

Chapter 7

Communication:

The Role of the Johari Window on Effective Leadership Communication in Multinational Corporations

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ABSTRACT

Based on previous research, leadership appears to be enacted through communication in such a way that it contains a relational (affective) and task (content) component. Additionally, when leaders communicate effectively, their followers experience greater levels of satisfaction. Thus, the purpose of this chapter is on communication, specifically, the role of the Johari Window (JW) on effective leadership communication in multinational corporations (MNCs). In regards to the JW, many researchers did not question, and even more practitioners did not realize is that, the JW is created based on a domestic paradigm, and not necessarily applicable to a multinational environment where intercultural and multicultural communication are at play for multinational environment within MNCs. Nevertheless, the JW has continuously been applied to cross cultural studies, without a paradigm shift, utilizing a domestic paradigm (no international cultural factors at play) within a multinational environment (various international cultural factors at play), issue at hand persists.

INTRODUCTION

According to Tran (2016), Scott (2005) defined communication as sending, receiving, and understanding information and meaning. Scott (2005) claimed that receiving and understanding are the most important operations in the communication process, since the response of the receiver defines whether the communication attempts are successful or not. Scott (2005) further defined two categories of communication that are related to workplace communication: effective communication and efficient communication. Effective communication is when the message of the sender has a successful decoding from the receiver and efficient communication is when the communication is done effectively at a low cost. Furthermore,

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Guo and Sanchez (2005) defined communication as the creation or exchange of thoughts, ideas, emotions, and understanding between sender(s) and receiver(s). Guo and Sanchez (2005) found a strong relationship among communication and the efficient and effective performance of the organization.

Hence, communication process is the procedure where a sender and a receiver communicate. This scheme incorporates the encoding-decoding operations and describes the usual transfer of the message. McShane and Von Glinow (2003) have illustrated this process by adding feedback and communication barriers: environment and personal (factors). Furthermore, there are three types of communication: verbal, non-verbal (Moreau, 2013), and gendered (which will not be covered in this chapter). Therefore, the purpose of this chapter is on communication, specifically, the role of the Johari Window on effective leadership communication in multinational corporations (MNCs). The chapter will cover the meaning of multinational corporations (MNCs), intercultural communication, and multicultural communication in MNCs, as well as language and diversity, and the roles that language and diversity play in MNCs. The purpose of this chapter is *not* on the development of a new model of leader communication for MNCs and it is *not* on advocating for an existing model of leader communication for MNCs.

MULTINATIONAL CORPORATIONS (MNCs) AND COMMUNICATION

According to Tran (2016), due to globalization, MNCs, commonly defined as a corporation consisting of a parent organization (headquarters) and at least one subsidiary organization in a foreign country, have made communication ever inevitable. As such, effective cross cultural management within an MNC requires communication skills, especially communication skills in intercultural communication and multicultural communication. Such communication skills are derived from, historically, three different fields of studies: communication, business, and psychology. Communication is paramount, particularly within any country of immigrants, and it is critical for the country to promote cultural diversity and appreciate different cultural heritages (Dong, 1995). Ethnocentrism is viewed as lacking acceptance of cultural diversity and intolerance for outgroups (Berry & Kalin, 1995).

As the world becomes a global village and more and more people with diverse cultural backgrounds interact with each other constantly, it is imperative to investigate what factors could help overcome ethnocentrism, especially as multinational corporations (MNCs) are expanding overseas. One of the challenges facing those MNCs is the increased diversity of the workforce and similarly complex prospective customers with disparate cultural backgrounds. After all, language barriers, cultural nuances, and value divergence can easily cause unintended misunderstandings and how low efficiency in internal communication in a multinational environment. It leads to conflict among employees and profit loss in organizational productivity. Therefore, effective communication by people from different cultures stands out significantly to American MNCs who want to make inroads into international markets, take advantage of multiculturalism, and avoid possible side effects (Tran, 2016).

In the field of communication (academic degrees and researches), according to Tran (2016), foci are commonly (and traditionally dominant) on rhetoric and interpersonal communication, and some higher educational institutions will offer business communication (commonly known as workplace communication), and fewer higher educational institutions will offer intercultural and international (business) communication. In the field of business, on the other hand, foci are commonly (and traditionally dominant) on administration, accounting, economics, finance, management, and marketing. Thereafter, advertising and public relations, business information systems, corporate management, entrepreneurship, human

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