# CROSS CULTURAL ISSUES IN BUSINESS COMMUNICA-TION - AN ANALYSIS OF FINLAND BASED BUSINESS PROFESSIONALS' CULTURAL INTELLIGENCE IN IN-DIAN ENVIRONMENT

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#### Abstract

Businesses across the world are continuously expanding their boundaries in different countries. These businesses require talents who are skilled at cross-cultural communications. Cultural intelligence allows professionals to adapt, learn and be creative in a foreign environment. To assess the individuals' cultural intelligence capabilities various theories are available. One of the most popular theories to measure cultural intelligence capabilities is the CQ theory. CQ theory provides a four-factor model including Motivational CQ, Cognitive CQ, Metacognitive CQ, and Behavioural CQ. These dimensions facilitate an individual to utilise their cultural intelligence in multicultural settings.

This research focuses on the understanding of cross-cultural business interactions of Finland-based professionals in the Indian business environment. Hofstede's cultural dimensions provided an insight on cultural difference between Finland and India. To make the study business professional centric and identify individuals' cultural knowledge, the study used 20 item scale interview questions. Also, 15 participants were interviewed who are based in Finland but interact with their counterparts in India. It is evident from the study that cultural differences between Finland and India are huge but cultural intelligence can play an important role in mitigating cultural differences. Cultural intelligence can be improved through training and experience.

Referring to the research, CQ theory has its limitations. It is not entirely possible to assess an individual's cultural intelligence using a four-factor model of CQ theory. This research proposes alternative ways of measuring individuals' cultural intelligence and comparing it with CQ theory. Also, CQ theory has a scope of expansion if used on a larger scale.

Keywords

Cultural intelligence, international business, business culture, India, Finland, cross-cultural interaction

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## 1 INTRODUCTION

In international business, communication is the central core of business operations as an entity, any organisation deals in the exchange of ideas, knowledge, development, maintaining relationships, negotiating business deals, and establishing partnerships in cross-border trade (Szkudlarek, Osland, Nardon, Zander, 2020). Culture and communication are some of the major factors when it comes to doing business successfully in today's competitive markets, especially in international markets. In the literature on the subject, it is often seen that the business professionals neglect the various cultural factors due to various reasons. They are said to work on their business and communication strategies without realizing that cultural factors play an important role, functioning in form of invisible barriers (Tian & Borges 2011).

In international business culture has remained a prominent factor for decades. It is thought that failure to place business strategy in the cross-cultural context of the countries where a company is doing business will work to the detriment of brands and business relationships (Emery & Tian, 2003). Besides, cultural influence reflects on individual's adoptation of leadership and management. There is a correlation between cultural background and how an individual leads an intercultural interaction. (Jogulu, 2010; Taleghani, Salmani & Taatian, 2010).

In order to understand the differences between business and organizational cultures, different nations' cultural dimensions play a significant role. Hofstede (2011) defines "dimension as an aspect of culture that can be measured relatively to other cultures. Cultural dimensions enable to provide ways of understanding different behaviors, encountered in business situations that at first may appear odd, mysterious or inscrutable". According to him, culture differentiates people from each other. To measure the differences, several aspects can be used such as nationality, ethnicity, religion, and language.

The differences between the cultures of the countries make this world more interesting and more complex. However, a world without culture would become dull

as culture is deeply rooted in people's everyday lives. A culture can be defined from that a certain aspect of way of thinking stand out in a group of people. Similarly, there are other definition explaining culture as one big entity that evolved over thousands of years and still evolving (Hofestede, 2003).

Culture has influenced people since the beginning. In the business world, the impact of culture could be seen in managers' decision-making. The influence can be very small or very big because culture consists of several layers of values and beliefes. Culture has several aspects embedded in it. It contains learnings from elders, being a part of traditions and religion, practising local societal norms (Jones 2007). In the development or countinuation of a culture, practicises, values, beliefs and rituals travels and transfers from one generation to another (Sinha & Kumar 2004).

Culture has played an important part in shaping society over a long period of time. However, there hasn't been any time when the culture became homogenous and unified into one culture. The world without the culture would become more predictable and it would create hindrances to human's learning process (Boopathi, 2016).

The unique thing about is that it cannot be ranked from best to worst or vice versa. What is considered a good thing in one culture can be considered a bad in another. The question arises here, why can't we integrate cultures and learn from each other. A humongous diversity exists in the world where hundreds of societies and thousands of cultures exist. Therefore, it is very difficult to unify cultures from different corners of the world. Over the period of human history, cultures have integrated with each other through invasion, colonialism, media, and the internet. Despite all the earlier mentioned factors, basic values and principles may remain intact, irrespective of how heavy influence outside factors one culture faces (Boopathi, 2016).

The last 20 years have seen great technological advancement. Innovation in IT, the internet, the rise of social networking sites brought the world closer than ever before. It might give an impression that cultural boundaries may be shrinking or the cultures are getting close to each other. It is a new phenomenon and a subject of extensive research due to continuously and rapidly changing technologies and people's ability to adapt to them. The topic of internet communication is being discussed here because the world order has changed due to the Covid-19 pandemic. The pandemic has given birth to a new digital culture and communication. Increasing levels and types of business internationalization, global mobility, global (virtual) teams, and new global communication technologies all require increased attention and understanding of communication processes and their implications for organizations. While numerous related domains, such as language (Tenzer, Terjesen, & Harzing, 2017; Tietze & Piekkari, 2020) As mentioned earlier, it is a matter of

research, how the transition from a normal face to face situation to a digital one is unfolding. It is arguable that cultural differences remains intact even though the development of technology is changing the face of already globalised world. Technology upto a certain extent allows individuals to be more comfortable. However, it still can't remove all the cultural barriers that have been existing forever. (Boopathi, 2016).

Business professionals need to accomodate to changes that are constantly happening around the world. They need to make adjustmeth in their behaviours according to situational and unexpected difficulties in multicultural dialogues. (Rockstuhl et al., 2010). Dealing in international business requires constant cooperation, a culturally intellegent professional will develop relationship between culturally diverse team members and concerned work partners. (Caliguri & Tarique 2012). To understand the difference in a culturally diverse environment, business professionals need certain learnings. For instance, learn to collaborate, adapt to cultural norms, and avoid ethnocentric approaches, assumptions, and prejudice in their communication. Business professionals can achieve great success in international business through cultural intelligence and capabilities. However, to succeed they need certain capabilities in understanding the political, economical, cultural environment of the host country. When dealing with different cultures, there are theories that can be applied. Cultural Intelligence (CQ) theory is one of the most popular theories, that is used in understanding the cultural intelligence capabilities of individuals.

Cultural Intelligence measurement provides an insight into an individual's capabilities to interact effectively in a multicultural environment (Earley & Ang 2003). Cultural intelligence theory evaluates the cultural competence of individuals in different aspects. Through different frameworks. In the process of understanding different cultures, cultural intelligence capbailities provides support to individuals. This capability helps individuals in multicultural environment. (Ang & Dyne 2015). Ang & Earley developed a four-factor model for Cultural Intelligence theory in 2003. Motivational CQ, Cognitive CQ, Metacognitive CQ, and Behavioral CQ. These four factors measure an individual's capability to interact in a multicultural environment. Also, these factors can be used to train individuals for international business settings. The study is about 20 years old but still, there hasn't been much researches have been done on CQ theory. The aim of the study is to find the existing gap between the previous studies. On top of that, this study will provide insights on how to increase cultural knowledge using the existing studies.

# 1.1 Research Gap.

The existing research on cultural intelligence gives insight on what has been researched and what are the possibilities for further research. Some of the previous studies on cultural intelligence are following. Focus on exploring the use of cultural skills and capabilities at a global level (Thomas & Inkson, 2017). A guide to thriving in international business using cultural intelligence (Livermore & Soon, 2015). Management of capabilities and skills in intercultural interactions (Boopathi, 2016). Combining cultural intelligence with emotional intelligence and exposure to the different cultural experiences (Crown 2013). Short-form measurement of cultural intelligence, multifaceted culture general form of intelligence that is related to effective intercultural interactions (Thomas, 2015).

The existing research on Cultural Intelligence (CQ) is mainly focused on very broad areas. The review of existing studies identified that research on working culture and gaining insights into cross-cultural interactions while comparing two countries is very limited. In the assessment of an individual's cultural intelligence capabilities, it is essential to know that everyone possesses certain capabilities. These capabilities or skills can be learned by training, by observing, by experiences of inter-cultural interactions. Additionally, there are no studies available that focus on mid or junior-level professionals. The mentioned studies focus on the leadership roles and their impact. The existing studies provide a broad and rounded viewpoint. Thus, cultural intelligence studies need a detailed view on comparing the two opposite cultures. This would allow the possibility of further research on cultural intelligence factors using individual experiences and capabilities.

There were more than a few reasons to choose Finland and India as the test subject cultures for this study. To start with, Finland and India's cultures are the opposite sides of a stick. The contrast between the two countries is huge. Finland has a flat hierarchical structure in its society where everyone is considered equal. On the other hand, the hierarchy in India is very strong. The diversity of Indian society makes it an interesting area to explore from the Finnish perspective.

In the previous studies, the focus has been on leadership. In this study, the research explores the experiences of mid-level and junior-level business professionals. In a culturally collective society where hierarchy and power distance dominate the business world, it is vital for business professionals to prepare themselves with cultural intelligence capabilities.

To summarise, it is understood that there is no or very little research available which sheds light on cultural intelligence theory in comparing the cultures of two countries. Also, the research on using the individual experiences from the participants is close to non-existence. Hence, this study will provide insights on comparing two

cultures and individuals' cultural intelligence capabilities in a single country environment.

### 1.2 Research Questions

The aim of this study is to explore if cultural intelligence is relevant in intercultural interactions. The target of this study is the Finland based business professionals' understanding of cultural differences and how they operate in the Indian business environment: To explore these aspects, the research will dig into following questions.

- A. What are the major cultural differences faced by Finland-based business professionals in India?
- B. How Cultural Intelligence helps in cross-cultural interactions of Finland-based business professionals in the Indian business environment?
- C. How can an effective utilization of cultural intelligence pave the way to train future professionals dealing with Indian business professionals?

This thesis is using two different sources to gather information. The first source of data is a defined set of questions that were asked from the participants based on scale. The second source of information was collected through open-ended questions from participants.

### 2 LITERATURE REVIEW

## 2.1 Overview of India

Indian culture is highly diverse, it has 28 states/provinces, each state has its own culture and language. India recognises 22 languages as official (Know India, 2021). Each state represents its own culture, political system, economy, language, and overall cultural diversity (Sebastian, Parameswaran & Yahya 2006:1). India cannot be categorised as one culture because there are several layers of culture exists in it. India opened its door for the world in 1991 economic liberalisation policy. Since then, Indian economy functions with a combination of local, regional, national, and global economic system (Bhagavatula, Mudambi, Murmann, 2019). Each Indian state has its own strength, some ranks high in industrial activities, some in service sector, some are the hub of human resource. Every state design its economic policy in parallel with the national policy. These states provides certain perks such as cheaper infrastructure resources, lower taxes and availability of talent.

India has high growth potential because of its population. A country of 1.3 billion people, where more than half of its population falls under the working-age group. Many international companies have entered the Indian market in the last two decades some of them succeeded, some of them failed. India is a culturally diverse country, and one must learn its cultural aspects to be successful in India. The demographics are changing, the youth is becoming educated. Initially, most people in India resided in rural areas but it is changing now. Many families and young people are moving to the cities to earn their livelihood. The middle class has emerged, and it is still getting bigger and bigger, their purchasing power has increased dramatically over the last two decades. The above-mentioned reasons are the driving force in its rapid economic growth. World Bank report states that India's nominal GDP is expected to be \$3.049

trillion in 2021 which is the sixth largest in the world (IMF, 2020). Since the start of the 21st century, annual average GDP growth has been 6% to 7%, and from 2013 to 2018, India was the world's fastest-growing economy, surpassing China (IMF, 2019).

India had seen a political shift in 2014 when a nationalist government came into power. Since then, the government's policies are highly focused on attracting investments from all around the world. In September 2014, the Government of India has launched the making India initiative. Then-Prime Minister of Finland Mr. Juha Sipilä was invited as an honorary chief guest. A delegation of 17 business leaders accompanied the Prime Minister and secured business deals in energy, circular economy, pulp and paper, and heavy machinery industries. Since then, trade between India and Finland has grown exponentially.

#### 2.2 Overview of Finland

Finland is a highly industrialised country. It has a mixed economy that is at par with other western European nations such as France, Germany, and the UK. The Finnish economy is an export-based economy because of low domestic consumption due to its small population. The population of Finland makes up just 0.07 percent of the world's population and its area as much of the total world area. But even a small country can jump to the top of the world, and this is what Finland has done: in international country comparisons of positive things Finland is often among the top countries next to other Nordic countries (Statistics Finland, 2019). Finland ranks among the best in the world in many different sectors. It has the best business environment in the world, it enjoys great economic stability, it has the best financial system in Europe, Finnish companies get the best support in Europe for internalization (Busi-ness Finland, 2020). All the above-mentioned reasons allow Finnish companies to expand their business abroad successfully.

#### 2.3 Overview of India and Finland Relations

Finland and India have traditionally enjoyed warm and friendly relations. In recent years, bilateral relations have acquired diversity with collaboration in research, innovation, and investments by both sides. The Indian community in Finland is vibrant and well-placed. Indian culture and yoga are very popular in Finland. 2019 marked 70 years of diplomatic relations between the two countries. (MEA, 2021)

President of India, Pranab Mukherjee paid a State Visit to Finland on 14-16 October 2014 accompanied by Minister of State for Heavy Industries and Public Enterprises, four Members of Parliament, Officials, academicians, and a business delegation. Agreements for cooperation in New and Renewable Energy, Biotechnology, Civil Nuclear Research, Meteorology, Healthcare and Education were signed during the visit. Former Prime Minister Mr. Juha Sipilä visited India from 12 to 14 February 2016 to participate in the "Make in India Week" in Mumbai along with a business delegation. On 17 April 2018, PM interacted with his counterparts from five Nordic countries, at the first India-Nordic Summit in Stockholm. Then PM Juha Sipilä of Finland participated in the Summit and had a bilateral meeting with our PM during which ongoing bilateral cooperation was reviewed. Both sides agreed to cooperate in energy, vocational education, space and enhance trade and investment. (Embassy of India, 2021)

#### Virtual Summit between Prime Ministers on 16 March 2021

Prime Minister Sanna Marin and Indian Prime Minister Narendra Modi held a virtual bilateral meeting on 16 March 2021. In their first meeting, the Prime Ministers had an extensive discussion on how to deepen concrete cooperation between their countries and addressed several key international issues. The two Prime Ministers announced a Digital Partnership in Future ICT; Future Mobile Technologies and Digital Education; a High-Level Dialogue in education and a Sustainability Partnership involving Renewable and Clean Energy, Circular Economy, and Sustainable Mobility and noted that green growth is an essential element of bilateral cooperation.

Over several other occasions, the trade, political, and cultural relations between the two countries have strengthened. One of the largest Finnish companies KONE, inaugurated a new manufacturing unit in Chennai which will provide direct and indirect employment to thousands of people. India and Finland have agreed to cooperate in the field of cyber security, Talent Boost program, engineering, finance, and design program. Below are some of the most important and relevant agreements between the two countries in recent years. (Embassy of India, 2021)

#### **Bilateral Agreements:**

- Economic Cooperation Agreement signed in March 2010.
- Air Services Agreement signed 1995, modified in May 2006.
- Agreement for Cooperation in Science & Technology 2008.
- MoU for cooperation on Information Security January 2010.
- MoU for Cooperation in Road Transport May 10, 2010.
- Social Security Agreement June 2012 and implemented w.e.f. August 1, 2014.
- Arrangement for Cooperation in Nuclear and Radiation Safety Regulation October 2014.

- MoU for cooperation in Renewable Energy October 2014.
- MoU for cooperation in Biotechnology in October 2014 Renewed Nov 2018.
- Implementing Arrangement for cooperation in Atmospheric Environment in October 2014.
- Gainful Occupation for Family Members of Members of a Diplomatic Mission or Consular Post on 1st August 2016.
- Agreement for visa waiver for diplomatic passport holders on 6 November 2017.
- MoU on Establishment of ICCR Chair of Indian Culture and Society, 20 August 2018.
- MoU for cooperation in Cyber Security Jan 2019.
- MoU for cooperation in space launch and peaceful uses of outer space Jan 2019.
- MoU for cooperation in vocational education Training March 2019.
- MOU for R&D Cooperation between DST India and Business Finland August 2019
- MOU for Cooperation in Tourism between Ministry of Tourism, India and the Ministry of Economic Affairs and Employment, Finland, November 2019
- Joint Declaration of Intent between Ministry of Electronics and Information Technology, India and Ministry of Economic Affairs and Employment, Finland for Cooperation in Digitalization, November 2019
- MOU for Cooperation in Defence Production, Procurement, R&D of Defence Equipment, January 2020.
- MoU on cooperation in Environment, November 2020
- MoU on Cooperation in Geology/Mining, December 2020 Source: Embassy of India, Finland

#### **Economic and Commercial Relations**

Finland's trade and economic relations with India rely on our traditional strengths: the export of paper, machinery, equipment, and industry services from Finland to India; local production by Finnish companies in the Indian market, particularly in the telecommunications, energy, construction, and heavy industry sectors; as well as expert services and R&D activities, especially in the field of digital business solutions. India's exports to Finland are correspondingly centered on pharmaceutical, chemical and textile products. Services – particularly in ICT and digital solutions – also have a significant role in Indian exports to Finland.

The total direct trade between the two states is in the region of EUR 1.5–2 billion annually, roughly equally divided between goods and services. Finland has a slight trade surplus with India, especially in the goods trade, but this does not include the

significant production volume of Finnish companies in India: telecommunications networks, power plant technology, lifts, excavation, and mining equipment, as well as digital solutions developed and manufactured by Finnish companies in India as part of their global production chains.

Approximately 30–40 Finnish companies, mostly consisting of large, listed companies and Finland's largest family-owned businesses, have a permanent presence and active business operations in India. In addition to these, dozens of other companies trade with India or have smaller-scale local operations there, bringing the total number of Finnish companies involved in trade with India to roughly one hundred. Finnish SMEs and start-ups do not have an extensive presence in India yet, but certain pioneering companies have made moves into India and more are expected to follow, particularly in the field of digital solutions. A handful of Indian companies, mostly outsourced IT service providers, have a permanent presence in Finland. In addition, Indian IT experts constitute the largest group of experts working in Finland on short-term contracts. The significance of the trade in services is expected to keep growing for both countries in the areas of digital solutions, design, and maintenance (Embassy of India, 2021).

India's trade in goods with Finland crossed US\$ One billion (Euros 870 million) and is in Finland's favour. Trade in services are growing and crossed US\$ 1.5 billion (Euros 1.3 billion) with many Indian IT companies positioned in Finland (Embassy of India, 2021).

#### Finland's top imported goods from India (Jan-Dec 2019):

- Articles of apparel and clothing accessories
- Medicinal, pharmaceutical product
- Textiles, yarns, made up articles, fabrics
- Machinery for special industries
- Electric machinery and parts

#### India's top imported goods from Finland (Jan-Dec 2018):

- Electric and machinery parts paper boards and articles thereof
- Machinery for special industries
- Power generating machinery and equipment
- General industrial machinery

Trade in Goods in EUR million			
Financial Year	2017	2018	2019

Finland to India	538.23	544.23	509.36
India to Finland	341.58	354.85	355.27
Total Trade in Goods	879.81	899.08	864.63

Source: Finnish Customs

Trade in Services in EUR million					
Financial Year	2017	2018	2019		
Imports (Finland to India)	773	529	422		
<b>Exports (India to Finland)</b>	607	661	826		
Total Services Trade	1,380	1,190	1,248		

Source: Statistics Finland

#### **Investments**

As per DPIIT, Finnish companies invested US\$ 497 million between April 2000 to December 2019. The actual investment will be higher as many Finnish companies have been in India since the 1980s or 1990s. Within the EU, Finland ranks 12th among countries investing in India (Ministry of Commerce & Industry, Government of India 2019). More than 100 Finnish companies have operations in India, including through investments. Nokia, Kone, Wartsila, UPM, Fortum, Metso, Huhtamaki, Salcomp, Ahlstrom, etc. have set-up their manufacturing facilities in India. Finnish IT companies Tieto and F-Secure have established operations in India. Nokia has offices in Gurgaon, Bangalore, Mumbai and Chennai, and a Global R&D center in Bengaluru with 3000 employees. A JV between Numaligarh Refinery Ltd., Finnish companies, Fortum and Chempolis is building a biorefinery in Assam.

India's investments in Finland have crossed US\$ One billion including acquisitions. About 35 Indian companies, mainly in the software and consultancy sector are active in Finland. Motherson Sumi Systems (MSSL) acquired PKC Group (\$ 620 million). Trivitron Healthcare acquired Ani Labsystems. Mahindra Holidays and Resorts invested in the 'Holiday Club Resorts Oy'. Infosys, India acquired Finland's Fluido Oy.

#### Information Technology and Emerging Technology

A Joint Declaration of Intent signed between MEITY and Minister of Economy in Finland on cooperation in the field of Digitalisation was signed in November 2019. The document provides for cooperation in information exchange between public and private entities of both countries in the field of digital development, strengthening collaboration in the fields of eGovernment, m-Governance, smart infrastructure, eHealth, and e-Education, promoting emerging technologies such as AI, Cloud Computing, Big Data, Internet of Things, Blockchain, etc., promoting cooperation in Electronics Systems Design and Manufacturing, among other things. Both sides have nominated a coordinator for the purpose of implementing the JDI.

#### 5G/6G

Finland is a leader in 5G/6G technology and Nokia is a world leader in providing the associated infrastructure. Top Indian IT companies are looking to collaborate in this sector. During the 4th Joint Committee meeting on S & T in November 2020, 5G was identified as one of the three areas for future collaboration between India and Finland. Wipro Limited, signed an MoU with the University of Oulu, Finland, on 19 November 2019 to collaborate in wireless communications in 5G/6G. University's 6G flagship program is the world's first major 6G research program which also supports the industry in identifying new 5G – enabled business opportunities. Together, Wipro and Oulu University will create technology pilots to address industry and customer requirements.

In addition, Tech Mahindra and Business Finland signed an MoU for research and development in 5G and 6G, on 21 November 2019. Under this collaboration, Tech Mahindra will set-up an innovation lab in Finland, develop, pilot, and implement state of the art digital products and services for Finnish universities, research institutions, government, and companies.

### Science & Technology

An agreement for Cooperation in S&T was signed in February 2008 for the development of innovation policies, exchange of information and scientists and R&D collaboration. Under this Agreement, Business Finland has an agreement with DST & Department of Biotechnology to promote joint R &D cooperation in the fields of science, biotechnology, and wider technology domain. Under the Agreement, a Joint S & T committee representing both sides was formed to drive discussions on mutual areas of interest. The 4th Joint Committee Meeting was virtually held on 17th November 2020, Chaired by Secretary (DST) Shri Ashutosh Sharma and Mr Petri Peltonen, Under Secretary of State, Ministry of Economic Affairs and Employment. The Joint Committee identified 5G, sustainability and quantum computing as topics of interest. Both sides have decided to form Working Groups to exchange information on the above topics, enhance industry to industry innovation and find relevant projects for joint government funding.

#### **Environment**

There are successful partnerships from 2004 between Finnish Meteorological Institute (FMI), India Meteorological Department (IMD) and The Energy and Resources Institute (TERI) in air quality including capacity building. The Ministries of Environment of India and Finland signed an MoU for Cooperation in November 2020.

#### **Cooperation in Education**

Finland is a global leader in education scoring consistently on several parameters. There have been tie-ups between private firms for the exchange of best practices in early childhood and K-12 education. There is an MoU between a Consortium of ten Finnish Universities and twenty-three Indian Institutes of Technology (IITs) for the period 2020-2025 for cooperation in the higher education sector. Moreover, Finland is emerging as a favourable good destination for vocational and higher education for Indian students. A high-level dialogue in education was announced during the March 2021 Virtual Summit.

### Vocational Education and Skill Development

Like other Scandinavian countries, Finland is renowned for vocational education. An MoU between NSDC India and EDUFI in the Finnish Ministry of Education for Cooperation in Vocational Education Training was signed in January 2019. CEO, NSDC visited Finland in Oct. 2018 and identified tourism, catering, health, sports, technology, communications, and transportation as possible areas of skilling. NSDC and Omnia (the international commercial arm of four Finnish vocational education providers) signed an MOU for capacity building, joint certification courses, and entrepreneurship modules.

#### **Cultural Relations**

Finland is very receptive to Indian culture. There are several Indian dance schools and Yoga schools. Cultural events are organised regularly by Indian Associations and other cultural organisations promoting Indian dance and music (both classical as well as contemporary). Finnish India Society has been active since 1956. The Indian embassy has been organising International Day of Yoga and the annual cultural festival "India Day" since 2016. The fourth edition was held on 18 August 2019 in Kaisaniemi Park, Helsinki with 15000 participating. A life size statue of Mahatma Gandhi gifted by ICCR to the Government of Finland was unveiled by EAM and Foreign Minister Pekka Haavisto on 20 September 2019 to mark Gandhi's 150th anniversary.

# 2.4 Comparison Between Finnish and Indian Culture.

Cultural differences between Finland and India are polar opposite. In every aspect, political, economic, geographical, societal, and language both the countries are drastically different from each other. There are many parameters on which Finnish and Indian cultures can be measured. To understand the differences cultural dimensions as proposed by Hofstede are being used in this study. There are several other studies that contributed to the field of cultural differences. However, the cultural

dimension study by Hofstede is one of the earliest that sheds the light on differences between national cultures (Boopathi, 2016). The cultural dimension study may not uncover all the aspects of both cultures, because culture cannot be defined as one national culture. Every culture has countless attributes which cannot be discussed due to the limited scope of research for this paper. Additionally, Cultural Intelligence theory will be used to measure the individuals' capabilities and skills in a multicultural environment. Since the study has a limited scope, the research is narrowed down to measure cultural differences in business communication between business professionals based in Finland and their Indian counterparts.

#### 2.4.1 Hofstede's Cultural Dimensions

The cultural dimensions introduced by Hofstede have been useful in understanding the cultural differences between India and Finland. Hofstede's cultural dimensions were predominantly based on the data from the IBM employees and conducted on 88,000 respondents in 20 languages from 66 countries (Hofstede 2011; Terlutter, Diehl & Mueller 2006). Initially, Hofstede came up with four dimensions power distance, individualism vs. collectivism, masculinity vs. femineity and uncertainty avoidance. However, two more dimensions were added, long term orientation and indulgence vs restrain. Cultural dimensions study by Hofstede is the most cited academic resource and it will be highly valuable in uncovering the layers of Indian and Finnish culture (Jones 2007).

#### 1) Power Distance (PDI)

Power distance explains that authority and responsibility are divided unequally within a society, community, and organization. (Hofstede, Hofstede & Minkov 2010; Hofstede 2011). The comparison of power distance (PDI) between both the countries reveals that India scores 77 in the power distance which is higher than the world average of 56.5 and ranks between 17-18. Whereas Finland stands on low power distance which scores 33 and it ranks 68 in the world scores (Hof-stede, 2010).

It is clearly evident that Indian society is extremely hierarchical, and the Finnish society is on the opposite side. In high PDI countries, less powerful members accept power relations that are more autocratic and paternalistic (Hofstede, 2010). Indian culture has all the traits of a high-power distance society. The root of this problem lies in the caste system of society. Additionally, British colonial rule added more fuel to the existing complications in the society, where ruling elites were considered superiors than common people. The caste system is a hierarchical ordering of society into groups that each has their own status, set of norms, and overall function such as a priest, warrior, merchant, and worker (LeFebvre, 2011:4).

Any trait of society travels into different aspects of life. The caste system of the country brought its influence on the workplaces. Decision making lies only with the senior most managers in the organisation. Dependency on the senior managers is high, loyalty and respect are always expected from the junior employees. On the other hand, in low power distance countries like Finland, the dependency is very low, and equality gives equal opportunity to everyone. It is evident that in Finnish organizations the power is distributed equally. Also, the relationship between the leader and subordinates is open which allows the subordinates to approach their leaders easily (Paakkala, 2011).

#### 2) Individualism vs Collectivism

Individualism is an aspect of a culture where an individual works for their own interest or goal rather than the interest of a group. (Hofstede, Hofstede & Minkov 2010). Individualism has its priority on achieving individual goals, individual rights, autonomy, self-reliance, achievement orientation, and competitiveness (Hofstede 2011). Collectivism refers to achieving group, rights of a group, dependence on the group, affiliation with the larger collective, cooperation, and harmony" (Kulkarni et al. 2010:95). The comparison between Individualism vs. Collectivism (IDV) dimensions Finland high on individualism which scores 63 and ranks 22. Whereas India scores 48 and ranks 33 which is considered as the collectivistic culture (Hofstede, 2010).

In a collective society, relationships are the topmost priority. In a country like India, personal relationship plays a vital role in successful business communication. Indians prefer to do business with people whom they can trust and have personal relationships. the individualistic culture like Finland believes in individual accomplishments whereas the collectivistic culture like India is more concerned with group or team accomplishments. The social norm of individualistic culture is to have a nuclear and egalitarian family on the other hand the social norm in collectivistic culture is community family (Hofstede, 2005; Kazi, 2009).

#### 3) Masculinity vs Femineity

This factor focuses on the defined roles of gender in a society, these roles vary between different cultures (Hofstede, Hofstede & Minkov 2010). Any society defines gender roles based on historic patterns. Masculine culture tends to appreciate mate-rial success, status in society, high competitiveness, ambition, and authority. (Hof-stede, Hofstede & Minkov 2010). On contrary, in feminine cultures, there is stress on equality, equal distribution of power, equal rights, and equal responsibility. (Hof-stede, Hofstede & Minkov 2010; Hofstede 2011). Feminine cultures are more relationship-oriented where the values, beliefs become the center of interactions (Hof-stede, 2011:12). Hofstede's scores on the comparison between Masculinity vs. Femininity (MAS)

dimensions reveal that India stands high on masculinity which scores 56 and ranks between 28-29. While Finland scores 26 and ranks 68, which is considered to be feminine culture. The masculine culture like India values earnings, recognition, advancement, and challenge. On the other hand, in Feminine culture, Finland values personal relationships, care for others, quality of life, and service (Francesco & Gold, 1998:18). The workplaces in masculine cultures prefer traits like authority, assertiveness, performance, and success while the workplaces in feminine cultures tend to be more democratic (Jones, 2007:4).

### 4) Uncertainty Avoidance

Uncertainty avoidance explores and analyses ambiguous, uncertain, and unexpected situations. This is one of the crucial factors of the dimension because uncertainty avoiding society leans toward authoritative and controlling. Uncertainty avoidance does not allow liberal thoughts, prevents behavioral egalitarianism (Fritzpatrick, 2020). It also impacts innovativeness and curiosity. Societies with high uncertainty avoidance impose strict rules that avoid routine practices. Comparably, low levels of uncertainty avoidance allow innovative ideas, risk-taking, and out of box thinking (Gallego-Álvarez, Pucheta-Martínez, 2021).

#### 5) Long term vs Short Term Orientation

Long-term orientation focus on the future and a larger picture. Long-term orientation society acts according to the situation, adapts to the changes, puts importance on future results (Hofstede, 2011). A society with a long-term vision appreciates perseverance, persistence, the adjustment in unfamiliar situations, and taking actions to keep the future in mind (Fritzpatrick, 2020). Successful interactions in a foreign culture require relationship building, which can be achieved through long-term vision, situational adaptation, and patience. Short-term orientation culture values traditions, historical patterns, tried and tested methods, safe and stable environment.

#### 6) Indulgence vs Restraint

This factor was added in the dimension in 2010. It refers to the fulfillment of desires, it focuses on impulses related to indulgence and gratification. Restrain on the other hand points to the curbing of desires controlled by societal norms (Fitzpatrick, 2020). Indulgence allows natural desires to be taken care of. It appreciates freedom, leisure, happiness, control over life. Indulgence culture brings innovativeness and satisfies people's impulses related to happiness (Gallego-Álvarez, Pucheta-Martínez, 2021). The following table will give an overview of the cultural dimensions scores and ranks of India and Finland.

Table 1

CULTURAL DIMENSIONS	India	Rank	Finland	Rank
Power distance index (PDI)	77	17-18	33	68
Individualism vs. Collectivism (IDV)	48	33	63	22
Masculinity vs. Femineity (MAS)	56	28-29	26	68
Uncertainty avoidance index (UAI)	40	66	59	50-51
Long term vs. short term orientation (LTO)	51	40-41	38	51-54
Indulgence vs. Restraint (IVR)	26	73	57	27-29

(Source: Hofstede, Hofstede & Minkov 2010)

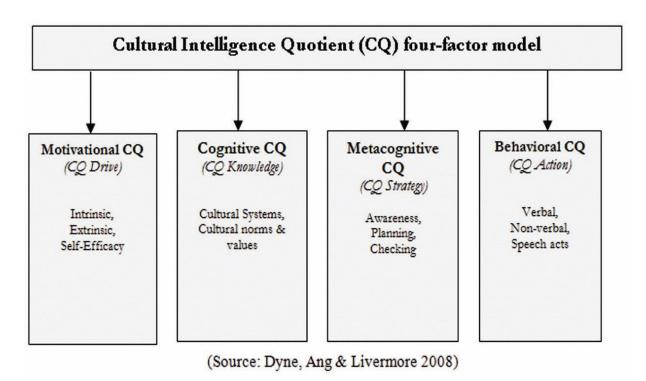
### 2.4.2 Cultural Intelligence

It is a known fact that international business professionals need to have certain skills and capabilities, in order to succeed in a foreign business environment. The understanding of business, political, geopolitical, social, economic, and cultural environments of different countries are highly valued in international business. Not every individual is aware of social interaction skills that help in social interaction with people from other cultures (Crowne 2006). An individual needs to show capabilities and how effectively they address the challenges that come along with different cultures. To address this need to deal with people from other cultures, cultural intelligence is an important capability (Earley & Ang 2003). Cultural intelligence refers to an individual's capabilities to function and manage effectively in culturally diverse settings (Fitzpatrick, 2020). Cultural intelligence (CQ) focuses on cognitive and behavioral factors that enable individuals to relate to others and work effectively in culturally diverse situations (Fitzpatrick, 2020). Cultural intelligence enables an individual's capabilities to interact effectively in a new culture (Early & Ang 2003; Ang & Inkpen 2008).

Cultural Intelligence is a setup that assesses several aspects of intercultural capabilities based on a comprehensive and coherent framework (Ang, Dyne & Tan 2011). Cultural Intelligence provides an individual with an understanding of different cultures and how they can adapt to different cultural environments. "Though there are multiple forms of intelligence such IQ, EQ, etc., specialized in measuring several forms of intelligence, they are not proficient enough to measure the cultural capabilities of the individuals" (Boopathi, 2016:39).

To measure the individuals' cultural intelligence capabilities and skills Ang & Early formulated Cultural Intelligence Quotient in 2003. It was based on Strenberg & Dettermens (1986) integrative theoretical framework on multiple loci of intelligence. Four different ways were proposed by Stenberg & Dettermens (1986) metacognitive intelligence, cognitive intelligence, motivational intelligence, and behavioural intelligence. In addition to Early & Ang (2003) and for the purpose of giving insights on CQ to practitioners, business leaders and the students. Livermore (2010) proposed or labelled four dimensions of cultural intelligence: CQ drive (motivational), CQ Knowledge (cognitive), CQ Strategy (metacognitive) and CQ Action (behavioural). The following diagram describes the CQ framework and its dimensions and is followed by the explanation of the CQ dimensions (Boopathi, 2016).

Figure 2.



### Motivational Cultural Intelligence

When an individual operates in a foreign environment it is necessary to adapt to crosscultural situations. One can showcase their skills and abilities in a multicultural environment directing their attention, showing interest in learning new aspects of the host culture (Dyne, Ang & Livermore 2010; Rockstuhl et al. 2011). Motivation comes from within, and it can't be learned or trained. The attitude towards learning about the new culture is driven by motivational cultural intelligence. Professionals or any other individual with motivational factors have curiosity and drive to learn makes them motivated to take part in multicultural situations. Motivational Cultural Intelligence showcases an individual's capability to be attentive in culturally different environments. Successful intercultural interaction requires a basic sense of confidence and interest in novel settings. (Dyne, Ang & Koh 2008). The initial and essential motivating factors such as continuous growth and improvement are part of motivational cultural intelligence (Earley 2006). Culturally intelligent individuals represent motivation and adapt to function effectively in a foreign cultural environment (Livermore 2010). Motivational factor has three subdimensions: intrinsic motivation, extrinsic motivation, and self-efficacy which is the level of confidence to encounter cross-cultural situations (Livermore 2010). Motivational Cultural Intelligence is the most essential factor because without motivation it is not easy to demonstrate the other three factors of Cultural Intelligence (Ang & Inkpen 2008:344; Dyne, Ang & Livermore 2010).

#### **Cognitive Cultural Intelligence**

This part explains the knowledge structure of an individual. A cultural environment that has cultural institutions, norms, practices, and traditions in different cultural settings (Dyne et al. 2012:301). An individual's gain of knowledge through personal experiences represents cognitive cultural intelligence. Cognitive Cultural Intelligence consists of two subdimensions: cultural systems which are how society organizes itself to meet its members', and cultural norms and values explaining the varying way of issues such as time, authority, and relationship. (Ang & Inkpen 2008: 344). Cognitive factors identify the similarities and distinguish the differences, in a multi-cultural situation it is an utmost important skill or capability to succeed (Dyne, Ang & Koh 2008). "Appreciating and understanding a society's culture can shape an individual's pattern of social interaction within a culture" (Ang & Inkpen 2008:344). The cognitive factor plays an important role in numerous aspects of cultural practices, norms, and traditions.

### Metacognitive Cultural Intelligence

The metacognitive factor helps individuals in dealing successfully and being creative in cross-cultural situations using their experience and skills. This factor allows individuals to think critically and actively about habits and assumptions. In culturally diverse situations, individuals can reshape their thought processes and understand the cultural differences from a different point of view (Dyne, Ang & Koh 2008). Once an individual is aware of their cognitions, they will process the different cultural information more clearly (Ng, Dyne & Ang 2009). The metacognitive factor has three elements planning, awareness, and checking. Planning helps and facilitates a culturally diverse encounter. Awareness allows understanding the surroundings. Checking to make sure whether the plans are appropriate (Dyne et al. 2012; Livermore 2010). This factor is decisive in all the other factors. It promotes and allows active thinking when individuals are in a different cultural setting. First, it promotes active thinking about people and situations when cultural backgrounds differ. Second, it triggers critical thinking about habits, assumptions, and culturally bound thinking. Third, it allows individuals to evaluate and revise their mental maps, consequently increasing the accuracy of their understanding. (Dyne, Ang 2008: 17).

#### **Behavioural Cultural Intelligence**

Behavioural Cultural Intelligence refers to the capability of individuals to manifest verbal and nonverbal behaviour in intercultural interaction (Ng, Dyne & Ang 2009). Behavioural intelligence shows that an individual can adapt to diverse cultures and has the capability to interact effectively with people. This factor allows individuals to

get comfortable with people with whom they do not share a common cultural background (Early & Ang 2003: 12). This factor measures an individual's behaviour in diverse cross-cultural situations (Dyne Ang & Nielsen 2007). An individual's behaviour is the most visible trait in interactions. There are three sub-dimensions of Behavioural factors, verbal, non-verbal behaviour, and speech acts. Individuals who have a higher level of Behavioural knowledge, tend to demonstrate correct verbal, non-verbal and speech acts appropriate for different situations, environments, different locations in a particular culture.

### Measurement of Cultural Intelligence (CQ)

Cultural intelligence is often measured with self-assessment using cultural intelligence scale. In this process, participants choose answers based on four different capabilities. Participants are given scores based on their chosen answers. Some approaches use an overall CQ score and average the four factors for an overall score, while others examine the effects of each of the four CQ factors separately or only one of the four factors (Fitzpatrick, 2020). This study will use the overall CQ score and average the four factors. This approach is driven by subjectivity, assessment can be moderated or combined with self-assessment to understand a broader picture of intercultural ability (Fitzpatrick, 2020).

### Summary

Cultural Intelligence provides insights and facilitates individuals to perform with excellence in multicultural situations (Dyne, Ang & Nielsen, 2007). Cultural intelligence can be very useful for anyone who is involved in cross-cultural interaction. Cultural intelligence allows individuals to increase their capabilities and skills. It facilitates them to act and react in a short span of time in a culturally diverse situation. The individuals who have had higher exposer to cross-cultural scenarios may display high cultural intelligence capabilities (Boopathi 2016). In addition, culturally intelligent individuals will apply their motivational, cognitive, metacognitive, and behavioural capabilities in cross-cultural situations (Ng, Dyne & Ang 2009:245). Highly culturally intelligent professionals use their capabilities in an international business environment with better conviction (Kim & Dyne 2012). Global identity and CQ aim at improving our understanding of the factors that can explain why some people succeed better than others in coping with situations involving cultural diversity (Ang & Dyne, 2015).

#### 3 EMPIRICAL RESEARCH

### 3.1 Research Method

A semi-systematic review approach is applied in this study and a mixed method of quantitative and qualitative is used. Several methods can be used to analyse findings from a semi-systematic review. These methods usually follow the similar approach that is used in qualitative research. Content analysis is a commonly used technique and can be broadly defined as a method for identifying, analysing, and reporting patterns in the form of themes within a text (Braun & Clarke, 2006). Although this type of review is usually followed by a qualitative analysis, there are exceptions. For example, Borman and Dowling (2008) used a semi-structured method of collecting literature but combined it with a statistical meta-analysis approach. This type of approach can be useful for detecting themes, theoretical perspectives, or common issues within a specific research discipline or methodology (Ward, House, & Hamer, 2009).

Hofstede's cultural dimensions and data gathered from the 20-item scale questionnaire quantifies the research. Hofstede's cultural dimension model is used to identify the differences between Indian and Finnish cultures. The quantitative method is used for a 20-item scale questionnaire is used to find out the CQ score of the interview participants to find out their level of cultural intelligence. The qualitative method is used to analyse the open-ended interview data. Both the approaches qualitative and quantitative are equally important for this research. The aim of the study is to understand the role of cultural intelligence (CQ) in cross-cultural interactions. It is very important to gather and summarise the experiences of research participants. Due to the limitation of quantifying the individuals' experiences the interview part of the study is leaning more towards a qualitative approach. However, the qualitative method is incomplete without using obtained quantitative data.

There more than a few reasons to choose qualitative approach for the interview part of the research. The interview process is detail oriented, and it requires flexibility, the quantitative approach does not provide that (Cooper & Schindler 2008). This approach allows the participants and the researcher to explore unexpected questions and answers. Pre-defined questions limit the creative ability of the participants. However, "a qualitative method required careful consideration of the phenomenon under study as well, since the researcher's own assumptions and behaviour may be impacting by the inquiry" (Watt 2007:82). This study is concentrated on Finland based professionals and their use of cultural intelligence in Indian business environment. This aspect can only be researched in detail through experiences of business professionals. Quantifying the experiences will not provide the broader perspective.

The previous studies using cultural intelligence theory are quantitative centric. The use of a mixed method approach can provide a wide range of perspectives. Eriksson & Kovalainen (2010: 5) claims "qualitative methods provide better understanding of issues that have remained unclear in quantitative method". Hence, the use of mixed method approach is feasible in investigating the cultural intelligence of Finland based professionals in the Indian environment.

#### 3.2 Source of Data

In any qualitative research, the data collection process involves several sources ranging from observation, fieldwork, interviews, questionnaires, documents, diaries, videos, speech acts, social media (Myers 2009). This research paper chose to employ two data sources. The first source of data was to measure Cultural Intelligence of the interviewees using a set of scale-based questionnaire. The second set of data was collected through open ended interviews.

#### 3.2.1 First Source of Data: 20 Item Scale Questionnaire

The study used a 20 Item scale questionnaire Researchers Ang and Dyne (2008) propose that cultural intelligence has four different dimensions: metacognitive, cognitive, motivational, and behavioural. This is based on Sternberg and Detterman's study (1989) which proposed such division of person's intelligence. The 20-item scale CQ questionnaire was developed by Ang et al. (2007) (Ang et al. 2007; Bucker, Furrer & Lin 2015). The 20-item scale questionnaire measures four capabilities of cultural intelligence such as Motivational Cultural Intelligence, Cognitive Cultural Intelligence, Metacognitive Cultural Intelligence and Behavioural Cultural Intelligence. The

mentioned four factors measure aspects of the overall capability to function and manage in effectively culturally diverse situations (Livermore, Dyne, Ng & Ang 2012). Cultural Intelligence is also based on theoretically grounded, comprehensive, and coherent framework (Dyne, Ang & Nielsen 2007).

The cultural intelligence scale which is also called CQ scale consists of four different factors. Metacognitive CQ, Cognitive CQ, Motivational CQ and Behavioural CQ. The Metacognitive factor consists of four questions from MC1 to MC4. The Cognitive factor consists of six questions from COG1 to COG6. The Motivational factor consists of 5 questions from MOT1 to MOT5. The Behavioral factor consists of five questions from BEH1 to BEH5. In total there are twenty questions together in all the factors. Each of the factors consists of scales from 1 to 7 such as scale 1= strongly disagree, 2=disagree, 3=somewhat disagree, 4=neither agree nor disagree, 5=somewhat agree, 6=agree,7=strongly agree. The above mentioned 20 item scale questionnaire was developed by Soon & Ang (2005). During this research, no changes were made to the questionnaire. In addition to the existing 20 questions, few other questions were also added to the survey to understand the background of the respondents.

In 2003 Early & Ang developed the construct of Cultural Intelligence Quotient (CQ). They used Strenberg & Dettermens (1986) integrative theoretical framework and proposed a set of capabilities comprising of mental, motivational, and behavioral components that focus specifically on resolving cross-cultural problems (Ng, Dyne & Ang 2009). Strenberg & Dettermens (1986) integrated the myriad of views on intelligence to propose four complementary ways such as metacognitive intelligence, cognitive intelligence, motivational intelligence, and behavioral intelligence (Ng, Dyne & Ang 2012:32; Ang & Inkpen 2008:341). Based on these multiple loci intelligence Ang & Early (2003) developed four factor model of Cultural Intelligence Quotient (CQ) which constitute of Motivational CQ, Cognitive CQ, Metacognitive CQ and Behavioral CQ (Boopathi, 2016).

According to Ng, Dyne & Ang (2009) CQ 20 scale questionnaire was tested in different ways thus it has evolved over the period. For instance, initially the item pool of CQ was developed with 53 questions with 13 questions for each dimension which was then narrowed down to 40 questions 10 for each dimension. Later, 40 item scale was used to collect data to validate the CQ scale. To validate CQ scale 5 studies were investigated. The questions with small standard deviations, items with high residuals and low item to total correlations, were deleted, resulting in finalizing 20 item scale CQ questionnaire (Dyne, Ang, Koh (2008); Ng, Dyne & Ang (2009)). The 20-item scale consists of four questions assessing Motivational CQ, six questions assessing Cognitive CQ, five items for Metacognitive CQ and five more for Behavioural CQ. In total these 20 questions were dedicated to find out the four capabilities of individuals leading to an assessment of overall CQ capabilities.

### 3.2.2 Second Source of Data: Open Ended Interviews

To collect more detailed data for qualitative analysis 15 participants were interviewed. Due to the nature of the research, the questions were developed in an open-ended format. To familiarise the interviewees with the theme of the research, inter-views were opened with a general discussion. Starting questions were very basic. First, the respondents were asked about their background, and then they were led to a more detailed part of the interview. Later, interviewees were told to answer the questions in different parts. The objective of this research was to find out the cultural awareness amongst Finland-based business executives in the Indian environment. The theme of the open-ended interview was to gather a general overview from business leaders' personal perspectives. There might be a resemblance between the open-ended interview questions and CQ 20-scale questionnaire. However, the goal of the research is to generate a detailed report on how cultural differences can make or break a deal. Thus, the aim of both data collection methods was to achieve the same goal. Another reason to conduct the open-ended interviews was to find out, what are the reasons behind the cultural differences, behaviours, motivation, and skills. The CQ 20-scale questionnaire isn't sufficient to get a detailed insight into all the above-mentioned factors.

### **Research Participants**

The interviewees were selected through networking. Professionals in the existing network were selected first and later second and third level of the network was used to interview the participants. The primary way to connect with the participants was through LinkedIn. After that, phone and email were used to invite the respondents for the interview. All the interviewees are based in Finland and work in international firms. Every individual is either currently involved in doing business with the Indian market or they were involved in the past. Below is the list of the participants who were interviewed for the research.

Table 2

Name	Age	Gender	Education	Work Experience	Nationality
Participant 1	18-30	Male	Master's Degree	3-5 Years	British
Participant 2	31-45	Female	Master's Degree	5-10 Years	Finnish
Participant 3	31-45	Female	Master's Degree	3-5 Years	Finnish

Participant 4	31-45	Female	Bachelor's Degree	3-5 Years	Finnish
Participant 5	31-45	Female	Bachelor's Degree	5-10 Years	Finnish
Participant 6	31-45	Female	Master's Degree	5-10 Years	Finnish
Participant 7	31-45	Female	Bachelor's Degree	5-10 Years	Finnish
Participant 8	31-45	Female	Master's Degree	5-10 Years	Armenian
Participant 9	31-45	Male	Bachelor's Degree	10+ Years	Italian
Participant 10	31-45	Female	Master's Degree	10+ Years	Finnish
Participant 11	18-30	Male	Master's Degree	5-10 Years	Finnish
Participant 12	18-30	Male	Bachelor's Degree	5-10 Years	British
Participant 13	31-45	Female	Bachelor's Degree	10+ Years	Finnish
Participant 14	31-45	Male	Master's Degree	10+ Years	American
Participant 15	45-60	Male	Master's Degree	10+ Years	Finnish

### Validity

To ensure the validity of the study, the participants selected for the research came from business backgrounds. The purpose of selecting business professionals was to make sure that the study provides a valuable insight into cross-border business communication. There haven't been many studies that focuses on CQ theory from qualitative and quantitative perspectives. For instance, one of the previous studies was based on measuring individual cultural intelligence capabilities. One existing research is available which provides a detailed version of measuring CQ capabilities concerning Finnish business leaders in the Indian environment. This study, however, focuses on the overall experiences of business professionals, based in Finland irrespective of their nationalities. The earlier findings of the CQ theory have revealed that the level of CQ is influenced by international work and study experience (Crowne 2008). Finland is increasingly becoming international, and it has strong trade relations with India. Bringing out the CQ capabilities of international professional who is dealing with their Indian counterparts is the main aim of this study. As seen from the list of the research participants. They come from diverse backgrounds, diverse industries and represent a different point of view from each other. However, one thing that is similar between them is that they are involved in business communication with their Indian counterparts.

#### Reliability

To ensure the reliability of the study, the research participants were chosen carefully. To maintain consistency all the participants were interviewed by one individual. The research participants participated in interviews via video calls such as Zoom,

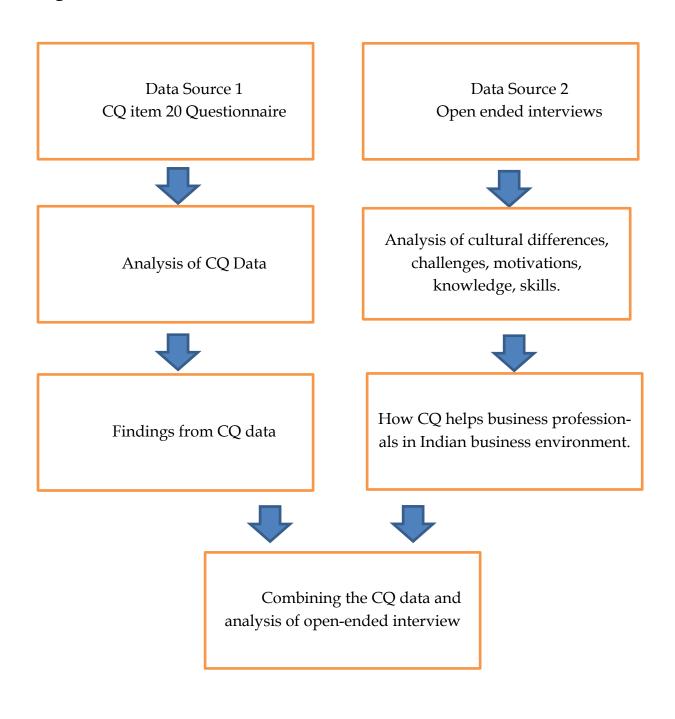
Teams, and Skype. The use of technology came in handy since the COVID-19 outbreak caused a risk factor for the interviewer and interviewees. All the participants were given the freedom to choose the interview time of their suiting. Flexibility and freedom provided an extra level of comfort to the participants in order to avoid stressful situations.

The researcher made sure that participants were working in an international environment and familiar with challenges in multicultural settings. Due to the nature of the research, the interviews were conducted in the English language. 10 research participants were Finnish nationals, 2 British nationals who have been living in Finland for more than 10 years, 1 US national who has been living and working in Finland for 7 years. 1 Italian who has been living in Finland for 15 years and 1 Armenian who has been living in Finland for 8 years. All the participants had explained their international and multicultural experiences thoroughly.

Due to the nature of the interviews, the interviewees were given full freedom to express their opinions. Every type of opinion was recorded whether it was negative, positive, or neutral. Some of the respondents asked to have remained anonymous. To respect privacy and confidentiality this research will keep the names of all the interviewees anonymous. The secondary source of data is collected through online sources such as university databases, websites, journals, and other reports.

# 3.3 Data Analysis

Figure 1



## 4 FINDINGS

This section consists of two parts. The first part has findings from CQ 20 item scale questionnaire. In the second part, I will discuss the analysis of the findings from the open-ended interviews data. In the end, the study will discuss the combined analysis of data source one and data source two. as mentioned in the above Figure 1.,

### 4.1 20 Item Scale Questionnaire Analysis

The analysis of 20 item scale questionnaires will be presented in this section. as mentioned earlier in this study that is scale was used to measure individuals' cultural intelligence capabilities. The CQ questionnaire includes questions to measure the CQ capabilities of individuals such as Motivational CQ, Cognitive CQ, Meta-cognitive CQ and Behavioral CQ. The questionnaire includes five questions to measure Motivational CQ, six questions to measure Cognitive CQ, four questions to measure Meta-cognitive CQ and five questions to measure Behavioral CQ. Therefore, in total 20 questions were dedicated to measuring the CQ capabilities of the interviewees. Each of the questions had seven responses: 1=strongly disagree, 2=disagree, 3=somewhat disagree, 4=neither agree or disagree, 5=somewhat agree, 6=agree, and 7=strongly agree. The interviewees were asked to select the response that best describes them. There were 15 interviewees who participated in the research. All of them were requested to fill out the questionnaire before meeting for the open-ended interviews.

To calculate the score of the survey, the responses from each part were added together and divided by the number of questions in the section. For instance, there are 4 questions in the Metacognitive section. All the responses between 1 (strongly disagree) to 7 (strongly agree) were added together and divided by 4, which is the total number of questions. The same principle is applied to all the other sections Motivational, Cognitive, and Behavioral CQ. In the end total of each section was added and

divided by 4 which is the number of CQ categories. Additionally, the percentage of the CQ is also calculated by adding the CQ score, multiplying it with 100 and then dividing it by 7 which is the scale of the score. The CQ score and percentage are calculated to separate the interviewee transcripts based on the scores. The categorization of participants was done based on their individual scores. Higher the score higher the CQ level.

**Table 3 Cultural Intelligence Scores of Participants** 

CQ Score (1-3) Low Cultural Intellige Level	nce Medium Cul	core (3-5) tural Intelligence Level	CQ Score (5-7) High Cultural Intelligence Level	
	Participar	nt 5 3.37	Participant 1	5.08
	Participar	nt 7 3.80	Participant 11	5.50
	Participar	nt 9 4.38	Participant 8	5.66
	Participar	nt 4 4.62	Participant 2	5.69
	Participan	t 13 4.72	Participant 6	5.75
	Participar	nt 3 4.79	Participant 12	6.16
	Participan	t 15 4.82	Participant 14	6.39
	Participan	t 10 4.98		

# 4.2 Data Source 2: Open-ended Interviews

This section has the findings from open-ended interviews of business professionals based in Finland and their cultural intelligence capabilities in the Indian business environment. This research method serves the purpose of finding out how business professionals accommodate themselves using their cultural intelligence in an opposite culture. To achieve the objective of the study some parameters were set to analyse the findings.

- A. The cultural differences in the host environment
- B. Challenges and obstacles in business negotiations.
- C. Skills and capabilities to handle the different cultural situations.

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D. Behavioural aspect while dealing with counterparts in the host environment.

### 4.2.1 Cultural Differences, Challenges, Skills & Capabilities

The cultural difference between the professionals from the home country (Finland) and the host country (India) is the focal point of this research. It has been discussed in the previous studies that there are differences between work culture, work environment, country culture, community culture and behavioural differences exists. This study will analyse those differences and how to succeed in the host country environment.

### 4.2.1.1 Hierarchy and Power Distance

During the interview, it was highlighted by the participants that hierarchy is one of the major differences in the cultures. The differences between managers, other top executives, and junior employees are quite evident and huge. In Finland, every employee is considered a colleague. However, in India, the position of an employee brings a certain reputation to the individual. Junior employees are expected to provide respect to their seniors. Juniors address senior position holders by Sir and Ma'am salutations. One of the participants' experiences is as follows.

"I was shocked and very uncomfortable when I was addressed as Sir on a constant basis. I clearly said that please call me by my name, but nobody called me by name. Except for the Managers who were in the power positions." (Participant: 11)

The top to bottom approach is highly visible in the host country. Managers have full control of the team. In most cases, the instructions were provided by the managers and subordinates follow them without having the freedom to make their own decisions. Each decision has to be made by the Managers in consultation with other senior executives. There are differences between decision-makers and people who will do the actual job. It is a fine line to get into confusion for Finland-based professionals.

"I was dealing with one of the employees who was doing coding for my project, but I had to maintain a parallel communication with his manager. The reason was the contact person had no authority to make even the smallest changes or decisions. All the approval must come from the top." (Participant: 7)

The hierarchical structure in Finland is totally opposite where junior employees have the power to make decisions related to their job profile. The opposite nature of both cultures creates challenges for business professionals in Finland when they deal with their counterparts in India.

The task delegation is another important aspect of the cultural differences. All the managers, delegate all their work to their subordinates with instructions. Junior employees suppose to follow the instructions as they were given to them. Managers only act as observers. They have full authority to control the junior employees and the junior employees can't question the decision of managers.

"I have never seen anything like this in my career. The most hard-working employees were afraid of their managers. It felt that they (junior employees) had their jobs on the line. The communication between the superiors and subordinates were very tense and not normal" (Participant – 14)

During the interviews, it was discovered that the responsibility of understanding the cultural differences should land upon both the parties, individuals from home and host countries. However, the respondents felt that they were the only ones who had to take a lead in adjusting to the local culture of the host country. One of the major obstacles to this challenge was the hierarchical structure in India. Understanding this structural phenomenon which is deeply rooted in society does require patience and adaptability skills.

#### 4.2.1.2 Decision Making

The differences in decision making are at a whole new level between India and Finland. The participants had a tough time dealing with their Indian colleagues. In India, every decision must come from the top. One participant went on to explain with a slight frustration in his comments.

"It seems the Indian colleagues of mine can't decide themselves whether they need a toilet break or not. The real decision-makers are kings in their own fantasy kingdom. In Finland, work-related decisions are made by the person who is doing the real work." (Participant 4)

Identifying a decision maker in the Indian business environment is a challenge. There will be people who will be doing the same tasks, but decision making must be done by the senior most managers. When it comes to family businesses, the decision making will always be done by the owner of the company. The managers and junior level employees will be involved in the end-to-end process, but the final node will come from somewhere else.

The ambiguity of decision-making is always there. The project managers may come to an agreement with you, but they will not say if they are the ones in charge. (Participant 15)

Decision-making is affected due to the hierarchical structure whether it's a big multinational company, family-owned business, or small and medium-size companies. The decisions can be influenced by the junior or mid-level employees based on the work they have done but they don't have the final authority to sign off the project.

#### 4.2.1.3 Diversity and Gender Role

India is a huge country, and it has hundreds of cultures existing which may put a foreign national on the back foot and leave confused. The differences in cultures in the north and south are drastic. It is equivalent to traveling to a different country.

You can't define Indian culture; you have to learn and live it. I am astonished how Indian people handle so much diversity. (Participant 2)

The stamp of cultural diversity can be seen in every aspect of life ranging from communication style to decision making. Southern India is more diverse than North. There are 5 states in Southern India, and each has its own language and culture.

"I had to deal with our factory employees in 2 different states and it left me confused what to do and where. But I was relieved that they all had one thing in common, respect for their guest and they made my stay very pleasant" (Participant -15)

India is traditionally a patriarchal society and the role of women in businesses is limited. 60% of the participants of this study are female members. One of the main reasons to choose more females for this study was to understand the gender roles in the Indian business environment. One of the participants explained it.

As a woman it was difficult for me because in all the negotiations there were almost always men were present. It was a different situation for me because the participation of women is much higher in Finland. (Participant 8)

The other participants experience was slightly different.

I have been involved in business communication with our Indian colleagues for last many years. I am seeing a drastic change that more and more women are climbing to the positions of power. It's a great and positive change.

In some cases, the role of women comes under tight scrutiny. The male-dominated society has its prejudice, and the men are not comfortable taking orders from a woman. The below experience shared the light on wide differences or gender roles between India and Finland.

In Finland women are equal to men and we can decide on important issues. I wasn't sure that the men in the room appreciated my leadership on the project. The unpredictability of the situation was very challenging for me. (Participant 2)

The uncertainty and ambiguity of the culture have put the female participants in difficult spots. Their adaptability and understanding of the culture allowed them to be creative, patient, and skilful in a different cultural environment.

## 4.2.2 Perspective of Non-Finnish Participants.

One-third of the participants hail from different countries other than Finland. All the non-Finnish participants moved to Finland in their adult age. They moved to Finland for various reasons such as studies, work, and family ties. They are well settled and integrated into Finnish society and share their experiences from a Finnish perspective. They did a comparison between Finnish and Indian culture and excluded their home culture perspectives.

"I moved to Finland for my family. My spouse is Finnish, my kids are Finnish. I consider myself more Finnish than American" (Participant 14)

"I moved to Finland when I was 18. Before that I have visiting Finland very often because some of my relatives live here. I am familiar with Finnish cultural identity and can distinguish the differences. When I shared my experiences regarding India, I differentiated cultural aspects from Finnish point of view. I have been working here for a very long time and most of my colleagues are Finnish. I have learned about Finnish work culture. I believe I am fully integrated here. (Participant 1)

# 4.3 Analysis of Findings

This section will discuss the findings of empirical data. The aim of the research is to find out how cultural intelligence facilitates business professionals in Finland when they interact in the Indian business environment. There will be an analysis of cultural differences, challenges faced by participants, how they adapted to the situation, and what motivated them to succeed in an opposite culture.

#### 4.3.1 Analysis of Cultural Differences and Challenges

The differences in culture have been the focus of this study. Participants had the opportunity to explain in detail the differences they noticed during their interactions. There are many differences between home and host country. These differences can be categorised in the following section.

- A. Communication
- B. Hierarchy
- C. Diversity

- D. Decision Making
- E. Gender Role

There could be more categories added to the analysis, however, due to the limited scope of the research the above-mentioned factors will be analysed.

Communication was flagged as the core of all problems by all the participants. According to them, the major difference between the home and host country is attention to detail and continuous guidance and instructions. Some of the research participants are described as follows.

"When I talk with my colleagues in Finland, I don't have to provide instruction on every step of the way. But in India it's totally opposite. They expect me to tell each and everything with clear instructions" (Participant 14)

"In India no one comes straight to the point. In Finland we don't do small talks or a spiral way of communication. They do talks which doesn't have anything to do with the project. I ran into many situations where none of us were happy with the project results because there was a big gap in communication" (Participant 3)

One thing I found super interesting is that people in India never say no. I needed an application ready within a time limit and the Indian team leader told me it will be done. That project was never delivered on time, we had to extended deadline so many times. It was frustrating. Later, I found out that they were understaffed and overworked and couldn't possibility do it on time. (Participant 11)

The difference between communication is huge. The communication style in Finland is more direct and straight to business but in India, it's the opposite. There are several factors that affect the communication style of certain groups of people. The communication reflects people's culture, attitude, religion, and is unique for each of the countries. Therefore, when people from different countries communicate, it is obvious that differences in communication exist. Therefore, it is obvious in terms of difference and in terms of communication pattern (Boopathi, 2016).

The hierarchical system deeply rooted in society plays a vital role in communication. All the research participants pointed out that the hierarchical approach has created obstacles in business communication. One of the participants explains it in the following words.

"In India boss is the king and king maker. One cannot question his decisions, authority and intentions. You always must follow his instruction without including your ideas into anything. (Participant 14)"

This hierarchical approach has an influence on society. In Indian society, you follow the footsteps of elders, give them respect, and don't question them. One participant mentions.

"Bosses in India are like father figures. The junior employees look up to them and always seek guidance. It does not work like that in Finland. Everyone is equal here and communication with the boss is strictly professional nothing more nothing less." (Participant 6).

The societal differences between Finland and India are highly visible in many areas. One of those areas is that Finland is an individualistic society, whereas India is a collective society. Due to this factor, the decision-making in India is very different. It reflects in their work culture. Almost every decision has to be made with consultation from your superior and work colleagues. In Finland, a junior-level employee can decide on big projects. However, in India, a middle management level employee can't decide independently. The project managers usually have no authority, below is the experience of one of the participants.

"Our project manager in India could never decide anything in our meetings. He always had to seek advice from his superior." On the other hand, being one of the junior members of the team I could decide on project task. (Participant 8)

"I am still very curious about Indian culture and still try to understand it whenever possible. There's drastic difference in diversity of the country but when it comes to decision making and hierarchy, people's behaviour is same from north to south." (Participant 9)

Due to the existing caste system in Indian society, there are hierarchical practices that prevail. The boss has an upper place in the organizational structure, he/she is respected and treated differently. Usually, the boss is older in age and that also commands respect because of Indian society respects elders and communicates with them in a more polite and humble way.

"We were traveling with a team and the respect older people got from our Indian colleagues was out of this world. We in Finland call each other by their names. In India it's very disrespectful." (Participant 13)

Decision-making practices are also quite opposite in Indian compared to Finland like many other topics mentioned in this paper. In most cases, decision-making is done by the topmost boss in the organization. Finland on the other hand has a different system, the project handler has the power to make decisions. Below mentioned can shine some light on the differences.

There are many decision makers in one place but in real none of them is a decision maker. It's all just talk and nothing else. The real guy is sitting somewhere in a remote cabin waiting to hear updates and then make the decision. (Participant 14)

"If you are doing business in India, find the decision maker and open a communication with him/her." (Participant 10)

India is patriarchal society, and the decision-making practice comes from deeply rooted family, community, political, cast, and religious background. All the mentioned factors travel to the work culture.

India being a collective society also has its fair share of issues regarding gender roles. Due to the patriarchal nature of the society women have very limited role in the business world. Traditionally, the business was done by men. However, since the change of the century, women are increasingly registering their presence in all the fields of society. Since 60% of the research participants are female. It was interesting to understand the role of women in Indian business environment.

"In my continuous contact with my colleagues in India, I have seen the number of female workers has increased, particularly in IT Sector." (Participant 6)

Although, females are increasingly taking part in the working life still there are very few who reach the leadership level. One of the participants' experiences is mentioned below.

"When it comes to dealing with managerial level people, it's mostly men. However, it depends on which department they belong to. I have noticed that Human Resource department is usually female dominated" (Participant 8).

The overall position of women is changing in India and globalization played an important role. The more exposure Indian professional gets in the global business environment the more equal and gender-diverse leadership will emerge

# 4.4 Summary of the Findings

The research participants were put in two categories medium cultural intelligence level and higher cultural intelligence level based on their CQ score. The findings will be presented in two separate sections challenges and adaptation for both category participants.

## 4.4.1 Challenges Faced by Medium Cultural Intelligence Level Participants

The participants were overwhelmed by the challenges they faced during their interaction in Indian business settings. The understanding of cultural diversity was a significant barrier. Interviewees interacted with people from different parts of India. All these people represented different cultural values, norms, languages, socio-economic backgrounds. Diversity had its impact on participants, when they traveled to different states and regions, they have encountered a new language, new state economic policies, and new culture. It was a lot to take in for a visitor who is there only for a short period of time. Decision-making practices were highlighted by 10 out of 15 participants. Two of the participants, participants 6 and 8 raised their concerns exclusively regarding the decision-making practices in India. Since the decision-making practices differ in Finland and India it posed a major challenge for the interviewees. Junior and mid-level employees are allowed to make decisions in Finland. However, the same cannot be said about India. All the decisions from a small one to a big must come from above the ladder of hierarchy. The time management skills of people in India are different than in Finland. A meeting never started on time in India. Due to that reason, many of the Finnish attendees had to wait which also resulted in ending the meeting after the scheduled time. Other challenges that were significant for the medium CQ score holders were a gap in communication, top to bottom approach in everyday work life, diverse culture of the country, and gaining the trust of their Indian colleagues.

#### 4.4.2 Challenges Faced by High Cultural Intelligence Level Participants

The high CQ score getter participants expressed their opinions and observations more freely compared to medium CQ score getters. Diversity was also highlighted by the high CQ level participants. Many participants struggled with understanding the norms of the local culture. The diversity of religions also created more questions than answers. They faced hierarchy within the religions which left the research participants confused. Decision-making was another common factor. All the participants from the high CQ category recognized this challenge. Most of the interviewees were very vocal about the decision-making challenges and they openly expressed their frustration over it. They also identified the leadership style as very challenging. The micromanagement by the managers of problems and daily working routine didn't go well with Finland-based professionals. They were missing the freedom to decide and having trust in their work from Indian bosses. The role of gender in the Indian business world was another challenge. The gender roles are considered equal in Finnish society but it's not very similar in India. However, the constant positive development of women's role in the business world impressed a few of the participants. There were communication-related challenges, the work environment was stressful. Two of the participants

mentioned that mistakes were not appreciated, and everyone was expected to solve all the problems by themselves. The traffic in India was overwhelming for all the participants.

#### 4.4.3 Adaptation to the Indian Business Environment

Both category participants medium and high CQ level professionals showed high motivation towards adapting to the cultural norms of India. According to participants, they realized that showing respect towards the Indian cultural diversity is one way to gain trust and build a relationship with the local people. It is extremely important to develop patience while working in India. As mentioned earlier in the study the decision-making is a very lengthy, bureaucratic, hierarchical, and tiring process it is crucial not to expect fast results. One must get used to the micromanagement of tasks. Culture has been the most motivating factor for all the participants to continue working with the Indian market. 11 out of 15 participants clearly stated that they would like to know more about the diversity of India. 4 participants pointed out that India has a high business potential due to its very large market. They expect India to be their largest trade partner in the coming years. Interviewees suggested that it is advisable to do prior preparation before doing business in India. The assumptions, unexpected cultural shocks can cause problems in long term. Also, the people of India are extremely friendly and very welcoming, and they are happy to help you every step of the way which makes integration to the host country easier. Few other factors mentioned by the participants are willing to learn, curiosity, adaptability, respecting the local norms, and expecting diversity everywhere will make the journey for any business professional easier.

### 5 DISCUSSION

During this research, there were several research gaps were identified. There is close to very little research done in the past, which focuses on comparing country-specific cultural differences. There aren't many empirical studies that provide insight into how junior and mid-level business professionals deal with cross-cultural interactions. The purpose of the study was to find out how business professionals use their existing skills and capabilities in a foreign environment. In this case, the host culture is the polar opposite of the home country. Finland is a small country with two official languages Finnish and Swedish (InfoFinland, 2020). On the other hand, India is very diverse, with hundreds of languages, different religions, different economic and political landscapes. The study used the central question of the research to understand how cultural intelligence supports business professionals in the Indian business environment.

Two types of data collection methods were used, quantitative and qualitative. In the quantitative method, a 20-item scale questionnaire was used to determine the cultural intelligence level of the participants. In the qualitative method, open-ended interviews were conducted with 15 participants. To explain the background of the study, the discussion part will be distributed in different parts.

#### **Differences**

There were several differences identified by the research participants. The objective of the study is to understand how cultural intelligence facilitates the participants to identify the differences. Below will be a discussion on differences in cultures.

#### Communication

It all starts and ends with communication. All the participants pointed out that communication is the master key to removing the barriers and obstacles in the Indian business environment. Communication is very important in Indian culture. Whether it is in form of instructions, negotiations, or casual talks. Communication has to be precise in order to run things smoothly. Participants from both the categories with medium and high-level cultural intelligence stay on the same page regarding effectiveness of communication.

#### Hierarchy

All the participants agreed that there are big differences in the hierarchical systems between Finland and India. The hierarchy was the key discussion point during the open-ended interviews. Participants openly talked about how hierarchy created several challenges for them. Some of the participants educated themselves on the hierarchical structure of the host country and tried to understand the reasons behind this system are. However, cultural intelligence capabilities didn't play a significant role in addressing the challenge for participants. All participants are based in Finland, and they don't experience the hierarchical structure in Finland. Thus, irrespective of cultural intelligence level and capabilities, one can differentiate between the structures of the working environment.

#### Diversity

All the participants stated that they were curious, excited, and nervous regarding the diversity of India. 80% of the participants stated that they wanted to go into depth to understand the diversity in the host culture. 20% mentioned that they don't have enough knowledge about Indian cultural diversity and it's overwhelming for them to deal with it.

#### **Decision Making**

This part brought mixed responses from the participants. Interviewees who scored higher in 20 scale item questionnaires were more aware of the complex decision-making process. Medium level participants identified the problem, but they were unsure regarding how to handle this problem. The learning curve for the participants was a big leap forward. They openly explained the real issues behind decision-making in Indian organizations. This part connects the cultural intelligence theory to practice. Participants with higher scores are more likely to approach this in a more practical way compared to the medium score getters.

To conclude this section, it is wise to say that all the participants have identified the underlying differences between India and Finland. However, participants who scored higher in the CQ scale questionnaire are better informed. They want to solve these differences by getting deeper knowledge about each subject and understanding the root cause of those differences.

## 5.1 Research Findings and Hofstede's Cultural Dimensions

Findings from the study are aligned with Hofstede's cultural dimensions. However, there are certain aspects that cannot be covered by Hofstede's model. The power distance index in Hofstede's model gives us a very broad picture of hierarchy. In Indian society, the hierarchy exists in layers, and it requires a deeper understanding of the cultural norms rather than identifying Indian culture as one national culture. "Human society is complex, and its study is infinitely nuanced. The methods and theories of positivism provide several important insights within comparative theory but often fail to comprehend and explain the dynamics, messiness, and sheer human-ness of global society" (Jackson, 2020: 4). However, Hofstede argues that national identities are the only available means by which culture could be measured (Zakari, Wang, Rexford, 2018). When participants responded to the questions regarding cultural differences, they took current practices as a base for their answers.

The masculine vs feminine aspect of the model fits well with research, and it matches the experiences of participants. Interviewees clearly identified the differences; they used the examples of Finland's societal structure and equal role of women in work life. As stated by Hofstede (2011), feminine cultural places more value on relationships, where men and women have the same values and equal rights. Individualism and collectivism can be seen in the working styles of Finland-based professionals vs Indian professionals. Indians prefer to work in a team. That approach has several reasons, it makes them feel safe in case of mistakes, problem-solving, they will trust their colleagues more if they are a part of the group. However, this dimension has its own critics. People may identify with more than one group or subgroup, and therefore it would be problematic to structure or model one's (or another's) identity based on only one or a small number of pre-existing identities (Zakari, Wang, Rexford, 2018).

# 5.2 Research Findings and Cultural Intelligence

The study findings offer insights that cultural intelligence has an impact on an individual's ability to interact in a cross-cultural setting. The use of cultural intelligence

theory combined with Hofstede's cultural dimension model enabled participants to identify the cultural differences and then identify their own skills. Research participants have stressed that for surviving in a multicultural and diverse environment experience plays an important role. Interviewees with medium CQ scores emphasized the value of experience more than high CQ score individuals. This find suggests the link between the theory, an individual's gain of knowledge through personal experiences represents cognitive cultural intelligence. (Dyne, 2012)

Dyne, Ang & Livermore (2010) stated that motivational cultural intelligence is reflected through eagerness to learn and that comes with exposure. The medium CQ level professionals show that they will perform better in intercultural settings with more experience. Findings suggest that the applied theory is relevant in intercultural interactions.

The behavioural CQ aspect of the theory is represented by both category participants. More than half of high level CQ interviewees suggested that building a relationship will take your further while dealing in the Indian business environment. Building relationships reflect the adaptation skills of an individual in a foreign environment (Ang & Dyne, 2015).

The findings of the study point out that medium and high CQ level individuals can identify the differences, adapt to the new environment and learn new skills. The cultural intelligence theory uses self-assessment or observer rating as a measuring technique. This approach hinders the alternative views. It does not display or identify an individual's cognitive ability that can predict behavioural outcomes (Ang & Dyne, 2015). Cultural intelligence can be used to build bridges between two cultures (Shirish, 2015). Cultural intelligence improves when an individual gets constant exposure and gets involved in intercultural interactions.

# 5.3 Limitations of Hofstede and Cultural Intelligence models

#### Hofstede Model's Limitations and Scope of Further Research

Hofstede's cultural dimension was proven useful in this study. However, it has its own limitations. Hofstede's cultural dimension relies too much on the national culture. "Hofstede argues that national identities are the only available means by which culture could be measured. Nations are not the proper units of analysis as cultures are not necessarily bound by borders. Research has found that culture is, in fact, fragmented across groups and national lines" (Zakari, Wang, Rexford, 2018: 85). Many researchers stress the fact that this model is not suitable and somewhat appropriate in understanding the cultural disparity. Also, this study claims to be too old for today's

rapidly changing environment. The fast development of technology has brought people closer than ever, and the existing model might require further exploration.

#### Cultural Intelligence (CQ) Model Limitations and Scope of Further Research

The CQ theory played an important role in discovering individuals' capabilities in an intercultural environment. The research findings suggest that high CQ level participants identified the skills that help in a foreign culture. However, there are a few aspects that need attention. The study leaves a few questions which can be topics for future research.

- Can cultural adaptability be developed?
- How can an individual use cultural intelligence in an unexpected difficult situation?
- How to transfer culturally specific abilities to a general level or into another culture?

Cultural Intelligence theory has great possibilities for further research. It can be explored from theoretical, methodological, and empirical points of view. Since CQ is a relatively new area of research, the study needs continuous development. This research paper used a single country environment. Future studies can include multiple countries and cultures and a larger set of data.

## 6 CONCLUSION

The use of cultural intelligence theory in multicultural interactions has a positive impact. It is evident from the research that cultural intelligence can be leveraged in mending the fences of cultural differences through learning and adaptation. The findings from the study indicate that cultural intelligence is a vital skill and essential capability in working efficiently in a foreign environment. Individuals do not require to have culture-specific knowledge. Cultural intelligence allows individuals to evaluate and behave accordingly in an intercultural environment (Ciutiene, Deschange, & Kiznyte, 2015). The theory has four factors that enable individuals to adapt to cross-cultural interactions. These four factors need further expansion to dig deeper in a multicultural environment. Combining Hofstede's cultural dimension model with cultural intelligence theory allowed the research to differentiate between cultural traits and identify necessary skills to close those difference.

#### **6.1** Further Research Possibilities

This study has focused on the differences between Finnish and Indian work cultures. Cultural intelligence theory can be applied to multiple countries or focusing on the continent. For example, to understand the European and Asian (China, South-East Asia) perspectives of business culture can be explored using cultural intelligence theory. This study used the experiences of business professionals based in Finland. The host country professionals weren't interviewed. The study can be expanded further by investigating both home and host countries professionals. Using Hofstede's model has its own limitations. Hofstede's model focus on national culture but culture has no boundaries. Nations are not the proper units of analysis as cultures are not necessarily bound by borders (Zakari, Wang, Rexford, 2018).

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#### **APPENDICES**

#### **APPENDIX 1**

Request letter for the participation in academic research

Dear Mr/Ms ABC,

My name is Manoj Kumar, I am a master's degree student at the University of Jyväskylä. I am contacting you regarding our earlier discussion about your participation in an interview for my master's thesis research.

The purpose of this research is to find out cultural awareness and intelligence while conducting business in the Indian environment. On completion, this research will work as a guide for business professionals to learn Indian culture and how to succeed with their business negotiations.

I will appreciate your valuable time and contribution to this research. Please let me know if the suggested time is suitable for you.

Best regards, Manoj Kumar

#### APPENDIX 2

Read each statement and select the response that best describes your capabilities. Select the answer that BEST describes you, AS YOU REALLY ARE (1=strongly disagree; 2=disagree; 3=somewhat disagree; 4=neither agree nor disagree; 5=somewhat agree; 6=agree; 7=strongly agree)

CQ Factor	Question Item
Metacognitive	
MC1	I am conscious of the cultural knowledge I use when interacting with people with different cultural backgrounds
MC2	I adjust my cultural knowledge as I interact with people from a culture that is unfamiliar to me.
MC3	I am conscious of the cultural knowledge I apply to cross-cultural interactions.

MC4	I check the accuracy of my cultural knowledge as I interact with people from different cultures.
Cognitive	
COG1	I know the legal and economic systems of other cultures.
COG2	I know the rules (e.g., vocabulary, grammar) of other languages.
COG3	I know the cultural values and religious beliefs of other cultures.
COG4	I know the marriage systems of other cultures.
COG5	I know the arts and crafts of other cultures.
COG6	I know the rules for expressing non-verbal behaviours in other cultures.
Motivational	
MOT1	I enjoy interacting with people from different cultures.
MOT2	I am confident that I can socialize with locals in a culture that is unfamiliar to me.
МОТ3	I am sure I can deal with the stresses of adjusting to a culture that is new to me.
MOT4	I enjoy living in cultures that are unfamiliar to me.
MOT5	I am confident that I can get accustomed to the shopping conditions in a different culture.
Behavioural	
BEH1	I change my verbal behaviour (e.g., accent, tone) when cross-cultural interaction requires it.
BEH2	I use pause and silence differently to suit different cross-cultural situations.
BEH3	I vary the rate of my speaking when a cross-cultural situation requires it.
BEH4	I change my non-verbal behaviour when a cross-cultural situation requires it.
BEH5	I alter my facial expressions when a cross-cultural interaction requires it.

# **APPENDIX 3 INTERVIEW QUESTIONS**

Introduction	Age
	Gender
	Position
	Work Industry
	Experience
	International experience
	Let's start with a little introduction, your age, position, industry work in, how many years of
Starting discussion	experience you have, and if you have any international experience while studying or during
	your work.
Cultural differences	Have you had any experience working in india or working with people of india?
	Can you elaborate on your experience while working with indian culture?

	What made you think that working with indian culture is totally different than your home
	culture?
	Has your previous international experience helped you to deal with cultural differences in
	India?
	Are there significant differences between organizacional culture or culture in general between
	your own and indian society? Please share some experiences.
	As an individual, how easy or difficult for you to distinguish the decision making process in
	india and in your own culture?
Challenges	Please talk about challenges you faced during your dealing with indian culture and how you
Chanenges	dealt with those?
Perception	Did you have any perception regarding cultural differences? Please describe the similarities
refeeption	and differences regarding your perception
	Has there been any changes in your behaviour while doing intercultural interactions?
Behaviour	Culturally, how easy or hard has it been for you to deal with indian counterparts? Pleas shed
	light on some of your experiences
	Please share motivating factors when your interect/interacted with your cross border
Motivation	colleagues?
Withation	What are the motivating and/demotivating facrors in a cross cultural interaction? Please
	provide examples specifically from your encounters with indian culture.
Conclusion	To sum it up please share your thoughts on how an international business representative can
Conclusion	succeed in indian business environment and overcome the cultural challenges.