

Managerial communication and strategic alignment in multinational corporations: The role of narrative, trust, and organizational culture

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Abstract

Strategic alignment remains one of the most persistent challenges for multinational corporations (MNCs), particularly in environments characterized by cultural plurality, digital mediation, and organizational fragmentation. While the strategic management literature has extensively examined alignment in terms of structure, systems, and leadership, the communicative and narrative foundations of alignment have received comparatively limited theoretical attention. This study conceptualizes managerial communication not merely as an operational function but as a strategic capability that produces meaning, trust, and coherence across culturally diverse organizational contexts. Drawing on sensemaking theory, organizational culture research, and trust-based governance models, the article proposes an integrative framework in which managerial narratives function as alignment mechanisms. It is argued that strategic narratives articulated by top management shape shared interpretations of purpose, reduce ambiguity, and foster affective and cognitive trust, which in turn mediate the relationship between organizational culture and strategic coherence. In multinational settings, where formal control mechanisms are often insufficient, narrative-based communication becomes a critical instrument for sustaining strategic unity across geographical and cultural boundaries. The paper develops a conceptual model linking managerial narrative practices, trust formation, and cultural resonance to strategic alignment outcomes. By positioning communication as a constitutive element of strategy rather than a supportive tool, the study contributes to both international management and organizational communication literatures. The model offers theoretical implications for understanding alignment as a socially constructed process and provides practical insights for global leaders seeking to manage complexity, cultural diversity, and organizational sensemaking in the digital age.

Keywords: Managerial Communication, Strategic Alignment, Multinational Corporations, Organizational Narrative, Trust, Organizational Culture, Sensemaking, Global Leadership

JEL Classification: D23, M12, M14

1. Introduction

Strategic alignment has long been recognized as a central problem in the management of multinational corporations (MNCs), particularly in contexts characterized by cultural diversity, geographical dispersion, and complex organizational structures. Classical strategic management literature has predominantly approached alignment as a matter of structural fit, formal control systems, and leadership coherence (Chandler, 1962; Porter, 1985; Kaplan & Norton, 2006). However, in global organizations where meaning is continuously negotiated across cultural, linguistic, and symbolic boundaries, alignment cannot be reduced to formal planning or performance measurement alone. It is, fundamentally, a communicative and interpretive achievement. From a sensemaking perspective, organizations do not merely execute strategies; they continuously construct and reconstruct the meaning of strategy through discourse, symbols, and shared narratives (Weick, 1995). Especially in multinational settings, where employees operate within heterogeneous cultural frames, strategic objectives become intelligible and actionable only when they are embedded in coherent stories that connect corporate vision, local identities, and collective purpose (Boje, 2008; Bruner, 1990). Managerial communication, therefore, functions not simply as a transmission channel but as a constitutive process through which organizational reality and strategic coherence are produced.

Trust emerges as a pivotal mediating variable in this process. Extensive research demonstrates that trust reduces uncertainty, facilitates cooperation, and enhances commitment in complex organizational systems (Mayer, Davis, & Schoorman, 1995; Rousseau, Sitkin, Burt, & Camerer, 1998). In multinational corporations, where hierarchical distance and cultural difference often weaken relational bonds, trust is less a by-product of proximity and more a consequence of credible, consistent, and meaningful communication (Luhmann, 1979). Strategic narratives articulated by leaders play a crucial role in this respect, as they provide moral orientation, interpretive stability, and emotional resonance, thereby fostering both cognitive and affective trust.

Organizational culture further shapes how such narratives are received, interpreted, and internalized. Schein (2010) conceptualizes culture as a pattern of shared basic assumptions learned by a group as it solves problems of external adaptation and internal integration. In culturally plural MNCs, alignment depends on the capacity of managerial communication to resonate across diverse symbolic systems while sustaining a unifying strategic frame (Hofstede, Hofstede, & Minkov, 2010; Denison, 2000). Narrative, in this sense, becomes a cultural bridge: it translates abstract strategic intent into culturally intelligible meanings and situates corporate goals within locally meaningful value structures. Despite these insights, the mainstream international management literature has largely treated communication as a supportive or instrumental function, rather than as a core strategic capability. Studies on strategic alignment have focused predominantly on structural integration, governance mechanisms, and leadership styles (Miles & Snow, 1984; Bartlett & Ghoshal, 1989), leaving the narrative and trust-based foundations of alignment

theoretically underdeveloped. Similarly, while organizational communication research has examined storytelling, sensemaking, and discourse, it has rarely integrated these processes into formal models of strategic alignment in multinational contexts.

This article seeks to bridge this gap by advancing a conceptual framework in which managerial communication—specifically in its narrative form—is theorized as a primary mechanism through which strategic alignment is constructed, maintained, and stabilized in multinational corporations. Drawing on sensemaking theory (Weick, 1995), narrative theory (Boje, 2008; Bruner, 1990), trust research (Mayer et al., 1995; Rousseau et al., 1998), and organizational culture studies (Schein, 2010; Hofstede et al., 2010), the study argues that strategic alignment is not merely an outcome of planning and control, but a socially constructed process grounded in meaning, trust, and shared cultural understanding. In doing so, the paper contributes to international business and management scholarship by reconceptualizing communication from an auxiliary managerial tool into a strategic, sensemaking, and trust-generating capability. The following sections develop this argument by first elaborating the theoretical foundations of narrative, trust, and culture, and then integrating them into a coherent model of managerial communication and strategic alignment in multinational corporations.

2. Theoretical Framework

2.1 Strategic Alignment as a Sensemaking Process

Strategic alignment has traditionally been conceptualized as the degree of fit between organizational strategy, structure, and processes (Venkatraman, 1989; Kaplan & Norton, 2006). In multinational corporations, however, alignment cannot be understood solely through formal coordination mechanisms, as strategic intent must be interpreted and enacted across diverse cultural, linguistic, and institutional environments. From a sensemaking perspective, alignment emerges through ongoing processes by which organizational members interpret strategic cues and construct shared understandings of “what the organization is” and “where it is going” (Weick, 1995). Sensemaking is inherently narrative in nature. Individuals and groups rely on stories to connect past experiences, present actions, and future expectations into coherent cognitive structures (Bruner, 1990). In organizational contexts, strategic narratives articulated by top management provide interpretive frames that enable employees to situate their roles within a broader collective purpose (Boje, 2008). These narratives do not merely describe strategy; they actively constitute it by shaping what is perceived as relevant, legitimate, and meaningful.

In multinational settings, the multiplicity of cultural logics intensifies the need for such narrative coherence. Strategic plans and performance indicators may travel easily across borders, yet their meaning does not. Without shared interpretive frames, formal strategies risk remaining abstract, fragmented, or symbolically empty (Bartlett & Ghoshal, 1989). Managerial communication, therefore, becomes a central mechanism through which strategic alignment is socially constructed rather than mechanically imposed.

2.2. Managerial Narrative and Organizational Meaning

Narrative theory emphasizes that human beings make sense of complex realities through stories that organize experience temporally and morally (Bruner, 1990). In organizations, narratives function as repositories of identity, values, and strategic intent (Boje, 2008). Leaders, in particular, act as “chief storytellers” who articulate plots linking organizational history, present challenges, and envisioned futures (Denning, 2011). Such narratives perform three critical alignment functions. First, they reduce ambiguity by providing causal explanations and interpretive coherence in uncertain environments (Weick, 1995). Second, they generate emotional engagement by embedding strategy within morally and symbolically resonant frames (Gabriel, 2000). Third, they establish legitimacy by aligning strategic objectives with shared cultural values and collective identity (Suchman, 1995). In multinational corporations, where employees operate within heterogeneous cultural narratives, managerial storytelling acquires an additional translational function. Strategic narratives must be sufficiently universal to sustain a common corporate identity, yet sufficiently flexible to resonate with local cultural meanings (Hofstede et al., 2010). These dynamic positions narrative not as rhetorical ornamentation but as a strategic infrastructure of meaning.

2.3 Trust as a Mediating Mechanism

Trust has been defined as the willingness of one party to be vulnerable to the actions of another, based on positive expectations regarding intentions and behavior (Mayer et al., 1995). In organizational settings, trust facilitates cooperation, reduces transaction costs, and enhances commitment, particularly under conditions of uncertainty and interdependence (Rousseau et al., 1998). In multinational corporations, structural distance, cultural difference, and digital mediation often weaken the spontaneous formation of interpersonal trust. Under such conditions, trust increasingly depends on symbolic and communicative processes rather than on direct relational experience (Luhmann, 1979). Managerial communication, especially when articulated through consistent and credible narratives, plays a decisive role in establishing what Luhmann terms “system trust”: confidence in the reliability and integrity of organizational intentions. Narratives contribute to trust formation by providing moral coherence, temporal continuity, and intentional transparency. When leaders consistently narrate strategy in ways that align declared values with observable actions, they foster both cognitive trust (belief in competence and reliability) and affective trust (emotional confidence and identification) (McAllister, 1995). In turn, trust enhances strategic alignment by increasing openness to strategic change, willingness to internalize corporate goals, and readiness to coordinate across cultural and functional boundaries.

2.4 Organizational Culture and Narrative Resonance

Organizational culture constitutes the deep structure of shared assumptions, values, and symbolic meanings that guide perception and action (Schein, 2010). In multinational corporations, culture is not monolithic but layered, encompassing global corporate values and diverse local cultural

systems (Hofstede et al., 2010). Strategic alignment depends on the capacity of managerial communication to bridge these layers without erasing their specificity. Narratives operate as cultural carriers. They translate abstract strategic principles into culturally intelligible stories and metaphors, thereby enabling what Denison (2000) describes as “cultural consistency” across differentiated organizational units. When strategic narratives resonate with local cultural schemas, they facilitate identification and internalization; when they clash, they generate symbolic resistance and misalignment. Accordingly, the effectiveness of managerial communication in producing strategic alignment is contingent upon its narrative compatibility with existing cultural meaning systems. Alignment, in this sense, is not imposed through authority but achieved through symbolic integration: the harmonization of strategic intent, trust relations, and cultural understanding within a shared narrative horizon.

3. Conceptual Model: Managerial Narrative, Trust, and Strategic Alignment

Building on the preceding theoretical discussion, this study proposes a conceptual model in which managerial communication, articulated primarily through narrative forms, operates as a central mechanism linking organizational culture to strategic alignment, with trust functioning as a key mediating variable. The model departs from linear, control-oriented conceptions of alignment and instead frames alignment as a socially constructed outcome emerging from ongoing processes of sensemaking, symbolic interaction, and relational confidence. At the core of the model lies the assumption that strategy becomes organizationally operative only when it is transformed into shared meaning. Formal strategic plans, performance indicators, and structural arrangements provide necessary but insufficient conditions for alignment. They acquire practical efficacy only insofar as organizational members interpret them within coherent narrative frames that answer fundamental questions of purpose, identity, and direction (Weick, 1995; Boje, 2008). Managerial narratives thus function as sensegiving devices through which leaders seek to influence how others understand and enact strategic intent (Gioia & Chittipeddi, 1991). These narratives are embedded within, and constrained by, organizational culture. Cultural assumptions shape which stories appear credible, which metaphors resonate, and which moral plots are perceived as legitimate (Schein, 2010). In multinational corporations, the coexistence of multiple cultural logics means that strategic narratives must operate across different symbolic universes. Effective managerial communication therefore involves not the imposition of a single, rigid storyline, but the construction of a meta-narrative capable of integrating diverse local meanings into a coherent strategic horizon (Hofstede et al., 2010; Denison, 2000). Trust mediates the relationship between narrative and alignment. When managerial stories are perceived as consistent, authentic, and congruent with organizational practices, they foster trust in leadership intentions and in the reliability of the strategic direction (Mayer et al., 1995; Rousseau et al., 1998). This trust, in turn, reduces interpretive ambiguity, lowers defensive sensemaking, and increases willingness to commit to collectively defined goals. In contrast, narrative inconsistency or symbolic dissonance erodes trust, intensifies uncertainty, and weakens strategic coherence, regardless of the formal

quality of strategic plans. The proposed model thus posits a dynamic sequence: (1) Managerial narrative practices shape organizational sensemaking; (2) narrative credibility and cultural resonance generate cognitive and affective trust; (3) trust facilitates the internalization of strategic intent and coordination of action; (4) the outcome is a higher degree of strategic alignment across culturally and geographically dispersed units.

Importantly, this process is recursive rather than linear. Strategic actions feed back into narratives, either reinforcing or destabilizing their credibility. Organizational culture both conditions and is gradually reshaped by dominant stories of success, failure, and collective identity (Boje, 2008; Schein, 2010). Alignment, therefore, should be understood as a temporally evolving communicative accomplishment rather than as a static state of structural fit. By conceptualizing communication as a strategic, trust-generating, and culturally embedded capability, the model extends existing alignment theories in three ways. First, it shifts the analytical focus from formal systems to meaning-making processes. Second, it integrates trust as a central mediating construct linking leadership communication to strategic coherence. Third, it foregrounds narrative as the primary symbolic medium through which multinational corporations negotiate unity amid diversity.

4. Discussion and Implications for International Management and Communication

The conceptual framework developed in this study invites a reconsideration of how strategic alignment in multinational corporations is theorized and managed. Rather than treating alignment as a predominantly technical or structural problem, the model foregrounds its communicative, symbolic, and relational foundations. This shift has significant implications for both international management theory and organizational communication research. From a management perspective, the findings challenge the instrumental view of communication as a downstream function that merely disseminates strategic decisions. Instead, communication—particularly in its narrative form—emerges as a constitutive element of strategy itself. Strategic alignment is shown to depend not only on the quality of strategic analysis or the sophistication of control systems, but on the capacity of leaders to articulate coherent, culturally resonant stories that render strategic intent meaningful and trustworthy across organizational boundaries (Weick, 1995; Denning, 2011).

This has direct implications for leadership in multinational contexts. Global leaders operate in environments marked by cultural heterogeneity, spatial dispersion, and digital mediation, where face-to-face interaction is limited and symbolic cues become especially salient. Under such conditions, narrative consistency and moral credibility acquire strategic importance. Leaders who are able to link corporate vision with locally meaningful values, and to sustain this linkage over time through coherent storytelling, are more likely to cultivate the trust necessary for strategic coordination and collective commitment (Mayer et al., 1995; McAllister, 1995). The model also contributes to the literature on organizational culture by highlighting narrative as a key mechanism

of cultural integration. While much research has focused on values, norms, and practices, the present framework emphasizes the role of shared stories in translating abstract cultural principles into lived organizational realities (Schein, 2010). In multinational corporations, where cultural plurality is inevitable, alignment does not require cultural uniformity but narrative coherence: the ability to embed diverse local identities within an overarching story of organizational purpose (Hofstede et al., 2010; Denison, 2000). For organizational communication scholarship, the study extends sensemaking and storytelling approaches by situating them explicitly within the domain of strategic management. It demonstrates that narratives are not merely expressive artifacts or informal sensemaking devices, but strategic instruments that shape trust relations, legitimize authority, and coordinate action at the global level (Boje, 2008; Gioia & Chittipeddi, 1991). This integration responds to calls for greater theoretical convergence between communication and management research, particularly in the analysis of complex, transnational organizations. Finally, the model underscores the centrality of trust as a mediating construct in strategic alignment. Trust is not portrayed as a psychological by-product of leadership style alone, but as a communicatively produced and culturally embedded resource that stabilizes expectations and enables coordinated action under conditions of uncertainty (Luhmann, 1979; Rousseau et al., 1998). In multinational corporations, where formal control is often insufficient to secure genuine commitment, trust generated through credible and resonant narratives becomes a critical source of strategic cohesion.

5. Conclusion

This article has advanced a conceptual reconceptualization of strategic alignment in multinational corporations by placing managerial communication, narrative, trust, and organizational culture at the center of analysis. Drawing on sensemaking theory, narrative studies, trust research, and organizational culture frameworks, it has argued that alignment is not merely a structural or procedural outcome, but a socially constructed and symbolically mediated process. The proposed model positions managerial narrative as a strategic capability through which leaders generate shared meaning, cultivate trust, and integrate culturally diverse organizational members into a coherent strategic horizon. By mediating between global strategic intent and local cultural interpretation, narrative-based communication enables the formation of cognitive and affective trust, which in turn facilitates the internalization of strategic goals and the coordination of action across national and cultural boundaries.

Theoretically, the study contributes to international management scholarship by extending alignment theory beyond its traditional structural and instrumental foundations, and by integrating communication and sensemaking processes into its core explanatory framework. It also enriches organizational communication research by demonstrating the strategic significance of storytelling and trust-building in global corporate contexts.

Practically, the findings suggest that multinational corporations seeking sustainable strategic alignment should invest not only in analytical planning and control systems, but also in the

development of leaders' narrative competence and cultural sensegiving skills. Future research may empirically test the proposed model across different cultural settings and organizational forms and may further explore how digital communication technologies reshape narrative construction, trust formation, and strategic coherence in globally networked organizations.

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