

The Role Of Mandarin In Business Communication In Chinese Multinational Companies: A Literature Review

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Abstract.

This study aims to examine the strategic role of the Mandarin language in business communication within Chinese multinational companies through a literature review approach. As China's global economic influence continues to rise, proficiency in Mandarin has become a valuable asset in establishing effective professional relationships. Mandarin functions not only as a communication tool but also as a representation of Chinese cultural values such as hierarchy and respect, which are essential in business interactions. This research is descriptive qualitative research with literature review approaches. Data collection techniques in this research are carried out through literature studies, and The findings indicate that the use of Mandarin enhances corporate credibility, accelerates decision-making, and improves operational efficiency. However, its implementation faces several challenges, including a limited number of Mandarin-proficient human resources, differences in communication styles, and the linguistic complexity of the language. To address these challenges, strategies such as language and cultural training, recruitment of bilingual staff, utilization of translation technology, and cultural liaison approaches are identified as effective solutions. This study emphasizes that Mandarin is no longer merely an added value but a strategic necessity for multinational companies aiming to compete in the Chinese and broader Asian markets.

Keywords: Mandarin Language; Business Communication; Multinational Companies; Chinese Culture and Literature Review.

I. INTRODUCTION

Communication is a social interaction process that involves the transmission, reception, and interpretation of messages through various communication channels (West, R., & Turner, 2019). In the context of global business, effective communication serves as a key element in establishing cross-cultural collaboration, including the development of international business relationships. As China's economic, political, and cultural influence continues to expand on the global stage, the Mandarin language has gained increasing importance in business communication. According to Mohamad (Asruchin, 2022), Mandarin has now become a strategic communication tool, in line with projections that China is poised to surpass the United States as the world's largest economic power. Consequently, proficiency in Mandarin provides a strategic advantage for both individuals and organizations across various sectors, including business, politics, diplomacy, and technology. (Liu, M., & Tan, 2016) mandarin functions not only as a tool for communication but also as a medium that reflects the unique cultural values of China. In a business context, this is evident in negotiation styles, decision-making processes, and the development of professional relationships. (Wang, 2023) highlights that Chinese business culture is strongly influenced by hierarchical structures and respect, as reflected in the use of language such as levels of formality and polite address.

Beyond interpersonal communication, Mandarin proficiency also contributes to a company's reputation and credibility. (Zhou, Q., & Yu, 2019) argue that companies employing Mandarin-proficient staff are more likely to gain trust from local partners, ultimately creating a competitive edge in the Chinese market. A notable phenomenon is that Mandarin has become one of the most sought-after skills in the business world, particularly in response to the needs of multinational companies seeking to enter or expand their presence in China. Multinational enterprises aiming to build effective business relationships with Chinese partners

require a deep understanding of how Mandarin is used in professional settings (Huang, 2017). The language provides access to the world's largest market, strengthens partner relations, improves operational efficiency, and reduces the risk of miscommunication that could lead to business failure. (Chen, H., & Xu, 2020) found that companies employing Mandarin in both internal and external communications tend to be more responsive in decision making, especially when interacting with Asian markets or partners.

(Wang, X., & Li, 2020), in their study, revealed that multinational corporations operating in China are more likely to establish long-term partnerships if they are able to use Mandarin effectively. This is especially crucial given China's significant role in the global supply chain and international trade. Furthermore, the ability to speak Mandarin reflects respect for the local culture, which can strengthen trust and loyalty among business partners. Nonetheless, in practice, Chinese multinational companies face various challenges in implementing Mandarin-language business communication. These challenges include cultural perception differences, language barriers, and a limited pool of human resources with adequate business Mandarin proficiency. (Li, C., & Liu, 2021) emphasize that while companies recognize the importance of mastering Mandarin, language training is often not uniformly implemented across organizational levels, particularly in firms with extensive global networks. Moreover, there is a lack of specific literature addressing the application of Mandarin in business communication within multinational corporations. In the current era of globalization, Mandarin proficiency is no longer merely an added value it has become a strategic necessity.

This article utilizes three reviewed sources, namely:

1. (Egar Surya, Cecep Safaatul Barkah, Iwan Sukoco, 2022) The article entitled "Analysis of Cross Cultural Communication Implementation in Multinational Companies (A Literature Review)" discusses an in depth conceptual study of cross cultural communication as practiced in multinational corporations. It is composed to explore how globalization has led to the increasing operation of multinational companies across various countries, which are consequently faced with a range of dynamics and challenges related to communication and the transfer of information among human resources from diverse cultural backgrounds.

2. (Ribka Sujana, Sepia Nurjannah, Diwanta, Ivana Wijaya, Feby Yoana Siregar, 2024) The article entitled "Mandarin Language Business Communication as a Means of Trade Transactions at PT SKM (Sumatera Karya Makmur)" examines how to effectively use Mandarin in business communication for purchasing transactions. It identifies factors that influence the fluency of business communication and explores the obstacles encountered in such communication as well as strategies to overcome them.

3. (Rina Fatimah, 2024) The article entitled "Challenges and Efforts to Improve Cross Cultural Communication in Multinational Companies (A Literature Review)" addresses how labor mobility within the ASEAN region opens opportunities for an increasing number of foreign workers in Indonesia, particularly in multinational companies. Cross cultural communication is one of the key factors determining the success of individuals in communicating and collaborating in a multicultural context. This study aims to describe the challenges and efforts to enhance cross cultural communication in several multinational companies in Indonesia.

This article employs the Language Competence Theory in Global Organizations (Piekkari, R., & Tietze, 2011) Language is viewed as a strategic resource in global organizations. Proficiency in Mandarin serves as a competitive advantage in establishing professional relationships, accelerating decision-making processes, and enhancing operational efficiency.

II. METHODS

Research Approach

This study employs a descriptive research method with a qualitative approach, utilizing literature review as the primary research technique (Moleong, 2017). The literature review aims to identify, examine, and synthesize various theories, research findings, and scholarly publications relevant to the use of Mandarin in business communication within multinational corporations. This approach is chosen because the issue under investigation is conceptual in nature and requires indepth exploration of diverse written sources to

build a comprehensive understanding (Wisesa, 2022). In this context, literature studies also serve to assess trends, research gaps, and opportunities for further inquiry.

Data Sources

The data sources for this study include a variety of literature references such as academic journals and scholarly articles discussing similar topics, as well as academic books focusing on cross cultural communication, Mandarin language, and international business. The data sources for this study are based on three reviewed articles, namely:

1. (Egar Surya et al., 2022), with the article titled "Analysis of the Implementation of Cross Cultural Communication in Multinational Companies (A Literature Review)".
2. (Ribka Sujana et al., 2024), with the article titled "Mandarin Language Business Communication as a Medium for Trade Transactions at PT SKM (Sumatera Karya Makmur)".
3. (Rina Fatimah et al., 2024), with the article titled "Challenges and Efforts to Improve Cross Cultural Communication in Multinational Companies (A Literature Review)".

Data Collection Techniques

The data collection process is carried out through the following steps:

- Identifying the research problem to be explored.
- Searching for literature using academic databases (journals, academic books, undergraduate theses, master's theses, dissertations, and other research reports).
- Selecting literature based on the relevance of titles, abstracts, and keywords to the research focus.
- Evaluating the quality of sources using criteria such as peer-review status, publisher reputation, number of citations, and publication recency (from 2015 to 2024).
- Collecting and organizing data by recording references, key themes, and other significant findings.

Data Analysis Techniques

The data are analyzed using thematic content analysis, a technique used to identify patterns, themes, and core meanings from texts or scholarly documents. The steps include:

1. Data Reduction: Filtering relevant data and discarding information that does not align with the research questions.
2. Thematic Categorization: Organizing findings into three major themes:
 - a. The role of Mandarin in business communication,
 - b. Challenges in using Mandarin,
 - c. Effective communication strategies in multinational corporations.
3. Synthesis of Findings: Integrating results from various sources to draw comprehensive conclusions.
4. Interpretation: Providing meaning to the classified data and relating them to theoretical frameworks and the global business context.

III. RESULTS AND DISCUSSION

In the era of globalization and rapid economic expansion, business communication plays a vital role in supporting the operational efficiency of multinational corporations, particularly those originating from China. Mandarin, as the primary language used across various business sectors in China, functions not only as a medium of information exchange but also as a symbol of cultural identity and professionalism. Within the context of Chinese multinational corporations, proficiency in Mandarin significantly influences internal corporate effectiveness, relationships with both local and international partners, and the success of global expansion strategies. Therefore, a comprehensive understanding of the role of business communication in Mandarin is essential for executing competitive and sustainable international business operations. The following outlines the key roles of Mandarin-language business communication in Chinese multinational companies:

- Acting as an Intercultural Bridge

Mandarin-based business communication serves as a crucial intercultural bridge within Chinese multinational enterprises. The language facilitates smooth information exchange between Chinese and

international employees. When all parties understand Mandarin and its cultural context, misunderstandings are minimized, fostering harmonious collaboration and creating an inclusive and respectful work environment.

- **Enhancing Internal Efficiency**

As the primary language of communication in Chinese companies, Mandarin significantly influences internal efficiency. Consistent use of the language in reports, emails, meetings, and business documents accelerates decision-making and reduces the risk of miscommunication. This is especially crucial in multinational settings where time and clarity are highly valuable. Effective Mandarin communication also facilitates faster interdepartmental coordination, reduces internal bureaucracy, and enhances responsiveness to dynamic business conditions.

- **Facilitating Relationships with Local Partners**

Chinese multinational firms often collaborate with local partners domestically. Mandarin communication simplifies negotiations, contract signing, and long-term partnerships. The use of the local language demonstrates professionalism and a serious commitment to building strong partnerships, generating trust from local partners who feel respected rather than dominated by foreign cultural norms an essential element in fostering long term loyalty.

- **Enhancing Corporate Image**

The ability to use Mandarin in business communication enhances the company's image both internally and externally. It reflects the company's identity as a global entity that respects its cultural roots. To international clients, a company that communicates professionally in Mandarin demonstrates dedication and quality, opening up branding opportunities as a "world-class company with local character."

- **Supporting Global Expansion**

Chinese multinational companies that strategically leverage Mandarin in business communication can strengthen their global networks, particularly in East Asia and Chinese communities worldwide. Mandarin proficiency also facilitates interaction with local governments, business organizations, and media key factors in successful international market expansion.

- **Accelerating Adaptation of International Employees**

Providing Mandarin-language business communication training for foreign employees helps them adapt more quickly to the Chinese work culture. Effective adaptation enhances employee loyalty and cross-divisional and cross-national collaboration. Fluent communication also boosts foreign employees' confidence in expressing ideas, understanding instructions, and building healthy relationships with supervisors and local colleagues.

- **Creating a Competitive Advantage**

In the global business landscape, companies that conduct business communication in Mandarin hold a distinct advantage, especially in the vast and complex Chinese market. Mandarin is not just a tool for communication but also a key to understanding consumer behavior, market trends, and government regulations. This capability enables companies to design more suitable marketing strategies, build effective distribution networks, and develop products tailored to local preferences.

- **Fostering Innovation and Global Collaboration**

Mandarin business communication supports international research and development collaboration. When global teams from various branches can communicate effectively in Mandarin, innovation is fostered collectively. A shared language streamlines discussions across time zones and geographical locations, encouraging the emergence of new ideas from diverse perspectives.

- **Ensuring Compliance with Local Regulations**

Mandarin is essential for interpreting legal documents, government regulations, and operational standards in China. Companies that lack contextual understanding of the language risk legal and regulatory pitfalls. Thus, effective Mandarin business communication is key to ensuring legal compliance and maintaining positive relations with government authorities.

Although business communication in Mandarin offers numerous benefits for Chinese multinational companies, it is not without challenges. These obstacles linguistic, cultural, and structural in nature can affect the effectiveness of cross-border communication. The challenges include:

- Variation in Mandarin Proficiency among International Employees

One major barrier is the generally low Mandarin proficiency among foreign employees. Due to its phonetic complexity, sentence structures, and Hanzi characters, Mandarin is considered a difficult language. Non-Chinese employees unfamiliar with the language often struggle with understanding instructions, writing reports, or participating in Mandarin-language meetings.

- Cultural and Communication Style Differences

Beyond language, differences in communication styles between Chinese and Western or other cultures may lead to conflict or misunderstanding. Chinese business communication tends to be indirect, polite, and socially harmonious contrasting with the more direct and open communication styles of other cultures, which can hinder accurate message interpretation.

- Dependence on Translators or Automated Translation Systems

In many international business scenarios, companies rely on professional translators or machine translation tools to bridge communication between Mandarin and non-Mandarin teams. This dependence may lead to time delays, translation errors, and loss of critical contextual meaning.

- Complexity of Mandarin Business and Technical Terminology

Mandarin contains many business and technical terms that lack direct equivalents in other languages. In professional communication contexts, this poses a significant challenge, as varying interpretations may lead to misunderstandings in planning, financial reporting, or strategic development.

- Insufficient Language and Cultural Training for Foreign Staff

Many companies have yet to provide adequate Mandarin language and cross-cultural training for international employees. This results in slow adaptation and suboptimal business communication. Without sufficient training, foreign employees may continue to face difficulties in navigating Chinese business dynamics.

- Resistance to Mandarin as the Primary Business Language

In multinational workplaces, using Mandarin as the dominant language may trigger resistance or dissatisfaction among non-Chinese employees. Some may feel excluded or marginalized in communication and decision-making processes, potentially lowering morale and sense of belonging.

- Limited Multilingual Communication Technologies

Despite technological advancements, not all information systems, management software, or internal communication tools effectively support multilingual usage, including Mandarin. This hinders information integration among international teams and slows work processes.

To address the challenges arising from language, cultural, and organizational differences, Chinese multinational corporations must implement smart and adaptive communication strategies. These strategies go beyond linguistics to encompass training, technology, and intercultural management, such as:

- Providing Intensive Mandarin Language Training

Offering Mandarin language training programs for foreign employees through internal classes, online courses, or partnerships with language institutions can significantly reduce communication barriers. Training should focus on practical business communication needs such as common terminology, negotiation skills, and formal writing.

- Conducting Cross-Cultural Training

In addition to language training, companies should provide education on Chinese work culture and business ethics. Foreign employees must understand key values such as *guanxi* (relationship networks), *mianzi* (face-saving), and the importance of hierarchy and politeness in communication. This enhances cultural sensitivity and reduces miscommunication.

- Establishing Professional Translation Teams or Multilingual Communication Units

Companies can form dedicated teams of professional translators or bilingual staff fluent in Mandarin and other languages (e.g., English, Japanese, Indonesian). These teams bridge communication in critical meetings, negotiations, and legal or technical documentation.

- Utilizing Translation Technology and Multilingual Communication Tools

Advanced AI-based translation tools, automatic subtitles for online meetings, and multilingual apps can enhance daily communication and reduce dependence on manual translation during urgent situations.

- Implementing Flexible and Inclusive Communication Policies

Developing inclusive communication policies such as using dual-language formats (Mandarin and English) for official documents, presentations, and strategic meetings ensures equal access to information for all employees, regardless of language background.

- Placing Bilingual Employees in Strategic Positions

Bilingual staff in key roles such as project management, HR, and international relations serve as cultural mediators who interpret both local values and global contexts to company leadership.

- Creating a Language-Learning Friendly Work Environment

Companies can promote natural language learning by implementing bilingual labels in offices, providing Mandarin reading materials, or hosting cultural events such as “Mandarin Language Day.” This fosters informal learning and deeper employee engagement.

- Conducting Regular Monitoring and Evaluation of Communication Systems

Communication strategies should be evaluated periodically through employee satisfaction surveys, team feedback, and direct observation. This helps management identify weaknesses and make continuous improvements, aligning strategies with organizational and global market developments.

IV. CONCLUSION

Business communication in Mandarin is essential for Chinese multinational corporations, as it not only serves as a medium of exchange but also reflects cultural values such as hierarchy and harmony. Proficiency in Mandarin strengthens business relationships and opens access to vast markets. However, challenges arise from limited Mandarin-proficient human resources, cultural differences in communication styles, and language complexity. To address these issues, companies implement strategies such as language and cultural training, hiring bilingual staff, leveraging technology, employing cultural mediators, and developing adaptive written communication.

Therefore, Mandarin is not merely a supplementary skill but a strategic necessity for multinational enterprises. Companies are encouraged to integrate Mandarin language and Chinese cultural training into human resource development to enhance cooperation effectiveness. Educational institutions are also expected to design curricula that prioritize practical language proficiency grounded in industry experience, ensuring that graduates not only master the language but also understand Chinese business culture and values—thus improving global competitiveness. Future research is recommended to refine and extend these findings in the context of sustainable development.

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