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# Employee Engagement among Multinational Enterprises: Are Leaders and Teams Important?

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## **Abstract**

### **Key words:**

Multicultural teams, Team communication, Leadership, Cultural gap bridging behavior, Employee engagement

*Employees of multinational corporations are required to work in multicultural teams. They face many obstacles due to cultural and national differences, including misunderstanding, lack of team participation, conflicts, and language barriers. Assisting the team's leader and other members in such situations can facilitate positive outcomes. The present study examines the role of leadership and team members in determining the team identification and work engagement of multinational enterprise (MNE) employees. Data were collected from 201 Saudi Arabian employees of multinational corporations (MNCs) to achieve this objective. The quantitative data analysis was conducted using SPSS and Smart PLS. The results revealed that a leader's promotion of team-shared innovation goals, communication participation, and behavior in bridging cultural gaps are positively associated with employee team identification. In addition, team identification was identified as a positive mediator between the relationship between a leader's encouragement of team-shared innovation goals, team communication involvement, and a leader's cultural gap-bridging behavior and employee engagement. Relationship conflict was discovered to be a significant moderator between the leader's behavior in bridging cultural gaps and team identification. Very few studies have previously explored the role of leadership and team communication inclusion in team-level outcomes such as team identification and work engagement, so this study makes a substantial contribution to the literature. Also, the mediating role of team identification and the moderating role of relationship conflict have not been studied extensively, so this study contributes to the existing body of knowledge.*

## **1. Introduction**

The importance of leadership as a support system for individuals in multicultural and multinational teams cannot be overstated. Individuals in multicultural teams face numerous obstacles resulting from cultural and national differences, including values, beliefs, cultural norms, perceptions, and experiences (Butler et al., 2012). In such situations, the role of a leader who can serve as a bridge between culturally diverse team members can be of great significance. These leaders can help these diverse individuals come on to the same page and work towards a common goal leading towards feeling oneness with the team or being a part of the team, known as team identification. Team identification can be defined as "the extent to which an individual perceives belongingness to a team, and thus the degree to which they incorporate the respective team's characteristics into their self-concept" (Hundschell et al., 2022). The present study investigates the factors leading to higher team identification for individuals from diverse cultural backgrounds.

Moreover, the role of team identification in achieving greater work engagement is also explored, which has meaningful and positive implications for employee performance, leading toward better-performing teams. Work engagement is "a positive, fulfilling, work-related state characterized by vigor, dedication, and absorption" (Schaufeli & Bakker, 2004). In this regard, the leadership factors like the leader's fostering of

the team's shared innovation goals (i.e., the leader's capability to motivate the team members of a culturally diverse team to work in synchronization towards a shared innovation goal). Leader's cultural gap-bridging behavior (i.e., leader's efforts to act as a bridge between culturally diverse members of the team by using skills like conflict resolution, language skills, cultural intelligence, etc., to improve and enhance collaboration among team members) (Backmann et al., 2020) are investigated. In addition, the team level factor, namely team communication inclusion (i.e., the efforts made by team members to understand each other and make each other feel included in the communication), is examined in terms of its contribution to team identification. Lastly, the study investigates the moderating effect of inevitable relationship conflict in multicultural teams. Very few studies have previously explored the role of leadership and team communication inclusion in team-level outcomes such as team identification and work engagement, so this study makes a substantial contribution to the literature. Also, the mediating role of team identification and the moderating role of relationship conflict have not been studied extensively, so this study contributes to the existing body of knowledge.

## 2. Literature Review

### 2.1 Leaders' Fostering of Team-Shared Innovation Goals

People from different cultural backgrounds work together in multinational organizations, which enables the integration of a large pool of knowledge, expertise, experiences, ideas, and perspectives, resulting in the collection of new insights and greater learning for all members, which ultimately increases the likelihood of innovation in an organization (Gibson et al., 2014; Maznevski & Chui, 2013). However, cultural diversity makes team composition quite complicated. When people from diverse backgrounds come together to work on a team, there is typically a lack of shared perceptions and understandings to extract meanings from the communicated information. This is because the values, cognition, and behavioral patterns of all members of diverse cultural backgrounds are different, so their processing of the same information is also different (Stahl & Tung, 2015). In such circumstances, it has been generally observed that the members of the team belonging to the same culture favor each other more than the members from different cultures (Lisak et al., 2016). However, the presence of a leader plays an important role in this regard. A multicultural team leader can motivate the team members of a culturally diverse team to synchronize towards a shared innovation goal. The leader's cultural intelligence and global identity significantly impact how they lead their team. These leaders provide a point of centrality to the diverse team members and act as role models by making each team member feel included (Haas & Cummings, 2015; Lisak et al., 2016). As mentioned by Osland and Bird (2005), multicultural or global leaders impacts "the thinking, attitudes and behaviors of a global community to work together synergistically toward a common vision and common goals" (p. 123), which gives them a sense of inclusion which can be referred to as "treating

individuals as team insider(s) and also allow[ing]/encourage[ing] them to retain uniqueness within the workgroup" (Lisak et al., 2016). Thus, global leaders foster the achievement of shared common goals and provide overall positivity to the culturally diverse team reminding them to leverage their differences and use their strengths to achieve goals (Youssef & Luthans, 2012). Therefore, this study proposed that the leader's fostering of the team's shared innovation goals positively influences the team members' identification with the team.

Identification with the team can be defined as "the extent to which an individual perceives belongingness to a team, and thus the degree to which they incorporate the respective team's characteristics into their self-concept" (Hundschell et al., 2022). Further, Hundschell et al. (2022) also highlight that a leader's positive actions foster an individual's identification with the team, which further influences the individual's work engagement. Work or employee engagement is "a positive, fulfilling, work-related state characterized by vigor, dedication, and absorption" (Schaufeli & Bakker, 2004). It is an important and desirable work-related outcome as it is the key to enhanced performance (Sonnentag et al., 2021). Since previous research provides evidence of the mediating effect of team identification (Busse & Regenber, 2019; Hundschell et al., 2022), therefore, the following hypotheses are proposed,

H1: Team identification is positively associated with employee engagement in MNEs.

H2: A leader's fostering of team-shared innovation goals is positively associated with team identification of employees working in MNEs.

H3: Team identification positively mediates the relationship between the leader fostering team-shared innovation goals and employees' work engagement in MNEs.

## 2.2 Team Communication Inclusion

Apart from the leader's efforts, the team members' identification with the team can also be influenced by team members' communications with one another. Team communication inclusion is based on "the extent to which members understand one another and view themselves as insiders" (Lisak et al., 2016). The inclusion in team communication allows the entire team to benefit from diverse perspectives and sources of knowledge to achieve shared common goals and objectives. The more culturally diverse the teams are, the more they require inclusive communication efforts (De Dreu et al., 2011; Shemla et al., 2016), as more diversity means that the communicated information will be received with lack of shared meaning system and understanding leading towards negative outcomes such as conflicts and poor performance (Lisak et al., 2016). Previous research has demonstrated the positive effects of communication on achieving team goals and performance; however, it is quite difficult when the team's diversity is high (Stahl et al., 2010). Therefore, team communication

inclusion is the communication behavior that assures "mutual understanding of team members' culturally diverse communicated messages" (Lisak et al., 2016). In culturally diverse teams, when members realize the level of diversity within the team and recognize that the meaning of the communicated information can be perceived in different ways, they make extra efforts to find ways to understand the differences and make sense of each other's mental processing, attitude, and behavior (Hajro, Gibson, & Pudelko, 2017). In this way, the team's cultural diversity becomes more of an asset than a hindrance to achieving high performance. "It helps multicultural team members understand similarities and differences in their knowledge bases, experiences, skills, and perspectives and to leverage their cultural diversity to discover new ways to combine knowledge and perspectives toward innovative team outcomes" (Nouri et al., 2013). This study proposes that higher team communication inclusion can lead to higher team identification, ultimately influencing an employee's work engagement. This is because the more included an individual is in the communication within the team, the more they will feel that they belong to the team, so this sense of belonging or being a part of the team, which is known as team identification, is positively influenced by the inclusive communication efforts made by all members of the team which can ultimately lead to greater work engagement. The more included the team members feel within team communication, the more they will identify themselves as part of the team and, thus, the more involved and indulged they can feel in their work. Therefore, the following hypotheses are stated,

H4: Team communication inclusion is positively associated with employee identification in MNEs.

H5: Team identification positively mediates the relationship between team communication inclusion and employees' work engagement in MNEs.

### 2.3 Leader's Cultural gap bridging behavior

A leader's cultural gap-bridging behaviors are "a set of behaviors that individuals engage in to make an effort to enable, bridge, and improve socio-emotional intercultural collaboration in multinational teams" (Backmann et al., 2020). Leaders need to exercise their intercultural competencies in a context-specific and team-specific way to foster multinational teamwork (Homan et al., 2020). In this regard, the leader's cultural and language skills come into play, which acts as a bridge between team members of different cultural backgrounds (Barner-Rasmussen et al., 2014). Moreover, conflict resolution is another aspect that comes under the head of the cultural gap-bridging behaviors of leaders of multicultural teams. A leader's cultural gap-bridging behavior can be "conceptualized as multifaceted behaviors, including integrating, conflict mediating, facilitating, empathetic comforting, and translating. These behaviors aim at proactive integration, mediation of conflicts, and establishment of a mutual understanding among diverse team members" (Hundschell et al., 2022). It involves involving all team members, soliciting everyone's opinion, serving as role models for team members in terms of exhibiting culturally

appropriate behaviors, identifying conflicts among team members and proactively working to resolve them, using language skills to translate information so that all team members are on the same page, and understanding and validating the emotions of all team members. (Backmann et al., 2020). Extensive research has been conducted on the multicultural behaviors of employees in general, but the cultural gap-bridging behaviors of multicultural team leaders remain unexplored. This study aims to contribute to the relevant body of literature. Few studies investigating the role of a leader's behavior in bridging cultural gaps have found a positive association between this behavior and team identification (Hundschell et al., 2022; Wang & Howell, 2012). This indicates that the greater the leaders' efforts to bridge the gap between culturally diverse team members, the greater each member's sense of belonging and oneness with the team. In addition, research has demonstrated the indirect relationship between a leader's cultural gap-bridging behavior and an employee's work engagement, mediated by team identification (Hundschell et al., 2022). Work engagement is a multidimensional concept that includes dimensions such as vigor, which relates to high energy. Dedication relates to dedication and inspiration, and absorption relates to involvement and concentration in work (Schaufeli & Bakker, 2004). Individuals identifying with their teammates are likelier to contribute effectively to the team's goals. Consequently, their work engagement will likely be high. Consequently, the following hypotheses are advanced:

H6: A leader's cultural gap-bridging behavior is positively associated with team identification of employees working in MNEs.

H7: Team identification positively mediates the relationship between the leader's cultural gap-bridging behavior and employees' work engagement in MNEs.

## 2.4 Relationship conflict

Conflict is inevitable in multicultural teams where people from diverse backgrounds come together to work towards a common goal. This is because of the diversity in the belief systems, values, perceptions, cultural backgrounds, and experiences. The existence of relationship conflict among team members increases the complexities and uncertainties (Yang & Li, 2017), so the role of a leader who can act as a mediator and conflict resolver is paramount. Relationship conflict can be defined as a "conflict evolving from interpersonal incompatibilities regarding personal characteristics and preferences, as well as from disagreements regarding interpersonal interactions, and thus it elicits negative affective states" (Hundschell et al., 2022). Relationship conflict within a culturally diverse team can be of three types: interpersonal, task, and process conflict. "Interpersonal conflict is usually the outcome of differences among team members in personal concerns, such as personality, feelings, preferences and values" (Davaei et al., 2022). It relates more to the individual's beliefs, values, and cultural norms. "Task conflict is related to disagreements in viewpoints, opinions and ideas associated with the team task" (Davaei et

al., 2022). This type of conflict arises due to different perceptions about how a given task should be approached, and lastly, the "process conflict is defined as an awareness of controversies about aspects of how task accomplishment will proceed and relates to job assignments, responsibilities and resource delegation" (Davaei et al., 2022; Wilawan, Ustun, & Pazos, 2010). This is more concerned with the overall process of the work and how it will proceed. The research on relationship conflict in multicultural teams is limited. However, these limited number of studies have highlighted their impact on the overall team performance and other outcomes. Some of these studies have also explored the moderating role of relationship conflict in the relationship between a leader's cultural gap-bridging behaviors and a team member's psychological outcome (Chen et al., 2011; Hundschell et al., 2022). Since team identification is a psychological response, the following hypothesis is proposed,

H8: Relationship conflict moderates the relationship between a leader's cultural gap bridging behavior and team identification.

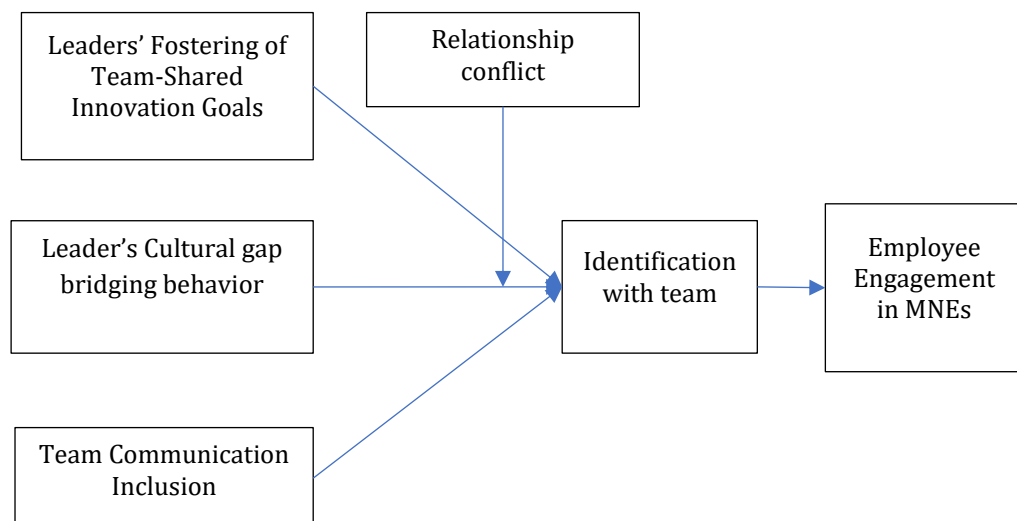


Figure 1. Conceptual model of the Study

### 3. Methodology

#### 3.1. Research Instrument

Validated measurement questionnaires were used to collect data on the study's variables. The Leader's Cultural Gap Bridging Behavior variable scale was adapted from Backmann et al. (2020) study. Lisak et al. (2016) adapted the scale for the Leaders' Fostering of Team-Shared Innovation Goals and Team Communication Inclusion. Team identification was measured using an adapted version of Lin et al. (2017) instrument. The relationship conflict measurement instrument was adapted from the study by Jehn and Mannix (2001). The variable of employee engagement in multinational enterprises was measured by adapting Schaufeli, Bakker, and Salanova (2006) instrument. Every variable was measured using a 5-point Likert scale. Table 1 presents the corresponding measurement items and statements for each variable and their source.

**Table 1.** Measurement Tools

Items	References
<b>Leader's Cultural Gap Bridging Behavior</b>	<a href="#">Backmann et al. (2020)</a>
My team leader tries to engage everyone on the team.	
My team leader tries to motivate every team member to contribute.	
My team leader proactively asks team members for their opinion.	
My team leader tries integrating every team member to foster a positive team atmosphere.	
My team leader uses their cultural knowledge to give team members advice and/or feedback.	
My team leader explains cultural-related issues to team members.	
My team leader acts as a role model to other team members by performing culturally appropriate behaviors.	
My team leader uses their cultural knowledge to support team members who need help.	
My team leader senses conflicts among team members and works participative to resolve them.	
My team leader tries to mediate between team members to solve conflicts.	
My team leader tries to detect conflicts between team members and proactively helps solve them.	
My team leader speaks with team members to prevent potential conflicts.	
My team leader uses language skills to translate conversations to overcome communication barriers among team members.	
My team leader uses language skills to translate relevant information and share it with team members.	
My team leader uses language skills to help team members with the preparation of documents (e.g., presentations, emails)	
My team leader pays attention to the emotions of team members.	
My team leader shows patience toward other team members.	
My team leader listens to the concerns and problems of other team members.	
My team leader comforts other team members when they are upset.	
<b>Leaders' Fostering of Team-Shared Innovation Goals</b>	<a href="#">Lisak et al. (2016)</a>
My team leader gets the team to work together for the same innovative goals.	
My team leader fosters collaboration among team members to attain the team's innovative goal.	
My team leader develops a team attitude and spirit among team members toward goal attainment.	<a href="#">Lisak et al. (2016)</a>
<b>Team Communication Inclusion</b>	
My multicultural team members try to communicate in ways that other members will understand.	
My multicultural team members choose concepts and words with which each team member is familiar.	
My multicultural team members check that everyone on the team correctly understands their messages.	<a href="#">Lin et al. (2017)</a>
My multicultural team members make arguments that are clear and comprehensible to each other.	
<b>Identification with team</b>	
When someone criticizes my team, it feels like a personal insult.	
I am very interested in what others think about my team.	

When discussing my team, I usually say 'we' rather than 'they.'	Jehn and Mannix (2001)
My team's successes are my successes.	
When someone praises my team, it feels like a personal compliment.	
If somebody criticized my team, I would feel embarrassed.	
<b>Relationship Conflict (5-point likert scale from 1 = Not at all to 5 = A lot)</b>	
<b>Interpersonal Conflict</b>	
How much relationship tension is there in your workgroup?	
How often do people get angry while working in your group?	
How much emotional conflict is there in your workgroup?	
<b>Task Conflict</b>	
How much conflict of ideas is there in your workgroup?	Schaufeli, Bakker, and Salanova (2006)
How frequently do you have disagreements within your workgroup about the task of the project you are working on?	
How often do people in your workgroup have conflicting opinions about the project you are working on?	
<b>Process Conflict</b>	
How often are there disagreements about who should do what in your workgroup?	
How much conflict is there in your group about task responsibilities?	
How often do you disagree about resource allocation in your workgroup?	
<b>Employee Engagement</b>	
At my work, I feel bursting with energy.	
I find the work that I do full of meaning and purpose.	
Time flies when I am working.	
At my job, I feel strong and vigorous.	
I am enthusiastic about my job.	
When I am working, I forget everything else around me.	
My job inspires me.	
I FEEL LIKE GOING TO WORK when I get up in the morning.	
I feel happy when I am working intensely.	
I am proud of the work that I do.	
I am immersed in my work.	
I can continue working for very long periods.	
My job is challenging.	
I get carried away when I am working.	
At my job, I am very resilient mentally.	
It is difficult to detach myself from my job.	
At my work, I always persevere, even when things do not go well."	

### 3.2. Target Population and Sampling Technique

Employees of various multinational enterprises (MNEs) in Saudi Arabia provided the information for the current study. As the population list could not be drawn (i.e., the population frame was unknown), convenience sampling was utilized to collect data.

### 3.3. Data Collection Method

A self-administered survey was distributed to employees of various multinational enterprises (MNEs) in Saudi Arabia to collect the data. The data was collected with the participants' prior consent. Two hundred and one returned questionnaires were utilized in the analysis.

### 3.4. Data Analysis Method

The quantitative numerical data gathered for this study were analyzed using SPSS and other software. SPSS was used to generate frequency distribution tables for demographic analysis and descriptive analysis tables. This study's model was tested using structural equation modeling on SmartPLS, which permits the testing of complex models, including mediation and moderation, as was the case with this study's model. During the SEM analysis, the measurement model was initially evaluated with confirmatory factor analysis to evaluate the quality of measurement items, i.e., to assess the reliability and to determine the convergent and discriminant validity of the measurement scale. Next, the structural model was evaluated using regression models for testing hypotheses regarding direct effects, mediation, and moderation.

## 4. Analysis

This study's data were analyzed using a two-step methodology. First, the measurement model of the study was evaluated, followed by confirmatory factor analysis. All constructs' reliability and convergent and discriminant validity were determined. Next, the structural model was evaluated using path analysis to test the study's hypotheses.

### 4.1. Measurement Model Assessment

Confirmatory factor analysis in SmartPLS software was conducted to assess the measurement model. [Table 2](#) provides the results of the reliability tests for the various variables of the study. It can be seen that the reliability statistics, including Cronbach's alpha and composite reliability for all variables, are above the standard accepted value of 0.70. Moreover, the values of AVE are also above the threshold value of 0.5, representing that each variable's items are internally consistent and reliable.

**Table 2.** Reliability and Convergent Validity

Variable	Cronbach's $\alpha$	CR	AVE
Leaders' Fostering of Team-Shared Innovation Goals	0.734	0.802	0.700
Leader's Cultural gap bridging behavior	0.701	0.734	0.699
Team Communication Inclusion	0.897	0.734	0.737
Identification with team	0.801	0.807	0.733
Relationship conflict	0.761	0.760	0.681
Employee Engagement in MNEs	0.844	0.769	0.765

**Table 3** provides statistics regarding the discriminant validity of the study's variables. Fornell and Larcker's method is utilized to determine discriminant validity, where the diagonal values represent the AVEs of the variables, and the values under the diagonal represent the correlation between variables. For discriminant validity, the AVE value for each variable must be greater than its correlation with all other variables. **Table 3** demonstrates that the AVE for each variable is greater than its respective correlation. Therefore, discriminant validity is established for all variables.

**Table 3.** Discriminant Validity

Variable	1	2	3	4	5	6
Leaders' Fostering of Team-Shared Innovation Goals	1					
Leader's Cultural gap bridging behavior	0.524	1				
Team Communication Inclusion	0.599	0.598	1			
Identification with team	0.610	0.601	0.722	1		
Relationship conflict	0.597	0.699	0.641	0.688	1	
Employee Engagement in MNEs	0.711	0.728	0.733	0.617	0.781	1

*Note:* The bold values in diagonal are square roots of AVEs of the variables. The off-diagonal values are correlations among the variables.

Examining the fit indices is another technique for evaluating the quality of the measurement model. The fit indices and their acceptable standard values are shown in **Table 4**. All fit indices are consistent with the standard accepted values, demonstrating that the measurement model used in confirmatory factor analysis is a good fit.

**Table 4.** Measurement Model Fit Indices

Fit Indices	Overall Model Score	Acceptable Model Fit	Acceptable Baseline
CFI	0.95	Accept	$\geq 0.90$
AGFI	0.89	Accept	$\geq 0.80$
RMSEA	0.034	Accept	$< 0.10$
CMIN/df	2.64	Accept	$< 3$
TLI	0.92	Accept	$\geq 0.89$
IFI	0.94	Accept	$\geq 0.90$

#### 4.2. Structural Model Assessment

**Table 5.** Structural Model Fit Indices

Fit Indices	Overall Model Score	Acceptable Model Fit	Acceptable Baseline
CFI	0.94	Accept	≥0.90
AGFI	0.91	Accept	≥0.80
RMSEA	0.014	Accept	<0.10
CMIN/df	1.25	Accept	<3
TLI	0.92	Accept	≥0.89
IFI	0.91	Accept	≥0.90

After the measurement model's evaluation, the structural model is evaluated to confirm or reject the study's hypotheses. Before moving on to the testing of hypotheses, the model fit of the structural model was evaluated using fit indices. [Table 5](#) provides the fit indices and standard accepted values for the structural model of the study. All fit indices can be seen to fall within acceptable ranges. Consequently, the structural model is suitable.

**Table 6.**

Relationship	t-value	p-value	Status
Leaders' Fostering of Team-Shared Innovation Goals → Identification with team	2.35	0.010	Accept
Team Communication Inclusion → Identification with team	2.36	0.021	Accept
Leader's Cultural gap bridging behavior → Identification with team	3.21	0.030	Accept
Identification with team → Employee Engagement in MNEs	3.57	0.015	Accept

The results of the direct effects of the study variables are presented in [Table 6](#). The table demonstrates that team identification positively correlates with employee engagement in MNEs, supporting the study's hypothesis 1. Identifying the team that supports Hypothesis 2 of the study is positively associated with a leader's encouragement of team-wide innovation objectives. Moreover, team communication inclusion is positively associated with team identification, supporting hypothesis 4 of the study. A leader's behavior in bridging cultural gaps is found to have a positive correlation with team identification, supporting hypothesis 6 of the study.

**Table 7.** Hypothesis Testing-Indirect Effects

Relationship	t-value	p-value	Status
Leaders' Fostering of Team-Shared Innovation Goals → Employee Engagement in MNEs	3.674	0.01	Accept
Team Communication Inclusion → Employee Engagement in MNEs	2.97	0.01	Accept
Leader's Cultural gap bridging behavior → Employee Engagement in MNEs	3.01	0.00	Accept

The results of the study's indirect effects are presented in [Table 7](#). The table demonstrates that leader encouragement of team-shared innovation goals is indirectly and positively related to employee engagement in MNEs via the mediating effect of team identification, supporting the third hypothesis of the study. Team communication inclusion is also indirectly and positively associated with employee engagement in multinational enterprises (MNEs) via the moderating effect of team identification, which supports hypothesis 5 of the study. In conclusion, the cultural gap-bridging behavior of leaders is indirectly and positively related to employee engagement in multinational enterprises (MNEs) via the moderating effect of team identification, which supports Hypothesis 7 of the study.

**Table 8.** Hypothesis Testing-Moderation Effects

Relationship	t-value	p-value	Status
Leader's Cultural gap bridging behavior * Relationship conflict → Identification with team	3.58	0.00	Accept

[Table 8](#) provides the results of the moderation effect of relationship conflict. It can be seen that relationship conflict moderates the relationship between a leader's cultural gap-bridging behavior and identification with teams which supports H8 of the study.

## 5. Discussion

This study aimed to examine the role of leadership and team members in determining the work engagement of multinational enterprise (MNE) employees. Data were collected from 201 Saudi Arabian employees of multinational corporations (MNCs) to achieve this objective. The quantitative data analysis was conducted using SPSS and SmartPLS. The findings revealed that leaders who foster innovation goals shared by the team foster greater team identification among multinational enterprise employees. This finding aligns with previous research ([Hundschell et al., 2022](#); [Lisak et al., 2016](#); [Osland & Bird, 2005](#)). In the case of multinational and multicultural teams, the role of the leader is of the utmost importance, as people from diverse cultural backgrounds who come together to form a team can bring a wealth of innovative ideas due to their vast knowledge, skills, and experiences. In the absence of direction, however, the diverse members of the team may feel out of place and engage in conflict. Under these conditions, a multicultural team leader can motivate culturally diverse team members to collaborate towards a shared innovation objective. These leaders provide direction to the team members and assist them in focusing on a common objective by emphasizing their similarities rather than their differences. In addition, the study's findings indicate that an employee's team identification influences work engagement. This is because when an employee feels more included, a part of the team, and an integral part, they may become more devoted, dedicated, and involved in their work, which is the essence of work engagement ([Sonnentag et al., 2021](#)). In addition, the study provides evidence of the mediating role of team identification in the relationship between a leader's encouragement

of innovation goals shared by the team and employee engagement. This can be rationally explained in light of the preceding discussion. The more a leader fosters a culture of synergy and goal orientation within the team, the more each team member will identify with the team, i.e., they will feel like a significant part of the team, which will influence their work engagement as they will be more dedicated and involved in their work towards achieving the team's shared goals. Past research also demonstrates the role of team identification as a mediator ([Busse & Regenberg, 2019](#); [Hundschell et al., 2022](#)).

In addition, this study revealed a positive correlation between inclusive team communication and team identification. Due to their diverse cultural norms, beliefs, and values, members of culturally diverse teams may process information in different ways ([De Dreu et al., 2011](#); [Shemla et al., 2016](#)). Therefore, communication among team members must be inclusive so that all team members can feel included and comprehend the information correctly, thereby preventing misunderstandings and conflicts. The more inclusive the team's communication efforts are, the greater each team member's ability to identify with the team, i.e., a sense of belonging. Moreover, the increased team identification resulting from increased inclusion in team communication can also lead to increased work engagement, as employees feel like they are a part of the team and comprehend the information communicated within the team.

A leader's cultural gap-bridging behaviors can also significantly foster team identification among MNE employees. Culturally competent leaders can serve as a bridge between culturally diverse team members. To achieve this objective, the leader's cultural knowledge and language skills can be crucial. Thus, they can provide translation services between team members whenever required, ensuring they are on the same page. Also, in the event of a conflict erupting, these leaders can act as mediators and resolve misunderstanding-based conflicts by listening to both parties' perspectives and finding common ground. These leaders also ensure that no team member feels left out and that each member's opinion and participation are valued. Therefore, the efforts made by leaders to bridge cultural differences among team members result in increased team identification among employees because they feel more engaged within the team ([Hundschell et al., 2022](#); [Wang & Howell, 2012](#)). In addition, the results demonstrate the mediating effect of team identification on the cultural gap-bridging behavior and work engagement of leaders. This can be rationally explained by the fact that greater efforts by leaders to bridge cultural gaps result in greater team identification, which makes employees feel more committed, indulged, and involved in their work ([Hundschell et al., 2022](#)).

Lastly, the study's results revealed that relationship conflict moderates the relationship between a leader's behavior in bridging cultural gaps and team identification. Conflict is unavoidable in multicultural teams comprised of individuals from different backgrounds. However, leaders can be crucial in resolving conflicts between team members and bringing them to a common understanding. Relationship conflict, whether it is

personal, task-based, or process-based, can impede the efforts of team leaders to bridge cultural gaps and foster team identification among team members. The relationship between leaders' cultural gap-bridging behavior and team identification can be weakened if team members disagree about a foundational principle and cannot agree.

### **5.1. Theoretical Implications**

The present study provides several theoretical implications. The present study contributes significantly to the literature as very few studies have previously explored leadership and team communication inclusion in team-level outcomes such as team identification and work engagement. Previous research has extensively explored the multicultural behaviors of employees in general, but the cultural gap-bridging behaviors of multicultural team leaders were understudied. The research on relationship conflict in multicultural teams is also limited, making this study a significant contribution to the body of knowledge. The mediating role of team identification and the moderating role of relationship conflict has not been studied much previously, so the study contributes to the literature.

### **5.2. Practical Implications**

The study provides various practical implications for multinational enterprises (MNEs). The study highlights the importance of a leader's skills, capabilities, knowledge, and experience to lead a multicultural team toward a common goal. In this regard, the behaviors of leaders such as conflict resolution by acting as a mediator, language skills for translating information for all team members, knowledge about different cultural values and norms, empathy towards all members of the team, and facilitation of adjustment and mutual understanding among members of the team is of paramount importance. This shows that multinational enterprises need to ensure that the leaders of multicultural teams have all these capabilities for the team to thrive and work towards a common goal. Moreover, the efforts made by the team members, e.g., using inclusive communication methods, also play a vital role in creating a strong and synergetic team.

### **5.3. Limitations and Future Research Directions**

The present study has a few limitations upon which future studies can fill in the gaps. The present study only focuses on the context of multinational enterprises in Saudia Arabia, which limits its generalization ability. Future studies can investigate the same factors in other settings. This study is quantitative in nature. Future studies can investigate the factors qualitatively by taking interview data from employees working in MNEs to get a more in-depth view. Future studies can also focus on leaders' personality traits and characteristics, making them an ideal fit to lead a multicultural team. Team-level dynamics can also be taken into consideration, such as team performance.

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