



The Impact of Cultural Intelligence on Businesses in Malawi: A Case of Blantyre City

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ABSTRACT :

Cultural intelligence (CQ) is a critical competence for businesses operating in multiculturalized and globalized environments. This study investigates the impact of cultural intelligence on businesses operating in Blantyre City, Malawi, focusing on leadership, human resource management, and marketing. With a mixed-methods design, data was collected from 35 respondents from corporate firms, small firms, and government organizations. The findings show that while cultural intelligence enhances business communication, decision-making, and customer relationships, formal CQ training is minimal. The primary challenges are differences in language and negotiation conflicts. The study highlights the need for systematic CQ training programs, inclusive business policies, and cross-cultural negotiation skills. With cultural adaptability, Malawian businesses can increase competitiveness and achieve sustainable growth

Keywords: cultural Intelligence, Business Performance, Leadership, Cross-Cultural Communication, Decision-Making, Customer Relations.

1.0 Introduction :

During the age of globalization, cultural intelligence (CQ) plays a crucial role in attaining successful communication, employee teaming, and customer relations. In Blantyre City, where organizations interact with different cultural groups, cultural intelligence may be a deciding factor. This study examines the impact of cultural intelligence on business performance, particularly on leadership, human resource management, and marketing. Based on business management, the study emphasizes the way businesses that adopt cultural flexibility can improve workplace productivity and customer satisfaction.

Due to increasing levels of foreign business firms and multicultural workspaces in Blantyre, business firms must achieve cultural intelligence if they are to be ahead in the game. CQ or the ability to perform effectively cross-culturally (Earley & Ang, 2003), is composed of cognitive, metacognitive, motivational, and behavioral factors. Firms that integrate culture knowledge into the day-to-day running of a business can lower tensions in workplaces, improve relations with consumers, and possess competitive advantage. This research, carried out in the business environment of Blantyre, seeks to shed light on how companies can utilize cultural intelligence towards sustainable growth and success.

1.1 Background of study :

Corporate culture refers to the beliefs and behaviors that determine how a company's employees and management interact in business and handle themselves outside of business interactions. Often, corporate culture is implied, not expressly defined, and develops organically over time from the cumulative traits of the people the company hires. A company's culture will be reflected in its dress code, business hours, office setup, employee benefits, turnover, hiring decisions, and treatment of clients, client satisfaction and every other aspect of operations. Cultural Intelligence (CQ) is the natural evolution from the now well-established notions of Intelligence Quotient (IQ) and Emotional Intelligence (EQ). Good leaders need all three if they are to lead effectively.

in their October Christopher (2004) Early and Elaine Mosakowski article in The Harvard Business Review explains Cultural Intelligence or CQ is an "outsider's apparently natural ability to interpret someone's unfamiliar and ambiguous gestures in a way that only that person's compatriots would, even to mirror them". In the modern world and on the African continent, CQ is an essential skill. The global population has increased exponentially in the past two centuries, significantly influencing migration, workforce diversity, and business environments. According to the United Nations Population Fund (n.d.-a), whereas it took hundreds of millennia to achieve one billion individuals in the world, the subsequent 200 years saw growth sevenfold. By mid-2015, the world's population stood at 7.3 billion, with projections indicating an increase to 8.4 billion by 2030 (The World Bank, n.d.). Concurrently, urbanization has surged, with estimates suggesting that nearly 60% of the world's population will reside in urban areas by 2030 (United Nations Population Fund, n.d.-b). These demographic shifts have contributed to increased global migration, leading to higher rates of cross-cultural interactions that directly affect businesses.

Global migration is a typical feature of globalization, with the international migrant population rising from 154 million in 1990 to 232 million in 2013 (United Nations, 2013). In addition, the number of international expatriates has also risen significantly, from 51 million in 2013 to an estimated 57 million in 2017 (Finaccord, 2014). These trends signal an ongoing increase in cultural diversity in the workplace, driven by international mergers, outsourcing, and employment equity programs (Sloan, Hazucha & van Katwyk, 2003). Against this background, the concept of cultural intelligence (CQ) has emerged as a critical skill for business executives managing culturally diverse employees and markets (Earley & Ang, 2003).

Migration and diversity of the workforce in Africa mirror the trends in the world, with massive inter- and intra-country mobility based on economic, political, and social factors. South Africa, for instance, is culturally diverse with 11 official languages (Van Zyl, 2015). In Malawi, internal rural-to-urban migration and international investment have transformed the nature of the workforce, necessitating business strategies that are attuned to cultural variations. As businesses expand and become globalized, their leaders must develop CQ in order to navigate such complexities and leverage diversity as a competitive advantage (Alon et al., 2016).

Business cultural diversity is an opportunity and challenge. On the positive end, groups of people from diverse backgrounds contribute different points of view, which result in innovation, creativity, and better problem-solving. Alternatively, ethnocentric actions and cultural misperceptions can get in the way of effective cooperation and decision-making (Metge & Kinloch, 2001; Jacklin-Jarvis & Potter, 2017). Ethnocentrism, the tendency to judge other cultures by one's own cultural norms (Michailova et al., 2017), can hinder business growth and team integration. Conversely, ethnorelativism—ability to understand and adapt to cultural difference—has been linked to greater leadership performance and firm success (Mayer, 2012).

Within the Malawian business world, demand for culturally able leadership becomes stronger. Business firms operating in multicultural environments, like multinational firms, tourism companies, and domestic firms with foreign partners, require highly CQ leaders to manage multicultural workers, foster good customer relations, and enhance business performance in general (Rockstuhl et al., 2011). Empirical research on the relationship between CQ and business success in Malawi remains limited (Groves & Feyerherm, 2011). Despite greater recognition of the importance of cross-cultural management (Whitaker & Greenleaf, 2017; Chao, Takeuchi & Farh, 2017), Malawian companies are still far from integrating intercultural competence into their strategic plans (Dean, 2007).

This study seeks to explore the impact of CQ on Malawian firms, questioning how cultural intelligence influences leadership performance, worker engagement, and business performance. By exploring how business leaders deal with cultural diversity, this study wishes to contribute to the body of literature surrounding cross-cultural business approaches and provide practical suggestions for Malawian firms that want to enhance their competitiveness in the fast-evolving global economy.

1.2 Problem Statement :

According to Biemann et al (2015) Businesses should be able to harness cultural diversity to drive innovation, improve team collaboration, and enhance customer relations. Effective cultural intelligence (CQ) among business leaders and employees should facilitate seamless cross-cultural interactions, leading to increased productivity and business growth. Organizations should implement strategies that foster inclusivity, enabling them to compete effectively in a globalized economy. However, in practice, many businesses struggle with cultural misalignment, communication barriers, and conflicts arising from cultural differences. The lack of cultural intelligence among leaders and employees often leads to misunderstandings, reduced teamwork, and inefficiencies in decision-making (Berry et al 2005). These challenges negatively impact business performance, customer satisfaction, and employee engagement, limiting the potential benefits of cultural diversity.

Previous research has explored the role of CQ in business performance and leadership effectiveness. For instance, Earley and Ang (2003) introduced the concept of CQ and its importance in managing diverse teams, while Alon et al. (2016) emphasized its significance in fostering inclusive workplaces. Additionally, Rockstuhl et al. (2011) examined the relationship between CQ and leadership effectiveness, highlighting its impact on global business strategies. Despite these contributions, limited studies have focused on the specific impact of CQ on businesses in Malawi, particularly in Blantyre City. Furthermore, some studies present conflicting views on the extent to which CQ influences organizational performance, indicating a research gap that needs further investigation. Hence this study aims to examine the impact of cultural intelligence on businesses in Blantyre City, investigating how CQ influences leadership effectiveness, employee engagement, and overall business performance. The findings will provide valuable insights into the role of CQ in enhancing business operations within culturally diverse environment.

1.3 Research objectives :

1.3.1 Main research objective

To explore the Impact of Cultural Intelligence on Businesses in Malawi

1.3.2 Specific research Objectives:

1. To assess the level of cultural intelligence among businesses in Blantyre.
2. To examine how CQ affects decision-making, marketing, and customer relations.
3. To identify the challenges businesses face due to cultural differences.

1.4 Research Questions

1.4.1 Main Research Question

What is the impact of cultural intelligence on businesses in Malawi?

1.4.2 Specific Research Questions:

1. What is the level of cultural intelligence among businesses in Blantyre?

2. How does cultural intelligence affect decision-making, marketing, and customer relations?
3. What challenges do businesses face due to cultural differences?

1.5 Significance of study

This study will provide insights into the role of cultural intelligence (CQ) in business success within Blantyre City. It will help business leaders improve leadership effectiveness, employee engagement, and overall performance. The research will also contribute to academic literature by addressing the gap on CQ's impact in Malawi. Additionally, policymakers and organizations can use the findings to develop policies and training programs that promote cultural competence. Lastly, it will support businesses, including multinational corporations and SMEs, in adopting culturally intelligent strategies to enhance cross-cultural interactions and market expansion.

2.0 Literature Review

2.1 Theoretical framework

2.1.1 Complex Adaptive Systems Theory

While Dale and Newman (2005) note that a definitive definition of complex adaptive systems remains elusive, Mitchell (2009) describes them as “systems in which large networks of components with no central control and simple rules of operation give rise to complex collective behavior, sophisticated information processing, and adaptation via learning or evolution” For these systems to maintain relevance, their components or agents must continuously adjust (Uraz & Makhzoum, 2016). Although agents evolve collectively in response to environmental and situational changes (Potgieter, April, Cooke & Lockett, 2006), the nature of their interactions influences them in distinct ways (Uraz & Makhzoum, 2016). Adaptations among agents emerge due to their interconnectedness rather than the isolated actions of any single agent (Lichtenstein et al., 2006). Consequently, Uraz and Makhzoum (2016) argue that the "heterogeneity of the agents" is a crucial factor in determining the system's overall outcomes).

2.1.2 Significance of Complex Adaptive Systems Theory to the study

The Complex Adaptive Systems (CAS) theory provides a valuable framework for understanding how cultural intelligence (CQ) influences business operations in Blantyre City, Malawi. Businesses operate as dynamic systems where leaders, employees, customers, and external stakeholders interact in constantly evolving cultural and economic environments. The CAS perspective helps explain how businesses adapt, innovate, and sustain growth in multicultural settings.

1. Adaptation to Cultural Diversity

As CAS theory suggests, agents (leaders, employees, and businesses) must continuously adjust to environmental changes (Uraz & Makhzoum, 2016). In the Malawian business landscape, CQ enables businesses to navigate cultural differences, enhance cross-cultural communication, and build effective relationships with diverse customers and stakeholders.

2. Heterogeneity and Business Success

The theory highlights the importance of agent heterogeneity (Uraz & Makhzoum, 2016), meaning businesses with culturally intelligent leadership can leverage diverse perspectives to enhance decision-making, problem-solving, and market responsiveness. Given Blantyre's mix of local and expatriate business communities, CQ helps in managing this diversity for competitive advantage.

3. Leadership and Organizational Adaptability

According to CAS, both leaders and employees are agents who influence organizational behavior (Silberstang & Hazy, 2008). Business leaders in Blantyre with high CQ are better positioned to adopt empowering leadership styles that encourage collaboration and innovation, fostering a more adaptive and resilient workforce.

2.2 Empirical literature review

According to Vertovec, (2015). in an increasingly globalized business environment, cultural intelligence (CQ) has become a critical factor for success. As companies expand their operations across borders and interact with diverse cultures, the ability to navigate and leverage cultural differences can significantly impact performance, relationships, and overall business outcomes. Here's a comprehensive look at the role of cultural intelligence in achieving global business success. (Adikari 2016)

Wirtz, P. (2003) stated that Cultural intelligence is the capability to relate and work effectively across cultures. It involves understanding and respecting cultural differences, adapting behaviors, and communicating effectively in multicultural settings. According to Ababneh, (2016). cultural intelligence is composed of four key components which are Cognitive CQ, Metacognitive CQ, Motivational CQ: The interest, drive, and confidence to adapt to multicultural situations. and Behavioural CQ

Adeel, & Pengcheng, (2016) defines Cognitive CQ as Knowledge about different cultures and their norms, practices, and conventions. Metacognitive CQ The ability to be aware of and control one's cultural assumptions and thought processes. (Pereltsvaig 2012) Motivational CQ The interest, drive, and confidence to adapt to multicultural situations and Badenas, (2012). Behavioral CQ The ability to exhibit appropriate verbal and non-verbal actions when interacting with people from different cultures.

According to Baker& Delpechitre (2016) Effective communication is the cornerstone of successful business operations. Cultural intelligence helps in understanding language nuances, non-verbal cues, and context-specific communication styles. This understanding minimizes miscommunication and ensures that messages are conveyed accurately and respectfully. Bester et al (2015) Trust and rapport are vital in international business. By demonstrating

cultural sensitivity and respect, businesses can build stronger relationships with clients, partners, and employees from diverse backgrounds. CQ fosters an environment of mutual respect and understanding, which is crucial for long-term collaborations.

Negotiation in international business can be complicated because the international business executives does not need to only have a broad knowledge and understanding of the subject of negotiation but also have what has been described as cultural sensitivity. Manrai & Manrai (2010) described cultural sensitivity as the ability to adjust one’s own style of negotiation in consideration of the characteristics and comportment of the other party especially in face-to-face meetings. In describing cultural sensitivity, Ghauri (2003) stated that it is the ability to evaluate cultural differences and then act appropriately. This has been described as a difficult task and a great challenge that requires mastery and malleability especially when the business partners are from different countries

Lehman Brothers, one of the biggest investment banks in the United States became insolvent in September 2008. The Korea Development Bank offered to buy Lehman Brothers, but it lost this last opportunity to survive its crisis through acquisitions by this Korean Bank because the international sales negotiation failed due to the insensitivity of its official to the way the South Koreans do business (Swedberg, 2010). The major difference that led to the breakdown of communication and the negotiation between them was the fact that, while the Americans like a more straightforward and unambiguous in business communication, the Asia on the other hand prefer an equivocal and indirect style of business communication. This makes the Americans appear too desperate and “loose face” (Merkin, 2009).

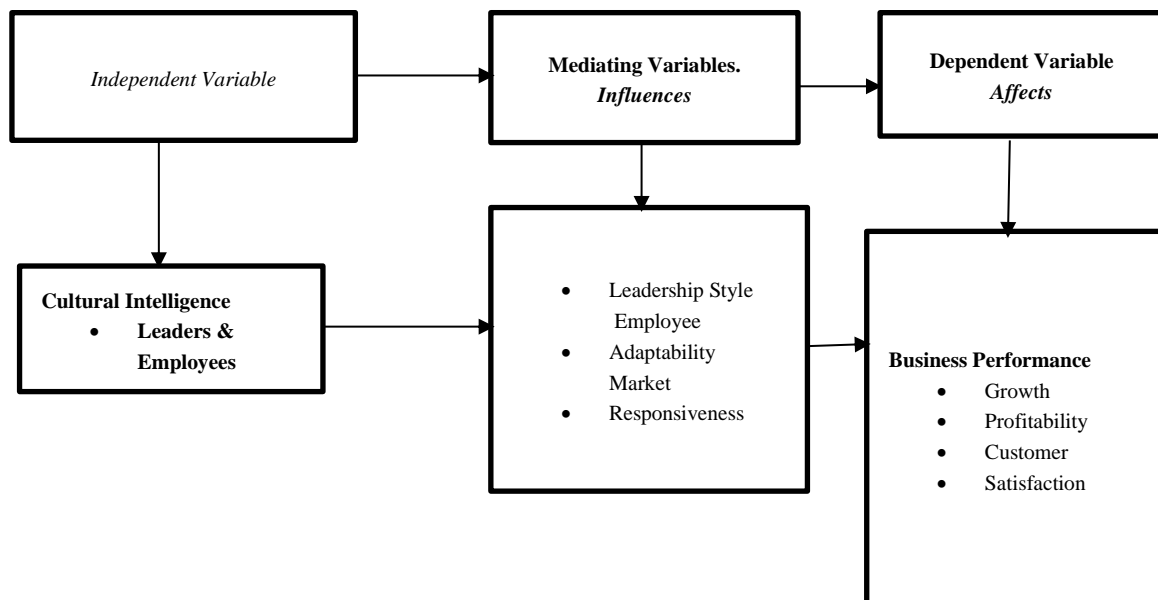
Taras et al. (2017) conducted a qualitative investigation into the crucial role of cultural intelligence (CQ) in the international entrepreneurial ventures led by expatriates. Through a series of in-depth case studies involving five expatriate-led businesses operating in diverse cultural settings, the research aimed to uncover the intricate dynamics influencing their success. By examining the lived experiences of expatriate entrepreneurs, the study provided valuable insights into how high levels of CQ contributed to business sustainability in foreign markets. The findings highlighted the significance of CQ in facilitating cross-cultural adaptation, fostering intercultural collaboration, and mitigating risks associated with cultural misunderstandings. Based on these insights, the study recommended that expatriate entrepreneurs prioritize the development of CQ competencies to enhance their ability to navigate complex international business environments effectively (Taras et al., 2017).

Similarly, Thomas and Inkson (2016) explored the long-term influence of CQ on the international entrepreneurial success of firms, with a specific focus on New Zealand. Conducted over a five-year period, this research employed a comprehensive survey-based methodology, engaging 100 New Zealand-based firms to assess CQ’s impact over time. Utilizing advanced structural equation modeling techniques, the study analyzed the relationship between CQ levels and firm performance metrics. The results provided strong evidence of a positive correlation between CQ, internationalization processes, and financial success. These findings emphasized the strategic importance of CQ in securing a competitive edge in the global marketplace. Consequently, the study advocated for firms to invest in cultivating CQ among employees, fostering a workplace culture that enhances cross-cultural competence and innovation, ultimately driving long-term international success (Thomas & Inkson, 2016).

Leung et al. (2020) conducted a comparative study on CQ competencies among entrepreneurs in China and the United States, examining their influence on international entrepreneurial success. Using a rigorous survey-based methodology, the study gathered data from 400 entrepreneurs—200 from each country—to enable a comprehensive cross-cultural analysis. By employing sophisticated statistical techniques, the research identified notable differences in CQ competencies between Chinese and American entrepreneurs. However, despite these variations, CQ emerged as a critical determinant of business performance in international markets across both cultural contexts. In light of these findings, the study emphasized the need for entrepreneurs in both countries to actively develop their CQ skills. Strengthening these competencies would enhance their ability to adapt to diverse cultural settings, improve intercultural communication, and seize opportunities in the global business landscape (Leung et al., 2020).

2.3 Conceptual Framework

The conceptual framework for this study illustrates the relationship between **Cultural Intelligence (CQ)** and **Business Performance** in Blantyre City, Malawi. It explores how CQ, as the independent variable, influences business success through key mediating factors such as leadership styles, employee adaptability, and market responsiveness.



2.3.1 Explanation of the Conceptual Framework

1. Cultural Intelligence (CQ) and Leadership Style

Leaders with high CQ are more likely to adopt flexible leadership styles, balancing empowering and directive approaches based on cultural contexts. This adaptability enhances team cohesion, employee motivation, and decision-making effectiveness.

2. Cultural Intelligence (CQ) and Employee Adaptability

Employees in businesses led by culturally intelligent leaders are more likely to develop adaptability skills, improving their ability to work in diverse cultural settings, communicate effectively, and enhance productivity.

3. Cultural Intelligence (CQ) and Market Responsiveness

Businesses that integrate CQ into their operations are better equipped to understand and respond to customer preferences, market trends, and cultural sensitivities. This responsiveness fosters customer satisfaction and business growth.

4. Overall Impact on Business Performance

The combined influence of leadership style, employee adaptability, and market responsiveness determines business performance. CQ-driven leadership and management create a competitive advantage, leading to increased profitability, sustainable growth, and improved customer relationships.

3.0 Methodology

3.1 Population and location of the study

3.1.1 Population of the study

According to Creswell (2013), population is the entire group that you want to draw conclusions about. In other words, the population includes the whole number of people or inhabitants in a country or region, the total of individuals occupying an area or making up a whole. Population in this study refers to the total collection of potential participants from which the researcher wants to generalize the findings of the study. The total population targeted for the study was 150 which consists of corporate business, small business and government owned corporation.

3.2 Research Design and Methods

According to Creswell, (2013) research design is a formalized approach towards problem-solving, thinking, and acquiring knowledge and the success of it depends on clearly defined objectives and appropriate choice of statistical tools, tests, and analysis to meet project objectives. There are two designs in which research could be undertaken and these are qualitative and quantitative data analysis.

3.2.1 Quantitative research and Qualitative research

Quantitative research as described by Bryman (2012), is a research methodology that places a strong emphasis on quantification during data collection and analysis. Quantitative research is concise and close ended; it can be used to ask questions how much or how many followed by conclusive information. Interviews, surveys, questionnaires, case studies and document reviews are some examples of common quantitative techniques while According to Murunganwa (2016), qualitative research is typically used to explore the underlying causes of, or people's opinion on particular facts or issue. There are no numerical data involved. It offers an understanding of the research issue and so aids in reaching the study's goals. Both Quantitative research and qualitative research was used in this study through questionnaires, interviews and literature in order to quantify opinions, values and motives into usable statistics.

3.3 Sample size and sampling techniques

3.3.1 Sample size

Sample size is the number of individual samples measured or observations used in a survey or experiment (Saunders 2011). Statisticians have proved that the larger the absolute size of a sample, the more robust it will be (Saunders et al, 2010). In this research, a sample size of 35 participants from Blantyre city. The sample was drawn from corporate business like national bank of Malawi, immigration office and district commission office as well as business owners.

3.3.2 Sampling techniques

According to Horton (2018), a sampling technique is defined as the process of selecting subgroups from a population of elements such as people, objects, or events. There are two sampling techniques that can be used, probability and non-probability sampling technique (Denzin and Yvonna 2005). The probability sampling technique is a sampling procedure in which the sample is selected based on well-defined mathematical guidelines whereby every member of the universe has an equal chance of being selected (Noordzig, et al., 2011). Non-probability sampling technique is a technique that uses the non-randomized method to draw the sample mostly involving judgment (Showkat & Parveen, 2017). The researcher used a probability sampling technique and randomly selected the participants from Blantyre city. This is because it allows everyone and everything within a defined region to have an equal chance of selection and it requires less knowledge to complete the research.

3.4.2 Location of the study

The study was conducted in Blantyre City, in the Southern Region of Malawi. The location was chosen because it was convenient for the researcher to gather data as the researcher lives in Blantyre, not very far away from city. This assisted the researcher to reduce transportation costs.

3.5 Data Collection Strategies

According to Kabir (2016), argues data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. Data collection methods are divided into two: primary and secondary. The research used both primary and secondary methods to source out the required data.

3.5.1 Primary data

According to Dahir & Stone (2010), primary data is the data that has been generated by the researcher himself/herself through surveys, interviews, and experiments, specially designed for understanding and solving of the research problem at hand. In other words, primary data is first-hand data. In this case, primary data was collected through questionnaires and interviews.

3.5.2 Secondary data

Saunders, et al (2016), defines secondary data as both raw data and published summaries. This research collected secondary data through proper review sources ranging from newspapers, journals, articles, scholarly materials, books, reports from previous surveys, and the internet.

3.6 Data Analysis

According to LeCompte & Schensul (2012), data analysis is a process used by researchers to reduce data to a story and interpret it to derive insights. The data analysis process helps to reduce a large chunk of data into smaller fragments, which make sense. Data analysis was conducted through Microsoft Excel. Data were presented in tables and figures.

3.7 Ethical Considerations

The following ethics were adhered to during the entire process of data collection. Firstly, the researcher sought consent from the participants before involving them in the research. In addition, the researcher observed the confidentiality of the information provided by the respondents.

The researcher also maintained the anonymity of the identity of the respondents. The researcher focused on objectivity and un-business to maintain the credibility and reliability of the data collected. In a nutshell, the researcher gave freedom to respondents from withdrawing their participation at any point when they felt uncomfortable proceeding with their participation.

4.0 Findings and Discussion :

4.2 Characteristics of Respondents

The subsequent section explains the demographic respondent profiles based on age, gender, and education level. These profiles are used to provide background information for interpreting findings..

4.2.1 Age of Respondents

The research sought to determine the distribution of respondents by age so that it could be examined as an influence on cultural intelligence while conducting business relationships. The findings are indicated in table 1.

Table 1: Age Distribution of Respondents

Age Group	Frequency	Percentage
18 – 25 years	7	20%
26 – 35 years	12	34%
36 – 45 years	8	23%
46 – 55 years	5	14%
56 years & above	3	9%
Total	35	100%

Based on the findings, it can be seen that the highest percentage of respondents (34%) fall in the 26–35 years category. This suggests that young business professionals and entrepreneurs are actively involved in cross-cultural business interactions..

4.2.2 Gender

The study also analyzed the gender distribution of respondents, as shown in Table 2.

Table 2: Gender Distribution of Respondents

Gender	Frequency	Percentage
Male	20	57%
Female	15	43%
Total	35	100%

The results indicate a slightly higher participation of male respondents (57%) compared to females (43%). This reflects the gender representation in business interactions within the study area.

4.2.3 Education Level

The respondents' education levels were assessed to determine the role of formal education in shaping cultural intelligence. Table 3 presents the findings.

Table 3: Education Level of Respondents

Education Level	Frequency	Percentage
Primary School	5	14%
Secondary School	8	23%
Diploma	10	29%
Bachelor's Degree	8	23%
Postgraduate Degree	4	11%
Total	35	100%

The majority of respondents (29%) hold a diploma, followed by those with a bachelor's degree (23%). This suggests that a significant number of respondents possess higher education qualifications, which may influence their ability to engage in cross-cultural business interactions.

4.3 Findings

This section presents research findings in line with the study objectives.

4.3.1 Cultural Intelligence and Business Interactions

The study investigated whether respondents engage in cross-cultural business interactions. Table 4 presents the findings.

Table 4: Interaction with Different Cultures

Interaction	Frequency	Percentage
Yes	28	80%
No	7	20%
Total	35	100%

The results indicate that 80% of respondents engage in business interactions with individuals from different cultural backgrounds. This suggests that cultural intelligence is crucial in business operations.

4.3.2 Training on Cultural Intelligence

The study examined whether respondents had received formal training on cultural intelligence. Table 5 presents the results.

Table 5: Cultural Intelligence Training

Training	Frequency	Percentage
Yes	18	51%
No	17	49%
Total	35	100%

The findings reveal that 51% of respondents have undergone cultural intelligence training, highlighting the importance of such programs in enhancing business adaptability.

4.3.3 Impact of Cultural Intelligence on Decision-Making

The study explored the impact of cultural intelligence on business decision-making. Table 6 presents the findings.

Table 6: Impact of Cultural Intelligence on Decision Making

Impact Area	Frequency	Percentage
Improved Inclusivity	10	29%
Reduced Conflicts	6	17%
Enhanced Adaptability	7	20%
Improved Employee Engagement	5	14%
Better Global Strategies	7	20%
Total	35	100%

The results suggest that cultural intelligence contributes significantly to improved inclusivity (29%), enhanced adaptability (20%), and better global business strategies (20%).

4.3.4 Challenges Related to Cultural Differences

The study also examined the challenges businesses face due to cultural differences. Table 7 presents the results.

Table 7: Challenges Related to Cultural Differences

Challenge	Frequency	Percentage
Language Barriers	9	26%

Differing Work Ethics	7	20%
Resistance to Integration	6	17%
Customer Misunderstandings	5	14%
Business Negotiation Conflicts	8	23%
Total	35	100%

The most common challenge reported was language barriers (26%), followed by business negotiation conflicts (23%). These challenges highlight the need for enhanced cultural intelligence initiatives.

4.4 Discussion of Results

The findings of the research agree with earlier research on business communication and cultural intelligence. Research by Taras et al. (2017) supports the idea that businesses with international operations acquire more problem-solving and innovation capabilities. This can be evidenced from the study findings whereby 80% of the respondents confirmed communicating with individuals from diverse cultures. Such communications develop the flexibility and competitiveness of businesses in the marketplace, as has been documented in earlier research.

In addition, research by Gregersen and Black (2018) identifies that cultural intelligence training increases collaboration and communication. This is consistent with the 51% of the participants who reported that they had received cultural intelligence training, which implies that training initiatives have a positive impact on professional flexibility in multicultural work environments. Organizations that undertake cultural intelligence training tend to have higher employee motivation and better decision-making processes, validating the relevance of such programs. The study also found that cultural intelligence has a significant impact on inclusivity (29%), flexibility (20%), and better global business strategies (20%). The results are consistent with Mitchell (2009), who postulates that cultural intelligence enables companies to use more effective and inclusive strategies. Organizations with high cultural intelligence can better function across global markets, develop meaningful business relationships, and minimize cultural misunderstandings. Nevertheless, there exist a few contrary findings to present theory. Though Leung et al.

(2020) establish that females have higher flexibility within cross-cultural contexts, the current study noticed slightly higher representation by males (57%) during cultural intelligence training and business communication.

This is a possibility in response to societal and cultural drivers of workforce activity and training uptake. Additional studies need to test for gender-specific disparity in developing cultural intelligence.

The study also showed cultural diversity issues, of which differences in languages (26%) and disagreements in business negotiations (23%) were the most prevalent. These concur with Silberstang and Hazy (2008), whose hypothesis is that firms must handle cultural diversity effectively in order to be competitive. Overcoming these issues requires strategic cultural intelligence initiatives, such as language training initiatives and intercultural communication training.

5.0 Research conclusion and recommendation
this chapter provides the conclusions and recommendation derived from the research findings on the impact of cultural intelligence (CQ) on businesses in Blantyre City, Malawi. It provides an overview of main findings linked to each specific research objective, makes actionable

5.0 Conclusion and Recommendations.

5.1 Research Conclusions

The research sought to explore the contribution of cultural intelligence to business success in Blantyre City. The conclusions and findings are drawn from the research and are reported according to the specific research objectives.

5.1.1 Businesses' cultural intelligence level in Blantyre

The research ascertained that cultural intelligence is an extremely important factor in business practices. This was due to the fact that 80% of the respondents stated that they are directly engaged in cross-cultural business interactions. A mere 51% of the respondents had undergone formal cultural intelligence training, revealing a gap in systematic CQ development. The majority of businesses recognized the significance of cultural intelligence in developing inclusivity, flexibility, and global business strategies, albeit implementation differed among organizations.

5.1.2 Influence of Cultural Intelligence on Decision Making, Marketing, and Customer Relationship

Cultural intelligence played a significant role in decision making, marketing strategy, and customer relationship. Those companies that had embraced CQ were more adaptive, more inclusive, and their negotiation skills were better, which led to better business outcomes. Those organizations that had a well-structured cultural intelligence strategy had fewer cross-cultural misunderstandings, higher customer satisfaction, and improved market position.

5.1.3 Challenges Businesses Face Due to Cultural Differences

The study identified some of the issues that businesses experience in cross-cultural interaction, including the language barrier (26%), disagreement during negotiations (23%), and differences in work ethics. Resistance to integration and cultural misunderstandings also inhibited effective working and business development. Based on these findings, there is a necessity for businesses to implement strategies for increasing cultural awareness and sensitivity in business operations.

5.2 Research Recommendations

Based on the findings of the study, the following recommendations are made:

5.2.1 Implement Cultural Intelligence Training Programs

1. **What is to be done:** Invest in formal cultural intelligence training for employees and business leaders.
2. **Who is to do it:** Business owners, HR departments, and industry associations must work together to provide such training.
3. **How can it be done:** Companies can establish online and in-person workshops, mentoring programs, and diversity committees to facilitate ongoing learning?

5.2.2 Develop Inclusive Business Policies

1. **What is to be done:** Organizations must create policies that promote cultural inclusivity, including diverse recruitment and language support mechanisms.
2. **Who is to do it:** Policymakers, business leaders, and HR managers?
3. **How can it be done:** Employers must enact diversity and inclusion policies, provide translation services where necessary, and encourage multilingual customer service practices?

5.2.3 Break down Language Barriers

1. **What is to be done:** Companies must take steps to address language-based issues in cross-cultural communication.
2. **Who has to do it:** Business leaders, HR departments, and training institutions?
3. **How can it be done:** Providing language training, having bilingual employees, and utilizing technology (e.g., translation software) would break communication gaps?

5.2.4 Cross-Cultural Negotiation Skills

1. **What has to be done:** Businesses have to ensure the development of cross-cultural negotiation skills in the workforce so that disagreements between companies decrease.
2. **Who has to do it:** Business managers and training institutions?
3. **How it can be accomplished:** Cultural intelligence training in leadership development programs and case studies of successful cross-cultural negotiations can strengthen negotiation competencies.

5.2.5 Foster Government and Industry Support

1. **What needs to be done:** The government and business associations should provide support to businesses in incorporating the practices of cultural intelligence.
2. **Who needs to do it:** The Ministry of Trade, business chambers, and corporate stakeholders?
3. **How can it be done:** Creating incentives for businesses that implement diversity programs and encouraging cultural awareness programs can enable business flexibility?

5.3 Recommendations for Future Research Studies

While this research provides insight into the effect of cultural intelligence on business performance, there are certain aspects that require further research:

1. **Cultural Intelligence and Gender Dynamics:** Future research can explore the significance of gender in the applicability of cultural intelligence for business operations.
2. **Impacts of CQ on SMEs:** A study that exclusively considers SMEs would be useful for learning in detail the influence of cultural intelligence on small firms as opposed to big business enterprises.
3. **Long-term Effectiveness of CQ Training Programs:** Research assessing the long-term effectiveness of cultural intelligence training would be useful.
4. **Local vs. International Companies' CQ Practices:** Comparative studies would provide information on the variation in approaches between local and multinational corporations in terms of adapting to culture.

5.4 Conclusion

This chapter recapitulated the findings' conclusions from the study, highlighting the influence of cultural intelligence on businesses in Blantyre City. It zoomed in on the necessity of CQ in decision-making, marketing, and customer relationships, while also noting the challenges businesses experience due to cultural differences. Actionable suggestions were provided to increase the integration of CQ in business practices, along with recommendations for additional research to advance knowledge in this area. Implementation of these suggestions will enhance the cultural adaptability of Malawian businesses, make them more competitive, and ensure long-term development in an increasingly diversified and globalized economy.

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