

URBAN BUSINESS ENVIRONMENT: MANAGING CROSS-CULTURAL PROBLEMS

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Paper considers in detail the issue of multicultural urban business environment in the context of managing cross-cultural problems within globalization. When people try to accept and respect different cultures, they will gain new opportunities and experiences. One of the most effective tools is tolerant communication leading to understanding and acceptance of cultural diversity. In this research, we study the contemporary concept of urban business environment as a set of external and internal factors influencing business development in the framework of urban infrastructure. The authors provide their own definition of the concept of globalization and also describe the key global trends, including globalization of human capital under the conditions of demographic and cultural diversity. The work is also aimed to detect how multiculture affects urban business environment in part of finding managerial solutions and countermeasures to overcome the major cross-cultural challenges.

Keywords: globalization; urban business environment; urban culture; multiculture; cultural diversity; cross-cultural management

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Introduction

Globalization significantly affects all economic movements and interactions between business and market as well as market preferences, services and many other aspects. Becoming an international business is one of the most powerful strategies in gaining more competitive edges and generating unbeatable advantages over competitors. However, becoming an international business means not only advantages but also challenges in their various manifestations. One of such challenges is the presence of cultural differences as a gap between different groups within the same organization/business.

This research is aimed to study the contemporary concept of urban business environment as a set of external and internal factors influencing business development in the framework of urban infrastructure. It explains the concept of globalization and the key global trends, including globalization of human capital under the conditions of demographic and cultural diversity. The work is also aimed to detect how multicultural affects urban business environment through finding managerial solutions and countermeasures to overcome the major cross-cultural challenges.

Urban Culture And Cross-Cultural Management

Culture is a set of shared values, understandings, assumptions and goals that are learned from earlier generations, imposed by present members of a society and passed onto succeeding generations (Lewis, 2014).

Urban culture can be described by the combination of societal and organizational cultures (Robert, 2004).

Societal culture defines norms, expectations, and shared values of a society or a group of people living in a particular place governing them (Robert, 2004).

Organizational culture refers to norms, shared values, and expectations that determine the governing of a certain organization. It actually describes the manner in which people interact as well as approach work processes (Robert, 2004; Lewis, 2014). Organizational culture is a dynamic system of shared values, beliefs, philosophies, experiences, habits, expectations, norms, and behaviors that give an organization its distinctive character. The culture helps guide the activities of a company, helps provide an unwritten code of behavior, and helps provide a shared sense of identity.

It is presumed that culture contributes greatly to the effectiveness of organizations. If it does not, this may signal the need for change. Influences for change can be either internal or external to the organization. Some typical internal sources may be a change in managers, employees or technology. Some external sources may be of political, technological or economic nature.

For any given organization to run well, the organizational culture, societal culture and the leadership style must be in harmony. There are seven leadership styles that can be used in the running the organization and each of them depends on organizational culture and societal culture of where the organization is actually based.

To understand the impact of organizational culture on organizational behavior (individual and collective) means to understand how knowledge (formal and informal), which is a result of interaction (formal and informal, past and present) among staff members

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and between staff members and their external environment, influences individuals' behavior, effectiveness, and efficiency at a workplace.

Cross-Cultural Management

Cross-cultural management is the process of developing and implementing managerial tools and strategies, designing and operating systems and working with the people from different cultures within the international business environment to ensure sustained competitive advantage and to increase global economic efficiency of own business.

Cross-cultural management explains the behavior of people in organizations around the world and shows people how to work in organizations with employees and client populations being from many different cultures (Adler, 2008).

Cross-cultural management is mainly dealing with such concepts as values, attitudes, assumptions, behavior and organizational outcomes such as motivation. The importance of cross-cultural management lies in the ongoing cooperation between companies/branches located in different countries whereas difficulties may arise due to contradictions arising from different cultural backgrounds. Therefore, the culture is about something that human beings learn. In its turn, learning requires communication which is a way of coding and decoding some sort of language/symbols.

Within the global business environment, the ability to communicate effectively can be a challenge. Even when both parties speak the same language there can still be misunderstandings due to ethnic and cultural differences. Understanding the impact of globalization on cross-culture communication is imperative for organizations seeking to create a competitive advantage at the global market. As society becomes more globally connected, the ability to communicate across cultural boundaries has gained increasing prominence. Global businesses must understand how to communicate with employees and customers from different cultures in order to fulfill the organization's mission and build value for stakeholders (Brett et al., 2006). Today, the use of technology has a profound impact on how businesses communicate globally and market their products and services across the globe.

A new idea gaining momentum among global business leaders is looking at constraints as opportunities and capitalize on them accordingly. Achieving this is just three steps away: think global, think cultural and be a global and a cultural thinker at the same time. Globally expanding businesses require a wide range of expertise and knowledge that operates under a variety of managers coming from different cultures. These brains come up with their own strategies and policies that can find applications acceptable "glocally" (using global+local strategic approaches simultaneously). In order to benefit from the ideas of global thinking and cultural understanding, businesses need to develop three types of assets: intellectual, social and psychological.

Cultural Theme. In any society, this curious factor has a substantial impact on how culture gets involved into business. Thailand's culture, for example, is strongly group-oriented. Asserting individual preferences may be seen as less important than having a sense of belonging to a particular group, conforming to its norms, and maintaining harmony among its members. Building lasting and trusting personal relationships is therefore very important to most Thai people, who often expect to establish strong bonds prior to closing any deals. Thai people prefer to do business with those they already know and respect. Consequently, in

Thailand you can proceed with serious business discussions only after your counterparts have become somewhat comfortable with you.

Communication. Communication is vital for businesses to effectively explain how their products and services differ from those of their competitors. Companies that are successfully able to communicate cross-culturally have a competitive advantage because they can devote more time and resources to conducting business and less time on internal and external communication issues. Communication is necessary for individuals to express themselves and to fulfill basic needs. The same holds true for businesses, governments, and countries. Without the ability to communicate and understand each other, there would be chaos. Communication that is based on cultural understanding is more apt to prevent misunderstandings caused by personal biases and prejudices. Communication is the blood of organizations and must be allowed to flow throughout the entire organization. However, when information flows are random and there is no apparent directive of how to apply the outside knowledge the organization will not benefit from this freedom of communications (Kiss, 2005).

Group Dynamics. This parameters involves the understanding of how individuals from certain cultures interact inside groups. Group dynamics is hard to track in everyday operations, however, it tends to have a serious impact on large-scale business processes.

Glocalization. This combination of the words ‘globalization’ and ‘localization’ usually means adaptation of international products to the specificity of the local markets at which they are sold. This process, to some extent, contributes to integration of local markets into the world markets. This notion is often used when describing a product or a service that is developed and distributed globally but is also fashioned to accommodate to the needs of consumers at a local market.

When performed properly, glocalization may have many benefits, allowing companies to reach a much larger target market. The society also benefits when globalization occurs as an increase in market competition as this generally pushes product prices down which means consumers benefit by getting lower prices. This decreases the inequality gap as people who couldn't previously afford products when the market was controlled by local monopolies are now able to purchase the same products for a cheaper price.

Process Engineering. There is a significant difference between a company that is multinational, and a company that is truly global. The difference is that a multinational company simply operates across several nations, while a global company has embarked upon the journey of systematically updating its policies, procedures, and systems across multiple cultures. Some of the most significant challenges in this context are often IT-related. Even given the incredible advances in modern-day technology, global companies still suffer from program and platform inconsistencies (Foster, 2017).

Time Orientation. The concept of time orientation refers to the way in which a society values, executes and utilizes time (Lewis, 2014).

In conclusion, successful business leaders must be able to balance organizational objectives with external global challenges. As organizations become more interconnected, the role of leaders in managing global teams is becoming increasingly important. Being able to navigate through different cultural nuances is one of the key skills for global leaders.

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How Multiculture Affects Urban Business Environment

Multicultural is a diverse combination of different nations' intellectual achievements regarded collectively and forming a multifaceted system of traditions, beliefs, values building as well as affecting the business environment (Brett et al., 2016).

While companies are benefiting from becoming global organizations, multinational or cross-cultural teams are increasingly more common, many of them are facing very similar problems arising from international business context. Being the most successful in one does not guarantee future success in another country or at the global level of doing business. Lack of local knowledge and/or lack of awareness about potential bottlenecks/competitors can generate a stumbling block and eventually lead to a failure (Hult News, 2017).

This subchapter identifies the environmental variables and cultural dimensions affecting urban business environment. It is also grounded that international management should derive from cultural differences, operational value differences, and communication.

Taking into consideration the variables affecting urban business environment, the environmental variables are referred to as external and internal forces influencing how a firm makes decisions on the level of operational management. Effects on the functioning of business include: national variables, sociocultural variables, cultural variables, attitudes, and also individual and group job behavior.

National variables. These have significantly and largely affected firms' operations and performance while firms themselves are hardly able to control these factors. National variables can be positive and negative and are often analyzed by means of using PESTEL, one of the most popular analytical tools (Bush, 2016). This category of variables includes:

Economic system. All businesses make decisions within the framework of a country's economic system, thus, detailed analysis of the local economic system for successful business activities (University of Delhi Virtual Learning Environment, 2017).

Legal system. The legal system is a system that a country uses to interpret and enforce its laws (US Legal Official Website, 2017).

Political system. This is the set of legal institutions that together form a government (Heslop, 2017). All government policies have the power to affect businesses, up to the level of complete loss of business (Khaleej Mag, 2017).

Physical situation. There are various physical situation factors, all being totally out of company's control, such as weather (The Open University of Hong Kong Web Library, 2016)

Technological know-hows. Rapid changes in technology have the power to generate both advantages and disadvantages for businesses (Hummel, 2012).

Sociocultural variables. This group of forces affects businesses through beliefs, traditions, practices, perception, and behavior of people in a given country. Below are the 3 major sociocultural factors.

Religion. It can affect business in various aspects such as rules or regulations in a company, number of holidays and their duration per year, practices of employees and customers in their daily lives etc. (CEO Media Firm Official Website, 2017).

Education. Education directly affects the way of thinking, decision-making and productivity of both employees and customers. Education also has the most immediate influence on the competencies of workforces and thus, on the competitiveness of firms.

Therefore, eventually, it also influences on the growth and development of society overall (Radcliffe, 2017).

Language. Languages have a significant impact on international business as they are able to generate both advantages and barriers when it comes to understanding between the people inside and outside organizations. Language can also become an obstacle for the free flow of information. In some cases, the message can be lost in translation when dealing with multinational company or with foreign markets (Vitesse Media Plc, 2012).

Cultural variables. Cultural variables are various behaviors, norms, and beliefs that are shared in the same area or countries located in proximity to each other. Knowledge of cultural variables is vital for all international companies as this cultural component has a huge impact on business operations and eventually, on business success.

Values. Value is the major principle people stand for, that influences behavior, beliefs, attitudes shared by the members of same culture. Values significantly affect the way people act and make decisions (Queensland Government, 2017).

Norms. Norms are the guidelines for what is correct and incorrect in a particular society. Most of its members are expected and required to comply with the already established norms (WebFinance Business Dictionary, 2017).

Beliefs. Beliefs are what we think about how things generally are or how we expect things to be. Beliefs are also integral part of decision-making as they highly affect people's behavior (Kotelnikov, 2017).

Attitudes. Attitude is the way people react or respond to any situation stemming from their values, beliefs and assumptions (Kotelnikov, 2017). Attitude impacts work performance and the relationship inside teams (Pirouz, 2016).

Work. Work attitude is a set of evaluation towards one's work that constitutes both positive commitments to the firm and negative feelings, dissatisfaction with the company (Boehlke, 2017).

Time. Different cultures understand time very differently. For the US or other profit-oriented society, time is precious and flows really fast, while in other countries, Mexico for instance, time can be treated with a much relaxed attitude (Lewis, 2014).

Materialism. This is the belief that goods and money are important parts of happiness and social progress (Kamal et al., 2013).

Individualism. This is the principle under which individual benefits must be always above collective interests (Dibyendu, 2006).

Change. People's reaction toward changes at work that is influencing their own attitudes as reflected in the way they work further (Chaudhary et al., 2015).

Individual and group job behavior. Individual members are the core element of any organization. Each member has different and complex behavior influenced by various factors at the same time. Individuality and uniqueness affect the way people behave at work and the way they interact within/between work groups. Group performance can be measured by the efficiency of joint work. Having a truly productive team, in simple terms, means being able to balance competencies and behaviors of team's individual members in the most beneficial way.

Motivation. Different people have different motivators. It is important to identify what can motivate each individual and their groups to work better and achieve more of positive outputs for the organization (Authenticity Consulting, 2017).

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Productivity. Individual productivity contributes to group-level and organizational productivity. In the long term, productivity always affects competitiveness and other aspects of business success (Ruch, 1994).

Commitment. Success or failure of any organization is directly related to the efforts and motivation of employees (Redmond et al., 2016).

Ethics. Ethics affects not only small groups' behavior but also effectiveness of the whole organizations, their social, economic and political stability (Hosmer, 1995).

Cultural Differences. Cultural differences can generate serious barriers to international business success. Different beliefs, norms, and different values can lead to misunderstanding, miscommunication, and eventually, even to serious conflicts. Understanding cultural differences can help enhance cultural competencies and thus get more of competitive advantages.

Geert Hofstede and GLOBE research provided their version of cultural value dimensions and measurement tools on the cultural dimensions. As this methodology has already become widely popular across many countries, we provide their vision below in a really brief form.

Cultural Value Dimensions. Geert Hofstede proposed 6 dimensions of culture that affect how people behave, communicate and do business internationally.

Big Power Distance vs. Small Power Distance. Less powerful members in an organization or in society accept and expect that power is distributed unequally and that authorities are mostly centralized.

High Uncertainty Avoidance vs. Low Uncertainty Avoidance. The degree to which people are not at ease with risk or uncertainty (Staeheli, 2003).

Individualism vs. Collectivism. People have a preference for being alone or remain in a group. This, inter alia, is applicable to work.

Masculinity vs. Femininity. Masculinity implies assertiveness, heroism, achievement, and various material aspects, while femininity implies modesty, cooperation, focus on the quality of life (Robert, 2004).

Long-term vs. Short-term Orientation. The degree to which people are concerned with the stability of the society and how they can maintain it (Kiss, 2005).

Indulgence vs. Restraint. This is about the choice between either focusing on own happiness, or accepting the fact that society can control and manage people's impulses and desires (Jordan, 2012).

Globe Research Project Dimensions. This well-known and often-used nine units of measurement for the cultural dimension explains similarities and differences among organizational cultures (Grove, 2005).

Assertiveness. The degree of being assertive, confrontational and aggressive in relations with other people. High level of assertiveness, in simple terms, means being always straight to the point and not afraid of confrontation (Grove, 2005).

Low level: Sweden, Japan, Switzerland.

High level: Greece, Austria, Germany.

Performance Orientation. The value placed on performance, working hard for the best result of the whole business.

Low level: Russia, Argentina, Italy.

High level: USA, Hong Kong, Singapore.

Future Orientation. Saving for the future, thinking of a contingency plan and about the consequence of own actions (Grove, 2005).

Low level: Russia, Argentina, Italy.

High level: the Netherlands, Switzerland, Singapore.

Human Orientation. How much of attention organizations pay to individuals' feeling, well-being, caring and encourage fairness, friendliness and so on (Pu Jing, 2010; Onyusheva, 2013).

Low level: Germany, Spain, France.

High level: Japan, Malaysia, Ireland, the Philippines.

Institutional Collectivism. Group or organization loyalty, all critical or important decisions are made by the group as a whole so that to pursuit organization's goals in the first place (Grove, 2005).

Mid level: Canada, Ireland, South Africa.

High level: Japan, the Philippines, Indonesia.

In-group Collectivism. When organization encourages teamwork. Individuals feel pride, loyalty, and cohesiveness in relation to their organizations, groups or families (Grove, 2005).

Low level: Austria, Switzerland.

High level: Turkey, Kuwait, Singapore.

Uncertainty Avoidance. Groups or organizations rely on rules, policies, norms and thus - are strongly resistant to any serious change interpreting it as risk (Observer Research Foundation, 2009).

Low level: Canada, USA, Sweden.

High level: Thailand, Argentina, Bolivia.

Power Distance. Due to status privileges and rigid hierarchical structure, people accept command and power differences as a strict norm (Robert, 2004).

Low level: Denmark, Czech Republic.

High level: Iran, Namibia, Ecuador.

Gender Egalitarianism. How successful is organization in minimizing gender inequality. Providing equal roles for men and women in the organization and the society overall (Grove, 2005).

Low level: Zambia, Egypt, El Salvador.

High level: Hungary, Denmark, Slovenia, France.

To the main challenges affecting urban business environment in the context of cultural differences also belong different communication styles and different operational values.

Different communication styles. In different cultures same words, phrases and even gestures can be used and understood in dramatically different ways, having totally different meanings. High degree of assertiveness in communication can often lead to such misunderstanding. For instance, very direct style of communication of the Westerners can be considered as an aggressive show-off by many Asian people. And on the opposite, non-specific and vague communication of the Asians often seems annoying for Europeans or Americans (DuPraw et al., 2017).

Language barriers can be a serious obstacle to understanding as they create communication gaps among teams. And it is not only about knowing a particular language or not, troubles with accent and fluency of speaking can lead to dissatisfaction or underestimation of a business proposal (Brett et al., 2006). Differences in communication

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styles can be also damaging for the work environment since they tend to separate groups into subgroups according to communication style preferences.

Different operational values. Attitude towards conflicts is also very different across various cultures. Westerners often view conflict as a positive thing. Thus, people are encouraged to deal with conflicts directly face-to-face, so that to find the optimal solution for the problem which became the root of the conflict. In contrast, in the absolute majority of Eastern countries, open conflict is embarrassing for all sides, thus, most people feel more comfortable when they avoid conflict by all means, even when this is damaging their career and business interests overall (DuPraw et al., 2017).

Different attitudes to hierarchy can be a problem too. People from Eastern countries treat their colleagues/bosses/business partners according to their status or seniority while people from Western countries treat people according to their performance. Today many businesses are getting younger overall which means really young people can quickly become top managers (Hummel, 2012).

Timing in the course of decision-making is another curious aspect here. People need different amounts of time to analyze the incoming information and make correspondent decisions. For instance, the Japanese would always take a longer time to make decisions as they need to consider their teams' opinion. Americans may frustrate from this because they usually make decisions quicker and individually (Martine et al., 2015).

Solutions And Countermeasures To Manage Major Cross-Cultural Problems

Developing four intervention strategies

Once a business goes global, the company often hires the so-called expatriates to manage important tasks in their subsidiaries overseas. However, for obvious reasons, one person cannot do the whole work alone, therefore, multicultural team is gradually formed. Formation of a multicultural team means there surely will be difficulties in term of languages, culture, and some other communication issues.

When business grows up further, it needs to expand into other geographical areas using different interventions methods. At this stage, there might be working conflicts and resistance occurring towards hierarchy and authority. Possible strategies to be used are divided into four main types which are an adaptation, structural intervention, managerial intervention, and exit. These four strategies can help with overcoming the most typical multicultural problems.

Adaptation. It is about the ability to live within a new environment and culture. Moreover, it also about acknowledging cultural gaps openly, so team members will assume responsibility for figuring out how to live with others. Generally, people want to protect their culture rather than integrate with others who are different. The expatriates need to aware of cultural differences and figure out how to live within an environment which is new for them (Brett et al., 2016). Different countries have different working styles and decision-making and sometime these differences lead to cultural confrontation. Thus, negotiation for the sake of finding a balance is considered to be always a good option. They have to prepare themselves and study some background of the new country before they actually go abroad.

Structural intervention. It is the way of organizing the team in order to reduce interpersonal frictions. In international business, teamwork is very important. Different people with different cultural backgrounds will always have their own ways to achieve the tasks. If work is not carefully distributed between team members, small groups within the

same team can only strengthen the pre-existing differences (Lewis, 2014). Some cultures are isolated, others are more socialized. When people work together, they will always have some negative stereotypes about each other. For example, females representatives of some nations might reject the idea of participating in large groups, some people cannot stand the idea of a person of the opposite gender being superior in job position. Thus, people refuse to cooperate; sometimes the whole meeting can be postponed due to emotional tension. Therefore, teams can be subdivided into smaller groups and tasks should be divided accordingly in order to reduce the emotional tension.

Managerial intervention. This usually happens when there was a case of violation of hierarchy. Additionally, this can be the case when decision-making does not involve the whole team but is done by a manager. In such a situation, the manager should intervene and carefully explain the task and why it is done in such a way. The manager set the rules, however, team members should be allowed to ask questions when they are confused.

Exit. This means voluntary or involuntary removal of a team member when the emotions are running too high, and this leads to losing reputation, brand value etc. (Brett et al., 2016). People sometimes go too extreme in their opinions and are not ready to accept the differences within their team. When one side cannot accept the reasoning of the opposing side, there might a need to change the whole team. A big question here is should team members be allowed to leave the team or the firm on the wave of these negative emotions or should they be relocated to another team.

Managing Human Resources in International Organizations

In an international organization, human resources are vital in leading the business to success. When it comes to the level of mid and top management, most of opportunities should be given to people who have the ability to manage both domestically and internationally. Managing subsidiaries across different countries is a difficult task primarily due to human resource management issue. If a company attempts to explore a new market, it needs to start with adapting to local HR management practice. There are three types of strategies of transferring HR practices across different nations which are Ethnocentric, Polycentric, and Geocentric strategies (Tiwari, 2013). These three strategies have some positive and negative sides, much depends on a particular type of business, leadership style and years of experience in business.

Ethnocentric approach. It is usually used by MNC's having international strategic orientation, as it involves sending employees from parent country to host country. The advantageous side here is that it can help with transferring core competencies (Tiwari, 2013). This policy assumes quite serious spending on relation, retraining and also on providing additional motivation for the employees who are expected to go overseas for quite a long, often indefinite, period of time.

Polycentric approach. This policy involves hiring and promoting employees who are citizens of the host country (Ruch, 1994). The advantage of this approach is its relatively low costs because the company spends less on training or recruiting, there are fewer problems with communication because most of employees come from the same region. However, this approach also means limitations in career mobility and isolation from other foreign subsidiaries.

Geocentric approach. This approach is adopted when companies implement transnational orientation. Employees are recruited based on their skills and experiences

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irrespective of their nationality. The company hires the most suitable person, a good fit for the job (Tiwari, 2013). This usually means that the company can build strong informal management and cultural network. On the other hand, it might take some time and money to find the eligible candidates that really fit well.

Selection and training of expatriates

One of the most important topics here is what people should work overseas and how can a company prepare expatriates for a new working environment. There is a wide range of factors that can influence the related decisions - job-specific factors, the already established relations, various levels of motivation, family situation of a person moving abroad and so on. Some of these factors can be influenced by the training of expatriates (UK Essays, 2015). There are three categories of training which are cross-cultural training, language training, and technical training.

Cross-cultural training. This is the way to understand and appreciate the host country's culture. It requires direct communication with the people from various cultural backgrounds and nationalities in order to increase positive outcomes of interactions.

Language training. Learning how to use the local language. Writing, verbal and non-verbal communication. should be explained separately with the emphasis on potential differences.

Technical training. Some assignments can be really unique and having specific requirements. Therefore, expatriates should be well-informed, with specific tips and strategies ready. If they are well prepared, the whole business will eventually win from this.

Repatriation Management. In this very context, repatriation refers to homecoming of expatriates after they complete their assignment in a host country. Repatriation adjustment programs help dealing with the change since expatriates often experience reverse cultural shock when they return home. The key here is to make them feel like home again so that they do not dive into depression and decide to leave the company (Medatwal, 2014). More importantly, repatriation management must start before the person is relocated back home, long in advance, actually. This program also needs to make sure the international assignment of an expatriate is completed successfully.

To sum up, there are six fundamental patterns of cultural differences:

Different communication styles: some word/phrases are used in a different way and also non-verbal symbols may mean very different things.

Different attitudes towards conflicts: conflict sometimes is considered to be a positive thing but sometimes people do their best to avoid it by all means possible.

Different approaches to completing tasks: people may have very different ways to complete the same task. Respect and relationship building should go along with the completion of task.

Different decision-making styles: the roles assigned in the course of decision-making vary widely from culture to culture.

Different attitudes towards disclosure: some culture does not accept revealing personal feeling or emotions, this might lead to misunderstanding when it comes to international teams.

Different approaches to knowing: people have different ways of knowing things and of judging what is right and what is wrong.

Conclusion

This research has studied the contemporary concept of urban business environment as a set of external and internal factors influencing business development in the framework of urban infrastructure. It has defined the concept of globalization along with the key global trends, including globalization of human capital under the conditions of demographic and cultural diversity. The work has been also aimed to detect how multicultural aspects affect the urban business environment, as well as finding managerial solutions and countermeasures to overcome the major cross-cultural challenges. Finally, the significance of cross-cultural management has been proved as the way to manage cultural diversity in the international business context with the aim to increase global economic efficiency. The research results can be actually applicable for different urban areas. Directions for further research in this direction might also include such aspects as changing patterns of urbanization and migration.

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