

## 12.1.5: International Diversity

### Learning Objectives

1. Describe the benefits of international diversity
2. Describe the challenges of international diversity

Diversity in the workplace is extremely helpful in presenting differing viewpoints and opinions. However, diversity can also be a challenge as differing personalities may clash and create conflict. International businesses are presented with additional challenges when navigating diversity, including language barriers and cultural differences. So, if diversity presents a number of challenges, how beneficial can it be? The answer is, it can be very beneficial—although diversity presents challenges, the benefits outweigh them. Let's dive into some of the benefits and challenges of international diversity.

### Benefits

Each person's experiences and cultural backgrounds influence the way in which they see the world. When environments, such as the workplace, bring together a wide variety of individuals, a wide variety of viewpoints are introduced. When diverse groups of individuals work together, they challenge their peers and coworkers to view their world from differing perspectives. This can open people up to new ideas and ways of doing things. Diversity helps to spark innovation by combining a large range of experiences, cultures, and areas of expertise.

Companies that value and instill diversity in their organization are more attractive to job applicants. A survey conducted by GlassDoor found that two-thirds of people consider diversity important when deciding where to work. Therefore, diverse companies have access to a larger talent pool since they appeal to a broader group of applicants. Especially in a global marketplace where recruiting efforts are more competitive, a diverse workplace can help to ensure companies are attracting and hiring the right candidates for the job. In addition to helping to hire quality employees, a diverse workplace also helps retain them. Employees who work in diverse work environments often feel a stronger sense of loyalty to their company because they feel valued and understood.

International companies can greatly benefit from their local employees in foreign countries. These international employees have valuable insight and knowledge about their home country's market and culture. The information international employees can provide to their companies can help make them more competitive in foreign markets and therefore more profitable.

### PRACTICE QUESTION

Which of the following options does NOT explain how international companies benefit by hiring local employees in foreign countries?

- Local employees do not cost as much as international ones.
- Local employees speak the native language.
- Local employees provide insight into their home country's economy.
- Local employees understand indigenous culture and traditions.

### Answer

**Local employees do not cost as much as international ones.** The pay of international employees differs from one company and one country to the next. In some cases, employees are hired using the company's home country as the basis for compensation. However, in other situations, the international location is considered when determining compensation. Therefore, it is not accurate to say that local employees cost less than hiring international ones.

### Challenges

Whenever differing personalities and cultures are working together, there are bound to be some challenges. Cultural differences especially can be difficult to understand and overcome.

Differences in business etiquette and nonverbal communication account for the majority of culturally related challenges. Let's take a look at a few primary areas of difference and potential miscommunication:

1. **Clothing:** managing the first impression

2. **Conversation:** appropriate business and ice-breaker conversation
3. **Greeting:** how people greet each other differs from one culture to the next. Local customs and expectations, including greeting style—the distinctions that inspired the title of the best-selling guide to business etiquette and practices, *Kiss, Bow or Shake Hands*
4. **Forms of address:** level of formality and use of titles and degrees
5. **Time:** interpretations of “on time,” may vary on the country you’re in. Additionally, the length of average workdays may be different, or how long people take for lunch may differ.
6. **Space:** Personal space and eye contact are other examples of cultural nuances that need to be considered when engaging in international business.

Navigating these differences may pose a challenge, but is an important part of creating a strong and unified team.

Language barriers can also present challenges. When the workplace has employees who speak a variety of languages, clear and concise communication can be difficult to attain. Even in an international setting where everyone is capable of speaking the same language, certain language barriers may present themselves through differing cultural terminologies, idioms, and slang terms. The way in which employees present their message is also different from one culture to the next. Some may prefer sending emails, whereas others require face-to-face conversations in certain situations. Understanding these types of language and cultural differences can help employees to maintain a respectful and professional work environment.

#### PRACTICE QUESTION

Marco, who lives in Washington, DC, is working on a project with his colleague, Aislinn, an American who has been living in Japan for 20 years. The two find they have nearly opposite schedules, given the 14-hour time difference. What challenge of international diversity are Marco and Aislinn facing?

- Collaborating
- Language barriers
- Cultural differences
- Innovating

#### Answer

**Collaborating** on an international scale can be a challenge, especially if there are drastic cultural differences, time changes, or significant language barriers on the team.

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