee (led by the CEO) (Gray, Shrestha & Nkansah, 2008).

METHOD

The research studied the influence of cross-culture on the Organizational climate of ABC Group employees.

Population and Sample

An online random questionnaire answered the research sample, and 400 people participated in the survey. Therefore, the sample size we can calculate with the formula calculating the sample size is 383; relevant data are obtained through the Internet, and analysis systems and tools are used for summary and analysis.

Data collection method

Questionnaire survey method. That is to take the employees of ABC company as the research object and select relevant personnel for in-depth discussion. Determining the purpose and content of questionnaire design is to clarify the information required for questionnaire design. Make the problem specific, organized, and operable, becoming a series of measurable variables or indicators. Recycle within the specified time through telephone, e-mail, and computer networks. This kind of investigation can give researchers a more intuitive and thorough understanding of health and incentive factors' impact on enterprise efficiency (Gill & Wong, 1998).

Data analysis and statistics used in data analysis

In this study, on the one hand, descriptive statistics should be used, that is, frequency, mean and standard deviation. On the other hand, correlation, multiple regression, and other inferential statistical methods are used.

RESULTS AND DISCUSSION

[Table 1. About here]

There are 30 sample size data in total. The reliability test result is that the reliability value of the overall scale is $0,973 > 0,7$, which shows that the scale in this questionnaire has good reliability for analysis. The content of the questions is effective. It can be distributed continuously, and the questionnaire can also be used to assist in research and demonstration. Taking the ABC group as the research object, this study studies the impact of cross-cultural and organizational climate on multinational corporations (Croucher, 2014). A total of 400 research data were collected. First, the researchers collected and sorted the survey data through a questionnaire.

[Table 2. About here]

It can be seen from table 2 above that the independent

variable factors of organizational climate are determined into four dimensions, namely, attitude and custom, language and personal community, social structure, values, and attitude. They can jointly constitute the "impact of organizational climate on ABC employees' work and life quality." Therefore, the value of the decision-making coefficient can reach 80,20 (adjr = 0,798) regression coefficient according to the survey data of the above multiple, and the prediction equation can be written as follows:

$$Y = 0,183 (X_1) ** + 0,146 (X_2) *** + 0,183 (X_3) ** + 0,192 (X_4) **$$

$Y(\text{Organizational climate}) = 0,183 (X_1)$ manner and custom ** + $0,146 (X_2)$ Language and personal community *** + $0,183 (X_3)$ social structure ** + $0,192 (X_4)$ value and attitude ** Through the study of the four independent variables of organizational climate, it can be seen that:(1) Manner and custom have a significant positive impact on Quality of work and life of employees, P-value is 0,000, and the regression coefficient is 0,159.(2) Language and personal community significantly positively impact employees' quality of work and life, with a p-value of 0,000 and a regression coefficient of 0,151. (3) Social structure has a significant positive impact on the quality of work and life of employees, with a p-value of 0,000 and regression coefficient of 0,133 (4) Value and attitude have a significant positive impact on the quality of work and life of employees, with a p-value of 0,000 and a regression coefficient of 0,198. The results of the hypothesis test show that the results of this study are independent variables to predict the quality of life. The organizational climate positively impacts ABC personnel's quality of work and life.

CONCLUSION

In investigating the impact of cross-cultural management on multinational corporations, the researchers put forward the following suggestions to ABC Group: The most positive independent variables are value and attitude. Therefore, to better develop and help multinational enterprises have more competitive advantages in the global market, the management should pay more attention to the diversity of values and beliefs of employees from different countries and regions. Encourage employees and help them integrate into different cultural circles. As a result, get better job opportunities or learn a higher level of expertise. For example, there is little difference in the company's male and female employees. Therefore, the cooperation between male and female employees is an essential part. The survey shows that the average value of employee identification is 3,74. Cross-cultural management is a process of cultural identification and integration. Company managers can help employees train through more professional learning. At the same time, managers can deeply understand the social background of each company employee and encourage employees from different cultural backgrounds. Using their

management style to influence them gradually and slowly integrate into the company's culture. This helps to enhance employees' confidence in the company's operation, reduce employee turnover, and help the company stabilize human resources and performance output. This will also have a meaningful impact on the whole company's organizational structure and enterprise management policies.

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Conflict of Interest Statement: The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

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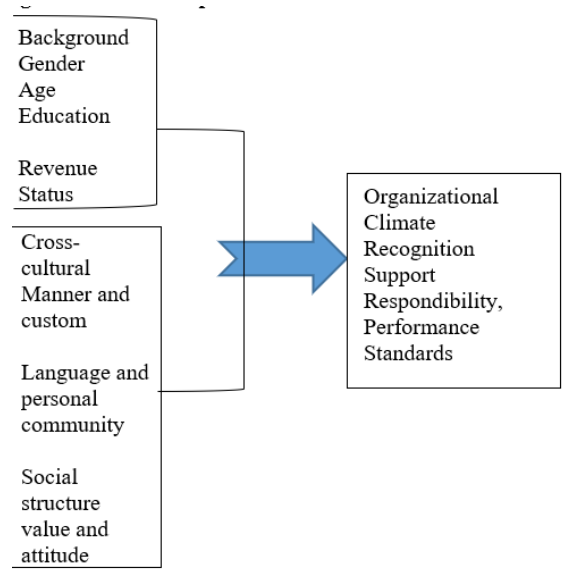


Figure 1 | The Conceptual Framework

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Table 1 | Criteria of Reliability

Cronbach's α Coefficient	Coefficient reliability level	Desirability level
0,80-1	Very high	Excellent
0,7-0,79	high	good
0,65-0,69	medium	fair
0,60-0,65	poor	poor
Less than 0,3	Very low	unacceptable

Table 2 | The multiple regression coefficients of independent variables of "On the impact of organizational climate on the quality of work and life of ABC staff" are shown

Independent variable	<i>Quality of work and life</i>				
	B	S.D	β	t	P-Value
constant	0,697	0,122		5,713	0,000
manner and custom	0,159	0,034	0,183	4,694	0,000**
Language and personal community	0,151	0,057	0,146	2,650	0,009**
social structure	0,133	0,038	0,183	3,486	0,001**
value and attitude	0,198	0,050	0,192	3,573	0,000**
$R^2=0,802$ $AdjR^2=0,798$					

** . Correlation is significant at the 0,01