Chapter 12

Intercultural Knowledge Transfer in Teams

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ABSTRACT

The following chapter is dedicated to knowledge management, whereby the focus is on the transfer of relevant knowledge in an intercultural team. The purpose of this study was to empirically examine, how an intercultural team deals with the cultural diversity of its members and how it influences the knowledge transfer. The research object was the intercultural team of the research institute Science-to-Business Marketing Research Centre at the Münster University of Applied Sciences (MUAS) in Germany. Ten guided interviews were conducted with ten employees of ten different nationalities. As the investigation has shown, the processes of knowledge transfer within the team of the research centre are not standardized. The actual transfer of knowledge occurs between team members on a personal level during intercultural communication in a setting of provided framework conditions. The team’s cultural diversity is able not only to transfer but also to generate new knowledge. Intercultural competence in a provided framework is the crucial factor for successful cross-cultural knowledge transfer.

INTRODUCTION

The debate on globalization and internalisation is dominated by multinational enterprises (MNEs), while the role of small and medium-sized enterprises (SMEs) is rarely discussed. But today, globalization is a major driver that has impact on nearly every business. Due to globalisation business becomes more independent for survival and growth (Deo, 2013). In result, even smaller and locally oriented companies, which have to see themselves in a global context, meet new opportunities and confront new challenges. More often, small and medium-sized enterprises are operating in the markets that allow them to act internationally (Hutchinson et al., 2006).

DOI: 10.4018/978-1-5225-1642-2.ch012
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Thus due to globalization and internationalization for all kind of businesses international activities are a matter of fact nowadays (Peng & Meyer, 2011). This process can be observed in two directions. On the one hand more and more organizations start to engage in global business expanding their activities beyond home markets (Ruzzier et al., 2006; Mohr & Shoobridge, 2011). On the other hand, due to increase – both in organizational global mobility and individual international migration – small and medium-sized enterprises now employ a multicultural workforce. Therefore, the internalization phenomenon has encouraged the exchange of human resources across borders. In a modern environment, diversity in workplace is the norm rather than exception and it is not unusual to find working teams made up of members from a number of different countries (Mohr & Shoobridge, 2011; Syfox, 2000).

Globalization has produced unprecedented volumes of trade, intercultural interactions and information flows. In such changing conditions of modern business, globalization means for SMEs, that they can only be successful if they find a sustainable competitive advantage (von Krogh & Köhne, 1998). These changing conditions manifest through increasingly intensive competition, a profound and rapid technological development and have attached a strategic value to knowledge as a success factor. Knowledge-based activities are considered nowadays to be the basis of sustainable competitive advantage in business environment (Murmann, 2003; Valkokari & Helander, 2007). The knowledge has become a key resource in organizations and companies. The increased use of a company’s existing knowledge may lead to rise in productivity and quality (Hitt, 1998; Hitt et al., 1999; Argote & Ingram, 2000). Consequently, the ability of a company’s competitive advantage to subsist lies on the effective transfer of available knowledge between the single business units and employees. The transfer processes are vital for organizations since an individual knowledge will not affect the units or individuals unless it is made accessible and available to others (Law & Ngai, 2008).

However, nowadays knowledge transfer is not an easy task as companies are forced to do business at an international level as a result of globalization (Khan & Khan, 2015), especially, knowledge transfer processes within SMEs, where the knowledge is typically concentrated with few key persons (Valkokari & Helander, 2007). The effective knowledge transfer is, under such conditions and the increasing internationalization of companies, one of the most difficult tasks for companies (Javidan et al., 2005; Wilkesmann et al., 2009).

Cultural differences can be easily observed in cross-cultural communication both in business and in private subjects. This is also an issue in knowledge transfer. When it comes to SMEs, whose employees due to exchange of human resources across borders, come from different countries and belong to different cultures, the process of internal knowledge transfer seems to be even more complex, because the establishment of knowledge transfer is strongly dependent on the ability of employees to access and interpret the information, they get in intercultural context (Boateng & Agyemang, 2015). Knowledge, its management, as well as its transfer become more complicated when applied in diverse intercultural environment (Bengoa & Kaufmann, 2014; Boh et al., 2013; Chen et al., 2010).

Such circumstances raise the question on how SMEs’ employees as members of working teams deal with their cultural diversity in order to overcome transfer challenges and also benefit from it. In this line, analysing the impact of national culture on the transfer of knowledge within the team is a promising area in shedding light and bringing new perspectives on the topic of cross-cultural knowledge management.

This chapter is dedicated to knowledge management, with a focus on the transfer of relevant knowledge in an intercultural team. Based on the problem definition, this chapter aims to empirically examine how the employees of a research centre, who come from different countries, deal with interculturality and to explore the impact of national culture on the knowledge transfer process.