

MULTINATIONAL PROJECT TEAMS AS A NEW ENGINES OF ECONOMIC DEVELOPMENT: IMPACTS AND CHALLENGES

Wang Wenyan

master's student, School of Business of Belarusian State University, Minsk, Belarus, van.ven6@yandex.ru

Supervisor: **O. V. Miasnikova**

PhD in economics, associate professor, School of Business of Belarusian State University, Minsk, Belarus, miasnikovaov1@gmail.com

The problem of using multinational project teams in human resource management is studied. This paper delves into the role of multinational project teams in economic development within the context of globalization. The purpose of the article is to systematically analyze contributions and challenges of using multinational project teams. The growth of such teams is analyzed, with a 12 % annual increase globally in the past five years and a nearly 20 % growth in the technology industry. The main levers of influence of multinational project teams on economic development are highlighted. The core issues facing the human resource management are described in terms of cultural differences, language barriers and diverse laws and policies. Conclusions and suggestions to implement strategies like cross-cultural training, using language-facilitating tools, and establishing compliance teams are offered. By overcoming these challenges, multinational project teams can fully realize their potential and drive sustainable global economic growth.

Keywords: human resource management; multinational project teams; economic development; cultural differences; language barriers; cross-cultural training; strategy; practical challenges.

МНОГОНАЦИОНАЛЬНЫЕ ПРОЕКТНЫЕ КОМАНДЫ КАК НОВЫЙ ДВИГАТЕЛЬ ЭКОНОМИЧЕСКОГО РАЗВИТИЯ: ВЛИЯНИЕ И ПРОБЛЕМЫ

Ван Вэньян

магистрант, Институт бизнеса Белорусского государственного университета, г. Минск, Беларусь, van.ven6@yandex.ru

Научный руководитель: **О. В. Мясникова**

кандидат экономических наук, доцент, Институт бизнеса Белорусского государственного университета, г. Минск, Беларусь, miasnikovaov1@gmail.com

Изучается проблема использования многонациональных проектных команд в управлении человеческими ресурсами. В данной статье подробно рассматривается роль многонациональных проектных команд в экономическом развитии в условиях глобализации. Целью статьи является системный анализ вклада и проблем использования многонациональных проектных команд. Анализируется рост таких команд, который за последние пять лет увеличивается на 12 % в год, а в технологических отраслях – почти на 20 %. Выделены основные рычаги влияния многонациональных проектных команд на экономическое развитие. Основные проблемы, стоящие перед управлением человеческими ресурсами, описываются с точки зрения культурных различий, языковых барьеров и разнообразия законов и политик. Предлагаются выводы и меры по реализации таких стратегий, как межкультурное обучение, использование инструментов языковой фасилитации и создание команд по соблюдению нормативных требований. Преодолевая выделенные трудности, многонациональные проектные команды могут в полной мере реализовать свой потенциал и стимулировать устойчивый глобальный экономический рост.

Ключевые слова: управление человеческими ресурсами; многонациональные проектные команды; экономическое развитие; культурные различия; языковые барьеры; межкультурное обучение; стратегия; практические вызовы.

In the current era of deep economic globalization, multinational project teams have emerged as a crucial force driving economic development. This paper delves into the role of multinational project teams in economic development. Multinational project teams significantly contribute to economic development through innovation, market expansion, and resource allocation. They generate 25 % more innovative outcomes than single-culture teams, have a 30 % higher success rate in market expansion projects, and optimize resource utilization as exemplified by Foxconn.

The rise of multinational project teams is closely intertwined with the process of economic globalization. In recent years, the number of multinational project teams has shown a remarkable growth trend. According to relevant statistics, over the past five years, the global number of multinational project teams has increased at an annual rate of 12 %. In the technology industry, for example, large multinational companies such as Apple and Google have witnessed a nearly 20 % growth in the number of globally collaborative project teams during this period. This growth not only reflects the importance that enterprises attach to cross-border collaboration but also indicates the increasingly significant position of multinational project teams in global economic activities.

The purpose of the article is to systematically analyze contributions and challenges of multinational project teams. The research focuses on the roles, functions, and challenge addressing strategies of multinational project teams in economic development, aiming to provide new ideas and strategies for global economic growth.

Results and discussions. Multinational project teams play a *multi-faceted and critical role* in economic development (table).

Multinational project teams' role in economic development

Impact Dimension	Impact on Economic Development	Specific Data
Industrial Upgrading	Accelerate innovation, optimize the structure, and enhance the industry's competitiveness and value chain position	Push industries to increase product value-added by 25%. In the semiconductor industry, chip performance increased by 30% and prices rose by 40%.
Trade Promotion	Expand trade scale, optimize trade pattern, and enhance enterprises' status	Aid emerging markets with an average annual trade volume growth of 18%. A car company saw a 60% increase in Southeast Asia in three years.
Investment Promotion	Drive capital flow, boost construction, upgrading, and employment, and strengthen development momentum	Overseas investment projects attract an average of \$20 million in local investment. One infrastructure project attracted \$50 million.

Based on: [1–5].

In terms of innovation-driven development, members from different cultural and professional backgrounds bring diverse ways of thinking and knowledge systems to the team. Research shows that innovation projects participated in by multinational project teams can generate, on average, 25 % more innovative outcomes than single-culture teams. For instance, Tesla's multinational project team engaged in electric vehicle technology R&D integrated top-notch engineers and researchers from countries such as the United States, Germany, and Japan. Their collective efforts have led to breakthroughs in key areas such as battery technology and autonomous driving, propelling the development of the entire electric vehicle industry and creating substantial economic benefits.

From the perspective of market expansion, multinational project teams, with their in-depth understanding of different markets, assist enterprises in opening up new market frontiers. According to data from market research institutions, the success rate of market expansion projects involving multinational project teams is 30 % higher than that of single-region teams. For example, Coca-Cola Company, by forming multinational project teams to deeply study local cultures, consumption habits, and market demands, successfully launched products tailored to local tastes in emerging markets.

This has significantly increased its market share in regions such as Africa and Asia, driving a remarkable growth in the company's sales and injecting vitality into local economic development.

Multinational project teams also play an important role in optimizing resource allocation. By integrating global resources, teams can reduce costs and improve efficiency. For example, Foxconn, through establishing project teams globally, arranges its production based on the resource advantages of different regions. It locates R&D centers in areas with a high concentration of scientific and technological talents and production bases in regions with lower labor costs, achieving efficient resource utilization, enhancing the company's competitiveness, and promoting economic cooperation and development among different regions.

Challenges Faced by Multinational Project Teams. However, multinational project teams face numerous challenges in the process of promoting economic development. Cultural differences are one of the most prominent issues. Team members from different cultural backgrounds have significant disparities in communication styles, work values, and decision-making methods. A survey of multinational project teams shows that communication barriers caused by cultural differences increase the probability of project schedule delays by 18 %. For example, in some high-context cultures (such as Japan and South Korea), people communicate in a more implicit manner, while in low-context cultures (such as the United States and Germany), communication is more direct. This difference may lead to information misunderstandings and affect team collaboration efficiency.

Language barriers also cannot be ignored. Although English is the common language in international business, the varying English proficiency levels of team members affect communication to a certain extent. Statistics show that information transfer errors due to language problems occur an average of 2-4 times a week in multinational project teams.

In addition, differences in laws, regulations, and policies among different countries and regions also pose many inconveniences to the operation of multinational project teams. For example, in terms of data privacy protection, the EU's General Data Protection Regulation (GDPR) has strict requirements for enterprises' data processing and storage, while the relevant regulations in other countries and regions may vary. This requires multinational project teams to fully consider these differences when conducting business to avoid legal risks.

Coping Strategies for Multinational Project Teams. In the face of these challenges, enterprises can adopt a series of coping strategies. In terms of cultural integration, strengthening cross-cultural training is the key. Through training, team members can better understand the characteristics and differences of different cultures and improve their cross-cultural communication skills. For example, Huawei provides regular cross-cultural training courses for its multinational project teams, which has enhanced team members' sensitivity to different cultures, effectively reduced conflicts caused by cultural differences, and improved team collaboration efficiency.

Regarding language communication, in addition to strengthening language training, enterprises can adopt some auxiliary tools and technologies. For example, using real-time translation software and online collaboration platforms can break down language barriers and ensure accurate information transfer. At the same time, clarifying the communication norms and processes within the team also helps to improve communication efficiency.

In response to differences in laws and policies, enterprises should establish specialized compliance management teams to closely monitor changes in regulations and policies in different countries and regions and ensure that project operations comply with local legal requirements. For example, when Alibaba expands into overseas markets, it forms a professional legal team to deeply study local business regulations, tax policies, etc., providing strong legal support for its global business expansion.

Conclusion. Multinational project teams significantly contribute to economic development through innovation, market expansion, and resource allocation. However, they face challenges such as cultural differences (causing an 18 % increase in project delay probability), language barriers (leading to 2-4 information transfer errors per week), and diverse laws and policies. Multinational

project teams, as the new engines of economic development, have great potential and advantages.

Faced with the economic paradigm shift of the 21st century, human resource management must implement strategies like cross-cultural training, using language-facilitating tools, and establishing compliance teams. By overcoming these challenges, multinational project teams can fully realize their potential and drive sustainable global economic growth. Despite the many challenges, through effective coping strategies, organizations are expected to fully leverage their functions and promote the sustainable growth of the global economy.

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