



**THE EFFECT OF CULTURAL DIVERSITY ON THE
COMPETITIVE ADVANTAGE OF MULTINATIONAL
CORPORATIONS**

**GUO YUNXIA
6417195040**

**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION
GRADUATE SCHOOL OF BUSINESS
SIAM UNIVERSITY
2024**



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This Independent Study has been Approved as a Partial Fulfillment of the
Requirements for the Degree of Master of Business Administration

Advisor: *Chiu Qiu*
(Assoc. Prof. Dr. Qiu Chao)

Date: *17* / *9* / *2024*

..... *J. S.*

(Associate Professor Dr. Jomphong Mongkhonvanit)
Dean, Graduate School of Business

Date..... *25* / *01* / *2025*

Title: The Effect of Cultural Diversity on the Competitive Advantage of Multinational Corporations
By: Guo Yunxia
Degree: Master of Business Administration
Major: Education Management

Advisor: *Chao Qiu*
(Assoc. Prof. Dr. Qiu Chao)

Date: *17, 8, 2024*

ABSTRACT

The field of international business management has become increasingly important due to the globalization of the business environment, which has led to an increase in the number of companies operating across borders. One of the most significant challenges is dealing with cultural differences, which can have a significant impact on communication, negotiation, and management practices. This study analyzed the challenges and opportunities presented by cultural diversity, with a focus on how cultural differences affect communication, negotiation, and management practices in international business.

The objective of this study was to explore the effect of national culture, cultural intelligence, corporate culture on the competitive advantage of multinational corporations. The quantitative method was used in this study. A total of 400 questionnaires were distributed in this study, and 352 valid questionnaires were recovered. This study found that national culture, cultural intelligence, corporate culture have a significant positive effect on the competitive advantage of multinational corporations. For recommendations, the competitive advantage of multinational corporations can be enhanced by 1) Emphasizing national culture; 2) Cultivating cultural intelligence skills for effective management; 3) Cooperating culture strategy.

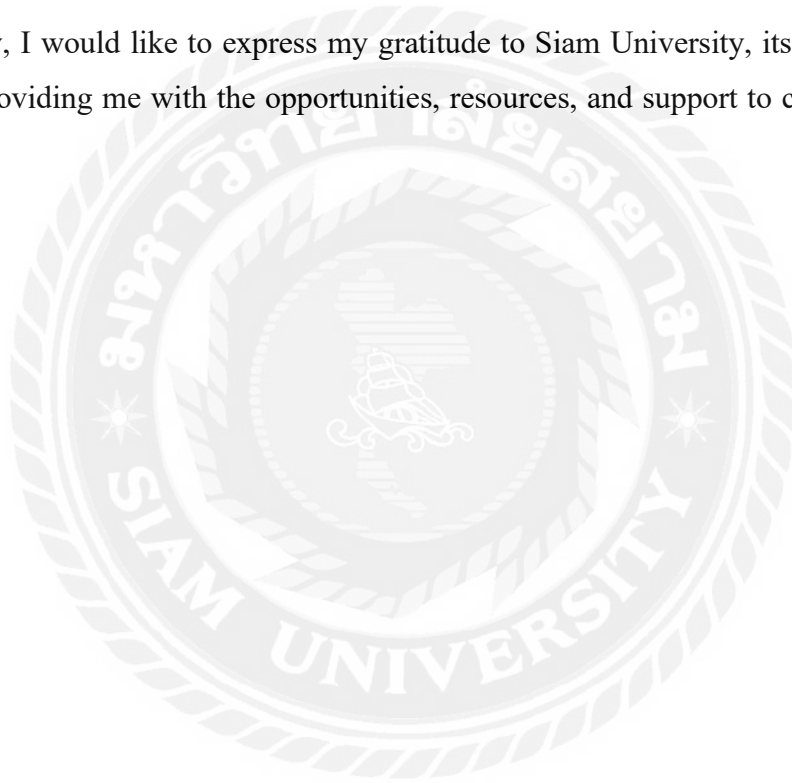
Keywords: competitive advantage, multinational corporations, cultural diversity

ACKNOWLEDGEMENT

I would like to express my deepest gratitude to my supervisor for providing valuable guidance, support, and encouragement throughout the entire research process. Your professional knowledge, insight, and constructive feedback can help determine the direction and focus of this study.

In addition, I would like to express my gratitude to my family and friends for their unwavering support and encouragement. Your patience and understanding have always been the source of my motivation.

Finally, I would like to express my gratitude to Siam University, its faculty, and staff, for providing me with the opportunities, resources, and support to complete this research.



DECLARATION

I, Guo Yunxia, hereby certify that the work embodied in this independent study entitled “The Effect of Cultural Diversity on the Competitive Advantage of Multinational Corporations” is result of original research and has not been submitted for a higher degree to any other university or institution.

Guo Yunxia.

(Guo Yunxia)

July 4, 2024



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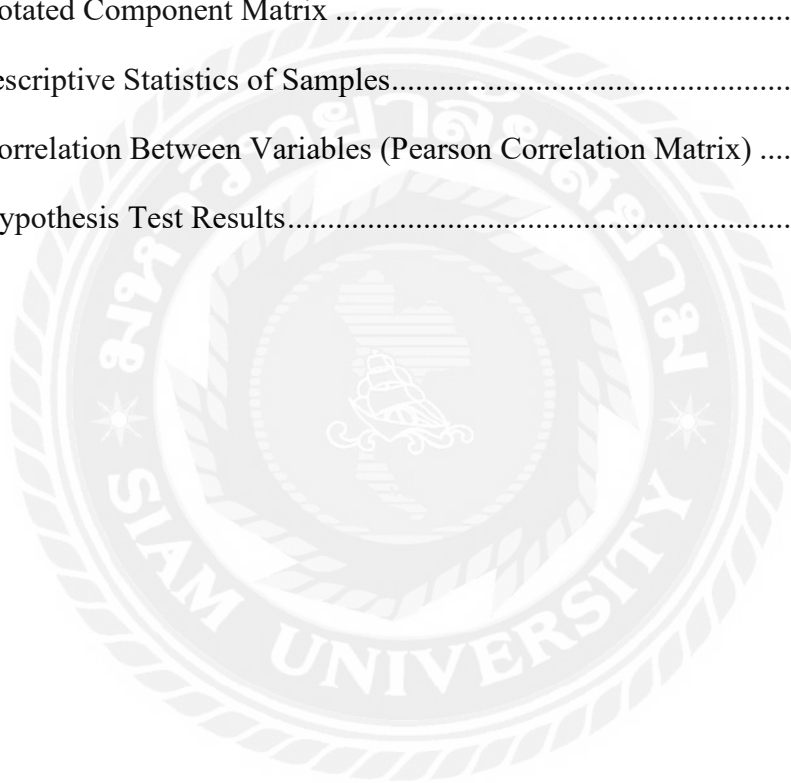
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Chapter 1 Introduction

1.1 Background of the Study

The field of international business management has become increasingly important due to the globalization of the business environment, which has led to an increase in the number of companies operating across borders. However, international business management presents many challenges due to differences in culture, legal systems, political systems, economic conditions, and social norms. One of the most significant challenges is dealing with cultural differences, which can have a significant impact on communication, negotiation, and management practices. Understanding and managing these cultural differences is essential for companies to succeed in foreign markets (Crowne, 2019).

In recent years, there has been a growing interest in studying the impact of cultural differences on international business management, and identifying effective strategies for managing cultural diversity. Existing research has identified several theories and frameworks, such as Hofstede's cultural dimensions' theory (Hofstede, 1983), Tiessen, (1997) 's Seven Dimensions of Culture, and the concept of cultural intelligence. These theories provide a basis for analyzing the impact of cultural differences on international business operations, identifying effective strategies for managing cultural diversity, and exploring ways to develop and foster cultural intelligence in employees.

However, there is still much to be learned about the challenges and opportunities of cultural diversity in international business management, and how companies can successfully navigate these complexities (Ott & Michailova, 2018). This study aims to address this gap by investigating the impact of cultural differences on international business management and identifying effective strategies for managing cultural diversity. The study analyzed the challenges and opportunities presented by cultural diversity, with a focus on how cultural differences affect communication, negotiation, and management practices in international business. The study explores the role of policymakers in supporting companies in managing cultural differences and promoting international business development. By achieving these objectives, the study enhances the understanding of the complexities of international business management and provide practical guidance for companies and policymakers on how to navigate the challenges presented by cultural diversity in foreign markets.

1.2 Questions of the Study

Culture plays a significant role in shaping business practices and behaviors. The diversity of culture influences the way people communicate, negotiate, and make decisions. When companies operate abroad, they must take into account the cultural differences that exist in these markets (Crowne, 2019). Different countries may have distinct business etiquette, communication styles, and social norms. A lack of awareness

or understanding of these cultural differences can lead to misunderstandings, poor communication, and even failed business transactions. Therefore, it is of great significance for companies to understand the cultural differences in their target markets and adjust their business practices accordingly.

(1) Does national culture affect the competitive advantage of multinational corporations?

(2) Does cultural intelligence affect the competitive advantage of multinational corporations?

(3) Does corporate culture affect the competitive advantage of multinational corporations?

1.3 Objectives of the Study

This study focuses on multinational corporations as the research subject, with the objective of analyzing the impact of cultural diversity on their competitive advantages. By delving into the competitiveness factors of multinational corporations, a comprehensive model of influencing factors is established. The purpose of this study is:

(1) To explore the effect of national culture on the competitive advantage of multinational corporations.

(2) To explore the effect of cultural intelligence on the competitive advantage of multinational corporations.

(3) To explore the effect of corporate culture on the competitive advantage of multinational corporations.

1.4 Scope of the Study

The study centers around the effect of cultural diversity on the competitive advantage of multinational corporations, specifically examining national culture, cultural intelligence and corporate culture. The participants in this research included international corporation employees, and corporate management. The study compared and analyzed the perceived importance of each factor with competitive advantages, further visually representing the actual perceptions of both through chart analysis. This approach enables a more quantifiable and visual understanding among respondents regarding the relationship between a company's competitive advantages and cultural diversity. By identifying management issues related to cultural diversity in the operations of multinational corporations, the study puts forward improvement

suggestions tailored to address these issues.

The data collection period spanned from March 2024 to June 2024. The study adopted a questionnaire survey method, tailored to the relationship between cultural diversity and competitive advantages of multinational corporations. Through questionnaire design and administration, targeted distributions to different respondents were employed to obtain relevant data on multinational corporations' competitiveness.

1.5 Significance of the Study

In today's increasingly globalized world, multinational corporations inevitably confront diverse cultural backgrounds from various countries and regions. Researching the impact of cultural diversity on multinational corporations' competitive advantage can provide crucial guidance for formulating global strategies. This aids enterprises in better adapting to different cultural environments, optimizing resource allocation, and enhancing market responsiveness, thereby securing a favorable position in the global market. Cultural diversity presents both opportunities and challenges. Delving into this topic enables multinational corporations to gain a deeper understanding of cultural differences and elevate their cross-cultural management capabilities (Peng et al., 2022). By mastering effective strategies for cultural integration and coordination, companies can mitigate cultural conflicts, strengthen team cohesion, and boost overall operational efficiency. It further promotes the realization of cultural integration while respecting cultural differences, fostering a more open and inclusive corporate culture.

This study offers practical insights for multinational corporations on how to effectively manage cultural diversity. By identifying the influencing factors of cultural diversity within multinational corporations, it informs the development of effective strategies to navigate cultural diversity in international business (Felicia Margaretha Putri, 2024). These strategies contribute to improving multinational corporations' communication, negotiation, and management practices, thereby enhancing their ability to succeed in foreign markets. Additionally, the research provides information for formulating policies that support multinational corporations in navigating the complexities of foreign markets.

1.6 Definition of Key Terms

Cultural Diversity: Enterprises leverage various means such as publicity, advertising, public relations campaigns, and content marketing to establish their brand as one with differentiated advantages, high recognition, and a favorable reputation within target markets.

National Culture: The culture created and developed by various national groups throughout their historical evolution, encompassing both material and spiritual aspects

that are unique to that particular nationality.

Cultural Intelligence: The ability to adapt to new cultural contexts and effectively collaborate with individuals from diverse cultural backgrounds.

Corporate Culture: The set of values and behavioral patterns gradually formed through a company's long-term business practices, which are shared and recognized by all members of the enterprise.

Competitive Advantage: The edge a company possesses over its competitors in the market. This advantage can manifest in various forms, including but not limited to technology, branding, cost, distribution channels, service, and human resources.

1.7 Limitations of the Study

Although the scope of this study is broad, there are also several limitations that need to be considered. Firstly, the study was constrained by the availability and reliability of data and information related to international business management and cultural diversity. Secondly, due to time and resource constraints, the study was not able to address all aspects of international business management and cultural diversity. Thirdly, the study was limited by the sample size of interviews, which may not represent the viewpoints of all stakeholders in this field. Lastly, the study was not able to account for all contextual factors that may influence international business management and cultural diversity, such as the political and economic situations in specific countries or regions.

Chapter 2 Literature Review

2.1 Introduction

This chapter reviews the influencing factors of cultural diversity on the competitive advantage of multinational corporations, encompassing three aspects: national culture, cultural intelligence, and corporate culture. It consolidates and organizes relevant research to lay a foundation for further study. Based on the review of research literature, this chapter proposes the interrelationships among these various variables.

2.2 Key Concepts

2.2.1 Cultural Diversity

Scholars in disciplines such as anthropology, sociology, political science, history, management, and economics have defined culture differently from their respective research fields (Felicia, 2024). However, due to inconsistencies in their understanding across disciplines, it is challenging to achieve a unified standard. In economics, culture is defined as the collective term for values or beliefs inherited and carried forward by racial, religious, and social groups across generations. This definition emphasizes the core of culture as "beliefs" and "values." (Aytemiz, 2019)

Cultural diversity encompasses diverse meanings in terms of content expression and functional correspondences, primarily categorized into racial diversity, linguistic diversity, religious diversity, genetic diversity, and other aspects. Consequently, existing literature measures cultural diversity based on nationality, language, race, religion, and even genetic factors originating from birthplace. Research on the impact of cultural diversity on economics and finance emerged in the 1990s. Macro-level studies on how diversity affects economic development are abundant and predominantly present two contrasting viewpoints: One perspective suggests that differences in demographics, humanities, and socio-economics among national groups can lead to contradictions and conflicts through human capital, ultimately making diversity detrimental to national economies (Fong, 2007). Scholars have explored how linguistic diversity significantly hinders economic growth by impeding the dissemination of knowledge and technology through constructing dialect divergence indices (Wei, 2017). On the other hand, diversity is seen as a catalyst for economic growth, as diverse cultural, national, and religious groups can approach problems from multiple angles, fostering complementary mechanisms that promote economic development. Research on the influence of cultural diversity on financial development is relatively nascent. Different cultures impact the ratio of present satisfaction to future satisfaction, known as time preference (Leung & Scarino, 2016). Based on this principle, culture is used as a proxy for measuring time preference. According to intertemporal

investment-consumption theory, cultural diversity generates diverse time preferences, influencing investors' choice of trading strategies, which ultimately impacts financial markets. Recent advancements in behavioral finance reveal that cognitive differences lead to diverse expectations, significantly influencing financial markets (Leung & Scarino, 2016). Consequently, the level of diversity positively correlates with the vitality of financial markets. Studies on the effects of cultural diversity within American national corporations on performance, capital structure, and dividend policy have found that cultural diversity inversely correlates with shareholders' concerns about agency problems, leading shareholders to accept lower dividend payout ratios (Aytemiz, 2019).

Cultural diversity is measured using substitute variables based on different manifestations and measurement angles. In general, racial and national diversity often exhibit negative correlations with economic and financial development through channels such as human capital (Aytemiz, 2019; Felicia, 2024). Conversely, diversity in birthplace, technology, and educational backgrounds tends to have positive effects through complementarity. Language diversity presents a dual effect, with some instances generating positive outcomes through innovation and identity effects, while others lead to negative impacts through identity effects and trust mechanisms.

2.2.2 National Culture

National culture is often regarded as a unique resource or capital in economics, exerting profound influences on the economic development of a country or region. It encompasses not only tangible cultural heritage (such as traditional handicrafts and architectural styles) but also intangible cultural heritage (including language, music, dance, traditional skills, customs, religious beliefs, etc.) (Almatov, 2020). These cultural elements not only enrich people's spiritual lives but also contribute to the diversification and innovation of economic activities to a certain extent (Leung & Scarino, 2016).

From an economic perspective, national culture possesses three primary characteristics. Scarcity, unique national cultures are often irreplaceable, making them precious resources due to their scarcity (Aggarwal, 2017). Value, national culture possesses distinct values, encompassing historical, artistic, and economic aspects. These values manifest through various economic activities, such as cultural tourism and cultural and creative industries (Khan & Cox, 2017). Exploitability, with economic growth and heightened cultural demands, national culture becomes an exploitable resource. Through rational development and utilization, it can generate significant economic and social values.

Socio-economic conditions play a crucial role in shaping and developing national culture (Rybinska et al., 2020). As socio-economic development progresses and living standards improve, the connotation and extension of national culture undergo continuous transformations. For instance, in modern societies, national culture

increasingly integrates modern elements and the spirit of the times, exhibiting greater diversity and inclusiveness. National culture plays a pivotal role in shaping the behavior of individuals and organizations in different countries, including their attitudes towards business activities and transactions (Handoyo, 2018). The essence of social culture and achievements of national culture permeate the production, operation, and management of enterprises, reflecting their unique characteristics in terms of production and operation, organization, and management, among others. This encompasses interpersonal relationships, corporate leadership systems, and regulations formulated for normal production and operation activities.

Effective communication is another crucial aspect of international business management, influenced by national culture. In the international business environment, communication plays a vital role in building and maintaining relationships among companies, employees, customers, and other stakeholders. Negotiation, another vital aspect of international business management, is also influenced by national culture (Handoyo, 2018; Rybinska et al., 2020). Studies have shown that internationalization can significantly impact a company's organizational culture, particularly in adapting to diverse cultural backgrounds. Laurent's research found that the national cultural differences among foreign employees (Italians, Germans, and Americans) working within the same national corporation are more pronounced than those among domestic employees in their respective home countries. In other words, Italians working in national corporations become more Italian (Ostapenko et al., 2020), Germans more German, and Americans more American, rather than the anticipated convergence of national cultural differences through national corporations.

National culture is not only the shared spiritual home and vital symbol of national identity but also an economic resource with special value (Tajaddini & Gholipour, 2016). Through in-depth exploration and rational utilization of national culture, national corporations can better integrate into local social and cultural environments, achieving the goal of cross-cultural communication and integration.

2.2.3 Cultural Intelligence

Cultural Intelligence (CQ), first introduced by Christopher Earley and Elaine Mosakowski in the October 2004 issue of Harvard Business Review, refers to the ability to navigate national, corporate, and professional cultures with ease. It goes beyond merely understanding and respecting cultural differences; it involves effectively adapting to and integrating into these cultures in practical work and daily life, thereby facilitating efficient communication and collaboration across diverse cultural backgrounds. Specifically, CQ comprises cognitive, behavioral, emotional, and adaptive intelligences (Nemeth, 2011). Cognitive intelligence involves knowledge and understanding of cultural aspects, such as beliefs, customs, and taboos. Behavioral intelligence demonstrates an ability to act in ways that show cultural comprehension and respect, fostering harmony with individuals from different backgrounds. Emotional

intelligence stems from an inner acceptance and identification with diverse cultures, overcoming obstacles and setbacks in the cultural adaptation process. Adaptive intelligence entails actively engaging with new cultural environments, leveraging strengths, and continually enhancing cultural adaptability through training and self-assessment (Gash et al., 2020).

In national corporations, the application of CQ is paramount. National corporations must tailor their communication styles to align with the cultural characteristics of their target markets (Gash et al., 2020; Van Dyne et al., 2012). For instance, American firms operating in China need to prioritize indirect and implicit communication styles to avoid misunderstandings and conflicts that may arise from direct and open communication. Understanding cultural preferences and aesthetic standards is crucial for developing product promotion strategies tailored to local cultures (Gooden et al., 2017). For example, Korean companies entering the European market might emphasize the environmental friendliness and sustainability of their products, resonating with the cultural values of the European market. In national recruitment, prioritizing candidates' CQ levels is essential for selecting employees capable of adapting to diverse cultural environments. Providing cross-cultural training enhances employees' cultural sensitivity and adaptability, fostering cultural exchange and integration among them (Glapka, 2016). Multinational corporations can devise personalized incentives based on employees' cultural backgrounds and values, enhancing their sense of belonging and loyalty. Regular cultural exchange events can deepen employees' understanding and appreciation of different cultures, promoting cultural harmony. CQ plays a pivotal role in the operations of multinational corporations. By elevating employees' CQ, multinational corporations can better adapt to diverse cultural environments, enabling efficient communication and collaboration, ultimately gaining a competitive edge in the global market.

In the globalized business landscape, CQ is vital for effective communication, negotiation, and management practices. CQ manifests in the labor market as the ability to comprehend and manage employees from diverse cultural backgrounds. Multinational corporations require CQ-savvy leaders to effectively manage cross-cultural teams, facilitating communication and collaboration among employees, thereby boosting organizational performance (Van Dyne et al., 2012). As transnational economic cooperation projects proliferate, CQ has emerged as a critical consideration in formulating national economic policies, promoting cultural exchange and integration while mitigating cultural conflicts and misunderstandings.

2.2.4 Corporate Culture

Although the concept of culture has existed since ancient times, the notion of corporate culture emerged in the late 1970s. At that time, a group of management scholars, primarily from the United States, began advocating for the importance of corporate culture in business management based on their research findings. All

companies possess their own unique corporate culture, with some boasting a more robust and influential one than others. These corporate cultures exert a significant impact on both employees and business performance, particularly in fiercely competitive market environments. It is precisely these research outcomes that sparked a global wave of enthusiasm for corporate culture. Similar to the definition of culture, there is currently no unified understanding of corporate culture among people. The founders and advocates of the concept of corporate culture have differing interpretations. Japanese-American management scholar Alvesson & Willmott, (2002) believes that a company's culture is comprised of its traditions and ethos, encompassing a whole set of symbols, rituals, and myths that transmit the company's values and beliefs to its employees. These rituals endow the scarce and abstract concepts with substance and vitality. Meanwhile, Korhonen et al. (2018) argue that corporate culture is condensed from values, myths, heroes, and symbols, all of which hold great significance for the company's employees. Despite these disparities in understanding, there is a consensus among the founders and advocates of corporate culture on its core essence: values.

The core of corporate culture lies in corporate values. Corporate values represent a company's overall perspective, attitude, and belief regarding what it offers, what it advocates, the purpose of its existence, and what constitutes value. They serve as the criteria for judging what is most valuable to the enterprise. Corporate values encompass the business philosophy, mission, and spirit of the enterprise. Business philosophy refers to the guiding ideology and code of conduct established by a company for its operational activities, reflecting its abstract role and function in social and business activities (Alvesson & Willmott, 2002; Borodai, 2017). The mission of a company outlines the type of business activities it engages in both now and in the future, as well as the nature of the enterprise and its organizational form. Corporate spirit, forged over the long term of business operations, reflects the business philosophy and mission through the shared inner attitudes, willpower, and mindset of all employees. It serves to inspire their enthusiasm and creativity in work. In the course of business operations, companies often establish their corporate spirit based on their business philosophy and mission to motivate employees' enthusiasm, initiative, and creativity. In practice, corporate values, business philosophy, mission, and spirit are not isolated but intertwined, forming a corporate value system (Fallon & Cooper, 2015).

Corporate culture is the cumulative result of learning over the long-term business practices of an enterprise. It is an acquired behavior, the product of continuous exploration, learning, and accumulation in response to internal and external business environments (Gable, 1998). When a company's certain beliefs or behaviors adapt to these environments and lead to success, its managers and employees learn and adopt them. If these beliefs and behaviors contribute to the company's sustained success, they become ingrained as part of the corporate culture. In this manner, corporate culture is continually shaped and enriched through learning and accumulation in the long-term

business practices of an enterprise.

Since corporate culture gradually evolves from the unique business practices of each enterprise, different companies naturally possess distinct corporate cultures, particularly evident among multinational corporations. These varying corporate cultures embody diverse corporate values and behavioral patterns.

2.3 Related Research

The impact of cultural diversity on macroeconomics is significant. The driving forces behind national economic growth vary across different developmental stages. Broadly speaking, economic development can be categorized into three phases: the first relies heavily on technological innovation and initial capital accumulation; the second emphasizes the construction of formal institutions and continuous structural adjustments; and the third focuses on the profound influence of culture. The intergenerational transmission of culture has led to the influence of historically transmitted cultures on a nation's economy. Additionally, with the migration of populations across regions, the exchange and collision of diverse cultures play a vital role in current economic development (Peng et al., 2022).

Regarding the influence of cultural diversity on regional economic development, culture permeates every aspect of a region or city, contributing to shaping the economic structure and institutions of the city and promoting its overall development (Crowne, 2019). However, the determinants of regional economic disparities have long been a subject of concern. In recent years, an increasing number of scholars have begun to explore the role of regional culture in economic development. Existing research on the impact of cultural diversity on regional economic development examines various aspects such as social trust, cross-regional mobility of production factors, regional foreign trade, innovation and entrepreneurship, and the implementation of formal institutions.

Cultural diversity also intersects with the internationalization of management talent. The process of economic globalization has fueled the international mobility of outstanding talent worldwide. Initially, this mobility was predominantly unidirectional, from economically lagging developing countries to developed nations. However, with the rapid economic advancement of developing countries, the flow of talent has shifted from a linear pattern to a circular one, with regionalization trends emerging (Van Dyne et al., 2012). This means that talent no longer solely congregates in developed countries, creating opportunities for developing nations to access cutting-edge technologies and knowledge through the influx of international talent. The international mobility of talent

facilitates the dissemination of advanced business philosophies from developed countries to less developed regions, thereby stimulating economic growth in the latter. Consequently, the flow of international talent enhances the economic development level of the receiving countries (Gooden et al., 2017).

2.4 Conceptual Framework

Based on the literature review, the relationships between these variables were analyzed and clarified. Subsequently, based on a comprehensive understanding of the literature review, a conceptual model of the study was proposed, as shown in Figure 2.1.

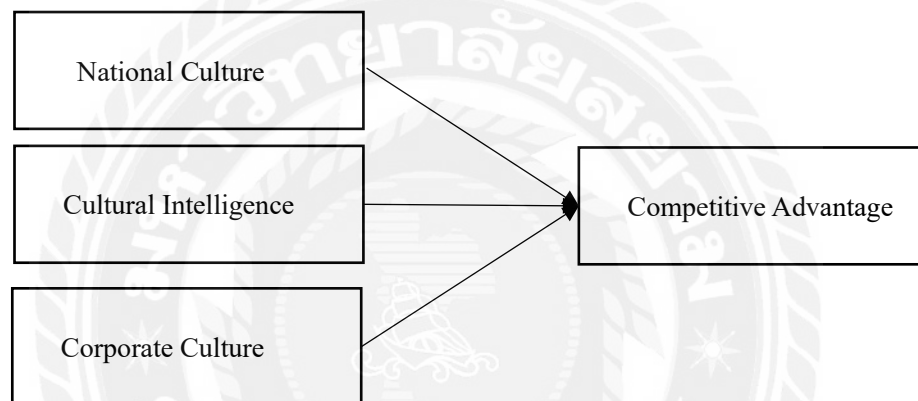


Figure 2.1 Conceptual Framework

Chapter 3 Research Methodology

3.1 Introduction

This chapter outlines the research method designed to examine the influence of cultural diversity on the competitive advantage of multinational corporations. In this model, the independent variables include national culture, cultural intelligence, and corporate culture, while the dependent variable is the competitive advantage of multinational corporations.

3.2 Research Design

The study adopted the quantitative research methodology, using a questionnaire survey with items design tailored to each variable. In the survey questionnaire, national culture is assessed through five items, encompassing cultural understanding and recognition, cultural adaptation strategies, cultural integration practices, localization of products and services, and employee diversity and inclusivity. For cultural intelligence, the items designed cover cultural understanding and insight, cultural adaptability and flexibility, cross-cultural communication skills, cultural conflict resolution capabilities, and cultural training and development. Corporate culture is measured by five items, focusing on the clarity and consistency of corporate culture, inclusivity and diversity, alignment with values, facilitation of innovation, and impact on teamwork. The competitive advantage of multinational corporations is evaluated using six items, which delve into international market share, brand's international influence, innovation capability and international competitiveness, cultural advantage and its correlation with competitive advantage, cultural intelligence and its role in competitive advantage, as well as corporate culture and its impact on competitive advantage. In total, the survey questionnaire comprises 21 items, comprehensively addressing the variables under investigation. For each variable, a measurement items were designed, and the coding of the items is shown in Table 3.1.

Table 3.1 Measurement Items

Measurement Item	NO.
National Culture	
1. I believe that my company has a deep understanding and appreciation of the national culture in the country/region where it operates	Q1
2. The company has adopted effective strategies to adapt to and leverage the cultural differences of the country/region.	Q2
3. In our daily work, the company encourages and practices cultural integration, promoting cross-cultural communication	Q3
4. The company's products and services are designed and promoted with full consideration of the national cultural characteristics and consumer preferences in the country/region.	Q4

5. The company actively recruits and trains employees from different cultural backgrounds, creating an inclusive work environment.	Q5
Cultural Intelligence	
1. I believe that my company has a high level of capability in understanding and insight into different cultures	Q6
2. The company is able to flexibly adapt to different cultural environments and adjust its business strategies accordingly.	Q7
3. The company excels in cross-cultural communication, effectively engaging with partners and customers from diverse cultural backgrounds.	Q8
4. When faced with cultural conflicts, the company is capable of taking effective measures to resolve issues and promote harmony among different cultures.	Q9
5. The company values cultural training and development for employees, committed to enhancing their ability to work in diverse cultural environments..	Q10
Corporate Culture	
1. I believe that our company's corporate culture is clear and consistent, with all employees having a clear understanding of it.	Q11
2. Our corporate culture encourages and embraces diverse perspectives and backgrounds, fostering diversity.	Q12
3. I feel that our corporate culture aligns highly with my personal values.	Q13
4. Our corporate culture encourages innovation and provides a platform for employees to implement innovative ideas..	Q14
5. I believe that our corporate culture promotes teamwork and enhances team cohesion.	Q15
Competitive Advantage	
1. In recent years, our company has experienced significant growth in its international market share.	Q16
2. Our brand has high recognition and influence in the international market.	Q17
3. Compared to international competitors, our company has a significant advantage in product and service innovation.	Q18
4. I believe that the company's respect for and utilization of culture has brought it unique competitive advantages.	Q19
5. I believe that the company's cultural intelligence has brought it significant competitive advantages in the international market.	Q20
6. I believe that our company's corporate culture has brought it unique competitive advantages in the international market.	Q21

3.3 Hypothesis

According to the analysis, the following research hypotheses are proposed:

H1: National culture has a significant positive effect on the competitive advantage of multinational corporations

H2: Cultural intelligence has a significant positive effect on the competitive advantage of multinational corporations

H3: Corporate culture has a significant positive effect on the competitive advantage of multinational corporations.

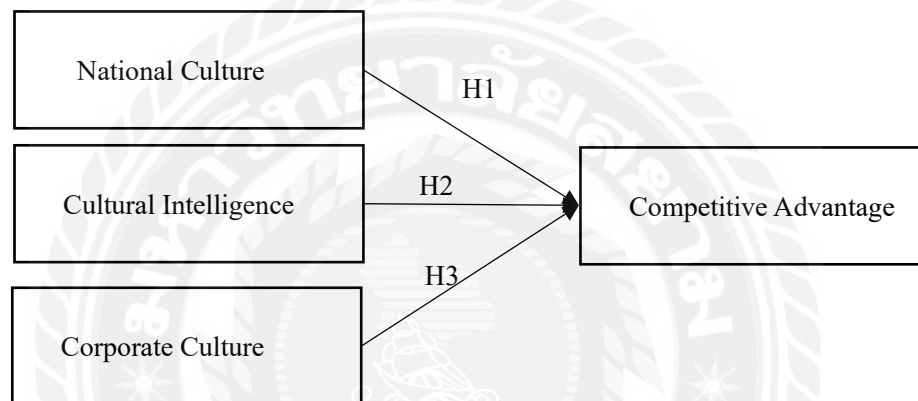


Figure 3.1 Hypotheses

3.4 Population and Sampling

This study was conducted with multinational corporation employees to explore the effect of national culture, cultural intelligence, and corporate culture on the competitive advantage of multinational corporations. The sampling method used in this study was the simple random sampling.

$$n = \frac{s^2 * p^2}{E^2}$$

In the formula, n represents the sample size, and s is the quartile of the standard normal distribution with a confidence level of typically 95%, currently Z=1.96. p is the sample standard deviation, which is typically estimated to be 0.5. The permissible margin of error, E (i.e., the maximum permissible difference between the sample mean and the overall mean), is set at 0.05. Calculation of the sample size is 400.

3.5 Data Collection

This study focused on employees working in multinational corporations, with data collection conducted between March and June 2024, encompassing employees employed in multinational corporations during this period. The survey questionnaire encompasses various aspects of employees' evaluations regarding the impact of cultural diversity on the competitiveness of multinational corporations. With the cooperation of the companies, the research team randomly selected employees as survey participants.

During the questionnaire recovery process, the research team conducted rigorous checks to eliminate invalid responses, including those that were incomplete or had obviously inconsistent answers. Ultimately, 400 questionnaires were distributed, and 352 valid responses were received, resulting in an effective response rate of 88%. This efficient questionnaire recovery process ensures the adequacy and representativeness of the data, providing a solid foundation for subsequent analysis. Through this process, the research team successfully obtained a significant amount of valuable data, enabling a thorough analysis of the relationship between cultural diversity and the competitive advantage of international companies.

3.6 Data Analysis

3.6.1 Questionnaire Reliability Analysis

Reliability analysis is a statistical process that reflects the degree of truth of the characteristic being tested based on the consistency or stability of the results of the test scale. The more uniform the test results are, the more representative the data are of the overall situation and the higher the reliability. Through reliability analysis, we can understand whether the questionnaire design is reasonable and make corrections to avoid the problem of misclassification. Cronbach's alpha is used to evaluate the degree of internal consistency of test items. The larger the value of Cronbach's alpha, the higher the degree of consistency between items. When the reliability coefficient of the subscales is above 0.7, the reliability coefficient of the scale or questionnaire is better; when the reliability coefficient of the subscales is between 0.6 and 0.7, it is also acceptable; and when the reliability coefficient of the total scale needs to be 0.8 or higher, it proves that the overall reliability is better.

The reliability of the questionnaire is a prerequisite for data analysis, this study used SPSS to analyze the reliability. The reliability coefficient Cronbach's Alpha for each factor, as shown in Table 3.4. The reliability coefficients of Cronbach's Alpha of the questionnaires are all greater than 0.8, which indicates that the questionnaires have reached a high level of reliability, as shown in Table 3.2.

Table 3.2 Variable Reliability Test

Variable	Cronbach's Alpha	N of Items
National Culture	0.911	5
Cultural Intelligence	0.922	5
Corporate Culture	0.857	5
Competitive Advantage	0.886	6

3.6.2 Questionnaire Validity Analysis

Validity refers to the degree to which a measurement tool or instrument can accurately measure what it is intended to measure. Factor analysis is commonly used to examine the construct validity of scales. Initially, the KMO (Kaiser-Meyer-Olkin) Measure of Sampling Adequacy and Bartlett's Test of Sphericity can be employed to determine whether the data is suitable for factor analysis. The KMO value above 0.90 indicates that the scale is excellent for factor analysis; between 0.8 and 0.9, it is good for factor analysis; from 0.7 to 0.8, factor analysis is marginally acceptable; from 0.6 to 0.7, factor analysis can be performed reluctantly; between 0.5 and 0.6, factor analysis is not recommended; and below 0.5, factor analysis is highly unsuitable. Additionally, factor analysis can proceed when the statistical significance of Bartlett's Test of Sphericity is less than or equal to the significance level. The questionnaire in this study was designed based on questionnaires and scales from relevant literature, thus possessing high content validity. This study analyzed the structural validity, employing factor analysis as the methodology. Specifically, exploratory factor analysis was conducted on the obtained data to identify its underlying structure

As in Table 3.3, Bartlett's Test of Sphericity conducted on the 21 items yielded an Approx. Chi-Square value of 3256.264 with a P-value < 0.001, indicating the presence of common factors among these 21 items. Additionally, the calculation of the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy resulted in a KMO value of 0.956, exceeding the standard threshold of 0.5. A higher KMO value indicates common factors among variables, making the data suitable for factor analysis.

Table 3.3 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.956
Bartlett's Test of Sphericity	Approx. Chi-Square	3256.264
	df	220
	Sig.	.000

Table 3.4 Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.702	43.510	43.510	8.702	43.510	43.510
2	2.219	11.097	54.607	2.219	11.097	54.607
3	1.799	8.995	63.602	1.307	6.534	70.137
4	1.307	6.534	70.137			
5	0.526	2.629	72.765			
6	0.412	2.058	86.023			
7	0.393	1.967	87.989			
8	0.384	1.922	89.911			
9	0.345	1.727	91.638			
10	0.340	1.699	93.337			
11	0.306	1.532	94.869			
12	0.302	1.531	94.921			
13	0.301	1.530	94.954			
14	0.299	1.528	94.966			
15	0.298	1.523	95.011			
16	0.297	1.510	95.587			
17	0.296	1.500	95.998			
18	0.296	1.480	96.349			
19	0.275	1.374	97.723			
20	0.254	1.270	98.992			
21	0.202	1.008	100.000			

As shown in Table 3.4, this study employed the commonly used principal component analysis method, extracting factors with eigenvalues greater than 1. After factor extraction from the 21 items, a total of 4 factors were ultimately extracted, with a cumulative variance explained of 70.137% of the total variance. This indicates that the majority of the variation can be explained. Therefore, the common factor analysis in this study achieved good results.

Table 3.5 Emotional Intelligence Rotated Component Matrix

	Component			
	1	2	3	4
Q1	0.784	0.194	0.190	0.190
Q2	0.775	0.181	0.148	0.148
Q3	0.766	0.176	0.203	0.203
Q4	0.789	0.119	0.213	0.213
Q5	0.821	0.078	0.093	0.093
Q6	0.197	0.822	0.159	0.159
Q7	0.153	0.813	0.150	0.150
Q8	0.141	0.797	0.112	0.112
Q9	0.153	0.773	0.149	0.149
Q10	0.153	0.721	0.208	0.208
Q11	0.233	0.129	0.766	0.114
Q12	0.203	0.136	0.744	0.154
Q13	0.251	0.118	0.732	0.132
Q14	0.096	0.162	0.743	0.167
Q15	0.213	0.113	0.774	0.190
Q16	0.112	0.322	0.211	0.773
Q17	0.134	0.311	0.322	0.823
Q18	0.156	0.231	0.112	0.888
Q19	0.157	0.311	0.321	0.871
Q20	0.243	0.111	0.112	0.812
Q21	0.223	0.109	0.331	0.789

As in Table 3.5, the factor loadings exceeding 0.8, indicating that this factor has reached an ideal level. In summary, the data demonstrates good construct validity.

3.6.3 Questionnaire Data Analysis

After data collection, analysis was required, and the specific process was as follows: Firstly, the collected data were cleaned and inspected, including checking for missing data, outliers, and abnormal values. If there were issues, the data were processed or excluded. Secondly, descriptive statistical analysis was performed on the survey sample, including the sample size and proportions. Correlation analysis was conducted on the collected data to determine the interactions between variables. Finally, regression analysis was performed, using path coefficient diagrams and coefficient tables to describe the relationships between latent and observed variables, verifying research hypotheses.

Chapter 4 Findings

4.1 Introduction

The quantitative research approach was adopted, the collected questionnaires were analyzed to ascertain the reliability and validity of the data. Descriptive statistics, correlation analysis were performed on the data to determine the relationships among variables. The hypotheses were verified, and the interactions among the variables within the model were clarified.

4.2 Demographic Characteristics of Participants

A total of 400 questionnaires were issued, with 352 valid responses collected, yielding an effective response rate of 88.0%.

Table 4.1 Descriptive Statistics of Samples

Item	Characteristics	Frequency	Percent%
Gender	Male	170	48.3
	Female	182	51.7
Age	18-25	58	16.6
	26-30	46	13.2
	31-35	46	13.2
	36-40	111	31.4
	Over 40	90	25.5
Education	Bachelor's degree	115	32.7
	Master degree	125	35.6
	Higher than the Master's degree	112	31.7
Position	Operation	86	24.4
	Manager/senior	92	26.2
	Lecturer/instructor	92	26.2
	Other	81	23.1
Tenure	Less than/or equal to 5	112	31.7
	Between 6-10	45	12.7
	Between 11-15	48	13.5
	16 and over	102	29.1
Total		352	100.0

The study reveals the characteristics of a sample of 352 individuals, encompassing gender, age, education, job position, and tenure. In terms of gender, there are 170 males, accounting for 48.3%, and 182 females, constituting 51.7% of the total. This indicates a relatively balanced gender ratio, with females slightly outnumbering males.

Regarding age, the distribution is relatively even, though the 36–40 age bracket dominates with 111 individuals, accounting for 31.4% of the sample. Specifically, 58 individuals are aged 18–25 (16.6%), 46 each in the 26–30 and 31–35 age groups (13.2% each), and 90 are over 40 years old (25.5%). In terms of education, the sample boasts a high overall academic standard, with 115 individuals holding a bachelor's degree (32.7%), 125 possessing a master's degree (35.6%), and 112 exceeding that level (31.7%). Nearly 70% of the sample holds a master's degree or higher, reflecting the high educational attainment of the surveyed population. Regarding job position, there is a relatively balanced distribution, with 86 individuals in operational roles (24.4%), 92 each in managerial/senior positions and middle management (26.2% each), and 81 in other positions (23.1%). The tenure of the sample is characterized by two prominent groups: those with 5 years or less (112 individuals, 31.7%) and those with over 16 years (102 individuals, 29.1%), suggesting a significant presence of both new hires and seasoned employees. Those with 6–10 years and 11–15 years of tenure constitute 12.7% and 13.5% of the sample, respectively. Overall, the sample exhibits a well-balanced distribution across gender, age, education, job position, and tenure, albeit with notable characteristics such as high educational attainment and a considerable proportion of experienced personnel. These features endow the sample with a degree of representativeness, offering reliable data support for relevant research endeavors.

4.3 Results of the Study

In this study, the correlations between the factors were examined using SPSS. There are some positive correlations between the three latent variables of national culture, cultural intelligence, corporate culture and competitive advantage of multinational corporations. The correlation strength of $0.4 < r < 0.8$ and $P = 0.000 < 0.01$ are significant. According to the analysis results in Table 4.2, the relationship between each variable was obtained.

Table 4.4 Correlation Between Variables (Pearson Correlation Matrix)

	National Culture	Cultural Intelligence	Corporate Culture	Competitive Advantage
National Culture	1			
Cultural Intelligence	.475**	1		
Corporate Culture	.502**	.469**	1	
Competitive Advantage	.544**	.562**	.649**	1

NOTE: *. Correlation is significant at the 0.05 level (2-tailed). **. Correlation is significant at the 0.01 level (2-tailed).

The data analysis elucidates the correlations among four variables: national culture,

cultural intelligence, corporate culture, and competitive advantage.

The correlation coefficient between national culture and cultural intelligence stands at 0.475, indicating a moderate positive correlation.

The correlation coefficient between national culture and corporate culture exhibit a moderate positive relationship with a correlation coefficient of 0.502.

The correlation coefficient between national culture and competitive advantage, with a coefficient of 0.544, suggesting that national culture can significantly impact a firm's competitive edge.

The correlation coefficient between cultural intelligence and corporate culture also display a moderate positive correlation, evidenced by a coefficient of 0.469, indicating a link between the two.

The cultural intelligence's strong positive correlation with competitive advantage, at 0.562, underscores its substantial influence on enhancing a company's market position.

The strongest positive correlation (0.649) exists between corporate culture and competitive advantage, highlighting the pivotal role of corporate culture in fostering competitive advantages.

Collectively, these findings reveal significant and positive associations among all variables, underscoring their interconnectedness. In particular, the robust correlation between corporate culture and competitive advantage underscores the paramount importance of nurturing a strong corporate culture for bolstering competitive standing. Similarly, national culture and cultural intelligence emerge as crucial factors influencing a firm's competitiveness. Consequently, in managerial practice, businesses ought to prioritize enhancing cultural intelligence and optimizing their corporate cultures as strategic levers to amplify their competitive advantages. Based on the data analysis, it can be concluded that national culture has a significant positive effect on the competitive advantage of multinational corporations. Hypothesis H1 is supported. Cultural intelligence has a significant positive effect on the competitive advantage of multinational corporations. Hypothesis H2 is also supported. Corporate culture has a significant positive effect on the competitive advantage of multinational corporations, confirming that Hypothesis H3 holds.

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This chapter primarily delves into the impact of cultural diversity on the competitive advantage of international companies, and proposes targeted strategies based on the findings. National culture, cultural intelligence, and corporate culture are all identified as having significant positive effects on the competitive advantage of multinational enterprises.

5.1.1 National Culture Has a Significant Positive Effect on the Competitive Advantage of International Corporations

The study reveals that national culture has a notable positive impact on the competitive advantage of international companies. When a company is better equipped to comprehend and integrate the cultural nuances of the country it operates in, its competitiveness in the global market intensifies. The correlation coefficient of 0.544 signifies a moderate positive correlation between national culture and competitive advantage. It is important to note that the correlation coefficient ranges from -1 to 1, with values closer to 1 indicating a stronger positive relationship between the two variables. In this context, a coefficient of 0.544 underscores the significant and positive influence of national culture on competitive advantage.

The research findings emphasize that international companies should prioritize the role of national culture by understanding and embracing the cultural characteristics of their host countries to bolster their competitiveness. This imperative extends not only to enhancing their competitive edge in the local market but also to leveraging their unique cultural strengths to strengthen their position in international markets. By showcasing and harnessing the distinctive advantages of their national cultures, these companies can further fortify their competitive standing globally.

5.1.2 Cultural Intelligence Has a Significant Positive Effect on the Competitive Advantage of International Corporations

Cultural intelligence exerts a pronounced positive impact on the competitive advantage of multinational corporations. The correlation coefficient of 0.562 between cultural intelligence and competitive advantage underscores a strong positive relationship between the two. Cultural intelligence significantly elevates a company's standing in the market. Defined as an individual's or an organization's ability to comprehend and adapt to diverse cultures, cultural intelligence enables managers and employees in multinational corporations to navigate communication and collaboration

amidst multicultural environments with greater ease, which is paramount to success in global markets.

The correlation coefficient of 0.562 indicates a relatively tight bond between cultural intelligence and competitive advantage. On a scale of -1 to 1, where positive values signify a positive correlation, 0.562 represents a comparatively high figure, demonstrating that cultural intelligence has a significant and active influence on competitive advantage. This robust positive relationship underscores that when multinational corporations effectively enhance their cultural intelligence, they experience a notable boost in their competitiveness within international markets. Companies with high cultural intelligence are better equipped to comprehend and cater to the diverse needs of different markets, thereby minimizing cultural conflicts and enhancing the efficiency of international teams. Consequently, they occupy advantageous positions in market competition, positioning themselves favorably for global success.

5.1.3 Corporate Culture Has a Significant Positive Effect on the Competitive Advantage of International Corporations

Corporate culture has a notable positive impact on the competitive advantage of multinational corporations. The correlation coefficient between corporate culture and competitive advantage stands at 0.649, marking it as the strongest correlation among all variables. This underscores the pivotal role of corporate culture in fostering competitive advantage. The correlation coefficient of 0.649 signifies a very close relationship between corporate culture and competitive advantage. On a scale ranging from -1 to 1, a value of 0.649 approaching 1 indicates a strong positive correlation between the two. This implies that when a company possesses a robust and positive corporate culture, its competitiveness in the market significantly increases. This robust positive relationship highlights the essential function of corporate culture in enhancing the competitiveness of multinational corporations. See Table 5.1.

Table 5.1 Hypothesis Test Results

NO.	Hypothesis	Result
H1	National culture has a significant positive effect on the competitive advantage of multinational corporations.	Supported
H2	Cultural intelligence has a significant positive effect on the competitive advantage of multinational corporations.	Supported
H3	Corporate culture has a significant positive effect on the competitive advantage of multinational corporations.	Supported

5.2 Recommendation

5.2.1 Emphasizing National Culture

Utilizing national culture to enhance multinational corporations' competitive

advantage is a complex and multidimensional process that encompasses market positioning, brand building, cross-cultural management, and more.

(1) Understanding of the connotations of national culture: Multinational corporations must delve into the national culture of their target markets, encompassing history, traditions, values, beliefs, customs, and practices. Adopting perspectives from ethnology and anthropology can offer deeper insights into the essence and nuances of cultural differences, providing a theoretical foundation for cross-cultural operations. Multinational corporations should foster cultural sensitivity among their employees to enable them to perceive and discern subtle differences across diverse cultural contexts.

(2) Utilize national culture for market positioning: Multinational corporations can tailor products and services to align with the ethnic cultural characteristics of their target markets. This includes incorporating local cultural elements into product designs or adjusting product functionalities to suit local consumer habits. Marketing activities should adopt communication styles and channels that resonate with local cultural values, thereby enhancing brand appeal and market acceptance. Leveraging national culture in marketing is a pivotal strategy for multinational corporations to bolster their competitive edge. Narrating brand stories tied to local cultures, participating in cultural festivals, and collaborating with local cultural icons can deepen consumer brand recognition and affiliation. This cultural marketing approach not only elevates brand image but also fortifies its cultural depth and differentiation.

(3) Facilitate cultural integration and innovation: When entering new markets, multinational corporations must achieve effective integration between their own culture and local cultures. This encompasses incorporating local cultural elements into management, team building, and workflows, enabling them to maintain their cultural identity while adapting to and blending into the local environment. Cultural integration strengthens corporate cohesion and employee satisfaction, fostering loyalty. Additionally, multinational corporations must prioritize cultural innovation. By assimilating the strengths of diverse cultures and aligning them with corporate development needs and market conditions, they can create culturally unique and competitively advantageous products and services. Such cultural innovation sustains corporate leadership and generates lasting economic and social benefits.

(4) Establish an inclusive corporate culture: Multinational corporations must respect employees and consumers from different cultural backgrounds, shunning cultural discrimination and prejudice. By fostering an inclusive corporate culture, they create an open, equitable, and respectful work environment where individuals from diverse backgrounds can understand, support, and grow together. Multinational corporations should prioritize cultural exchanges, such as cultural salons, language classes, and cultural experience days, fostering learning and appreciation of diverse cultures in a relaxed atmosphere.

5.2.2 Cultivating Cultural Intelligence Skills for Effective Management

Multinational corporations need to leverage cultural intelligence to enhance their competitive advantage, primarily through the following four aspects.

(1) Advocate multiculturalism and foster cultural integration: Multinational corporations should explicitly advocate the value of multiculturalism, encouraging employees to respect and appreciate differences in cultural backgrounds. This contributes to creating an open and inclusive work environment that fosters innovative thinking and cross-cultural collaboration. By organizing cultural exchange activities, celebrating cultural festivals, and other means, employees can gain a deeper understanding of the characteristics and essence of different cultures, enhancing mutual understanding and respect, and achieving cultural harmony.

(2) Optimize talent management and team building: During the recruitment process, focus on candidates' cultural intelligence levels, selecting employees with cross-cultural communication skills and adaptability to lay a solid foundation for team building. Build teams with diverse cultural backgrounds, leveraging cultural intelligence to promote mutual understanding and respect among team members, enhancing team collaboration efficiency and innovation capabilities. Provide cross-cultural training to employees to enhance their cultural sensitivity and adaptability, promoting personal growth and career development.

(3) Enhance communication and collaboration: Establish effective communication mechanisms: Through cultural intelligence, multinational corporations can establish more effective communication mechanisms, reducing misunderstandings and conflicts caused by cultural differences, and improving internal communication and collaboration efficiency. Cultivate employees' cross-cultural communication skills, including language proficiency, nonverbal communication, and cultural sensitivity, to ensure smooth communication globally.

(4) Shape brand image and corporate culture: Build an international brand image: By leveraging cultural intelligence, multinational corporations can create a brand image with an international perspective and cross-cultural characteristics, enhancing brand recognition and reputation globally. Establish an inclusive corporate culture. By respecting and embracing diverse cultures, multinational corporations can foster an inclusive corporate culture that attracts and retains talented individuals from around the world, providing strong support for the company's long-term development.

5.2.3 Corporating Culture Strategy

To build core competitiveness amidst fierce market competition, multinational corporations must prioritize corporate culture and leverage its unique resources

effectively. This approach ensures their advantage, facilitating sustainable development and orderly operations.

(1) Strengthen organizational leadership in corporate culture construction: Corporate culture construction is a top-down initiative, requiring collaboration among managers at all levels to jointly cultivate the essence of corporate culture. As a complex systematic project involving various aspects of the enterprise, it necessitates concerted efforts from all departments. Therefore, a corporate culture construction leading group should be established, comprising managers from various departments within the enterprise.

(2) Emphasize the promotion of corporate culture: The corporate culture developed during the enterprise's growth should be promptly summarized, refined, promoted, and formulated into a system, which should then be widely disseminated among employees. In this process, special attention should be given to guidance, repeatedly communicating the enterprise's work guidelines, business philosophy, management goals, and primary directions to employees, providing them with clear direction and avoiding aimless, unfocused, or disorganized promotions. This fosters a situation where everyone participates in and understands corporate culture, laying a solid foundation for its successful implementation.

(3) Cultivate group behavior among employees: Employees constitute the core of an enterprise, and their collective behavior determines its overall spiritual outlook and level of corporate civilization. Therefore, shaping employee group behavior is a crucial part of corporate culture construction. Besides organizing political ideology studies, corporate regulations training, scientific and technological training, and various cultural, sports, reading, and artistic activities, nurturing employee group behavior should also encompass the following aspects: First, inspiring employees' intelligence, centripetal force, and indomitable spirit to make practical contributions to enterprise innovation. Second, linking individual work with personal life goals, as this serves as the source of job initiative and creativity, fostering collective synergy, arousing enthusiasm and team spirit, achieving corporate goals, and fostering a sense of professionalism and responsibility among employees, who will develop conviction in the enterprise and its aspirations. Third, each employee must recognize that corporate culture is their most valuable asset, an indispensable spiritual wealth for personal and corporate growth, guiding their behavior with diligent, dedicated, punctual, and time-conscious norms.

(4) Attach importance to setting examples: The power of role models is immense; establishing a model is akin to raising a flag, guiding people to emulate and align with it. Attention should be paid to discovering and nurturing advanced examples that embody both traditional virtues and contemporary spirits, using their exemplary effects to influence and enhance the overall civilization level of all employees. When selecting and shaping models, consider hierarchy, including both managerial and ordinary staff examples, as well as those from scientific and technological fields and ordinary workers.

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Appendix

Dear Sir/Madam,

Thank you for your participation in this questionnaire survey. The survey will be conducted anonymously, and your relevant information will be kept confidential. Thank you again for your cooperation.

Part I :

1. Gender

A Male

B Female

2. Age

A 18-25

B 26-30

C 31-35

D 36-40

E Over 40

3. Education

A Bachelor's degree

B Master degree

C Higher than the Master's degree

4. Position

A Operation

B Manager/senior

C Lecturer/instructor

D Other

5. Tenure

A Less than/or equal to 5

B Between 6-10

C Between 11–15

D 16 and over

Part II: Please judge to what extent you agree with the following statement; choose the most appropriate option, and mark the corresponding number " √ . " The questionnaire used a Likert scale, ranging from 1 to 5 in which one indicates strongly disagree (or strongly disagree), two indicates relatively disagree (or relatively disagree), three indicates neutral, four indicates relatively agree (or relatively agree), and five indicates strongly agree (or strongly agree)

	Measuring item	1	2	3	4	5
National Culture	1. I believe that my company has a deep understanding and appreciation of the national culture in the country/region where it operates					
	2. The company has adopted effective strategies to adapt to and leverage the cultural differences of the country/region.					
	3. In our daily work, the company encourages and practices cultural integration, promoting cross-cultural communication					
	4. The company's products and services are designed and promoted with full consideration of the national cultural characteristics and consumer preferences in the country/region.					
	5. The company actively recruits and trains employees from different cultural backgrounds, creating an inclusive work environment.					
Cultural Intelligence	1. I believe that my company has a high level of capability in understanding and insight into different cultures					
	2. The company is able to flexibly adapt to different cultural environments and adjust its business strategies accordingly.					
	3. The company excels in cross-cultural communication, effectively engaging with partners and customers from diverse cultural backgrounds.					
	4. When faced with cultural conflicts, the company is capable of taking effective measures to resolve issues and promote harmony among different cultures.					
	5. The company values cultural training and development for employees, committed to enhancing their ability to work in diverse cultural environments..					
Corporate Culture	1. I believe that our company's corporate culture is clear and consistent, with all employees having a clear understanding of it.					

	2. Our corporate culture encourages and embraces diverse perspectives and backgrounds, fostering diversity.					
	3. I feel that our corporate culture aligns highly with my personal values.					
	4. Our corporate culture encourages innovation and provides a platform for employees to implement innovative ideas..					
	5. I believe that our corporate culture promotes teamwork and enhances team cohesion.					
Competitive Advantage	1. In recent years, our company has experienced significant growth in its international market share.					
	2. Our brand has high recognition and influence in the international market.					
	3. Compared to international competitors, our company has a significant advantage in product and service innovation.					
	4. I believe that the company's respect for and utilization of culture has brought it unique competitive advantages.					
	5. I believe that the company's cultural intelligence has brought it significant competitive advantages in the international market.					
	6. I believe that our company's corporate culture has brought it unique competitive advantages in the international market.					