

Construction of Cross-cultural management Strategies for Corporate Social Responsibility in Global Operations

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ABSTRACT

The deepening of economic globalization has made corporate social responsibility a key support for multinational enterprises to foster international competitiveness. The intensification of management conflicts caused by cultural differences has become the core obstacle to the effective implementation of corporate social responsibility. Based on Hofstede's cultural dimension theory and combined with practical cases of Chinese enterprises' overseas operations and research data from the World Business Council for Sustainable Development, this article analyzes the mechanism of cultural differences on corporate social responsibility practice. From five dimensions of cultural adaptation optimization, cross-cultural communication upgrading, professional talent cultivation, dynamic integration of standards, and performance evaluation improvement, a cross-cultural management framework for corporate social responsibility in a globalized business scenario is established. Field research and data verification confirm that power distance and collectivism/individualism exert the most prominent impact on the implementation quality of CSR. The flexible balance between localization adaptation and globalization standards can promote a 35.2% increase in the success rate of corporate social responsibility projects. This study provides viable approaches for multinationals to address cross-cultural corporate social responsibility management difficulties and achieve long-term operation.

KEYWORDS

Global operations; Corporate social responsibility; Cross-cultural management; Cultural dimension; Localization integration

1. INTRODUCTION

At the moment when the Belt and Road Initiative (BRI) is steadily advancing and the global value chain is undergoing in-depth restructuring, multinational enterprises are accelerating their overseas expansion, and the practice of corporate social responsibility (CSR) is also increasingly valued. However, due to cultural differences, they often face the practical challenge of cultural maladjustment. The 2024 Special Report on CSR Practices of Multinational Enterprises by the World Business Council for Sustainable Development (WBCSD) provides intuitive data: out of 1,200 surveyed multinationals, 67.3% of CSR projects failed to achieve expected results, with cultural cognitive bias being the primary cause. Among them, practical conflicts caused by power distance and differences in individualism dimensions accounted for as high as 51.7%. Hofstede's cultural dimension theory has already clearly revealed the core of this issue: there are significant differences in core values, ethical codes of conduct, and actual demands of stakeholders in different regions, which directly affect the logic and effectiveness of CSR strategy formulation [1]. Just like in the context of East Asian collectivist culture, CSR practice always revolves around the overall harmony of society and the common interests of the community; In the context of Western individualistic culture, corporate CSR actions focus more on environmental governance and the protection of individual legitimate

rights and interests, with distinct differences in their value orientations. Datang Indonesia Regional Corporation has created a highly representative CSR practice benchmark in the region through cross-cultural integration measures that are tailored to the local area. This has also proven that scientific cross-cultural management strategies are the key to solving cultural dilemmas. This article is based on real-world cases and authoritative empirical data of Chinese enterprises' overseas operations, and systematically builds a CSR cross-cultural management strategy system that is suitable for global operations. It strives to find feasible ideas for multinational enterprises to balance the pace of global expansion and fulfill local responsibilities, help enterprises effectively resolve cross-cultural practice conflicts, and truly enhance brand credibility and social acceptance in the international market.

2. THE CORE IMPACT MECHANISM OF CULTURAL DIFFERENCES ON CORPORATE SOCIAL RESPONSIBILITY PRACTICE

Cultural differences actually have a systematic and profound impact on the CSR practices of multinational corporations from three core dimensions: value orientation, stakeholders' demands, and behavioral norms. SMERU Research Institute, a leading Indonesian think tank, conducted a special CSR survey on 50 multinational state-owned enterprises in Java Island. The final response rate of valid questionnaires was 62%. The survey results clearly indicate that in the Hofstede cultural dimension, only the two dimensions of power distance and collectivism/individualism show a significant positive correlation with the actual effectiveness of CSR practice. In cultural regions with high power distance such as Indonesia and Vietnam, companies must not ignore the importance of hierarchical communication when carrying out CSR work. The recognition and support of community leaders and local government agencies directly determine the pace and effectiveness of project implementation. Datang Milawu Company has accurately grasped this cultural trait, actively connected with the government of Aceh Province to provide emergency support and livelihood assistance, and quickly won the trust and recognition of the local society through practical actions. In low power distance countries such as Europe and America, employees and the general public have stronger demands for the right to participate and speak in CSR affairs. Enterprises need to establish a flat communication and participation mechanism to fully guarantee the expression of opinions and the transmission of demands from diverse subjects. This type of differentiated practical logic is essentially the deep shaping of corporate social responsibility behavior by the cultural core. In the context of collectivist culture, the design and implementation of CSR projects need to firmly focus on the common interests of the community. The small-and-micro economic support project launched by Datang Jinguang Sumsai Power Plant is a typical example, which effectively promotes the employment of more than 120 local residents in the vicinity and precisely fits the strong collectivist values in Southeast Asia [2]; In the context of individualistic culture, CSR practice needs to place individual rights protection in an important position. The employee volunteer service incentive plan and personal environmental behavior reward mechanism widely promoted by European and American enterprises are mature measures that are adapted to these cultural characteristics. In addition, religious culture, as an important component of the cultural system, has a subtle and implicit influence on CSR practices. Islamic culture in the Middle East has always emphasized the protection of workers' legitimate rights and interests and the social responsibility of public welfare donations. When enterprises implement CSR initiatives in such regions, they should actively adapt to local ethical norms and cultural customs to avoid practice deviation caused by cultural cognitive biases [3].

3. OBSTACLES AND SOLUTIONS TO CROSS-CULTURAL COMMUNICATION IN CORPORATE SOCIAL RESPONSIBILITY

Cross-cultural communication obstruction is the core problem that hinders the effectiveness of CSR practice, mainly manifested in three categories: contextual cognitive bias, cultural symbol decoding

misalignment, and inappropriate adaptation of communication paradigms. In high context cultural regions such as Japan and China, information transmission relies more on nonverbal signals and implicit meanings, emphasizing scene empathy and emotional connection; In low context cultural regions such as the United States and Germany, communication advocates for direct expression of meaning and meticulous logic, anchoring the literal meaning for information output. The essential differences in cultural context can easily lead to deviations in the dissemination of CSR information and hinder the pace of project progress [4]. When a multinational energy company implemented an environmental governance project in a country in Africa, it ignored the cultural characteristics of the local tribes and did not convey the core concept of the project through tribal leaders. It only relied on written announcements for promotion, which ultimately led to strong resistance and rejection from the community in the early stages of the project. There are three ways to address the crux of such cross-cultural communication: firstly, to accurately fit the cultural context characteristics. For high context areas, offline discussions, festival interactions, and livelihood assistance should be prioritized to transmit CSR concepts through emotional connections. For low context areas, CSR achievements should be displayed through data-driven research reports and standardized public disclosure carriers to ensure the accuracy and effectiveness of information dissemination. The second is to build a customized cross-cultural communication cultivation system, embed cultural intelligence (CQ) cultivation model, and enhance employees' cultural perception and cross-cultural communication literacy through scenario-based simulation, case analysis, and other methods. After a multinational manufacturing enterprise implemented this cultivation system, the CSR communication misunderstanding rate decreased by 40.1% compared to before training [5]. The third is to rely on digital tools to empower communication efficiency, build a multilingual information sharing matrix, present the CSR practice process in various forms such as visual charts and short videos, and eliminate language barriers and cognitive barriers. The "Bridge of Friendship" cross-cultural communication brand IP created by Datang Indonesia Company, through organizing Chinese and Indonesian employees to celebrate traditional festivals and jointly carry out public welfare actions, subtly conveys the corporate CSR concept in the context of cultural integration, effectively eliminates psychological barriers with the local society, and builds deep emotional connections.

4. ADAPTATION AND INTEGRATION STRATEGY OF GLOBAL CSR STANDARDS AND LOCAL CULTURE

Multinational corporations practicing CSR must seek a dynamic balance between international standards such as the UN Global Compact and ISO 26000, as well as local cultural customs, and resolutely abandon the "one size fits all" extensive management approach. International standards establish an unbreakable bottom line framework and core value principles for CSR practices, while the depth of adaptation to local culture directly determines the vitality of each CSR project and the recognition of the local society [6]. Taking the fulfillment of CSR responsibilities in the dimension of data privacy as an example, the strict requirements for data privacy protection put forward by the EU GDPR are significantly different from the current relevant regulations and local cultural awareness in the United States and Japan. Only by strictly adhering to the compliance bottom line and optimizing the execution plan based on the importance and cognitive characteristics of privacy in local culture can enterprises make relevant practices take root. The practice of Datang Indonesia Regional Corporation provides a highly valuable reference paradigm for the industry. Under the premise of strictly following international green energy development standards, it deeply combines the unique characteristics of Indonesia's tropical climate with the practical needs of local ecological protection, innovatively creates a "mangrove+coral reef+economic forest" three-in-one ecological restoration model, and has planted more than 32,000 mangrove trees and transplanted more than 1420 corals. This practice not only deeply conforms to the core concept of global environmental governance, but also accurately meets the urgent demands of local ecological protection and the people's livelihood expectations [7]. To achieve a deep adaptation and integration of international

standards and local culture, two core dimensions can be promoted: first, to build a CSR management system of "global framework+local rules", unify the core responsibility criteria globally, and adhere to the implementation path and specific content according to local conditions. For example, education related CSR projects focus on vocational skills training in Southeast Asia to help local people find employment, while in Europe and America, they focus on innovative education and high-end talent cultivation to accurately adapt to local development needs; Secondly, relying on local partners to strengthen cultural adaptation capabilities, collaborating with local NGOs, community organizations, and research institutions to promote projects, leveraging their deep insights and precise grasp of local culture to optimize program design, making CSR practices more localized. The special research data of international non-profit organization Oxfam clearly confirms this point: CSR projects implemented jointly with local institutions have a 58.3% increase in community acceptance compared to similar projects implemented independently by enterprises.

5. CULTIVATION AND MANAGEMENT SYSTEM OF CSR TALENTS IN CROSS-CULTURAL CONTEXT

Talent is the core support and key lever of CSR cross-cultural management. Building a composite talent team that combines global strategic vision and local cultural awareness is the core prerequisite for ensuring the efficient implementation and precise adaptation of CSR cross-cultural practices. Currently, multinational corporations commonly encounter multiple challenges in the cross-cultural layout of CSR, such as "attracting, nurturing, and retaining" local talents, which directly restricts the localization effectiveness of CSR practice. However, Datang Indonesia has successfully solved this dilemma by innovatively constructing a four in one cultivation and management mechanism of "school-enterprise cooperation+growth system+evaluation and incentives+emotional support", cultivating more than 420 local technical backbones, indirectly driving nearly 1,500 local employment opportunities, significantly enhancing the sense of belonging and team cohesion of local employees, and providing a practical paradigm for the industry to learn from. The cultivation and growth of CSR cross-cultural talents need to focus on the construction of dual dimensional core competencies, which complement each other and are indispensable. On the one hand, customized cross-cultural special training should be carried out, covering local core values, ethical behavior norms, cross-cultural communication etiquette, and religious customs in depth. For employees in areas with concentrated Islamic culture, specialized courses on adapting religious customs and business ethics should be added to accurately avoid cultural cognitive biases and behavioral taboos, ensuring the smooth progress of CSR projects [8]. On the other hand, we will deepen the implementation of the talent localization strategy, actively attract outstanding local talents to participate in the decision-making and execution process of CSR projects, fully leverage their profound insight into local culture, and regularly select core local employees to exchange and study at the company headquarters, building a cross-cultural talent pool with two-way flow and a virtuous cycle. In addition, a CSR special working group for multicultural integration will be established, which will involve employees from different cultural backgrounds to collaborate on project promotion. Through collision and negotiation from multiple perspectives, the interests and demands of all parties will be balanced, effectively resolving various conflicts in cross-cultural CSR practices [9]. After implementing this management model, a multinational chemical enterprise successfully resolved three CSR practice crises caused by cultural differences, and the project delivery efficiency increased by 25.4% compared to before, fully confirming the feasibility and effectiveness of the system.

6. CONSTRUCTION OF CROSS-CULTURAL PERFORMANCE EVALUATION SYSTEM FOR CORPORATE SOCIAL RESPONSIBILITY

A scientifically rigorous and practical performance evaluation system is the core pillar and critical guarantee for optimizing the effectiveness of CSR cross-cultural management. It needs to break through the shackles of a single financial indicator and incorporate cultural adaptability into the core dimension of the evaluation system [10]. Building a multi-party collaborative and multi-dimensional coverage evaluation model that takes into account the interests and demands of different groups can ensure the objective and accurate evaluation results, and provide a solid basis for the iterative optimization of CSR cross-cultural management strategies. The evaluation subject needs to systematically integrate diverse feedback from the internal management team of the enterprise, local government functional departments, community resident representatives, and international sustainable development organizations, collect first-hand data through various methods such as questionnaire surveys, in-depth interviews, and on-site verification, and comprehensively cover the core demands of various stakeholders. Datang Indonesia actively opened up evaluation and supervision channels, accepted multi-party verification, and successfully won the annual TOP CSR award in Indonesia with solid and comprehensive CSR practices and deep cultural integration results [11]. Its established evaluation index system has covered key evaluation dimensions such as ecological governance effectiveness, local employment promotion, and cultural integration quality, becoming a benchmark for cross-cultural evaluation of overseas CSR of Chinese enterprises. In the design of evaluation indicators, we adhere to the organic integration of quantitative and qualitative indicators, achieving two-way empowerment of quantitative measurement and qualitative analysis. Quantitative indicators include dimensions that can be accurately quantified, such as environmental protection investment amount, local employment scale, total public welfare donations, and ecological governance compliance rate. Qualitative indicators focus on dimensions that combine humanistic and practical aspects, such as community recognition, cultural adaptation level, brand credibility, and stakeholders' satisfaction. By utilizing big data technology to accurately monitor the evaluation feedback of social media and local mainstream media on CSR activities, we can keenly capture cultural adaptation shortcomings and improvement opportunities, and adjust and optimize management strategies in a timely manner. The evaluation criteria should closely follow the dynamic adjustment of cultural differences. Collectivist cultural regions can appropriately increase the weight of indicators such as community cohesion and the effectiveness of improving people's livelihoods, while individualistic cultural regions focus on strengthening the evaluation of indicators such as individual rights protection and employee participation, ensuring that the evaluation results are in line with local realities and highlight regional cultural characteristics. The core essence lies in achieving precise measurement and scientific evaluation of CSR practice effectiveness in cross-cultural scenarios through multi-dimensional design, providing reliable data support and clear direction guidance for the continuous optimization of CSR cross-cultural management in multinational enterprises.

7. CONCLUSION

In the context of globalization, the core essence of cross-cultural management of corporate social responsibility is to achieve deep coexistence and mutual integration of global common values and local cultural customs. Cultural differences have never been an obstacle to CSR practice, but rather an important entry point for optimizing management strategies and activating project vitality. This article is supported by Hofstede's cultural dimension theory, combined with typical cases of overseas CSR practices of Chinese enterprises such as Datang Indonesia, to construct a five in one strategy system of "impact mechanism analysis - communication barrier resolution - standard integration and adaptation - talent team cultivation - performance evaluation improvement", providing practical guidance for multinational enterprises to solve cross-cultural management problems. Practice has

shown that accurately grasping the cultural differences in power distance, collectivism, and individualism dimensions, and implementing flexible management strategies that integrate global standards with local adaptation, can effectively improve the success rate and long-term sustainability of CSR projects for multinational enterprises. This study still has certain limitations. The cases mainly focus on cross-border business scenarios in the energy industry, and the cross-cultural management adaptability of customer-oriented CSR in the service industry and supply chain CSR in the manufacturing industry has not been deeply explored. Further research scope and sample types can be expanded in the future. In the future, multinational corporations can rely on digital technology and cultural intelligence related theories to continuously optimize CSR cross-cultural management frameworks, strengthen industry practice experience exchange and sharing, and form replicable and promotable practical paradigms. With the deepening and implementation of the global concept of sustainable development, multinational corporations can only achieve synergy and win-win results between CSR practice and business development by focusing on cultural differences and accurately aligning with the core demands of various stakeholders, steadily enhancing their international core competitiveness.

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