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Language Diversity and Performance in International Teams

A Qualitative Research

School of Management Master's thesis in Economics and Business Administration International Business UNIVERSITY OF VAASA

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ABSTRACT

As the business environment has become ever more internationalized, cross-cultural interaction has proliferated, and many organization members have encountered issues related to linguistic diversity. Organizations seeking a competitive advantage must pay increasing attention to how they manage language and communication. For many firms, business communication rests on language skills, without which the right information may not reach the people for whom it is intended. As well as enabling the communication of information, language facilitates value creation through the exchange of ideas; hence, it is a vital element of development.

The thesis aims to comprehend the connection between language diversity and performance, including how the uncertainty reduction theory; clustering, cultural intelligence, and linguistic competency affects performance in teams, as well as how language diversity is managed. By conducting 10 interviews, a qualitative methodology is used to investigate this area within one multicultural team. The respondents are currently in various roles within a multilingual and multicultural team, working across the EMEA region.

The results imply that there is an association between language diversity and performance, which could be improved by implementing a language management policy and using tools and solution strategies within the team and organization. Nevertheless, there is still significant resistance to the change from local offices. Another crucial aspect of linguistic diversity and improved performance would be to hire a more diverse workforce and clearly communicate the language policies within the teams and company. Therefore, establishing transparency and unambiguous communication from top management should be a goal for organizations.

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ABSTRACT

Liiketoimintaympäristön kansainvälistyminen ja kulttuurien välinen vuorovaikutus ovat aiheuttaneet kielellisiä rajoitteita monille organisaation jäsenille. Kielenkäytön ja viestinnän johtaminen on tullut yhä tärkeämmäksi, jotta organisaatiot saisivat kilpailuetua. Yritykset ovat tunnustaneet, että olennainen kielitaito on liike-elämän viestinnän perusta. Kieli paitsi välittää tietoa, myös helpottaa lisäarvon syntymistä ajatustenvaihdon avulla, mikä tekee siitä keskeisen voimavaran kaikessa kehitystoiminnassa.

Tutkielman tavoitteena on ymmärtää kielten monimuotoisuuden ja tiimijäsenten suorituskyvyn yhteyttä. Tutkielmassa tutkitaan miten epävarmuuden vähentämisen teoria, klusterointi, kulttuuriäly ja kielellinen kompetenssi vaikuttavat tiimijäsenten suorituksiin, sekä se, miten kielellistä monimuotoisuutta hallitaan organisaatioissa. Kymmenellä haastattelulla tutkitaan aluetta kvalitatiivisella menetelmällä, yhdestä monikulttuurisesta ryhmästä. Vastaajat ovat eri tehtävissä monikielisessä ja monikulttuurisessa ryhmässä, joka työskentelee koko EMEAn alueella.

Tulokset viittaavat siihen, että kielten monimuotoisuuden ja suorituskyvyn välillä on yhteys, jota voitaisiin parantaa toteuttamalla kieltenhallintapolitiikkaa sekä käyttämällä työkaluja ja ratkaisustrategioita tiimissä sekä organisaatiossa. Paikalliset toimistot kuitenkin vastustavat muutosta edelleen melkoisesti. Toinen keskeinen osa kielellistä monimuotoisuutta ja parempaa suorituskykyä olisi monipuolisemman työvoiman palkkaaminen ja kielipolitiikan selkeä viestiminen tiimien ja yritysten sisällä. Avoimuuden ja ylimmän johdon yksiselitteisen viestinnän tulisikin olla organisaatioiden tavoite.

KEYWORDS: Language Management, Multicultural Organizations, Diversity, Performance

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Abbreviations

ΙB

MNC

CQ

HRM

HR

HQ

CoE

1 Introduction

Over the last two decades, the study of languages in multinational corporations (MNCs) has evolved into a distinct line of research in the domains of international business (IB) and management (Karhunen et al. 2018). A focused understanding of language and performance has helped researchers studying IB and management better comprehend the complexity of how language-related issues interact in today's world. Reexamining the role of language in the social construction of reality in different teams inside multinational companies (MNCs) has been prompted by the "linguistic turn" in management research and the most recent unravelling of the deterministic cultural factor. Numerous studies on the effects of language diversity within teams have been conducted as a result of the crucial role that multilingual, multicultural teams play in organizations that operate on a global scale. Cohen and Cassis-Henderson (2017) argue that several academics have concentrated on the drawbacks of variety, suggesting that language standardization through the adoption of common language (lingua franca) policies and practices is the most effective method for cross-cultural interaction (Shen 2019). Others, on the other hand, have highlighted the advantages of linguistic diversity. The argument in favour of multilingual teams using a variety of working languages and communication styles makes it easier to provide the essential contextualization for sense-making. This technique has caused the study of IB to take a "multilingual turn". Discussions in IB and management studies have advanced as a result of exploring novel concepts and theories surrounding the phenomenon of multilingualism in teams. Applying these evolving concepts to a study of a multilingual team in a diverse organization, this study questions the link between linguistic diversity and performance.

The management of linguistic diversity in organizations has been viewed as problematic, complex, and challenging. The necessity to communicate with people from a range of linguistic backgrounds is the new normal in MNCs, and specific language policies have been developed for corporate communication. The corporate language, often English, might be different to the local language, which can cause difficulties in collaboration among teams from different linguistic backgrounds (Meyer & Apfelbaum 2014; Shen,

2019). In such collaborations, individuals may be required to engage in daily activities in a language of which they are not a native speaker (Canestrino et al., 2022). Due to the facilities available today within internationalization, many companies have developed an awareness of language skills or language barriers, and firms seem to develop language policies and strategies to make communication in the workplace easier (Angouri 2014). In the field of IB, it is nowadays important to have the knowledge to "move between languages" and have an awareness of the culture the language comes with.

As mentioned above, the team members that share a common language can naturally communicate in their own language, although the corporate language has been agreed to be another. It is very normal to switch back to one's native language whenever possible and communicate with colleagues that share the same linguistic background. This phenomenon is referred to as *language clustering*. More recently, researchers have acknowledged the embeddedness of language within the cultural context and linguistic competence (Karhunen et al., 2018; Ahmad & Barner-Rasmussen, 2019; Wu & Ng., 2021). The language itself might not be the biggest issue in linguistically diverse teams, but rather, the culture that comes with it. Avoidance of culturally diverse team members undermines the benefits of multicultural teams. Using the uncertainty reduction theory, Wu and Ng (2021) argue that team members' cultural intelligence (CQ) and language competence exert synergistic effects on avoidance behaviours. Furthermore, avoidance negatively affects individuals' performances (Wu & Ng, 2021).

1.1 Research Gap

This study will focus on how the usage of inclusive language can affect performance outcomes at work. Performance is the main focus of the study because it serves as a central measure to evaluate the achievement of the work group. Therefore, it is expected that team performance will improve overall if inclusive language management can promote and distribute communication in organizations better.

Exploring this topic would be beneficial for multiple reasons. Firstly, despite recent increases in the visibility of the language theme in management and organizational research, there is still some reluctance to build research agendas on linguistic issues. Similar arguments that demand for greater research on the subject are made in other recent publications on IB. (Björkman & Piekkari, 2009; Lauring & Selmer, 2010; Zander, Mockaitis & Harzing, 2011; Bui et al., 2019). Secondly, even though the idea has been discussed by numerous researchers (Lane, 2009), few studies specifically examine the impact of multilingualism and inclusive language use on work group outcomes (Lauring & Selmer, 2012). Thirdly, although several quantitative studies have recently been published on language diversity in organizations, interorganizational (HQ-subsidiary) communication has received most of the focus (Barner-Rasmussen & Björkman, 2007; Barner-Rasmussen & Aarnio, 2011) or have been carried out in academic organizations (Lauring & Selmer, 2012). Therefore, quantitative research is still needed to determine the relationship between language use and linguistic diversity in multicultural teams and organizational performance (Heath, 2007; Kratzer et al., 2004).

1.2 Research Question

The objective of this study is to examine the link between language diversity and performance within multilingual teams in MNCs through a qualitative study on diverse teams.

The focus of this study is on the precise function of language, effectively removing it from the "culture box.". Culture naturally revolves on language. It both represents and is fundamental to a certain culture. According to Claes, "if language influences the way we behave and how we perceive things, it means that culture is also inherent in the language itself" (Claes, 1996: 99). Despite these established relationships, Piekkari (2009) argues that language is significant enough on its own to warrant a more concentrated approach. It is easier to recognize language's impact on communication styles and performance processes when it is treated as a separate variable.

Language is a mental model that frames behaviour and activity as a part of the mindscape. Nevertheless, language and culture do not simply overlap since language has enormous importance beyond the "embeddedness-in-culture" perspective. Often team members in various global organizations are required to work in English even if it is not their native language. This can create a disconnect with the natural cultural base. Therefore, the aim of this study is to contribute to the investigation of how linguistic diversity in teams affects performance. This leads to the following research question (RQ) for this study:

How is team performance affected by language diversity within MNCs?

Sub-research questions are questions that aim to address fundamental elements of the main RQ and help define the research strategy by highlighting the elements needed to answer the RQ. Therefore, to answer the main RQ, the sub-questions of the study are the following:

- 1. How does language clustering, CQ and linguistic competence impact performance?
- 2. How do organizations manage language diversity, and how could this be improved?

1.3 Delimitations of the Study

The empirical findings and conclusions of this thesis are based on a single team, the Center of Excellence (CoE) of a multinational organization. The CoE is based in Spain but employs fifty people from different parts of the world and provides support to local offices, mainly in the EMEA region. Global assignments are also sometimes distributed amongst the team. The correlation between language diversity and performance in this small case study cannot be generalized. Furthermore, regardless of the fact that many of the interview candidates have diverse backgrounds and have lived in other regions of the world, all of the responders are presently based in Spain. Additionally, the responders were asked to express the voice of their organization. However, they

occasionally opted to share their own thoughts, which the author did not restrict, to compile as much information as possible. It should be noted that the relationship between performance and linguistic variety can vary depending on the team, and as this study only looked at one team, it may not be applicable to other teams. Furthermore, it is critical to recognize that the respondents' understanding of linguistic diversity management and performance can be categorized as a limitation, as the majority of respondents do not consider themselves to be experts in this field.

1.4 Structure of the thesis

The thesis commences with an introduction, which defines the reason and needs for analyzing the research topic. This is followed by the objectives, the RQ and the delimitations of this study.

The next section outlines the theoretical framework of the study. The literature review consists of two main parts: understanding language in IB and uncertainty theory. In the first part of the literature review, the language issue in IB will be discussed. Linguistic diversity in IB, performance and language management will be discussed. The second part of the theoretical framework will present the uncertainty reduction theory more deeply and discuss the three main aspects of the study: clustering, cultural intelligence (CQ), linguistic competence, and managing language diversity. Once both chapters have been presented, the literature review will conclude with a summary of both chapters.

After the literature review has been presented, the research methodology section will provide details on the research conducted. This chapter will discuss the research strategy, the research method, and the data collection. This will be followed by a presentation of the research findings. Furthermore, validity and reliability will be critically discussed at the end of this section, along with the method for selecting the interviewees and a discussion of how the analysis was performed.

Finally, the thesis will end with conclusions and implications, providing suggestions for future research. Furthermore, the limitations of the research will be discussed. The figure below illustrates the structure of the thesis:



Figure 1: Structure of the thesis

1.5 Key concepts of the study

Language Diversity is a fragmented concept with several definitions. However, in this study the definition used for language diversity is the phenomenon wherein organizational team members hold a variety of mother tongues (Henderson, 2005; Vulchanov, 2021). Language diversity is a type of diversity narrowing the scope solely into language, taking the linguistic background out of the cultural box (Canestrino et al., 2022).

Clustering is a form of grouping of symbolic boundaries. A shared language suggests a shared culture, explicitly common scheme of values and beliefs (González et al., 2021). Language is a fundamental social identity marker and is seen as the main agent of integration into a social and cultural group (Feely and Harzing, 2008). In diverse and multilingual teams this facilitates the creation of language-based clusters (Fredriksson et al., 2006). Therefore, the term clustering is used to describe language-based grouping in this study.

Cultural Intelligence can be defined as an individual's capability to function successfully in culturally diverse situations (Mangla and Singh, 2022). Hofstede (1984) defines culture as "the collective programming of the mind that distinguishes the members of one group from another". CQ has been seen as the key competence required to manage a diverse workforce. It is the ability to have efficient and effective interactions with people divergent to oneself (Ogbe, 2006). Chen et al. (2010) argued that CQ, adaptability and language proficiency is crucial for success in an international team. In this study CQ is used to measure whether it has an impact on performance.

Linguistic Competence is the system of unconscious information that one has when they know a language. It differs from linguistic performance, which encompasses all other aspects that allow one to utilize one's language in practice (Chen et al., 2010). Linguistic competence is used in this study to determine whether the level of the language influences performance.

2 Role of Language in IB

With the unavoidable trend toward globalization, the business environment is increasingly populated by teams which are not only multinational but also globally distributed (Gibson et al., 2014; Han & Beyerlein, 2016; Presbitero, 2019). Hence, it is highly probable that businesses undergoing internationalization include multiple language communities (Marschan-Piekkari et al., 1999; Piekkari, 2017).

The term "internationalization" has come into use to describe how a firm expands its client base into global markets. One result of this process is that businesses wield increasing power over local markets and hence impact the phenomenon of globalization itself; another is that the local and the global are intertwining. Consequently, intercultural communication and diversity introduce "an international, intercultural or global dimension into the purpose and function" of globalization (Knight, 2004: 2). The term "globalization," in contrast, focuses on the process whereby multiple local and regional markets are integrated into and interact in a single global market. Several beneficial outcomes ensue from this process: There are fewer trade barriers, it leads to the development of free and open markets, and it enables the movement of free trade capital. However, it is also a driver of migration, sometimes to the point of uncontrollability, as well as having an adverse impact on local culture and identity. In sum, globalization can be defined as the "flow of technology, economy, knowledge, people, values, ideas... across borders" (Knight and de Wit, 1997: 6).

The everyday lives and activities of organizational members are significantly impacted by the internationalization process. Research interest in inter-organizational language diversity (Harzing et al., 2011; Klitmøller and Lauring, 2013; Lauring and Selmer, 2010; Zander et al., 2011) has increased following growing recognition of the vital role played by language in human resource management (HRM), given that HR departments are ever more likely to curate international workforces who work in international and multilingual contexts (Vulchanov, 2021) where differences in speech and language can cause challenges on an organizational scale.

According to Zhu and Hua (2014), interactions in the workplace are not restricted to work-related issues; rather, people see their place of work as a social arena where they encounter, and engage in relationships with, others. Cox and Blake (1991) assert that contexts characterized by diversity enable individuals to find human qualities that differ from their own and those of their organizational group and thus benefit from contact with unfamiliar qualities and characteristics. There is therefore considerable value in understanding the impact of different forms of diversity on success, motivation, performance, and interactions in the workplace. That said, it has been recognized that, although diversity of many types is critical to maximizing productivity in today's workplace, most firms find it challenging to achieve.

Promoting workplace inclusiveness and creativity and openness to diversity are vital for today's organizations. Definitions of openness to diversity in the literature include a favorable attitude to promoting awareness and inclusivity of intra- and inter-group similarity and difference (Piekkari, Welch & Welch, 2015; Wilmot and Tietze, 2020). To be deemed open to diversity, an organization must ensure that it is open to hearing and learning from the views of others; moreover, its activities should be based on the differences, rather than the similarities, among its members. Definitions of diversity have changed alongside changes in society, and some organizations can struggle to respond in timely and appropriate fashion to emerging trends. Many managers regard it as vital to have diversity within international communication (i.e., diversity of language, gender, accent, mentality, location, experience, and belief) if they are "to create the highest performing leadership teams." Although this type of diversity can also lead to miscommunication and misunderstanding, as organizations today operate in a global and polycentric context intercultural and interlinguistic interactions must be expected and planned for, and no lingua franca can properly communicate every meaning and nuance (Albuquerque et al., 2015; Vulchanov, 2020).

Many institutions and organizations have adopted a policy on multilingualism which refers to treating all languages equally. This shift resulted from an acknowledgement that

diversity of languages can be used as a vehicle to promote the cultures of different member states. In 1995, the General Assembly adopted resolution 50/11 and referred to multilingualism as a demonstration of the universality of the United Nations (Fall and Zang, 2011). Since then, the United Nations has taken huge steps toward ensuring that no language is seen as less important than others.

UNESCO has actively promoted language diversity and multilingualism, especially by adopting the concept of language vitality. In doing so, UNESCO has ensured that workers who do not use English as their native language feel comfortable with their accents (UNESCO, 2003). It has been achieved by encouraging workers and changing their attitudes toward their native languages so that they do not feel inferior to native English speakers. Furthermore, through its language revival and fortification strategies, it has encouraged workers from minority groups to be more comfortable using their native languages.

In 2007, the World Health Organization adopted a strategic plan for multilingualism. The plan was meant to promote respect for language diversity in the organization, build an institutional repository to store multilingual content, build a database of the various staff languages, and train the staff, among others (Fall & Zang, 2011). The organization also appointed an overseer to implement the proposed actions. Additionally, the organization has incorporated translation as a technique of ensuring that there is proper communication within the organization. The European Union has taken a two-pronged approach to multilingualism. The first approach is inclined towards the internal functioning of the organization, and the second is oriented towards promoting a sense of community through strengthening each language (Fall & Zang, 2011). The EU has used multilingualism to build a European identity and to showcase a multicultural Europe where people with different languages can work together towards a specific objective. From this perspective, language diversity is perceived as a means of uniting people towards a common goal.

These examples indicate that language diversity is crucial to optimal productivity and can be used as a vehicle to promote and acknowledge different cultures and backgrounds in organizations. The next sub-chapter will discuss linguistic diversity and performance.

2.1 Linguistic Diversity and Performance

Language diversity materializes when organizational members have multiple native languages, as not only is communication carried out in different mother tongues but each first language impacts how speakers speak a second one (Canestrino et al., 2022; Henderson, 2005). Research has determined that language diversity significantly impacts organizational processes in multinational corporations (MNCs) ranging from knowledge transfer through international conflict management, as well as the intensity with which units communicate with each other, the degree of trust they place in each other, and, finally, the degree to which global integration is achieved (Vaara et al. 2005; Kalla & Piekkari, 2007). In some circumstances, language diversity can adversely influence organizational activities and processes. First, some organizational members can struggle to understand or even hear others, not only because those others may be speaking in an unfamiliar language (and possibly making mistakes when doing so) but due to peculiarities such as rhythm, speed, and intonation (Cohen & Kassis-Henderson, 2017). Moreover, it can be challenging for individuals to spend much of their working life communicating in a second language, particularly when they are not fluent in it, and stress is a frequent result (Du-Babcock, 2006).

As speaking and learning a second language can be stressful and time-consuming, those using second languages in the workplace may communicate less often and be less able to comprehend others and present their thoughts, although it should be recognized that not all multilingual organizations are necessarily prone to communication and understanding difficulties. It has also been shown that language diversity may cause significant changes in intergroup behavior (Lauring, 2008; Canestrino, 2022): Group differentiation can be heightened by linguistic diversity, and there is the potential of conflict between ethnicities, as group/ethnic membership is a strong signal of social

identity. Therefore, language carries a certain power: There is a risk that those members who have less knowledge of the dominant language feel excluded from important organizational processes such as conveying information, engaging in cooperative activity, and decision-making (Feely & Harzing, 2003; Tenzer & Pudelko, 2017). Further, if individuals are excluded from such processes because of their linguistic proficiency (or lack of it), they may form language-community subgroups, a development which can significantly impact organizational operations. Multiple studies suggest that the desire to feel belonging, and therefore the drive to form social groups with similar others, can lead to intergroup conflict and inequality in how resources are distributed (Rooney et al., 2010; Bartel, 2001).

Language diversity can be detrimental to the effectiveness and overall performance of a business unit. Challenges to understanding can cause the emergence of not only organizational "subdivisions" but even of mechanisms of social exclusion. Many organizations seeking to forestall the emergence of linguistic subgroups and ensure their members have a means of standardized communication have engaged in so-called inclusive language management strategies (Fredriksson et al., 2006; Harzing & Pudelko, 2013; Wildman et al. 2022).

Clyne (2005) suggested incorporating "inclusive language" within national language policies to offer an alternative to the language of exclusion to which nation states often have recourse when talking about immigration. A study conducted a few years later found that introducing legislation to ban discrimination on grounds of language use can foster the inclusion of all citizens, whatever their background (Lane, 2009). Legislation of this kind privileges the use of a common tongue within a nation over the coexistence of multiple parallel languages (Lane, 2009), on the assumption that the use of several languages is a mechanism of exclusion and use of a common language is one of inclusion as it permits communication among individuals from diverse language communities (Janssens & Steyaert, 2014). Lauring and Selmer's (2012) study aiming to assess how far language management practices can encourage members of global organizations to use

inclusive language found that when management led the drive to promote use of a single common language, inclusive attitudes emerged among members. It could be said that a communication strategy which privileges the use of inclusive language encourages communication among organizational members even when they come from different linguistic backgrounds as long as they are willing to accept and be open to a range of levels of competency and knowledge (Lauring & Selmer, 2012; Sawyerr et al., 2005; Wilmot & Tietze, 2020).

Hinds et al. (2014) and Klitmoller et al. (2015) claim that people who accept linguistic diversity are more ready to communicate and less likely to form subgroups when there is a change of common language, and this perceptual element is key. Moreover, if organizations are to ensure that linguistic minorities within them are to participate in communication processes and no language-based "us" vs. "them" mentality emerges, then their inclusive language policy must incorporate the use of a common language at all levels, including management, and in both formal and informal contexts (Fredriksson et al., 2006; Harzing & Feely, 2008). Otherwise put, inclusive language consists of open attitudes plus the regular employment of a lingua franca in which most members have a reasonable competence. Even if members within a team have different levels of linguistic skill, if the management uses a common language, feelings of belonging can be promoted among all organizational members. Teams will find it less challenging to create a single identity (Vaara et al., 2005; Wildman et al., 2022), fostering organizational cohesion and encouraging a more productive environment in the workplace (Koschmann, 2013; Wells, 2013). It is therefore believed that the consistent use of a single corporate language in management communications will have a positive effect on a business unit's overall performance.

Moreover, research suggests that organizational effectiveness can be improved if employees are encouraged to utilize a single common language. A study by Zenger and Lawrence (1989) found that interlocutors using a shared language achieved greater uniformity in comprehension, interpretation, and reaction to data than those using several languages. Using a common language can therefore enhance understanding and

communication in teams, and the regularity of interaction it encourages also tends to foster group engagement; indeed, the emergence of a shared language itself encourages engagement and communication (Weick et al. 2005; Wildman et al., 2022). In contrast, communication will be hampered and less effective in a work group whose members do not speak a common language.

Speaking a common language in informal settings is especially crucial for the transfer of implicit knowledge that is challenging to express when it comes to interpersonal interactions. The performance of an organization frequently depends on this kind of knowledge (Heaton & Taylor, 2002; Wildman et al., 2022). Because knowledge frequently circulates through social networks and linguistic links produce informal structural clusters, maintaining that language commonality has a favourable impact on the sender's capacity to transmit knowledge. As a result, informal communication promotes the information exchange that is essential for organizations to perform effectively (Kuhn & Jackson, 2008).

The ability to be receptive to linguistic diversity may also have significant effects on performance. Individuals may frequently engage in various forms of reduced attachment, such as psychological and physical withdrawal, as a result of differences, which will frequently reduce group involvement and satisfaction. However, people can overcome the obstacles brought about by diversity if they are more accepting of one another's differences (Hobman et al., 2004, Homan et al., 2008, Shrivastava & Gregory, 2009, Strauss et al., 2008). Alternately, if a work group is less accepting of linguistic diversity and subgroup formation increases, this will probably have a detrimental impact on the performance of the organization (Lammers, 2013; Wildman et al., 2022).

This sub-chapter presented the concept of language diversity in IB then discussed how language diversity is led by management and its effect on an organization's overall performance. The goal of the chapter was to broaden the knowledge and understanding of language diversity in IB and performance. The next chapter introduces the uncertainty

reduction theory and discusses how they can be applied to understand individuals' issues with the avoidance of linguistically diverse team members and how it affects performance.

2.2 Uncertainty Reduction Theory

According to Hall (1989), understanding people from other cultures is hampered by two principal aspects, namely bias and prejudice, which can be felt toward individuals or groups such as language or ethnic communities. As mentioned above, organizations are increasingly characterized by diversity, and thus work teams can expect to see diversity in membership. A theoretical lens suggests that multiculturalism and multilingualism in teams is advantageous for organizations because team members represent a diversity of information sources and types (Stahl et al., 2010). These advantages are dependent, however, on the ability and willingness of each team member to engage in knowledge exchange with those of different linguistic and cultural backgrounds (Bui et al., 2019; Homan et al., 2015). A review by Wu and Ng (2021) found adequate evidence in the literature that individuals who have linguistic or cultural characteristics in common tend to form clusters; the other side of the coin is that clusters tend towards mutual avoidance. Research has also identified this tendency toward clustering as an important feature of international teams as well as its effect on team performance as a moderator of informal inter-worker communication. Clustering frequently arises in multilingual organizations because same-language speakers communicate better with each other and consequently form closer social relationships (Mäkelä et al. 2007; Ahmad & Barner-Rasmussen, 2019).

According to Stahl and Caligiuri (2005), team members may use avoidance as an emotion-focused coping mechanism which enables them to mitigate their perceptions of uncertainty around interactions with "the other." Under uncertainty reduction theory, people are "motivated by a need to reduce subjective uncertainty about one's attitudes, perceptions, behaviours, feelings and ultimately one's self-concept as well as place within the social world" (Hogg & Terry, 2000: 27). There are two challenges that team

members from different cultural backgrounds encounter when working together, namely cultural differences and language differences. If individuals lack a common language, they have no common system of effectively expressing thoughts and coordinating actions (Neeley et al., 2012). Where there is no common culture, expectations of the behaviors necessary to achieve a given (level of) performance are also lacking (Chattopadhyay et al., 2011; Guillaume et al., 2014). Given these challenges, individuals could choose to manage the uncertainty involved in interaction with the linguistic and cultural "other" through avoidance, a damaging prospect as the success of multicultural teams' rests on their ability to effectively and openly exchange information (Bui et al., 2019).

The following two questions thus naturally arise: Which individual capabilities predict avoidance behaviors in diverse teams, and what effect do avoidance behaviors have on individual effectiveness, understood as assignment performance?

Hogg and Terry (2000) claim that, under uncertainty reduction theory, there is a negative relation between two individual capabilities (cultural intelligence (CQ) and language competence) and avoidance behaviors. This relation exists because individuals with these capabilities have access to greater "resources" to mitigate subjective uncertainty in situations when they are asked to work with individuals from other backgrounds. CQ refers to how capable a person is of effective interaction in a culturally diverse setting (Earley & And, 2003), while language competence refers to their ability to manipulate a language's linguistic and semantic signals (Barner-Rasmussen et al., 2014; Ahmad & Barner-Rasmussen, 2019).

Uncertainty within intercultural interactions is principally due to language and cultural difference. Hence, language competence and CQ, respectively, mitigate these differences. Even persons who speak the corporate *lingua franca* may be unable to interpret, detect, and adapt to the cultural setting in which it is spoken, while others may be culturally flexible in terms of producing behaviors and interpreting cues but not be

fluent in the *lingua franca*. Thus, it is interesting to explore how, and whether, the mutual influence of language competence and CQ affects personal uncertainty during multicultural teamwork. Whether individuals work in isolation or are brought together as teams, however, they must have the skills to work together and thus to build an effective working relationship.

Tensions generated by task-related problems in teams can intensify and take on a language-based character (Hinds et al., 2014). Multiple studies have found that when employees have different levels of fluency in the corporate lingua franca, an "us vs. them" dynamic is more likely to emerge or intensify; this often happens in global teams and can damage trust (Tenzer et al., 2014).

The abovementioned aspects of relationship building are clearly important; however, potential linguistic problems can surface unexpectedly and in ways which are counterintuitive. Holden (2002) states that an emotional solidarity may emerge among team members for whom the corporate language is not their mother tongue. For Rosenblatt (2013), this type of solidarity develops as a result of metacognitive abilities when individuals are exposed to multicultural settings and then reflect upon them. Team members in this situation tend to learn a range of discursive techniques, having learnt to learn from and reflect on experience, particularly when experience does not align with expectations (Rosenblatt, 2013).

It is more likely that team members will respond promptly and engage in behaviors they have learnt from cross-cultural settings if their expectations are met; when this is not the case, however, the opportunity emerges for them to develop and learn cross-cultural competences.

According to Wu and Ng (2021), the *clustering* which emerges in linguistically diverse teams is the natural result of their members seeking to avoid those who are linguistically and culturally "other." *Clustering*, *CQ*, and *linguistic competence* intertwine when individuals generate avoidance as a mechanism to cope with a linguistically diverse

context. Managing language diversity is thus key to ensuring organizations and teams are not characterized by avoidance, as discussed in the following sub-sections.

2.2.1 Clustering

As mentioned, a form of grouping, also called clustering, of symbolic boundaries has been seen as a suitable strategy to study when it comes to group forming. Symbolic boundaries are "conceptual distinctions" created by social actors to categorize behaviours, objects, and people. (Lamont & Molnar, 2002; González et al., 2021). Conceptual distinctions are essential for the existence of voluntarily formed groupings. Therefore, approaching group formation through an investigation of symbolic boundaries allows one to explore assumptions about the differences and similarities used by groups for the definition of self and the other (Lamont, 2001; Ahmad & Barner-Rasmussen, 2019).

Identity is one of the most powerful features that both unites and divides societies, communities, and groups (Pavlenko, 2004). When the identity symbol becomes linguistic, it is likely to be seen as possessing the same important capacity of distinction and association that defines who is in and who is out. According to this ethnolinguistic identification model, when a language is given the symbolic weight of cultural and national identity, people are more prone to see social differences in linguistic terms and are much more willing to converse with their "own people" in their original language, which establishes the ground for clustering (Tange & Lauring, 2009). Since language functions as a symbolic representation of aspects of its original culture, such as heritage, collectiveness, and history, for example these boundaries result in the categorization of "us and them" (Edwards, 2009; González et al., 2021).

Clustering has not been studied to a great extent, while its implications and existence for processes like knowledge sharing, for example, have been recognized in multiple studies (Mäkelä et al., 2007). Language clustering has scarcely ever been explicitly and precisely described; instead, the concept must be understood through generalizing the

phenomenon. Nonetheless, there is agreement on the fundamental concept of the phenomenon. It is the grouping of people that have the tendency to interact more with those with whom they share a common language in multilingual workplaces. Tanger and Lauring (2009) define clustering as the "language user's" inclination for social involvement with members of their own speech group. A language cluster is defined as a group of people who interact and participate in interactions with people from the same speech community more than with individuals from other language clusters. Language clusters typically lack distinct apparent boundaries and may not be as easily distinguished from one another as communities and practice groups. Instead, they are unstructured social groups that interact more because of shared language similarities (Mäkelä et al., 2007; Vulchanov, 2021). Cluster members may be unaware of the existence of their own "groupings" because they perceive enhanced language-based communication as a natural event rather than an outcome of a variable's influence. Since the unconscious part of the communication pattern makes existing communication flows appear instinctive and spontaneous, this may have significant consequences for the overall team performance.

In a large number of studies, language clustering practices have been identified in multilingual organizations (Mäkleä, 2007; Vaara et al., 2005; Tanger et al., 2009; González et al., 2021). Language differences within the organization are a major predictor of the communication pattern in international organizations, according to Marschan-Piekkari et al. (1999). Based on language similarity, language clusters can be identified between subsidiaries and HQs, with Americans, Brits, and Australians making one cluster and Spanish, Mexicans, and Italians constituting another, and so on. Language clusters had their own organizational hierarchies in terms of communication and information flow. It was revealed that language clusters developed their own organizational hierarchies in terms of information flows and communication patterns.

The primary criterion for friendship and social engagements strongly influenced the information-sharing potential between language communities in a negative way. Several

investigations have confirmed the existence of this phenomena, there is still quite limited knowledge of how such language clusters of this kind persist and develop through time. This is allegedly due to the fact that language clustering has not been a major area of study. The most frequent justification for linguistic grouping is language proficiency. (Ahmad & Widén, 2015). The organization's secondary language or official language competency has also been claimed to be an essential component in establishing communication patterns and, eventually, language clustering (Charles, 2007; Lauring et al., 2010). This argument is reasonable though oversimplified, and it appears to be appropriate to persons with limited expertise in the corporate language. Nevertheless, in today's workforce, language proficiency is a crucial component of the professional portfolio. One of the most crucial requirements in the hiring process is linguistic proficiency in a corporate language, particularly in knowledge-intensive industries (Peltokorpi & Vaara, 2014; González et al., 2021).

This suggests that most employees within an organization, particularly those in middle and senior management, should be proficient in the corporate language. Language proficiency cannot, however, be the sole determinant of language clustering. This phenomenon is especially relevant in today's multilingual, globalized world, as language has evolved into a resource that is valued and exploited on global marketplaces. Around the world, elementary and university education now focuses particularly on foreign languages, especially English, to ensure that students are linguistically and communicatively competent across linguistic boundaries. According to Edwards (2009), this is a time of "elite bilingualism," or learning a language other than one's native tongue because it gives one a competitive advantage, prestige, and widespread practical value. The "elite bilinguals" of today, who were raised and educated to succeed in an information society, can currently be said to speak English as their second language. (Ahmad & Widén, 2015).

Exploring the development of linguistic clusters that have an immediate impact on organizational knowledge-sharing processes and practices is crucial. The ways in which

an organization conceptualizes the consequences for knowledge sharing depend significantly on how it perceives the emergence of clustering. It also affects how the clustering problem is handled. As was previously mentioned, the understanding that language diversity is best managed by improving translation capability, particularly when it comes to documents and knowledge management systems, as well as by hiring bilingual employees who are proficient in the organization's official language, has greatly contributed to the development of this idea (Peltokorpi & Vaara, 2014).

According to Ahmad and Barner-Rasmussen (2019), the use of translation services and multilingual staff by an organization will facilitate inter-language discourse, communication, and cooperation, potentially neutralizing linguistic differences and increasing the potential for effortless knowledge transfer and information flow across the organization. This is an instrumental perspective of language, with the emphasis on language proficiency (knowledge of grammar, syntax, morphology, phonology, and so on), the number of languages (bilingual or multilingual), knowledge of the common organizational language (lingua franca), knowledge of translation, and other related elements.

Nevertheless, language is more than just a means of communication. Language is more than just a straightforward instrument for the transmission of messages or the flow of information because it is social in character and continually engages with its users and society. Language clustering should be viewed from a social and practical standpoint to comprehend it and its effects (Ahmed & Widén, 2015). Language is thought to play a significant role in many elements of society, particularly in the social dynamics of society, and is involved in many aspects of one's life, including education, socialisation, and work as well as performing different traditions. Language and culture, which is the expression element of society, are frequently linked. This demonstrates that language is more important than just being a tool for communication.

2.2.2 Cultural Intelligence

CQ has been defined as an individual's capability to function efficiently in culturally diverse situations (And & Van Dyne, 2015). CQ improves an individual's abilities to interact with those from cultures other than their own. It refers to the personality traits and skill sets necessary for successful cross-cultural communication (MacNab & Worthley, 2012; Manhla & Sing, 2022). It has been seen as the key competence required to manage a diverse workforce of the 21st century. It is the capacity to interact with those from different cultures in an effective and efficient manner. One's capacity to thrive in a new culture is increased by this knowledge. (Ogbe, 2006). Chen et al. (2010) argued that language skills had the greatest ability to predict performance among the four dimensions of CQ. Hence, it can be recognised that team members' CQ, language profiency, and adaptability play a significant role in the success of an international team.

These competencies consist of four inter-related capabilities:

- 1. CQ action or behavioural CQ: the ability to modify non-verbal and verbal behaviours within an intercultural setting
- 2. Metacognitive CQ or CQ strategy: the ability to monitor thought processes and to understand intercultural situations
- 3. Cognitive CQ or CQ knowledge: the understanding and knowledge regarding cultures, including their differences and similarities and
- 4. Motivational CQ or CQ drive: the ability to sustain and direct energy and confidence to adjust to different cultural situations (Ang et al., 2015).

All the capabilities mentioned above balance each other to support flexibility in a multicultural setting. When it comes to languages, CQ action, or behavioural CQ, is the most relevant capability.

A massive amount of research has been conducted since the CQ concept was originally posted by Earley and And (2003). Researchers have extensively studied how the impact

of cultural intelligence affects and is relevant to organizations (And & Van Dyne, 2015; Manhla & Sing, 2022). Benefits associated with CQ include the ability to perform effectively in a multicultural setting, whether with colleagues or clients. This ability also applies to effectively involving other types of diversity, like language diversity (Groves & Feyerherm, 2011; Livermore, 2015). Gelfand et al. (2015) and Leung et al. (2014) argued that teams and individuals with high CQ experience a number of positive performance-related outcomes and that effective intercultural communication internally and externally increases work performance. Teams with high CQ can adjust more easily to complex and uncertain work demands.

As mentioned, linguistic diversity represents the communicative capability of dissimilarity of the CQ dimensions (Jonsen et al., 2011). Individuals are more accepting of one other's language, proficiency, different vocabulary, and accents once they are receptive to linguistic diversity. This allows individuals with high behavioural CQ to be open to diverse information, sources, and knowledge (Homan et al., 2007). Nevertheless, language is used in both positive and negative social differentiations. Language, according to Lauring and Selmer (2012), is one of the most distinctive indicators of identity and sociality that may be used to identify an individual's similarities and differences.

Lacking CQ tolerance for language variations affects the establishment of shared assumptions that are crucial for the development of group trust. However, in a diverse team that is generally tolerant of language diversity, team members will experience lower levels of conflict and higher levels of trust (Lauring & Selmer, 2012). Lack of CQ, or inability to understand different cultures, which is, according to Gupta et al. (2013), due to incorrect use of language and behaviour, harmfully impacts individual and relationship building, as well as organizational performance.

According to Jandt (2010), language is a set of symbols used by a community to convey experiences and meaning. It develops a means by which to promote cultural

development and reflects and affects culture (Selmer, 2006). CQ team members are able to adjust to international assignments in a more effective way. Huff (2013) revealed that team members who have a higher level of CQ and expertise of other languages can adapt quickly and more efficiently to a context other than their own. It has also been noted that culturally intelligent employees often work with team members from a different country daily, so, in addition to their native language, they must also be open and understanding other customs and cultures and even enjoy the opportunity of being exposed to these different cultures (Zielinski, 2007). Individuals frequently perform poorly when pulled from outside their comfort zone because they cannot comprehend how cultural differences regarding role expectations affect performance. Several studies claim that CQ significantly influences work performance (Ang et al., 2007; Lee & Sucoko, 2010; Stone-Romero et al., 2003; Manhla & Sing, 2022).

2.2.3 Linguistic Competence

When a corporate language is introduced into an organization, one result can be the hierarchization of the languages already in use and competition among individuals who have different levels of competency in the new *lingua franca* (Vaara et al., 2005). When one language is given a higher hierarchical position than another or others in a multilingual context and a multinational team, whether as a result of a top-down decision to introduce a corporate language or in inter-team interactions of greater or lesser formality, power structures and social positions are necessarily defined. This is particularly the case when the corporate language is also the mother tongue of some individuals but not all (Steyaert, Ostenforp & Gaibrois, 2011; Wilmot & Tietze, 2020).

A study by Piekkari et al. (2005) indicated that the choice of corporate language can lead to the positioning of personnel on the basis of their competence in that language. Some may see competence in the corporate language, or languages, as a means to wield power, and differences in language competence can drive division among organizational units (Hinds et al., 2013). It appears that language skills align with age and position in the organizational and occupational hierarchy (Barner-Rasmussen & Aarnio, 2011;

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Vulchanov, 2021); therefore, any shift of language policy will have differential effects in the organization. This difference in impact is particularly notable when the shift occurs in large international businesses, where advanced competence in the dominant language is a means to drive career advancement, whether at the recruitment stage or later, when individuals compete for valuable placements and promotions (Piekkari, 2008; Vulchanov, 2021). In contrast, staff members with poor competence in the dominant language may be negatively judged in terms of knowledge and intelligence (Klitmøller & Lauring, 2013; Yoshihara, 2001; González et al. 2022). In some cases, certain individuals may even be snubbed or sidelined and suffer psychological and emotional distress due to feeling unable to communicate adequately or demonstrate their competence. Neeley (2013) suggests that this type of harmful and restrictive impact of change in organizational language policy can be understood in terms of loss of status, or "the subjective feeling of a diminished professional regard."

Speakers with accents are judged in various ways by their listeners; judgements may be about the individual or the whole social group to which they belong and can change interlocutors' impressions of such speakers and how they communicate with them. Listeners can assess not only linguistic competence but other types of competence as well (Coupland & Bishop, 2007), with one recent study suggesting that speakers with non-standard accents are judged principally in terms of dynamism, status, and solidarity (Giles & Billings, 2004). These three dimensions can be further decomposed as representing the following attributes:

- 1. Dynamism: enthusiasm, talkativeness, liveliness, and activity;
- Status: confidence, competence, education, intelligence, success, ambition, social class;
- 3. Solidarity: attractiveness, compassion, speaker-listener similarities, trustworthiness (Giles & Billings, 2004).

A meta-analysis of language attitudes carried out by Fuertes et al. (2012) found that standard speakers tend to be judged more favorably than non-standard speakers in

regard to all three attributes, a situation which benefits one group and disadvantages the other. In MNCs, this privileging is most clearly seen in formal, "high-stakes" settings (Fuertes et al., 2012; Wu and Ng, 2021). As an example, if a selection or promotion board consists of only native speakers, they might discriminate on the grounds of accent or other characteristics against those who do not have fluency in the dominant language (Creese and Kambere, 2003). Multiple studies have found that non-standard speakers suffer workplace discrimination due to the judgments passed on their linguistic abilities, ultimately adversely impacting their motivation and performance (Fuertes, 2012). Moreover, research has demonstrated that a link exists between evaluation of accents and prejudice shown to speakers whose accents deviate from the accepted norm (Derwing & Munro, 2009).

Neeley (2013) and Neeley and Dumas (2016) found that organizational members who are not native speakers of the dominant language lose status in relation to their native-speaker counterparts, with "highly fluent speakers" evaluated more highly, are more influential in different sorts of situations and more likely to achieve group dominance (Neeley, 2013). Individuals with lower competency in the corporate language may consequently manifest lack of trust, resentment, frustration, and stress (Harzing et al., 2011; Harzing & Pudelko, 2013; Neeley, 2013). Shifts in language-based power can therefore lead to conflict (Harzing & Feely, 2008) and unsettle not only collaboration among workers and teams but adversely impact performance within MNCs (Sekiguchi, 2015). These effects can become critical when respected managers find they must give up some of their authority to others who have higher linguistic competence. Harzing and Pudelko (2013) conclude that benefits based on levels of language proficiency change the official power hierarchies put in place by corporations and other organizations.

Swift and Wallace (2011) found that one possible solution to language-based communication difficulties lies in improving workers' language abilities through providing company-sponsored training. Recruitment based on language competence is not necessarily a feasible option as language skill does not necessarily accompany

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functional competence (Peltokorpi, 2010). Hence, language is perceived as a "value-free" method of communication, and the focus remains on proficiency in the dominant language of the organization.

Brannen and Thomas (2010) observe that bilingual, bicultural, or multilingual individuals tend to possess a skillset which gives them an advantage in the international business context. Meanings and sense-making are social constructions, being both embedded in their context and derived from interaction; thus, the skills such individuals bring to the workplace, where interactions occur, are of particular value. Biculturals tend to have a type of competence in the area of language which exceeds the limited ability demonstrated by simply mastering the standard form of a given language. Multilingual employees are sometimes used as bridges between language communities within an organization, which is a benchmark for the assessment of linguistic proficiency. This generalized competence in the area of language brings high levels of tolerance and emotional management as well as higher general cognitive skills such as cross-linguistic awareness (Manhla & Sing, 2022).

2.3 Managing Language Diversity

Until recently, the management literature paid little attention to the problems posed by language diversity, even though such problems tend to occur frequently in MNCs, and organizations must find strategies to deal and communicate with speakers of other languages as soon as they begin doing business outside their own linguistic area (Maclean, 2006; Vulchanov, 2021). As a diverse workforce and globalized working patterns become more common (Andresen et al., 2018; Reiche et al., 2019), HR has been forced to take ever greater account of language and multilingualism in its practices and policies. Any firm seeking competitive advantage must necessarily put in place strategies to ensure language competence, and the challenges of dealing with language diversity continue to grow in a globalized world. Indeed, Luo and Shenkar (2006) claim that an organization's language policy plays a central role in its overall business strategy, considering the importance of language to organizational wellbeing. Given that

significant benefits may accrue from incorporating language management into strategic business planning, doing so is a sound economic investment (Sanden, 2016). It is known that linguistic diversity has a significant influence on cross-border commercial engagement in a globalized world (Barner-Rasmussen & Björkman, 2005) and offers corporations a valuable tool in international operations by enabling cross-border communication and generating the tools required to effectively serve a diverse client base (Ahmad & Barner-Rasmussen, 2019).

It is ever more common for organizations in non-English speaking countries to adopt a corporate language, usually English, driven by the conviction that if all members speak a common language, better mutual understanding will ensure and there will be less of a social "them" vs. "us" dynamic (Feely & Harzing, 2003; Dasí & Pedersen, 2016; Shen & Gao, 2019). It must be recognized, however, that obliging people to speak a language other than their mother tongue can be challenging, because not all have the competence to do so effectively and easily. Such a change can be particularly difficult for those who have spent their entire career using their mother tongue. That said, introducing a corporate language policy is an effective way of dealing with the challenges which inevitable arise from linguistic heterogeneity among employees as well as issues around efficiency and status loss (Neeley, 2013; Alinasab et al., 2021).

Effective corporate language management rests primarily on resource management: It is vital to have in place the right team and personnel with the requisite communication skills and intercultural sensitivity. When these factors are in place and appropriate training and resources are made available, organizations can more easily navigate cultural misunderstandings. Thus, adopting a corporate language, often to be used alongside other languages, is the most usual solution to the problem of linguistic barriers to international communication, even if, given the complexity of this problem, more than one solution is often needed (Thomas, 2008).

Of the various strategies open to organizations seeking to internationalize, the easiest and generally the first chosen is to carry out a basic assessment of the current language situation through linguistic auditing, which guides management through the process of identifying organizational strengths and weaknesses in foreign-language communication (Sanden, 2016; Shortland & Perkins, 2022). Among the linguistic auditing methods available is a stock-take of the entire range of language skills within the organization, after which frequency of language use across different divisions is gauged, and linguistic capabilities can be mapped to company strategy going forward (Feely and Harzing, 2003). The drawback is that this stock-taking method is time-consuming; hence, many organizations have been reluctant to incorporate it into their language management strategy. The findings of a language audit are the foundation on which a language policy and strategy can be built (Piekkari et al. 2014), whether the latter is termed a plan, law, rule, statement, or regulation addressing organizational use of language (Baldauf, 2012; Kangasharju et al., 2010). Bergenholtz and Johnsen (2006) define a language policy as a method of wielding deliberate control over language-related matters and differentiate it from a language strategy, which is a little more "hands-on" and often consists of drawing up actionable plans and processes. For Hagen (2011: 13) the language strategy is "the planned adoption of a range of techniques to facilitate effective communication with clients and suppliers abroad."

Companies must not only draw up guidelines or rules to form a strategy or policy governing language use but can also, if they wish, roll out various initiatives to respond to identified language needs, such as language-based recruitment (Peltokorpi & Vaara, 2014). This type of recruitment can, however, be problematic since those employees used as "bridges" between language communities may act not to bring different groups together but, counter-productively, to block, filter, or distort information, a practice known as *gatekeeping* (Seargeant, 2009).

Organizations must manage diversity in ways that foster cohesion and productivity among staff. For Cox (1991), this entails devising plans and putting in place systems and

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practices which allow the advantages of diversity to be leveraged while its disadvantages are minimized. Multiple questions must be considered in the process of considering how to deal with language diversity, including whether practices, policies, and initiatives differently impact each group, and, if so, how. Fall and Zang (2011) found that corporate initiatives in this area include funding and organizing language courses, hiring language consultants to train speakers whose mother tongue is not the corporate language, and implementing follow-up to check all parties involved have properly understood any information shared in the organizational *lingua franca*. When most workers do not speak English as their first language, moreover, it would not be fair to, for example, circulate a memo in technical English (Yanaprasart, 2016; Regina et al., 2019), as doing so would exclude those without the necessary competence in the language. Investment, whether in money or in time and HR, is generally needed to introduce and implement language management tools. The fact that some organizations are reluctant or unwilling to prioritize investments in language-related activities can hamper roll-out of language management tools (Sanden, 2016; Shortland & Perkins, 2022).

Team building is another way to manage language diversity within organizations, particularly when certain behavioral triggers have been noted, such as decreased productivity and involvement, inter-personnel hostility, confusion about assignments, and a pattern of complaints (Yanaprasart, 2016). If such signals occur, team-building activities with a focus on diversity promotion could be considered, during which management could create space for all participants to articulate their thoughts. This approach not only signals an organizational belief that everyone's ideas have value but also enables all participants to release tension and potential ill feeling. Such activities are an opportunity for management to promote trust and cooperation; setting team goals and ground rules to orient personnel can also result from this type of initiative. Consequently, organizations are recommended to foster communication by creating an environment in which all members feel able to articulate their views and native and nonnative speakers on the workforce can discuss and describe their experiences of interaction (Regina et al., 2019). Regular staff meetings are another possible forum for

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staff to raise any problematic issues while also giving management a platform to educate staff on language diversity and address linguistic barriers that might adversely affect workforce productivity.

One crucial element in implementing a language strategy consists of performance monitoring; indeed, Piekkari et al. (2014) recommend language management initiatives should be subject to constant monitoring. Barner-Rasmussen and Aarnio (2011) found that decisions concerning language taken by top management frequently did not take account of the real-life situation of workers lower down the organizational hierarchy. Where language management practices among top managers are inadequate, therefore, communication and language problems in other areas of the organization can result. One way to solve such problems and prevent their becoming urgent is through continuous adjustment and revision of the portfolio of language management tools being applied (Andersen and Rasmussen, 2004; Sanden, 2016). The figure below presents in graphic form the stages of language management stages discussed above:

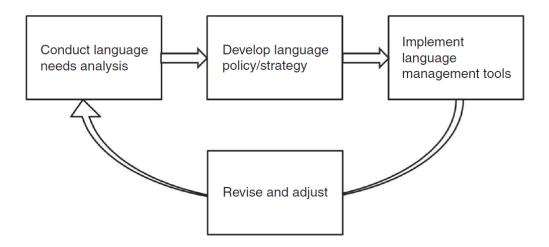


Figure 2: Successive language management stages (Sanden, 2016)

Organizations also have a role to play in promoting language diversity among the wider public, as demonstrated by international businesses who state their positive position on diversity when advertising vacancies. Such advertisements state that organizations are open to applications from persons with disabilities and of different races, genders, sexual orientations, and faiths as well as a commitment to promoting a non-discriminatory workplace (Regina et al., 2019), a philosophy which can also be explicitly formulated in the organization's mission statement. Another way of demonstrating a commitment to language diversity is to appoint competent non-native speakers to managerial posts, which could have a greater impact than statements alone (Konrad, Cannings & Goldberg, 2010) by demonstrating that the organization in question does not hold the stereotypical attitudes of native speakers to non-native speakers.

2.4 Summary

As a result of globalization, MNCs are struggling to combat the issue of language in IB communication (Storozum & Linowes, 2013; Alinasab et al., 2021). Language is central to IB activities, but it has not been adequately theorized or stated as a major element in the discipline. Understanding the complicated relationship between language's various features and how they influence day-to-day operations is becoming increasingly important for global business effectiveness. (Brannen, Piekkari & Tietze, 2014). As language permeates every aspect of multinational businesses, language diversity can have a profound impact on the successful operation of organizations. However, the study of language in IB is often overlooked, despite the universal perception that language is important to performing international business. With an increasingly diverse workforce, language management is not to be neglected (Welch, Welch, & Piekkari, 2005; Canestrino, Magliocca, & Li, 2022).

According to Brannen et al. (2014), the area of IB is sufficiently developed to advance in its knowledge of the complicated function of language in today's global business realities. This field draws theories from anthropology, linguistics, social psychology, and communication to explore the nature and complexities of the language contexts within IB. According to Storozum and Linowes (2013), the study of language has often been related to IB successes and failures. Language diversity in corporations can be viewed from two perspectives: a barrier or a facilitator. Language can be seen as a barrier on a

daily basis when employees that speak different languages must communicate with each other, as well as when corporate language communications use the standard corporate language to remove barriers rather than the local one. Lacking language management tools and language skills can prevent employees from building meaningful relationships that could be fostered with increased company language skills. Nevertheless, language can also be a facilitator when it comes to global communication flows.

Since language itself might not be the biggest issue when it comes to language diversity and performance in teams, recently, the embeddedness of language within cultural and linguistic competence has been acknowledged (Debillis et al., 2021; Ahmad & Barner-Rasmussen (2019). Avoidance of culturally diverse team members reduces the benefits of multicultural teams and often leads to language clustering. According to Wu and Ng (2021), clustering, CQ, and language competence exert synergistic effects on behaviours, which can be examined by using the uncertainty reduction theory. Avoidance also results in negative performances among individuals.

The figure below illustrates the theoretical framework of the study by indicating and how language clustering, CQ, and linguistic competence are linked with performance in linguistically diverse teams.

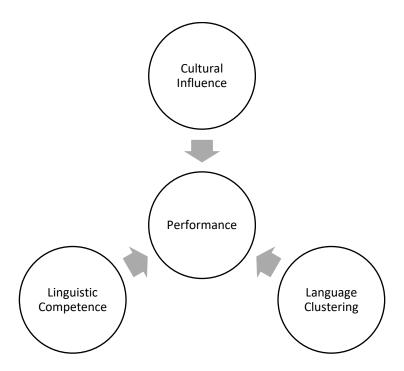


Figure 3: Link between language diversity and performance

3 Research Methodology

This chapter will discuss the research methods used in the thesis and provide a full description on how the study's empirical section is carried out. The research philosophy will be discussed first. After this, the research approach and design, data collection, and data analysis procedures are then discussed. Furthermore, the validity and reliability of the thesis are discussed.

3.1 Research Philosophy

The research methodology for the thesis is covered in this chapter's subsection. To comprehend the underlying mindset of the research, it is crucial to describe the research philosophy.

The definition of *ontology* in business research is "the science or the study of being". It deals with the nature of reality, in other words. An ontology is a set of assumptions that considers what constitutes a fact. Simply put, ontology connects with what we regard as reality. (Saunders et al., 2016). Objectivism and constructivism are two ontological stances that influence how a researcher approaches researching the research objects. According to objectivism, social entities exist outside of the social actors who are concerned with their existence. In other words, organizations are viewed as tangible objects with independent existences that exist outside of human mind. Since reality is accepted by constructivism as a creation of the mind, reality is viewed as subjective. According to this view, social phenomena are always being revised in addition to being subject to change. (Bryman & Bell, 2015; Saunders et al., 2016).

Constructivism can be used to describe the social ontology of this thesis. The social ontology used is thought to be the most appropriate one because the goal of this study is to understand how language diversity and performance are related, as well as how management perceives and understands the concept. Due to this, a shared reality can be created from several perspectives on a social occurrence (Patton, 2015).

The notions of whether knowledge is valid are referred to as epistemological presumptions. The topic of whether social sciences should be addressed in the same manner as natural sciences is one of the major concerns in epistemology (Bryman & Bell, 2015). In research, there are two main epistemologies that are frequently debated. The first is positivism, which emphasizes an approach based more on natural sciences. In other words, even when applied to the study of social reality, science is considered as objective, and the facts collected in research are viewed as the "law" and the "truth". When it comes to analyzing the social environment, interpretivism outweighs scientific approach. It is argued that social sciences and natural sciences are essentially distinct fields and that the two fields' subject matter should not be viewed as being equivalent. According to interpretivism, positivism concentrates on providing an explanation for human behaviour, while interpretivism emphasizes human behaviour (Bryman & Bell, 2015).

Given that the purpose of this study is to investigate the relationship between language diversity and performance, interpretivism is the appropriate epistemological perspective for this thesis, with a focus on grouping, CQ, and language competence. This is the most appropriate epistemological viewpoint because the study does not seek absolute truth but rather focuses on an issue.

3.2 Research Approach

Deductive, inductive, and abductive are the three main research methods that can be applied when performing a study. The aforementioned methods make the connection between the research and the theoretical framework clearer (Bryman & Bell, 2015). The deductive method of research is the most common. In this method, where a theoretical foundation serves as the starting point, hypotheses are formed based on what is previously known. The empirical investigation then places these to the test. In order to derive conclusions and study outcomes, the inductive approach starts with observations and data collection. Alternatively, the theory is the product of the research (Bryman &

Bell, 2015). The third method is the abductive method, which may be thought of as a hybrid of the first two methods. This method involves dialogue between the theoretical and empirical frameworks (Bryman & Bell, 2015).

The theoretical framework and data analysis were both considered and updated concurrently for this study, which is based on an abductive methodology. Language in IB is a subject that has not received enough attention, especially when it is connected to organizational work in general. The archive shrinks much further when language diversity is considered alongside performance. Therefore, the most appropriate approach for this study is to investigate the relationship between performance and linguistic diversity using an abductive approach.

3.3 Research Design

The methodology's most significant component is the research design and refers to how the researcher chooses to collect the data and analyze the information from the data collection. The research design can be either qualitative or quantitative. The qualitative design focuses on the "softer" methods, such interviews, observations, and interpretive analyses, while the quantitative design typically uses statistical processing and measuring methods (Patel & Davidson, 2012; Berends & Deken, 2019).

The qualitative design was chosen as the approach for this thesis since it is based on the research strategy and interpretivist research philosophy. Within qualitative research designs, the interpretivist research philosophy is used since the researcher must interpret the social contexts and subjective perspectives of the phenomena being examined (Saunders et al., 2016). Therefore, a study that concentrates on a small sample and non-numeric data is best served by a qualitative research approach. In a qualitative study, the theory can support the conclusions drawn from the data collected, or, on the other hand, it might be the target if the goal is to develop an existing theory or develop further an existing one (Gillham, 2010). Since qualitative methods are not constrained

by standardised procedures or predetermined answer categories, they may give the researcher a deeper understanding (Berends & Deken, 2019; Patton, 2015).

3.4 Research Strategy

The research strategy connects the choice of how to collect and analyze data to the research philosophy. Additionally, it describes how the research topics will be addressed. A researcher can utilize a variety of techniques to gather data, such as case studies, surveys, and archive searches. The research strategy can be based on a single method of data collecting, such as interviewing, or it can be based on a combination of methodologies. A mono-method study is a method where only one data collecting technique is applied, while a multi-method research is a method based on multiple data collection techniques (Saunders et al. 2016). This study will utilize a mono-method qualitative study in the form of interviews.

A case study approach was used as the research strategy for this study. This study approach offers a thorough examination of a phenomenon in the natural environment. (Yin, 2014). With the ultimate goal of comprehending the dynamics of a phenomenon, case studies can concentrate on a variety of issues, including a person, group, or organization. Case studies may also offer in-depth data that can be used in a larger context by examining one or more linked cases (Hirsjärvi, Remes & Sajavaara, 2007). Although it should be able to use case study results in a wider context, the goal of this thesis is solely to identify specific aspects of the phenomenon being studied. The case study method has been criticized for failing to generate trustworthy metrics and generalizable outcomes. Because of the limited sample size, qualitative research is subject to this kind of criticism. However, this method of inquiry cannot produce general hypotheses. Instead, it will provide a thorough examination of a certain phenomenon (Patton, 2015; Hancock et al., 2021).

According to Yin (2014), there are four types of case study strategies:

1. Single vs. numerous cases

2. Holistic vs. embedded case

The choice between these methodologies is frequently determined by the topic under investigation. When the case is deemed essential or distinctive, a single case study is used. According to Yin (2018), the most important consideration should be if the approach is acceptable for the research objectives and questions (Patton, 2015). The second feature concerns the case study's unit of analysis, which refers to whether the case investigates different departments and teams within an organization and is referred to as an embedded case. A holistic case is one in which the researcher investigates the organization as a whole rather than concentrating on specific aspects of the organization (Yin, 2018; Patton, 2015).

The research approach might alternatively be based on a cross-sectional or longitudinal study, depending on the study's period. A cross-sectional study is one that is undertaken over a shorter period of time. This type of research is more common in university research endeavors. Longitudinal studies, which take longer to complete, study research individuals for a longer length of time (Patton, 2015). As previously stated, this thesis was time-constrained, resulting in cross-sectional research.

3.4.1 Case X

In this study, an embedded view is used with just one case. The single case study approach is particularly appropriate for this study since it can accurately and thoroughly capture the background of this topic. There is limited current research on how linguistic diversity affects team performance. Because of the limited research, the case study method provides the correct amount of flexibility in the research. Due to time restrictions and the need to examine one phenomenon in depth, just one case was chosen for the study. The case study might be referred to as embedded because language diversity and performance are looked at from a unit or team perspective.

3.5 Data Collection Method

In this qualitative case study, the data was collected through semi-structured interviews, which is a method where themes and possible questions are predetermined, but the order of the context may change during the interview (Saunders & Lewis, 2016). The data collection for the thesis began in July 2022 and took place between July and August 2022. According to Gillham (2010), semi-structured interviews are the ideal interviewing format for case study research. Discussion of undetermined questions may provide more details about the subject as well as discussion areas that were overlooked in the study and may be vital for developing a thorough comprehension of the subject (Saunders et al., 2009). This makes the interview's structure more flexible, allowing for certain sections to be more structured and others to be less so.

Interviews are frequently used, according to Saunders et al. (2016), when the study questions call for information that cannot be obtained via surveys or observations but incites deeper opinions, thoughts, and values. Interviews can give reliable and credible data to fulfill research objectives and also help to clarify less clearly stated goals (Patton, 2015). When using interviews as a method for collecting data, researchers have a choice between two different approaches: a subjective approach and an objective one. The subjective method recognizes subjectivity in interviews by considering the interviewee's and researcher's interpretations, as well as the interview context. Instead of comprehending the interview candidates, the objective approach regards interviews as a means of getting answers (Saunders et al., 2016; Patton, 2015). This study uses a subjective approach as its data collection method. As previously stated, semi-structured interviews will be used in this study with the support of an interview guide. This approach of conducting interviews was adopted so that open discussion may take place while yet adhering to the main points of the thesis. Appendix 1 contains the interview guide for this thesis, which is structured around the main themes of the study, as illustrated in Figure 1. The questions have been formed to minimize predetermined answers.

The first section of the interview "ice-breaker," acts as an to get the respondents comfortable and learn about careers and backgrounds. The interview guide follows the theoretical framework wherein the main goal is to study the three main aspects presented in the theory: language clustering, CQ, and linguistic competence, and analyze how this affects performance. Hence, the first section presented questions related to language in IB, both general and with a focus on how language diversity affects performance and language clustering. The following section focuses more on the examination of uncertainty reduction theory, with the main themes being how cultural intelligence and linguistic competence affect individuals' avoidance in linguistically diverse teams, how this is linked with performance, as well as how language diversity is managed. Finally, the last section discussed the future of language diversity in IB.

Before the interview, the interviewees received a simplified copy of the interview guide to give them a preview of the topics covered. Before the interview, each theme was explained, and a short introduction of the study and its objectives was given. Each respondent was also informed about how the data will be handled and assured that each interview would remain 100% anonymous. Moreover, each interviewee gave permission for the interview to be transcribed and recorded and was assured that the researcher would be the only one handling the data.

3.6 Sample

Purposeful sampling is one of the primary methods for sampling qualitative enquiries when conducting an interview (Patton, 2015). Purposeful sampling is one of the primary methods for sampling qualitative research when conducting an interview. According to Patton (2015), deliberate sampling is a useful method for choosing examples with plenty of relevant information. This kind of sampling focuses on selecting a small number of pertinent instances with extensive information, rather than selecting a random sample that represents the entire population. By using intentional sampling, the researcher may focus on a smaller sample while still getting a thorough knowledge of the study's objectives. One method for purposeful sampling is snowball sampling. A good strategy

to identify important informants is to ask people who are related to the study issue for the names of additional relevant people. This leads to a "snowball effect" when several people are questioned, where the number of useful informants increases as the snowball grows (Patton, 2015; Bryman & Bell, 2015). Another strategy that emphasizes selecting interview candidates with relevant attributes or criteria is generic purposive sampling. The criteria may be that the informant has pertinent knowledge or occupies a relevant position inside the company (Patton, 2015; Bryman & Bell, 2015).

To acquire the interview data for this thesis, purposeful sampling was utilized. The purposeful sampling strategy is effective since this study will concentrate on a limited sample size but a thorough investigation. The interview candidates were chosen based on their participation in the organization and their familiarity with study-related subjects. All interview candidates belong to the same team throughout the EMEA region. It is a team of more than 50 people with over 20 nationalities and languages. In order to generate a more thorough basis for the empirical data, the interview candidates were selected based on their diversity in education, language, and nationality. Out of all the interview candidates, five were women, one was non-binary, and four were men. Gender was not primarily considered an important criterion for interview participants, but it was later included to create a more diverse sample of informants. The respondents' ages ranged from their mid-twenties to their mid-thirties. Age was likewise not considered to be a key element. While the position of the interview candidates varied from junior roles to managerial roles, all the candidates had been frequently exposed to multilingual settings within the company. One of the important criteria used to choose the interview candidates was the candidates' exposure to a multilingual and multinational environment. This component was crucial since these individuals may provide a valuable perspective on how the team would function in a diverse environment.

Although the sample size was not predetermined, the basic idea was to speak with eight to ten people. The relevant data that was gathered as well as the time restriction would decide the sample size. All in all, 10 interviews were conducted. All interviews were held

over Zoom video calls due to the candidates' locations. The mean interview time was 44 minutes, ranging from 40 to 55 minutes.

The interview candidates and their interviews are briefly described in the table below. It includes the respondents' gender, educational background, nationality, the length of the interviews, and the day the interviews took place. To ensure the participants' anonymity, the column with the specific position title was omitted after careful consideration. As a result, the responders' positions lack a specific position title for their areas. This was changed to nationality because it makes more sense to show this kind of diversity instead of positions and titles, considering the topic.

| | Gender | Education | Nationality | Duration | Date |
|----|------------|--------------|----------------|----------|------------|
| 1 | Female | IB | British | 52:23 | 02.07.2022 |
| 2 | Female | IB | Finnish | 54:38 | 03.07.2022 |
| 3 | Female | Linguistics | Swiss/Turkish | 41:45 | 02.08.2022 |
| 4 | Male | Linguistics | Spanish | 35:34 | 05.08.2022 |
| 5 | Female | Anthropology | German/Spanish | 43:21 | 16.08.2022 |
| 6 | Non-Binary | Management | Angolan | 44:34 | 17.08.2022 |
| 7 | Female | Psychology | Finnish | 43:02 | 20.08.2022 |
| 8 | Male | HR | Brazilian | 38:25 | 21.08.2022 |
| 9 | Male | Management | Lebanese | 34:25 | 23.08.2022 |
| 10 | Male | Management | German | 46:13 | 26.08.2022 |

Table 1 General information on the respondents

Regarding the education split, there were three interview candidates with an IB degree, one with a linguistics degree, one with an anthropology degree, one with a psychology degree, three with management degrees, and one with an HR degree, ensuring diversity in the IB literature areas.

3.7 Data Analysis

The data analysis process utilized in the thesis will be described in this sub-chapter. The data analysis approach should be congruent with the research philosophy of the study. When analyzing data in qualitative studies, there is no clear formula to follow. Furthermore, the data processing procedure can require great deal of effort due to the often-enormous amounts of data (Patton, 2015). As was already mentioned, Zoom was used for all the interviews. Zoom audio recording, which allowed for speed-adjustable playback, was used to record interviews. This eased the process of transcribing the interviews.

Thematic analysis is one of the most popular techniques used in qualitative data analysis studies. This type of analysis focuses on discovering comparable themes in field notes or transcriptions, such as by assessing the frequency with which particular words or phrases are used (Bryman & Bell, 2015). Since most researchers find themes in a variety of ways while doing thematic analysis, the criteria for what ought to be classified as a theme may become fairly ambiguous (Bryman & Burgess, 1994). Ryan and Bernard (2003) introduced methods for identifying themes in an effort to address this lack of clarity. They emphasize that there are multiple steps to the analytical process, including the discovery of themes, refining the focus, organizing the themes into a hierarchy, and relating the themes to the theoretical framework. In this thesis, the transcription of the interviews was manually coded in accordance with the thematic analysis approach. The transcriptions were already broken down into three main topics; however, while manually coding each row of the transcriptions, these themes were ignored. A portion of each interview was put to three different excel tables, one for each of the three primary themes of the thesis, after the transcriptions had been coloured coded.

3.8 Reliability and Validity

Reliability and validity are ways of demonstrating the accuracy of research processes and trustworthiness of research findings (Hancock et al., 2021) and are crucial to determining

the quality of the research when conducting a quantitative study. They are viewed as less significant in qualitative inquiries because they are frequently linked to queries about quantitative measurements. The study's replication and consistency are known as reliability, and then if reliability is good, researchers should be able to reproduce the research techniques and reach at the same conclusions. Validity is a method of determining if the measurements being used are appropriate for the investigation and capable of producing reliable results (Byman & Bell, 2015; Saunders et al., 2016).

In qualitative research, reliability can be seen as the trustworthiness of the data generated and procedures. It is involved with the extent to which the results of a study or a measure are repeatable in different circumstances (Byman & Bell, 2015). Because qualitative research methodologies are frequently criticized for not being generalizable, it can be challenging to generate data with a high level of reliability. Recording and transcription are frequently used in qualitative studies to increase reliability. It is almost impossible to obtain the same results by repeating the research methodologies because this study is based on a socially built unique situation that has been researched. Therefore, it is difficult to generalize from the study's findings. However, interviews have been recorded and transcribed to strengthen the reliability of this study.

The validity of qualitative research is more essential since it evaluates the quality of the empirical analysis in addition to the research methodologies used to collect the data (Saunders et al., 2016). Validity is assessed in terms of how well the research tools measure the phenomena that is investigated. A potential challenge in achieving validity in qualitative research is research bias. This arises out of selective recording and collection of data, or from interpretation based on personal perspectives (Byman & Bell, 2015; Hancock et al., 2021). In case of using interviews as the data collection method, the validity of the interviews needs to be considered. Readers may now assess the quality of the research process and the conclusions because the methodological choices for this thesis have been extensively disclosed and analyzed in this chapter.

Participant validation is highlighted as a phase in the validation process by Saunders et al. (2016). The process of exchanging research data with participants to evaluate the authenticity of the documented data is known as participation cooperation. Both the transcription and verbal consent were brought up when the respondents were being interrogated. The use of the information obtained from the interview received verbal approval from every interviewee. In order to make sure the information gathered was appropriate for use in the study, the interviewees were also given the chance to comment on the interview transcription.

4 Results of the Study

The empirical findings from the interviews are presented in this chapter. Ten interviews were conducted in to gain a comprehensive understanding of how clustering, CQ, and language competency affect team performance and how management interprets this. The chapter will be organized into four sections to correspond with the central themes of the thesis and to adhere to the interview guide that was utilized throughout the interviews.

4.1 Respondents Perceptions of Language Diversity

The first part of the interview was related to language diversity in general. Firstly, each respondent was asked about language diversity and how they perceived the concept. This was mainly to ensure all respondents were on the same page when it comes to language diversity.

Language diversity is a fragmented concept with many different definitions (Vulchanov, 2021). People speaking different languages in a group or team appeared as the dominant theme when the respondents were asked to define linguistic diversity. This could be compared to Henderson's (2005) definition of language diversity as a phenomenon wherein organizational members hold a variety of mother tongues. Some respondents mentioned diversity in communicating, for example, when referring to genders and how one addresses others, which aligns with Ahmad and Widén's (2015) statement that language diversity has been recognized as a resource by which to efficiently serve a diverse clientele.

I would define it in two ways. Language diversity means that you have people that speak different languages and not necessarily mainstream ones, which would be often English or the most spoken ones, including different dialects. The second part would be consciousness of how you address minorities, for example, genders, and knowledge on the diverse usage of the language. (Respondent 3)

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When addressing the concept of language diversity, a consistent theme emerged: this is a relatively recent concept or approach across organizations. The concept was referred to be a trend by respondent 2. The concept seems to derive from the diversity, inclusion, and belonging many organizations are focusing strongly on, as this is seen as a priority in many organizations. According to Reiche et al. (2019), the increasingly common phenomena of a diverse workforce and global forms of work push diversity trends towards the core of HR practices and corporate policies. Respondent 9 described language diversity as occurring whenever everyone speaks different languages in a team, and stated that when everyone communicates in English, this could not be considered diversity. However, the idea is that if all organizations were to speak a shared language, there would be a better level of understanding and less dysfunctional social categories (Dasí & Pedersen, 2016).

I don't think it has much of a purpose unless you actually use some of the non-common languages in your work environment. All of us speak four or five languages, but then we're all speaking English to communicate with each other—it's not really diversity. But then again, I guess that's what makes us linguistically diverse. Everyone communicating in a language that is not their own (Respondent 9).

The definitions of linguistic diversity from each of the respondents are briefly summarized in Table 4.

| Respondent 1 | People from different backgrounds speaking different languages. | | |
|---------------|---|--|--|
| Respondent 2 | People on one team being linguistically diverse but working in one language. | | |
| Respondent 3 | People that speak different languages and not necessarily mainstream ones and being inclusive when referring to gender-specific people. | | |
| Respondent 4 | A group of people interacting together where everyone speaks a different language. | | |
| Respondent 5 | Different national and cultural backgrounds where everyone speaks at least two languages fluently. | | |
| Respondent 6 | Several people from different backgrounds speaking different languages in a team. | | |
| Respondent 7 | People from different countries or different language backgrounds who speak different languages. | | |
| Respondent 8 | People that speak differently; communication taking place in different languages, but also differences in communicating. | | |
| Respondent 9 | A term used to describe the differences between languages and the ways people communicate with each other. | | |
| Respondent 10 | The difference between different languages and the ways that people communicate with each other. | | |

Table 2 Summary of Definitions of Language Diversity

As the table shows, the definitions given by the respondents differed, but the basic idea behind the notion was to describe language diversity in MNCs and how various team members view it. Moreover, all the definitions correspond with the definition of individuals engaging in a language of which they are not native speakers (Canestrino et al., 2022).

Most of the respondents regarded language diversity as being a valuable resource to the team and organization. Respondent 4 felt it was valuable because it gives the speaker access to more diverse people, markets, cultures, and businesses. As Ahmad and Widén (2015) stated, language has been internally recognized as a valuable resource in international operations among MNCs because it allows organizations to communicate across borders. Respondents 2 and 10 mentioned that there are many people in the world that are not able to speak English, so one loses out on potential if only one language is considered. Respondent 5 mentioned language diversity being a resource on a higher level than just language.

I would definitely say it is a valuable resource not only in communication but different views as well. It makes the conversation more flexible, brings out different point of views. It can influence a lot having different languages and different mindsets in a team. It allows you to think differently as well. It brings different behaviours and values to the table (Respondent 5).

Respondent 7 mentioned that from a business point of view, it is clearly a resource because one could lose valuable knowledge if they just focused on one language or mindset. It is possible to think of inclusive language use as a communication strategy that encourages participation from others despite the fact that there are inherent linguistic differences. It can also entail adopting an attitude of openness and acceptance toward differences in vocabulary, accents, and proficiency levels (Lauring & Selmer, 2012). Respondent 1 said that it was necessary for the team and company itself to work within different markets. Language diversity is definitely an advantage for the organization. Respondents 3 and 9 stated that it is motivational and interesting to work in such diverse teams. Different backgrounds, languages, and experiences positively

affect the business itself. However, respondent 10 thought this might make communication even more difficult if there is language diversity.

I personally think that if you specifically need a language resource in the team, then yes, it is a valuable resource. However, if everyone else speaks one specific language together and there is one team member who does not speak the majority language, then it just makes things difficult and would affect the individual's performance significantly. It would make that one individual feel excluded (Respondent 10).

To summarize, most respondents agreed that language is a great resource to the team and organization itself. Many aspects of culture and background diversity were also brought up as being the main resources of a diverse team. However, many stated that language diversity negatively affects individual performance and managing language diversity is challenging and difficult. More respondents are realizing how the lack of language management affects performance itself.

4.2 Clustering

Clustering has been recognized as a significant phenomenon in global teams that influences team performance by regulating employee informal communication (Mäkelä, 2007). According to Ahmad and Barner-Rasmussen (2019), this phenomenon occurs in linguistically diverse organizations as a result of enhanced communication and socialization between same-language speakers. The second section of the interview guide focuses on clustering, the respondents' experiences with it in an international team, and how they interpret the concept's relevance to their Company X team. As this study's one part of the focus lies in the performance aspect of clustering, the question revolves around grouping as a whole and the effect on performance.

4.2.1 Respondents Experiences on Clustering

Clustering occurs within linguistically diverse teams as the natural result of creating avoidance towards linguistically and culturally divergent others (Wu and Ng, 2021). This

was also evident in the respondents' definitions of clustering. All respondents saw that clustering is related to a sense of belonging.

There is some kind of sense of belonging, where you feel like you have the same understanding, the same sayings, and you have some kind of collective memory when you speak the same language. Even though people might be as open minded as they are, we still tend to cluster together with the most familiar people, and we are quite international in our team (Respondent 4).

Respondents 2 and 6 agreed that clustering is entirely normal because people can relate to many topics if they speak the same language and come from the same culture or background. There is also a similar way of thinking to some extent. Respondent 1 highlighted clustering happening as a natural occurrence and a global phenomenon when people see or hear individuals sticking together, especially in a foreign country. Respondents 8 and 10 made the connection to familiarity. Having things in common with people from the same culture and language causes individuals to share lots of commonalties. It is also much easier to express oneself in one's native language. Stahl and Caligiuri (2005) argued that avoidance of differences could be an emotion-focused coping mechanism for team members to reduce their subjective uncertainty when interacting with people who are different from them.

Respondent 9 referred to languages as a component of a person's identity. This could be aligned Pavlenko's (2004) argument that identity is one of the most powerful features that both unites and divides societies, communities, and groups. When the symbol of identity becomes linguistic, it is likely to be considered as having the same significant power of differentiation and association that defines who is in and who is out.

It is like one of your identities. I personally think that every language we have is different. It is kind of one of our identities, a part of our identity. So, it is basically exploring and expressing that part of our identity with the people whom we share that with (Respondent 9).

This might also be seen as a representational symbol of cultural and national identity. People often interpret social inequalities in linguistic terms and are more likely to speak to their "own people" in their native tongue. This then creates the framework for clustering (Tanger & Lauring, 2009; González et al., 2021).

Clustering, according to respondent number 4, is a subconscious occurrence. It becomes a conscious occurrence when you go against it, for example, when you consciously go into another group that is not yours by background, language, or culture. This does require an extra effort. All the other respondents also mentioned that it was a subconscious choice to cluster together. According to Respondent 7, it's like a "break" from all the other foreign exchanges where speaking requires more effort. Individuals tend to lack shared common system to express their thoughts and coordinate their actions effectively without a common language (Neely et al., 2012).

4.2.2 Impact of Clustering on Performance

Clustering has been seen as critical when it comes to socializing and relationship management within team members in an organization. Therefore, it also affects motivation and overall individual and team performance. All the respondents saw that clustering affects the socialization process between team members. Language is the primary criterion for friendship and social engagements (Ahmad & Widén, 2015). Respondent 3 emphasized the importance of language as a component of motivation.

It is crucial to performance to stay motivated. By being in a team that is already clustered, it is hard to enter as a new employee, for example. When you do not have a good relationship with your team members, this affects your overall motivation to come to the office, to work within teams, which then affects your work performance overall (Respondent 3).

Respondent 2 returned to the subconscious aspect and noted that, despite the fact that you can see that many other people would also like to be a part of the cluster, choosing to socialize more with your "own" people is actually a conscious choice. Therefore, according to respondent 2, it is somehow a conscious choice to leave out some people and to not be so inclusive towards other cultures and languages. This aligns with Wu and Ng's (2021) argument that clustering occurs within linguistically diverse teams as part of

the natural result of creating avoidance towards linguistically and culturally divergent others. If an individual always stays in their own group and own language, they do not open themselves up to new beliefs and mindsets. Since it is said that open-minded people are more flexible to other ideas, which positively affect performance, this all gets cancelled when an individual just stays in their own group and cluster. They never gain a different aspect or approach to different things, which then affects their performance. Holden (2002) claims that metacognitive skills gained through reflection and exposure to multicultural experiences are the cause of the emotional bond that forms among non-native speakers and those who share the exposure to multicultural experiences.

Respondent 6 noted that communication difficulties from clustering were impacting performance. If one does not speak the same language, specifically if there is a huge gap between the levels of the language, then it would be very difficult to communicate. The work feels more effortless when an individual is able to communicate well and feel like they are part of something, which then affects their motivation and performance. Clustering may also have a psychological effect on one's motivation and feelings of inclusion, according to respondent 6. Respondent 5 emphasized how it impacts both performance and communication.

If you put people [together] that speak different languages but share a common language, like English, then you can motivate them to do a project together and the cooperation would be enhanced. [The participants] could notice that it is not that difficult to communicate with people with different languages. But yes, it does affect performance if there is no way to communicate (Respondent 5).

All the respondents saw that clustering makes a huge difference when it comes to internal information flows. Clusters decrease efficiency when people only communicate with their clusters and leave others out. This can lead to the omission of certain crucial information, as respondent 5 pointed out. Obviously, it has a bigger impact on the social aspect, but when it comes to sharing sensitive internal information, it also has an impact on one's work. Consequently, it has a significant impact on performance, particularly when considering individual efficiency.

4.2.3 Linguistic Competency in Clustering

Linguistic competency has often been used as the most common explanation for language clustering (Ahmad & Widén, 2015; González et al., 2021). Respondent 4 emphasized how communication is also impacted by linguistic proficiency. Certain linguistic groups believe they have the right and authority to correct those who do make mistakes. Certain people look down on you if you do not share the same linguistic competency. This was cited by Respondent 1 as the reason for clustering.

Linguistic competency affects language clustering. Let's say, if some people do not speak English well, and then people that do, then definitely we are going to see clustering between the ones who speak perfect English and then the other ones who might not speak that well. The language will form another cluster (Respondent 1).

When it comes to classifying people according to linguistic skill, Respondent 8 said that if there is something else that unites them, such as a shared passion, then language would not be the key consideration. People genuinely strive to communicate with one another when they have a common interest. The other respondents did believe that clustering is influenced by linguistic proficiency.

Finally, linguistic clustering reduces communication effectiveness. Clusters might cause important information to be overlooked. Clustering has a significant impact on team socialization and, consequently, has a significant impact on motivation and performance. Unconscious avoidance can be seen as the main effect of such clustering within team X, hence, to answer the RQ it can be concluded that clustering does affect performance within teams. The next sub-chapter will focus on the second part of the study: how CQ affects performance.

4.3 Cultural Intelligence

CQ has been defined as an individual's capability to function efficiently in culturally diverse situations (And & Van Dyne, 2015). CQ refers to a skillset and traits that allow others to efficiently interact with a new cultural environment (MacNab & Worthley, 2012;

Manhla & Sing, 2022). The third section of the interview guide focused on linguistic diversity and CQ. The discussion in this section revolved around performance and how CQ and linguistic diversity are related. CQ is one of the aspects that create avoidance as a coping mechanism in linguistic diversity (Wu & Ng, 2021). This section attempts to measure whether CQ affects performance.

4.3.1 CQ and Performance

In this section, the respondents were asked to argue whether CQ and performance are linked. A majority of studies claim that CQ significantly influences job performance (Ang et al., 2007; Lee & Sucoko, 2010; Stone-Romero et al., 2003). One respondent disagreed, leaving nine out of ten in agreement that CQ has an impact on performance. Respondent 8 made the point that having a higher CQ causes one to think more broadly.

I do think CQ effects performance because you contextualize differently. Your approach is much more complex and much more global. This helps you navigate in an international working environment much easier, which is essential nowadays, when the world has become more globalized and international (Respondent 8).

According to Respondent 10 having CQ makes it simpler to communicate and identify various cultural tensions and confrontations. If you are aware of these, then it most definitely affects performance if you are able to resolve these conflicts. Respondent 9 stated that a broad grasp of cultures, such as how to greet someone, has a significant impact on performance since it makes the other person feel welcome, which may have an impact on relationships at work generally.

Respondents 7 and 8 noted that CQ has an impact on how effectively you comprehend and adapt to other people, which in turn has an impact on how well you function in working contexts.

Like a very basic example. In some cultures, people tend to arrive late to the meetings, and in others, they arrive earlier. If an individual does not have tolerance to wait for the other team, who let's say is late, then it most definitely affects the inclusiveness of other cultures, because some people might get offended. If people are not aware of the

differences, and if they get offended easily with people who do not behave like them, then it will definitely be a problem, which will affect the team atmosphere (Respondent 7).

Respondent 4 stated how CQ affected the group's outcomes and performance. If you have individuals who lack the cognitive ability to comprehend individuals from diverse backgrounds, this could have an adverse effect on the effectiveness and success of the group as a whole. Respondent 3 emphasized that CQ does improve performance. One is more likely to be able to read a room and put oneself in another person's shoes if they are able to communicate with someone who comes from a different background and holds different beliefs, for example, how to avoid making jokes about their interactions or having other prejudices. Communication is more efficient as well. According to respondent 2, it would be divisive if one was not able to mold themselves to communicate in different ways.

Respondent 3 pointed out that CQ might not have an impact on performance because there may be different and international individuals who lack social skills and social intelligence. Respondent 3 disagrees that experiencing various cultures or travelling cannot improve an individual's performance.

You might talk many languages, might be from an international environment since childhood, therefore you might know many cultures. But if you're just not a social person, maybe you don't know how to interact in a good way with people in general. I personally do not think it's a black and white thing. I think it really depends on the personality; how comfortable you are in social interactions (Respondent 3).

According to Gelfand et al. (2015), teams with high CQ experience several positive related outcomes. Effective intercultural communication increases work performance both internally and externally. However, respondent 4 emphasized that while CQ helps individuals to communicate across cultures and has a big effect on how well they are able to communicate and therefore understand different cultures, to be culturally intelligent, one does not need to speak or understand a language. Respondent 3 highlighted that usually, the more languages one speaks, the more international they are, and therefore the more CQ they have. According to Jonsen et al. (2011), individuals are

more accepting of one another's language, proficiency, accents, and vocabulary by being open to linguistic diversity. This makes individuals with high CQ open to diverse information, sources, and knowledge (Homan et al. 2012; Manhla & Sing, 2022). Respondents 1, 2, and 10 agreed that this kind of awareness would not exist if a person had never encountered another culture.

Additionally, respondent 1 emphasized how significant the difference is in comparison to past encounters. In the current team, which is extremely diverse with team members speaking multiple languages, the high CQ is definitely noticeable because everyone has been exposed to different situations where they had to communicate with people from different cultures and languages. CQ was mentioned by respondent 2 as being crucial for team effectiveness and performance.

You will talk to other people more easily that are different from you. You will be talking to people, interacting, and working with these people without any barrier. Individuals will be more likely willing to collaborate within diverse teams if you have higher CQ (Respondent 2).

Respondent 3 claimed that the communication style is different, and miscommunications are more prevalent when working with people who have not been exposed to the same cultures, foreign groups, or even persons who have only grown up in one country. This affects performance. Respondents 4 and 8 mentioned CQ making team members good team players.

CQ makes you an incredible team player and very sensitive because you can distinguish certain forms of communication and the part of misunderstandings or misinterpretation is significantly lower (Respondent 8).

CQ makes you understand people better and accommodate more for people and be even more emphatic towards them. So basically, this drives you naturally to be more of an effective team player. This eventually contributes the overall success of the team as a whole (Respondent 4).

4.3.2 Effects of Lacking CQ

Huff (2013) argued that team members who have a high level of CQ and knowledge of other languages are able to adapt quickly and more efficiently to contexts other than their own. Respondent 10 emphasized that poor CQ might have an impact on team dynamics. When CQ is low, an individual most likely will be more reluctant to talk with people from another background, which then affects team cohesion, since personal relationships and bonding could be completely lacking. Lack of CQ and inability to understand different cultures negatively impacts relationship building (Lauring & Selmer, 2012).

Respondents 9 and 10 claimed that CQ has an impact on overall inclusivity as well as prejudices and attitudes toward people from other countries. CQ affects how individuals see other people and how they welcome international people into their team. Nevertheless, according to respondent 7, one's CQ affects their tolerance for others, which basically means that if they are more linguistically and culturally aware and exposed, they are more tolerant of the various cultural behaviours they face in different working situations. However, a massive show or highlighting the differences is not needed. Respondents 1 and 3 mentioned CQ influencing cognitive engagement in an intercultural group. Lacking CQ could affect on restriction. You can see the bigger picture, understand other people, their behaviour, where and what they come from, and be able to be more inclusive and flexible with the communication you are having, according to respondent 2.

In conclusion, it can be said that CQ has an impact on output. A high degree of CQ does have an impact on your own performance in that it makes it much simpler to navigate an international working environment, which is essential in today's very globalized society. CQ gives the capability to function efficiently across languages, cultures, and new environments. Lacking CQ does impact as misunderstandings, reluctance to work with diverse people and the ability to understand people from different backgrounds. Moreover, avoidance and lack of understanding of team members results as poor team

cohesion and performance. Furthermore, it can be stated that CQ does affect performance in teams. The next sub-chapter will focus on the third part of the study: how linguistic competence affects performance.

4.4 Linguistic Competence

The introduction and use of a corporate language creates hierarchization of languages and competing linguistic competency in language use (Vaara et al., 2005). The respondents were asked questions about how linguistic competence affects performance in terms of linguistic levels. In this section, the main theme was to examine whether linguistic competence is correlated with performance in diverse teams.

4.4.1 Linguistic Competence and Performance

Fluency in the dominant language, or even numerous languages, can be a source of power, and disparities in linguistic fluency lead to the development of various organizational divides (Hinds, Neeley & Cramton, 2013). Respondents 1 and 2 emphasized that linguistic proficiency has an impact on one's comprehension during meetings and especially when it comes to socializing with teammates. According to respondents 6 and 7, you naturally tend to be more privileged if you learn the local and corporate languages proficiently. If the employment does not demand several languages, the number of languages does not matter. Knowing the common language, which is most often English and the local language, when it comes to team communication, does enable one to communicate internally, which is considered as a good skill when it comes to getting further in the organization. A high level of language fluency in the dominant language has a positive impact on careers, particularly in large organizations in the IB environment, for example, in terms of selection and recruiting, strategic placements, and promotions (Piekkari, 2008; Piekkari et al., 2005).

According to respondent 8, the distinction between fluent and native levels may no longer exist. If one speaks the language at the required level, then it should not be a factor. Respondents 9 and 10 mentioned the age being correlated with linguistic fluency

because of the lack of globalization in earlier generations. The lack of fluency obviously affects one's position in the company as well because of the difficulties in following and expressing oneself the further one gets in their career. It was also mentioned by respondent 10 also seeing people who did not have fluent language competencies, but they were still in the same range as people that spoke the corporate language fluently but thought this as exceptional.

When it comes to promotions within teams, respondent 1 said that language abilities are essential for performance, and those with better linguistic levels do get promoted more easily. With fluency in the corporate language, one must have the skills to communicate to understand and ensure flawless information flows, which does affect performance (González et al., 2021).

This also affects the team dynamic. If most of the team members do speak the language fluently, then there are a few that do not speak it, then there will be language competency grouping, according to respondent 9.

Respondents 8 and 10 mentioned that their perceptions of weaker speakers were negatively impacted by their inability to speak the corporate or local language fluently. Because of this lack of fluency, weak speakers may not be asked to provide training, assignments are limited, and efficiency in multilingual assignments are affected. As such, it does in many ways affect individual and collective team performance. As Neeley (2013) and Neeley and Dumas (2016) argued, non-native speaker employees experience a status loss compared to native speakers, wherein highly fluent speakers are evaluated more highly, are more influential in different sorts of situations and are more likely to achieve group dominance.

This also affects recruitment according to both respondents. One has a limited scope of jobs in a place where they do not speak the language fluently, or the corporate language. According to respondent 5, this being more language-based discrimination than anything else, because of course individuals like to be hired for their skills, not only for their linguistic skills. Peltokorpi (2010) also suggests that language-sensitive recruitment

is not always a feasible option since there could be challenges and language and functional competence are not always aligned. Respondent 3 mentioned language-based recruitment being affected by linguistic competency.

When it comes to language-based recruitment, you most definitely get hired the more fluent you are in the language, or even languages. The more international, the more languages you speak, more likely you would get into the interview and then hired. Even though skills should be the reason why you are hired, not languages (Respondent 3).

Respondents 8 and 10 made the point, however, that language ought to be a positive rather than a discriminatory issue. If two candidates are equal in talent, it goes without saying that the one who is more fluent in the business language or knows the local language will be hired.

Respondent 6 claimed that a lacking linguistic skill has an indirect impact on performance. The better one communicates, the more efficient their performance is, which does apply to language skills. If one did not have fluent language skills, they would not be able to succeed. To get further in the career, one must succeed in all the aspects mentioned above. Linguistic competence does affect in collective way as well, but more so when it comes to relationship building and socializing, one does miss out a lot if they lack language skills.

4.4.2 Lack of Linguistic Competence and Performance

Negative obstacles that influence the judgments about weaker speakers and biases affecting performance was discussed. Most of the respondents did agree on that there is discrimination against linguistic fluency.

Discrimination against weaker speakers is huge in corporate, it is very sad. I would say it mostly affects how people view their intelligence. Even myself, I try to be very patient when listening to someone who does not have fluency in the language, because I am aware of it. Sometimes there is a lot of judgement against weaker speakers because they are not able to explain well what they have on their mind and they might not sound as clever, and unconsciously people think this person might be less intelligent (Respondent 1).

Regarding the distribution of assignments within teams, Respondent 2 claimed there was bias based on linguistic proficiency. The ones that do not speak the language required for the project are not even considered for the assignment.

Several studies have found that non-standard speakers encounter discriminatory practices as a result of poor perceptions of their spoken language, which has a negative impact on individual motivation and performance (Fuentes, 2012). When it comes to different accents, some are difficult to understand and some people from specific countries do have a stronger accent. Respondents 3 and 4 stated how language proficiency alters one's perception of how others regard them. While someone can be very intelligent, if they cannot communicate properly, it does affect others' views of them. Respondent 6 mentioned there being biases on language skills depending on where someone comes from. Research has evidenced the connection between accent evaluations and stereotyping and discrimination against the speakers with non-standard accents (Derwing & Munro, 2009). Respondent 6 said language-based discrimination being unfortunately quite normal. People usually also have biases against people who pronounce things differently and think that these people are less intelligent than the ones who just speak it "better" by accent.

Respondents 9 and 10 mentioned a lack of fluency in the corporate or local language negatively affecting their thoughts of the weaker speaker. However, when it comes to minority languages, people are less interested. This creates a significantly greater advantage for one group and a disadvantage for the latter. When it comes to IB, the strongest effects privileging standard ways of speaking are generated within formal "high stakes" corporate settings (Fuertes et al., 2012).

It can be acknowledged that language skills affect not only individual but also collective team performance. Individually, it affects one's career performance and success. On the other hand, it collectively affects team performance when it comes to relationship building, socializing, and efficient communication. Discrimination and avoidance against

weaker speakers are frequently witnessed. Furthermore, it may be said that language proficiency does have an impact on team performance in a number of different ways. The next sub-chapter will focus on the last part of the study: managing language diversity.

4.5 Managing Language Diversity

Competent language management is critical for firms' competitive advantage since an increasing number of MNCs struggle with challenges imposed by linguistic diversity (Andresen et al., 2018). Respondents were asked how language diversity is managed in company X and how language management could be improved.

4.5.1 Language Management Policies at Company X

Language serves as a vehicle for expressing thoughts and feelings and is crucial for communication (Heaton & Taylor, 2002). According to respondent 1, language has a favourable impact on creativity performance. One adopts different mindsets, insights, and inputs when there is diversity in a team. Then again, language requirements can affect one's performance on a project. Specially, if all the documents are in a language an individual is not familiar with, it takes more time to complete your work without a common corporate language or language management policy. Differences frequently result in decreased group involvement and satisfaction, leading to individuals engaging in various forms of reduced attachment, such as physical and psychological withdrawal. However, if individuals are more receptive to each other's differences, they will be able to overcome the barriers imposed by diversity (Shrivastava & Gregory, 2009; Bui et al., 2019).

Lacking language management and a common language is seen as negatively affecting individual performance within teams. Respondent 10 highlighted that an individual is often excluded and has fewer opportunity to participate in only some aspects of the business if they do not speak the one language that the team utilizes. For example, many countries that request support from the team are losing out on a lot of people that could

be supporting these projects based on their language requirement. When it comes to language management policies within the company, none of the respondents reported that the policies had been communicated clearly to the team. Many respondents hesitated when asked whether it had been communicated clearly. Since all the respondents work internationally, many of them responded that they just assumed that English was the main working language. Respondent 8 stated that because of the company was from an English-speaking country, everyone just assumed that the working language was English.

I do think the company has some improvements to make when it comes to language policies. Each country is kind of alone, doing its own thing. So, to make sure that the standards are still the same, they should implement some language management policies. I personally feel it causes difficulty when things are not all in one language. For ex-ample, when working on a project and all the comments and documents in our databases are in a language you don't speak, you lose a lot of time doing the work all over again. Potentially valuable information is lost because you are not able to understand (Respondent 8).

For instance, even though our work could be done 100% in English, many countries require their own language speakers to collaborate and work with them. Many countries have their documents and information in their local language, and it would be difficult for someone who doesn't speak the local language to collaborate with these specific teams. There is also not a very clear line when it comes to language used in a meeting. We could have meetings in one language and then the official documents submitted are made in a different one. This would probably not happen if we had clear language management policies (Respondent 5).

As all the respondents work internationally, the corporate language was assumed to be English. However, after discussion, all the respondents agreed that their performance is affected when local offices use their local language in meetings and official documents. As Kalla and Piekkari (2007) argued, a lack of language management policies has been to be found to negatively impact organizational processes, especially knowledge transfer. According to respondents 2 and 6, in order to get everyone on board with the language initiatives, language management policies should be made clear from the start and integrated into HR procedures. However, respondent 3 mentioned that it is unnecessary to communicate language management policies if they only work with one specific country and language.

Even though the language management policies were not communicated, and I was not familiar with the company's language strategies, I do feel it is unnecessary to communicate it if you only work locally. If you work with a diverse team, then it should be obvious to communicate, but it also depends on your assignments and your position [and] if you are exposed to the international market within the company (Respondent 3).

According to Respondent 1, language management policies also help to ensure that everyone has an equal chance to succeed because local teams and offices would not give any team members special treatment because of their language.

I guess this would also help take pressure [away] from certain team members to not always have so many projects at the same time; because there are clearly some countries that have more workload, and it reflects onto us as well in the form of project distribution according to languages. This would be more equal if there were language management policies in HR (Respondent 1).

The lack of language management policies, according to respondent number 6, has a significant impact on how people operate and makes it impossible to even grasp internal communication. If the organization claims that it is multinational, then everything should be in one corporate language to increase group cohesion, according to respondent 6. Otherwise, many local offices become their own little bubbles without any clear lining on how to work across borders. Harzing and Pudelko (2013) argued that language diversity may harm the efficiency of a business unit and overall performance, not only due to reduced comprehension, but also due to social exclusion mechanisms if there is no clear line of language policies.

As can be seen, there are no language management policies in place at the organization, especially for this particular team. Due to the organization's weak language management standards, this has already had an impact on team members' performances by slowing down the effectiveness of information flows. It is clear that local offices utilize their native tongue even for official documents, which leads to an unjust distribution of workload because of linguistic diversity.

Moreover, many people are not receiving projects solely because of language limitations. According to Lane (2009), anti-discrimination laws based on language use can lead to increased inclusion of all citizens, in this example, inclusion of all team members. A standard corporate language should be implemented to ensure that everyone is treated equally regardless of their linguistic proficiency, according to respondent number 10.

Respondent 5 acknowledged that one of the key causes of exclusion is linguistic diversity. While it is understandable why languages are required in specific projects at work, it also excludes other people from having the opportunity to participate. If everything was in English, one would have more opportunities to pursue what they were interested in because they would not have a language barrier or a prerequisite to participate. Maintaining language commonality improves the ability to transfer knowledge since it frequently circulates within social networks, and linguistic links establish informal structural clusters. Therefore, informal communication increases the information sharing that is necessary for performance and belonging in organizations (Kuhn & Jackson, 2008). Respondent 7 mentioned that it cuts one off completely from certain interests they might have when it comes to assignment and project distribution.

All respondents agreed that linguistic diversity does have an impact on performance, primarily in the socializing area. One can miss out on a lot if one does not speak the common language used the most. On the other hand, many respondents mentioned lacking language knowledge being a part of unequal assignment distribution, causing one to feel left out completely from specific work-related tasks they would be interested collaborating in.

4.5.2 Common Corporate Language

In this section, the respondents were asked whether a common corporate language should be implemented within the company. The usage of a common corporate language increases the feeling of belonging to the group for all individuals, despite diversity in linguistic skills (Vaara et al. 2005). A common language, in the opinion of respondent 5,

would assist manage language diversity and its issues. However, it would also, in a way, cancel the diversity that is in this case characteristic of the team. On the other hand, adopting one language only for working purposes would be more effective. Cooperation with other countries would be more seamless and would take pressure away from the more "popular" language speakers. Therefore, it should be implemented for the sake of cooperation and the team's success.

According to respondent 3, there would be less opportunities for misunderstandings if everyone communicated the same information in the same language. As Koschmann (2013) argued, a common corporate language leads to greater cohesiveness in organizations and into more optimal work processes. However, people that speak English as their native language might have a completely different view to this. Respondents 1 and 7 believe that there should be a common corporate language implemented if the team is diverse, but this is not necessary if only one team member does not speak the majority language. Respondent 8 mentioned a common corporate language being crucial for documentation.

I would say yes and no. If it comes, for example, to unifying documentation, I would say it is definitely important. It makes everyone's work easier and simpler if there is only one language used. However, you need to be emotionally intelligent as well. When it comes to some clients who would prefer to speak their own language in a meeting, for example, then local languages should be used, and the corporate language should not be imposed externally. It also is more comfortable for people who speak the same language to speak their own native tongue, especially when it comes to business and client meetings. However, this excludes people who do not speak this specific language, which makes this tricky (Respondent 8).

While everyone has varying proficiency levels, respondent 2 said that native speakers of the adopted corporate language may have an advantage when it comes to communication. Many speakers who are not native in English, for example, might struggle sometimes to find the right word to say. People also have different accents. While some are more difficult to understand, and some are easier, native speakers clearly still hold an advantage. However, at the same time, language management should be part of the process. There must be a way to communicate all together at the end of

the day, and difficulties will probably go away with time. Therefore, a common corporate language is necessary.

Most of the respondents saw that there should be internal unified way of communication when it comes to information flows, performance effectiveness, and group cohesion. However, client management should be carried out in a local language to make the client feel comfortable if they do not feel confident speaking in another language. In some cases, the respondents thought that it would be unnecessary to implement a common language if there was only one person who does not speak the majority language. Furthermore, language management policies lack completely at company X. This could be improved by establishing a language management policy and a common corporate language to improve overall organizational effectiveness and performance. This would increase flawless communication flows when formal documents are in one language.

4.6 Future of Language Diversity in IB

The future of language diversity in IB is still very much unclear. When the future of Language Diversity in IB was discussed, all respondents saw that this is a topic that needs to be spoken more about in the corporate world, specially if you have a multilingual and diverse team. It has already been affecting performance in team X and would need critical revising in the near future.

Respondents saw diversity being still one of the main themes in the corporate world. Organizations have begun to realize the potential of diverse team members. However, it will still take some time until the language issue will take place as a primary issue. Yet it is already seen that linguistic diversity is a positive factor in teams and multilingualism is even required in organizations to some extent. The shifting of generations in the workforce, according to respondents, will have a substantial influence on how all sorts of diversity are regarded and treated. Respondent 3 notes that the dominant attitude of

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diversity will change when new generations enter the workforce and older generations retire. As a result, language diversity is probably being regarded differently right now.

Respondent 10 emphasized that organizations must always adapt to the changing demands of their employees in terms of working conditions, motivational factors, and content. As a result, organizations must recognize that this is a continual process that must be kept up to date to operate successfully. Enough awareness required from team members was also mentioned as being important in order to increase inclusiveness, however without language replacing the ethnic diversity aspect. Many see language awareness and language diversity as being a topic that should be studied further in the future now that sustainable leadership and belonging are the trend. However, once the topic of how linguistic diversity affects performance will is studied more, it will become a trend in the future.

5 Conclusions

The significance of language diversity impacting performance was observed throughout the theoretical framework's conclusion. Because of its effects on undermining the benefits of multicultural teams, avoidance of linguistically and culturally diverse peers was seen as a major tool influencing performance. According to the uncertainty reduction theory, team members' CQ and linguistic competency have significant synergistic impacts on avoidance behaviors, resulting in clustering within teams. Team performance suffers as a result of avoidance (Wu & Ng, 2021; Wildman et al., 2022). When the study went from its theoretical foundation to data collection, the key assumption was that efficient techniques for avoiding avoidance behaviors would include planning and clear structuring of language management policies, and team building activities (Shen & Gao, 2019).

The purpose of the study was to examine the effects of clustering, CQ, and linguistic competence on performance in one team to avoid synergistic effects on avoidance behaviors. Therefore, the main research question was: How is team performance affected by language diversity within MNCs?

As predicted by the theoretical framework, avoidance behaviors have been detected towards divergent team members from oneself (Bui et al., 2019). The results for the research question are concluded in this chapter, and the main aspects of data collection are discussed. The results and analyses will be compared to the literature. Finally, based on the research findings, practical implications and recommendations for future research will be discussed.

5.1 Theoretical Contributions

Through the single case study approach, the findings of this study have contributed to the theory of language diversity in IB and the relationship between performance. The study proposes a framework to describe the main factors influencing performance in linguistically diverse teams, which have previously been understudied in the subject of language diversity in IB. Most of prior research has concentrated on the effect of culture on performance rather than language (Tange & Lauring, 2009). The lack of research on the connection between linguistic diversity and performance, however, indicated that it required further investigation. The study also contributes to the literature on performance and linguistic diversity by highlighting the teams' viewpoint through the use of uncertainty avoidance theories with a focus on clustering, CQ, and linguistic competence.

This study contributes various theoretical ideas on the basis of the findings. The research shows, first of all, that linguistic diversity does have an impact on team performance. It became evident that linguistic diversity in team X has affected overall team performance and thus has also had an impact on individual performance and professional growth. Similar to Wu and Ng's (2021) findings, avoidance has been detected within team X as a coping mechanism for not being inclusive towards others that are divergent from oneself. As Bui et al. (2019) stated, people who share similar demographic qualities tend to flock together. When it comes to linguistic diversity influencing team performance, it could be argued that the uncertainty avoidance theory applies to language diversity as well. Avoidance is an emotion-focused coping mechanism used by team X members to lessen their subjective uncertainty of interacting with people who are different from oneself. Furthermore, it was noted that this sort of growth is crucial for teams and organizations, and hence the evolution of language and cultural diversity inside organizations should be not just accepted but promoted. Most parts of organizations will change as they grow more diverse, whether it is a new common working language or working in diverse teams.

The biggest change within language diversity in IB has been that organizations have started to notice language diversity being an issue that has to be tackled (Vulchanov, 2021). For instance, through the implementation of a language management policy within HR or communicating the corporate language clearly. There can be many benefits for organizations in executing a language management policy (Shortland & Perkings,

2022). For example, this creates a more united team and organization in general, with no one left out or discriminated against because of their linguistic background. This would result in a more efficient technique of working. Furthermore, by introducing additional development possibilities and better solutions, a new, more effective, and inclusive working environment is established, which promotes organizational norms and values.

Finally, organizations have the opportunity to develop their language management strategies through the use of different tools and solutions. Having identified signals, organizations may consider team-building activities focused on promoting diversity. In such a forum, the management may create a platform for every member to voice their thoughts. Adopting such an approach will send a message that everyone is considered valuable and give everyone a chance to release their feelings. In such a situation, the management encourages trust and cooperation and may establish team goals and set ground rules to guide the workforce (Ahmad & Barner-Rasmussen, 2019). For this reason, the organization should promote communication by creating an environment where everyone can express their views, and this allows native and non-native employees to talk about their experiences interacting with one another. Organizations should use regular staff meetings as a platform for employees to discuss the issues that may disturb them. Offering employees such a platform enables management to educate the workforce on language diversity issues and address language barriers that might impact employees' productivity.

The bottom line is that organizations can influence language management policies by shaping and implementing various tools and practices within the organization.

5.2 Practical Implications

During the interview process and data analysis, some intriguing topics that may enhance team language management were identified. This section will provide some suggestions 79

on how to further advance and improve problems related to language diversity focused on performance in the team.

First and foremost, organizations should establish a corporate language or just explaining the communication rules within the team. This is usually left for the team members to fix. Local people, or people in general who speak the corporate language should realize that it is their responsibility to be more inclusive towards others. To fix the broader picture then, the language issue should come from management and realize the pros and cons of having a linguistically diverse workforce. Language management should be part of HR policies, which could then help the company measure different levels of languages. Performance monitoring is a vital element in the implementation of any language management initiative, and Piekkari et al. (2014) recommend that it should be carried out on a continuous basis. Barner-Rasmussen and Aarnio (2011) observe that decisions on language management taken by senior managers do not necessarily reflect the real picture of workers and can therefore merely shift the responsibility for dealing with communication and language problems to those lower down the hierarchy. A continuous shake-up of language management tools in place may prevent some of these issues from becoming critical (Andersen and Rasmussen, 2004; Sanden, 2016). Language issues, in general, can be addressed through honest and open reflection on what linguistic diversity and multilingualism mean and how organizational members can identify related difficulties and communicate better.

Secondly, companies should hire an international and diverse workforce in order to internationalize the teams, not only recruiting individuals who speak a different language, because this will most likely manifest itself as loneliness for the one person who does not speak the majority language. This should be also addressed in the beginning. Educating people during the onboarding into the new job came up as a suggestion as well. The organization can endorse language diversity in public. Global companies have demonstrated this by encouraging diversity when calling for applications for various positions. Such adverts encourage applicants with disabilities

from different races, genders, and sexual orientations to apply while at the same time committing themselves to promoting a non-discriminatory working environment.

Thirdly, language classes for those who do not speak the corporate language well enough. Providing classes for the local language during work time is relevant as well. Some respondents also mentioned an "exchange" within the firm to learn a language, wherein employees would be sent to another country for a few months to gain cultural awareness. This would help team members to be more inclusive towards others who do not speak the language.

Finally, organizations should promote team-building activities and diversity courses and educate employees on the topic as part of onboarding and HR policies. Team members should be encouraged to work on projects with people from different linguistic and cultural backgrounds to increase inclusiveness. It is important for companies to have a clear directive regarding language management policies to create a better company culture and to increase performance. Top management must communicate effectively and address any issues that may arise regarding the matter.

5.3 Recommendations for Further Research

The connection between linguistic diversity and team performance was investigated in this study. Language research in IB is currently under-researched, particularly in terms of performance, therefore greater examination of this research issue is necessary.

Given that this study was focused on a single heterogeneous team, a longer period may be undertaken to fully understand how linguistic diversity influences performance. As a result, to really capture the bigger picture, the research may observe one or a few people for prolonged periods of time.

Geographic differences could also be studied by analyzing groups in different countries. It was evident that the data collected for this study was from individuals who are highly

international. Furthermore, the geographical differences should be explored. Language diversity and performance might vary significantly depending on team size. Future study could look at this. Other criteria to consider are the companies' industries. Another intriguing topic may be the relationship between language diversity and belonging, with a primary focus on language grouping ideologies to determine how linguistic variety affects individual belonging in teams.

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Appendices

Appendix 1. Interview Guide

Each interview will begin with a discussion of the interview length, audio recording, data processing, transcription, and confidentiality.

GENERAL

- How long have you worked in this specific role?
- How would you describe your role?
- Your working language?

CLUSTERING

- Do you think team members who share the same language tend to group together?
- What do you think are the reasons for such grouping?
- Do you think people tend to this unconsciously?
- Does "language grouping" have a great effect on team performance?
- Does clustering affect in information flows and communication patterns?
- Do you think language competency supports grouping?

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CULTURAL INTELLIGENCE

- Do you think there is a linkage with CQ and languages?
- Do you think cultural intelligence affect the communication within teams?
- Does high CQ is associated with better performance? If not, why?
- Does CQ affect openness/inclusiveness in general?
- How can lacking CQ affect?

LINGUISTIC COMPETENCE

- Do you think language competency is correlated with:
 - o Age

- Organizational level
- How do you think language competency affects performance in teams?
- Do people with better linguistic competence tend to be more privileged in the organization?
 - Strategic placements
 - o Language-based recruitment
 - Promotions
- Does the lack of fluency in language cause negative obstacles which influences judgements about the speaker?
- Are there biases and discrimination against weaker speakers?

MANAGING LANGUAGE DIVERSITY

- Are you familiar with your organizations language management policies?
- Should language management be one of the core HR practices in corporate policies?
- Do you think language diversity is a valuable resource?
- Do you think a corporate language helps managing language diversity and its problems?
- Do you think language diversity affects performance?
- Does a common corporate language increase the feeling of belonging?

FUTURE OF LINGUISTIC DIVERSITY IN IB

- What do you think can be done to be more inclusive towards language diversity within teams?
- Do you think the link between performance and language in IB will be discussed more?
- What should management do to improve language diversity inclusiveness in teams?
- How could management promote language diversity better/be more inclusive?