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### **Article**

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# Assessing the Influence of the Cultural Perspective on Cross Cultural Conflict: An Analysis of Cultural Environment

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#### **Abstract**

Globalization has opened new doors of business opportunities for organizations, but at the same time it has transformed the working environment into a highly multicultural setup. Accordingly the issue of understanding and handling multi-culturalism effectively is gaining importance in organizations. The paper explores the influence of cultural intangibles in multicultural organization while highlighting a new role of "enhanced understanding of cultural diversity" that would reduce team conflict for better group performance.

Mixed methods paradigm is used for developing a framework to analyze horizontal and vertical links and core factors contributing towards cross cultural conflicts in a multicultural environment. The sample consisted of 427 participants. The findings show that the potential for conflict is intrinsically embedded in multi-culture teams due to difference in cultural frame of reference used by corresponding individuals. The study further indicates that language compatibility, and misapprehensions of cultural differences are the main contributors towards conflict.

**Keywords**: multi-culturalism, multi-cultural organization, work environment, conflict, cultural diversity, cultural non-materials aspects, organizational behavior.

### 1. Cultural Environment Management

Globalization has opened new doors of opportunities for organizations, but it has also transformed the working environment into a highly multicultural setup. The role of socio-cultural environment management in organizations is being increasingly recognized in the context of global culture. The socio-cultural environment gives an idea of learned

behavioral traits those are clear and shared by the members of society that includes an individual's social, economic and political condition wherein he resides (Berkes, 2009; Liu and Cindy, 2014). The values; people have in life, affect the different attitudes obtained and create specific behavioral patterns that are observed by people as the most appropriate in any given situation (Minkov, 2009; Du Plessis and De Bruin, 2015) Organizations do not exist in vacuum but in a specific socio-cultural environment. Culture refers to the cumulative deposit of knowledge, experience, values, attitudes, meanings, notions of time, roles, spatial relations, concepts of the universe, and material objects and possessions acquired by a group of people in the course of generations through individual and group striving. The two major aspects of culture are (i) material and (ii) non-material cultures. Material culture is explicit and directly observable as the cultural products of any society. The non-material aspects of culture consist of the knowledge, philosophy, and languages, values shared and transmitted in a society. Cultural Environment Management deals in reference to their material and non-material values. The material values considered in relation to provisioning, regulating, and supporting services whereas non-material values and benefits are associated with cultural services.

In Agile organizations the multicultural groups are essential part of today's global business environment and diverse workforce are exposed to different national cultures that influence each individual group member (Klein et al., 2009; Cornelia et al., 2015). Ineffective multi-cultural collaboration might strain the communication between the cultures and give rise to personal uncertainties, stress and affect the performance of the group members (Stahl & Voigt, 2008; Du Plessis et al., 2015). The limited communication can pervade every aspect of life for diverse workforce, producing unhappiness and maladjustment in their socio cultural environment (Levine et al., 2007; Lauring, 2007). As a result, diverse workforce becomes incompetent or unproductive because of their poor incapability to adjust in multicultural environment (Vaara et al., 2012). The misunderstandings caused by language differences could easily be recognized but misunderstandings from cultural differences could not easily be deciphered and corrected (Nordby, 2008).

Understanding dynamics of Cultural Diversity might be the greatest challenge of 21<sup>st</sup> century. The management of cultural Diversity in Organizations got introduced in Europe through different American subsidiaries, but every country requires particular adaptations to adjust the initiatives to the local culture. Detailed knowledge of activities, programs and patterns of human interaction that are expected to take place in the type of industry are necessary for successful interaction in working environment (Adams, 2009; Cornelia et al., 2015). Therefore it is essential to know "How understanding of cultural diversity influences conflict in an organization"? Cultural values, verbal and non-verbal communication are the ignored variables in the studies of conflict occurring in the organizations. Nevertheless, if cultural differences cannot be discussed then they cannot be managed and increase the conflicts (Palthe, 2004; Cornelia et al., 2015).

### 2. The Globalization and Cultural Diversity

Societies and organizations around the world are becoming culturally diverse and multicultural organizations are becoming a bigger part of the society (Pocnet et al., 2015). In response of recent trends of Globalization; the worlds is becoming one linked economy, in which organizations have to do trade and compete anywhere, with anyone

not considering of national boundaries. This puts demand and pressure on organizations all over the world to compete on the international ground (Jae and Kim, 2012).

In the 21st century, increasing diversity is one of the most significant factors affecting the labor force (Taras et al., 2010). Organizations will be highly dependent on diverse work force and cross-cultural relationships (Zeccaet al., 2015). When people from various cultural contexts are working within an organization they are irresolute about others intention and meaning of the language that is spoken. They might not understand others actions, other cultural norms and values. They do not know what values that will affect the others thoughts and actions and become a source of upsetting. Working with heterogeneous teams will never be as easy as working with homogeneous teams. Understanding how cultural diversity affects group characteristics such as creativity or satisfaction is necessary if the organization wants to use all workers skills and experiences (Charmine and Xiao, 2012; Zecca et al., 2015).

If cultural and cognitive diversity is not managed effectively, cultural differences lead to issues such as attitudinal issues, language issues, ethnocentrism, miscommunication, misperception, lack of team cohesiveness, prejudice, increased employee revenue and stereotyping among team members and capable workers will be ignored and therefore human capital is wasted (Rosenblatt,2011; Johnston et al., 2013). Consequently, in order to stay competitive and successful in the world trade. The management has to establish a diversity-valuing strategy and create a working environment (Symen, 2006; De Bruin and du Plessis, 2015). To obtain an understanding of what cultural diversity indicates, it is important to have deep knowledge of culture (Györköset al.,2013).

#### 3. Conflict in Cross-Cultural Work Environment

Conflict is a process that begins when a group or an individual perceives differences and resistance between groups or within oneself about interests that matter to them – they feel negatively affected by another group or person (Gupta, 2004; Wright and Schartner, 2013). Conflicts can take place at various levels such as within a single person, between two people, between several people, within the department or between departments in the organization (Cooper and Watson, 2011). Conflict based on diverse ideas about the team task and process has been referred as cognitive conflict (Jehn, 1995; Urban and Palmer, 2013). Cognitive conflicts take place as group members observe, evaluate and reconcile different opinions. Task conflict; usually have negative effect on team performance and the cultural environment of the organization (Watson et al., 2008). If a conflict takes place in a cultural environment of an organization, it will happen again and again (Charmine and Xiao, 2012; Campbell, 2012).

Conflicts that are based on individual differences, attitude and personal issues have been referred to as affective conflict (Cooper and Watson, 2011). It is the most difficult type of conflict because it produces mistrust, disagreements and aggression among team members. These feelings of mistrust and aggression are based on different cultural values and background (McGuire et al., 2002; Morgan et al., 2015). People involved in affective conflict are sure about what they think are right and are not intend to change, they shows resistance to everyone who tries to change them (De Dreu et al., 2004). Personalized conflicts negatively influence team performance, interpersonal relationships and obstruct open communication (Chevrier, 2009). Affective conflict is deep-rooted in the cultural and emotional aspects of the group interpersonal relations and unhappiness with these

interpersonal relationships leads to conflict (Passos & Caetano, 2005; Martin, et al., 2014).

When the word conflict is stated, it is often focused on what conflict is; types of conflict, how conflict arises and how it can be resolved (Gelfand et al., 2007; Györkös et al., 2013). There are four types of intra-organizational conflict: Vertical, Horizontal, Line staff and Role conflict. Vertical conflicts exist where the organizational structure has a high level of formality. This conflict involves two hierarchical levels an employee and his immediate supervisor. Horizontal conflicts occur on the same hierarchical level due to many reasons such as employees have different cultural backgrounds, lack of cooperation between group members, communication with each other is difficult, dissimilar values & ideas, weak interaction with co-workers, decisions about distribution of resources etc. (Hener, 2010; Györköset al., 2013). Cultural differences involve positive as well as negative effects in Multi-Cultural Organization (MCO). The effect of negative impact add difficulty in decision making due to problems of communication and differences in values; as a result increase the rate of conflict in organization (Toke et al., 2009). Sources of conflict play an important role in determining appropriate ways to manage conflict. The problem of cultural differences is usually faced by the people of managerial level because these personnel have to interact with the diverse workforce (Uwema and Emmerik, 2007; Corneliaet al., 2015). Some researchers specify that lack of cultural diversity generate misunderstanding; chief source to create conflict (Kearney et al, 2009).

A cross-cultural work environment can have various meaning, but the most important point is that there is working relationship between individuals from dissimilar cultural groups within the organization. The members of multicultural groups are exposed to the different elements of culture and other interpersonal styles (Jae and Kim, 2012; Corneliaet al., 2015). In this type of cultural environment some level of misperceptions and misunderstanding occur due to lack of understanding in each other's cultural values (Tjosvold & Leung, 2003). Such cultural differences can be positive and create a balance or can be negative and create an imbalance depending on how they are handled (Shapiro et al., 2005; Györköset al., 2013).

### 4. Impact of Weak Cross Cultural Understanding on Conflicts

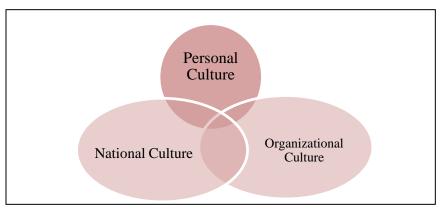
Conflict being a natural part of the daily activities of any organization, the issue of intercultural conflict becomes especially pertinent when people from diverse cultural orientations interact. The conflict comes as a result of variations in communication styles, diverse orientations to life, different concepts about reality and social norms, and assorted rules of etiquette etc. (Martinet al., 2014). This array of differences among workers is the cause of most conflicts in Multi-Cultural Organizations (MCO) (DuPlessis et al., 2015). The need for such studies is pertinent considering that, when various social entities come into contact with one another in the pursuance of common objectives, their relationship can invariably become inconsistent, especially when they have partially exclusive behavioral preferences. This incompatibility and inconsistency among group members, if unacknowledged, could result in conflict because "we live in a nation and a world of cultural diversity; miscommunication stems not from that diversity or difference per see, but from flawed response to it". This citation briefly identifies a pandemic facing MCOs today, namely the issue of multicultural conflicts.

Diverse work force of an organization has serious consequences, key among which is conflict. However, in spite of the gravity of this phenomenon, the issue of intercultural conflicts within MCOs continues to be downplayed, not only in organizations but by society at large (Ting and Kurogi, 1998; Du Plessiset al., 2015). The importance of cultural differences for the functioning of MCOs at all levels and the implications of such factors both for organizations and for individuals working in them have been ignored. Cultural diversity and multiculturalism are the facts that are definitely to be backed up for the organizations which results in high performance (Zakaria, 2000). The imperative issue in cultural environment management is not the subsistence of cultural differences, but how these differences are supposed, interpreted, and handled by the members of MCO.

### 4.1. The Linkage between Cultural Diversity and Group Behavior

The "diversity" defines as an assortment of people with dissimilar group identities within the similar social system (Joshi and Roh, 2009). The cultural diversity consists of clearly discernible and unobservable differences such as the value and norms people of a society grasp and cognitive processes (Gilbert and Ivancevich, 2000; Zecca et al., 2015). The most important source of conflict in multi-cultural environment is cultural diversity (Worchel, 2005). In the late 1980's the term culture was introduced to commerce life, to refer the attitudes and behavior of employees. Hofstede viewed culture as, "the collective programming of the mind that distinguishes the members of one group or category of people from others" (Minkov and Hofstede, 2011). These programming incorporate the patterns of thinking, behavior, believe and which is learned throughout a lifetime (Hofstede, 2010). These patterns are the controlling forces of the way people behave and think when interacting with other members of the group. Culture is further elaborate by Schein that what a group learns over a period of time to solve its problems of survival and internal integration (Schein, 1992). Through the process of social learning individuals learns the shared meaning system of the society to which they belong, and represented its values in the individual self. The process of aggregation of shared norms and values formed complex units of culture such as the group, organizations and nations (Bunderson, 2003).

The vigor and performance of MCO depends on the level of homogeneity in its member's perceptions (Leung et al., 2002; Zecca et al., 2015). At the individual level the concept of culture reflects the cultural values that are represented in the self. For example, in the collectivistic culture the values are represented in the interdependent self, while in individualistic society values are represented in the independent self (Kitayama, 2002). Trompenaars, (1994) assess differences in behaviors are driven by cultural values. The gender differences are also produced by culture (Schalkwyk, 2000) and determent that what type of tasks is perform by men and women. It affects the daily routine life of the individual, society and cultural environment. The system view proposed by Kitayama that each individual's psychological processes are structured through the active effort to bring together one's behaviors with the relevant cultural systems of practices (Kitayama, 2002). Therefore different socio-cultural groups behave in different ways. The mutual relationship between culture and the people that compose the culture: "Culture is the meaning which people create, and which creates people, as members of societies". Interaction and trust, which is essential for productive teamwork, are built only by combining the three cultures which are represented by each team member. The interrelationship and interdependence of these three cultural dimensions is graphically presented below in figure 1.



**Figure1: Three Cultures Model** Source Gardenswartz et al., 2003

Personal, National, and organizational culture are the three dimensions of cultural environment which are interlinked. Working in a multicultural team requires equals working within these three spaces simultaneously. Each team member's behavior is determined by the combination of these three cultures. The Adler & Nancy (2008) explained the influence of culture on behavior and behavior on culture. Groups of people in a society are in the same way as individuals influenced by this circle of culture. Their behaviors are repeatedly changing and will at some point influence the culture of the society (Morgan, et al., 2015). This shows how culture in a society is developed and influenced by people's behavior. These influences are repeated and therefore they lead to the constant continuation of this cycle.

### 4.2. Mediating Effect of Structural Factors on Cross-Cultural Conflict

In organizations group structure is viewed as an "input" to group performance (Gist et al., 1987). To establish the effect of structure on conflict and group performance, group structure is operationalized as organization size and group size. Organization size influences business strategy and performance because it is related to resources. Small organizations are more flexible and quick in decision making than larger organizations. Larger organization waste time by deciding on processes, operations and often have to face conflicts because it is not easy to understand or relate people with different cultural perspectives and integrate these diverse perspectives into their strategies and solutions (Hong, 2010).

The group size is an important element to consider in team performance and an effect not only on involvement but satisfaction as well (Anna et al., 2012). Small groups of two to ten are considered more effective than larger groups, because each member have direct interaction and participate in the group activities. In larger groups, it is difficult for members to interact and experience unity (Tsui et al., 2007; Martin et al., 2014). Further, the larger groups form sub-groups and this creates complexity in interacting with each other and generate conflict. The cohesiveness that is required for performance in a group is difficult to attain if the group is large. Large groups can be of great advantage if the task is

to dig a tunnel but in a project where communication is essential, small groups are better (Hong, 2010).

### 4.3. Relationship between Communication and Cross-Cultural Conflict (CCC)

The cross-cultural environment brings the challenge how people from different cultures attempt to effectively communicate in the workplace daily. Communication skills are an essential component for the success of any organization. From the lowest-level worker to the chief of an organization everyone is involved in communication process (Kidger, 2002). They spend about 80 % of their time in communication (Jack et al., 2008). Communications system such as language and non-verbal communication are products of culture (Aneas and Sandín, 2009). Verbal communication can be either verbal or written. These forms of communication which use words are most effective in organization (Liu et al., 2005; Liuand Cindy, 2014). At least half of the information transferred through non-verbal communication. The meanings and interpretation of non-verbal signals vary from culture to culture. People also judge relationship quality through non-verbal cues. Mehrabian remarked that, during interaction, tone of voice is 38% effective; language is 7% effective and nonverbal signs are 55% effective (Anping et al., 2009).

Vocal cues can improve verbal meaning and expose an emotional state and social class. A lower voice and softer pitch indicate obedience, agreement; a raise tone signifies emotions, enthusiasm, displeasure and dominance. In spite of the common trend toward casual dressing in the workplace, executives tend assert their higher status by dressing more formally than lower-ranking employees (Rafaeli and Sudweeks, 1997; Morgan et al., 2015). Culture can affect the way that individuals use their personal space (Argyle et al., 1971). In some cultures certain distance is necessary, for example in Europe, China and North America people generally leave a distance of four feet between themselves when communicating. While in Middle East and South America it is ideal that the people interacting come closer to understand each other and their business relationships are close and long term. In majority of the cultures a weak handshake means that the person is weak while strong handshakes are considered to be aggressive. Perception of time differs from culture to culture. In Monochromic cultures, Meeting schedules are fixed and the focus is on "one thing at a time." it is considered highly unprofessional to be late. Unlike in a "Poly-chronic" culture being on time does not carry significant importance, deadlines are flexible and interpersonal relationships get preference over schedules.

# 5. Conceptual Framework for Understanding Organizational Conflicts

The theoretical framework is the theory, on which the study is based, while the conceptual framework is the operationalization of the theory. Conceptual framework examines the dynamic nature of culture within the global cultural environment; accompanying hypothesis proposes that weak understanding of cultural diversity by employees and managers, results in misinterpretation of messages between the working groups which ultimately results in conflicts. This framework explores how cultural differences of employees working in a multicultural environment generate conflicts in horizontal, vertical structures and influence the performance of a team. Proposed frame work for the understanding of cultural diversity and conflict examined the colossal influence of verbal and non-verbal communication has on cultural issues, especially when one talks about cultural environment of MCOs. The study also determines the mediating role played by the size of the organization and size of the group in this conflict. The

conceptual frame work for understanding of cross cultural conflict and accompanying hypothesis are presented in figure 2.

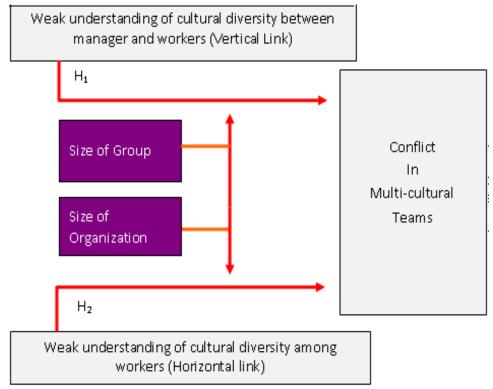


Figure 2: Conceptual Framework Presenting the Conflict in Multi-Cultural Organization. Source Compiled

The framework responds to the needs of MCOs to react positively to cross-cultural conflicts (CCC), and to shy away from traditional studies where cultural diversity in organizations is considered an end state rather than a growing social structure.

### 6. Empirical Validation

Mixed methods paradigm is selected for the research which can be described as post-positivist, interpretive and exploratory, Grounded Theory and Narrative Analysis as a qualitative methods have been adopted for exploratory purposes, conceptual model development, hypothesis generating and finally for explaining quantitative results. In this research the reliability and validity which can significantly affect the results are controlled by looking at the theoretical background of relevant research, considering technical and scientific literature aspects; that design to measure the problem formulation, representative sample size, used expert validated purpose built instrument, techniques and approaches for systematic data collection and appropriate analysis provide high degree of confidence in the results of the research that will also eliminate influences of unsystematic bias measures.

Quantitative data was gathered by administering a new instrument (Questioner) to multicultural teams and their managers to triangulation the qualitative data by semi

structured interviews. This will allow the research impact to the valid and reliable of its results due to the partial and bias of the researcher during the interview. Three indicators of cultural differences (cultural values, Verbal and Non-Verbal Communication, Level of Conflict) were converted into 15 measurement questions. A pilot study was also conducted in order to refine the questioner.

A random sample was taken from member list of All Pakistan Textile Mills Association (APTMA) Punjab (Population: 163197, Sample Size: 424-598, 14 Units). The sample consisted of 427 participants (50 managers and 377 workers). Out of these 377 workers responses received, 47 respondents were female and 330 were male.

#### 6.1. Analyzing Horizontal Linkages

The data collected from the survey is presented in tables, where descriptive statistics are shown in Table 1 while Table 2 presents ANOVA results for horizontal link analysis. Major group of the team size is 3-5 class, which were 9 and representing 8% of the teams. The group comprising 6-10 class represent 33% of the members. It comprises the largest proportional of the team members. The group that comprises more than 10 team members were 8, representing 16% of the total. The organization size was divided it into three categories i.e. large, medium and small. The sample contained large organizations comprises of 42.85%, medium were 21.44 and small were 35.71%.

**Table 1: Descriptive Statistics** 

		Gender (W		Total	
Category		Male Count	Female Count		
	18-25	172	19	11	202
Age Respondent	26-35	103	23	27	153
Respondent	=<36	55	5	12	72
Qualificatio n	Illiterate	255	25	-	280
	Middle	50	14	-	64
	Metric	25	8	-	33
	Bachelor	-	-	05	05
	Masters	-	-	37	37
	Higher	-	-	08	08
Experience	0-3	158	10	13	181
	4-7	108	22	16	146
	=<8	64	15	21	100
Marital	Single	175	24	13	212
Status	Married	155	23	37	215
Group Size	2-5	50	0	09	59
	5-9	189	47	34	270
	=<10	91	0	07	97
Org. Size	Small	95	10	18	123
	Medium	80	11	12	103
	Large	155	26	20	201

In Table 2 the ANOVA calculates the mean for all the groups combined giving details of Between Group Variation, Within Group Variation and Total Mean or Overall Mean. The comparison between the results of three variables was found to be significant. Meaning

that each of the above three variables have a significant impact on level of conflict within the teams. As the variation related with these variables increase between the team members the conflicts arising in the teams also increase.

**Table 2: The Analysis of Variance - ANOVA (Horizontal)** 

		Sum of Squares	df	Mean Square	F	Sig.
Cultural Values	Between Groups	15.205	4	3.801		
	Within Groups	168.089 372 0.452		8.412	.000	
	Total	183.294	376			
	Between Groups	62.187	4	15.547		
Verbal	Within Groups	178.212	372	0.479	0.479 32.452	
	Total	240.399	376			
	Between Groups	10.199	4	2.550		
Nonverbal	Within Groups	170.313	170.313 372 0.4		5.569	.000
	Total	180.512	376			

In order to further investigate the relationship correlation between the variables was calculated and the results are shown in Table 3. The results show that the level of conflict and size of the organization are positively correlated with each other, this indicates that as the size of the organization increases; communication problems and conflicts are also increased. In small organizations there is less hierarchy and people can actively participate in activities. In larger organizations it is not easy to understand and integrate different cultural perspectives into their strategies. The present findings reported in table 3 shows that there is positive correlation between organization size and horizontal conflict.

**Table 3: Correlation Coefficient between Main Categories** 

S.No		N	Cultural Values	Verbal Communication	Non-Verbal Communicatio n	Level Of Conflic t
1	Size of Organization	377	.102*	.114*	.105*	.204**
2	Group Size	377	.007	.124*	023	.093
3	Age	377	.002	.008	011	007
4	Gender	377	.157**	.107*	.065	190**
5	Qualification	377	.100	125*	.157**	.024
6	Experience	377	049	082	017	151**
7	Marital Status	377	.072	.003	.025	.024

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2 tailed).

The Findings in table 3 show that correlation between group size and verbal communication is significant. The larger groups form sub-groups and this creates

<sup>\*</sup> Correlation is significant at the 0.05 level (2 tailed)

complexity in social interaction and generate conflict. If the group size is smaller then it will be easier for the group members to have face-to-face contact and direct communication with the group members of diverse cultural backgrounds. Another perception is that horizontal communication is friendlier and casual in tone because it engages individuals at the identical level. Conversely, it has some consequence such as at times individuals with diverse responsibilities believe that they are competing against each other for valued organizational assets and these feelings leads them to illustrate conflict toward one another. The correlation between group size and cross cultural conflict is not statistically significant. Group size matters according to the complexity of the task. The results presented in table 3 indicate that correlation between "age and cross cultural conflict" is statistically not significant. Behavioral differences are driven by cultural values and the cultural values, verbal and nonverbal communication patterns are not based on a rational thought process or maturity. Culture form the core values, believes and communication patterns of its member, during the social learning processes and through the effects of individual measures these are shared and conveyed from one generation to other generation.

The correlation between gender and cross cultural communication is statistically significant due to conflicts of cultural values and verbal communication. The male respondents are more than female respondents (330 males), so it can be assumed that male workers have more cultural and verbal communication conflicts as compared to female workers. Female members have openness to differences and favor good working relationships. Decisions making power varies across cultures and this systematize code of culture, (Morgan, et al., 2015). Intra team conflicts can be minimized by providing interpersonal training and conflict resolution skills for team members to communicate positively and build rapport among team members from cross cultural background.

The results presented in table 3indicate that correlation between qualification and verbal communication is negatively significant as well as with nonverbal communication is positively significant. Firstly, most of the respondents are illiterate and they can't read, write and have communication problems. Educated people have more awareness about cross cultural communication than illiterate people. Secondly, three key factors are vital in cross cultural verbal communication: (1) different words may stand for different things to different people. (2) Every culture has its own cultural values about using certain words. (3) In different languages even the similar word can mean different things. Nonverbal communications has a major impact on interpersonal interactions, and present an added area where conflicts can occur. It is considered that nonverbal communication is universal, but it's not. One aspect of non-verbal communication can have various interpretations for different cultures.

Experience and age is normally considered as related but we are of the view that there might be certain variations as well. The workers we are looking for were expected to be relatively of younger age. The experience wise statistics as given in Table 3 show that experience and cross cultural conflict is correlated but negatively. Most of the workers have experience working with cross cultural groups. Experienced workers show negative correlation ship with cultural differences, verbal and non-verbal communication. Experienced workers are informal leaders, competent, promote greater understanding, helped team members in problem solving, respected by other workers and reduces horizontal conflict. Majority respondents fall in the range 0 to 3 years of experience

However; quite a few were having experience more than even 8 years also responded to enrich the study.

### 6.2. Analysis for Vertical Linkages

The demographic of sample managers' shows in Table 1; 50 responses received and all are male. 11 respondents were in the age group of 18-25, 27 were between 26-35 years and rest 12 were in the age bracket 36 and above. Means of all variables recorded on Lickert's scale indicated that managers at least agree to the hypothesized statements. An interpretation of these scores indicates that most of the managers have experience with diverse workforce, educated and had managerial competencies.

The table 4 gives the Analysis of the Variance (ANOVA) of the vertical structure. Source compiled

Mean Sum of F Df Sig. Squares Square Between Groups 3.730 4 .933 Verbal 1.917 0.124 Within Groups 21.890 45 .486 49 Total 25.620 Between Groups 3.044 4 .761 Non Within Groups 8.476 45 .188 4.040 0.007 Verbal Total 11.520 49 Between Groups 3.840 4 .960 Cultural Within Groups 18.580 45 0.413 2.325 0.071 Values Total 22.420 49

Table 4: The Analysis of Variance - ANOVA (Vertical)

The result of ANOVA test on vertical link was not found to be statistically significant. Table 5 explains the findings of Correlation Coefficient between main categories for analysis of vertical linkages.

Sr.			Cultura	Verbal	Non-Verbal	level of	
No		N	1	Communicati	communicat	conflict	
NO			Values	on	ion	Commet	
1	Size of	50	.247	174	.210	.292	
	Organization	30				.292	
2	Group Size	50	.388	.193	.135	065	
3	Age	50	.109	.061	.145	.066	
4	Gender	50	-	-	-	-	
5	Qualification	50	.308	.229	.180	.119	
6	Experience	50	.080	.019	.011	.164	
7	Marital Status	50	134	0508	125	251	

**Table 5: Correlation Coefficient between Main Categories** 

An interpretation of these insignificant correlations can be that managers are educated and experienced as the table 1 show. They are culturally sensitive and have more cultural understanding than workers. The results of alternative  $H_2$  are not as statistically significant as the results of horizontal conflict/hypothesis-1 and differ statistically significant. So we conducted the semi–structured interviews with managers of multi-

cultural groups to explore the reality. The qualitative study is concerned about explaining, understanding and it involves gathering a lot of information from a small sample size (Veal, 1997). So we have asked three questions to all managers. Q1-How would you rate the performance of the observed group with the average group in your supervision? Q2-What are the challenges when managing or supervising multicultural teams? Q3- Do you think that conflict in cross-cultural interaction has an impact on the team performance? The answers of semi-structured interviews illustrate that cross cultural conflicts negatively influence team performance. Most of the respondents said that the cultural differences come into play as hierarchy. The groups with satisfactory performance have interpersonal relational problems, language difficulties and misperceptions. The respondents compared the greetings and the meeting etiquettes within the workers. They observed that the younger workers will greet the older person first, whereas in some cultures workers will usually greet with warm hand shake. It would follow that the expectations surrounding an ordinary greeting can cause a misunderstanding when the accepted pattern is broken. The managers of multicultural teams believed that conflict of values is often one of the hardest conflicts to deal with, because it is not based on a rational thought process. When core values are threatened, the response is more natural.

Regarding the verbal communication issues the respondents said that the employees that come from the same culture work together on the same floor frequently speak their mother language with each other. They believed that this makes it difficult to include all employees in the same cultural environment because the workers who do not speak this language are debarred from the discussion. Because of the language difficulties it is hard to convey messages to them. Moreover, they said that many of the employees need to be followed up to make sure they understand the messages that are given and this takes extra time and effort. Here the respondent describes this process as being time consuming them: "the communication takes more time because I often have to repeat myself or give the message in two languages for everyone to understand me". An example of this communication process can be seen a respondent describes: "Miscommunication is the main disadvantage; this can often lead to dissatisfaction and conflict sometimes. The majority of respondents answer that miscommunication both verbal and non-verbal resulting in misunderstandings, obstruct open communication, poor integration, limited openness to differences, low morale, and reduce motivation to perform well and reduce team performance. One of the tools for bridge the cultural differences is cross-cultural training.

#### 7. Conclusion

The knowledge of the cultural similarities and differences and how they influence the cooperation which provides a better understanding in a cross cultural working environment within the organizations is the need of the today's economic world. Now the international organizations deal with the different cultural tangibles that have an effect on the collaboration between the various cultures. To understand the concept of cultural diversity successful the organization can open doors to sustainable development, achieving better results with a greater impact. Therefore in the business world, organization had to observe working patterns according to the changing demands because cultures differ in the value placed on harmony in relationships, the cultural context plays an important role in the effect of conflict on organizational performance.

This study addressed conditions of organizational instability from cultural intangibles

contributing to conflicts. The framework is design on the factual existing in multicultural environment that focuses on core factors of CCC in a MCO and provides a simple way to use enhanced understanding of cultural differences to resolve the CCC. The research findings have an important practical implication for management of MCOs who have to be sensitive to the differences, needs of the multi-cultural teams and how to effectively manage multicultural groups in a way that the conflicts will be resolved and team's performance will be improved. Scrutinize the effect of other factors on conflict which may not be based on cultural differences. This should be helpful for workers in MCOs to handle their intra group conflicts because of cultural diversity. Cultural responsivity, through mediation of improvement in verbal and non-verbal communication resolves the interactional conflict. Therefore the proposed framework contributes to positive social change by helping organizations develop evidence-based change practices for sustainable change efforts, and to reduce organizational instability due to failed change attempts.

Diversity makes an organization stronger and more profitable; therefore it is very important for an organization to understand how cultural diversity affects all of its employees. In organization employee interactions are the process of building a strong working relationship based on mutual respect, understanding, and confidence. Strong and healthy interaction between manager and worker lead to motivated, dedicated, and highperforming employees. Therefore, organizations have to find out effective ways to manage the increasing diversity in their organization. In multiculturalism; the potential for conflict increases due to unavoidable cross-cultural misunderstandings. Intraorganizational conflicts occur because of weak understanding of cultural diversity, weak interaction between horizontal and vertical linkages. Intercultural knowledge, skills and enhanced understanding of cultural diversity is the first step to developing harmonious intercultural relations, and cultural awareness needs to develop in multicultural organizations so that they can survive in the larger cross cultural environment. The development of intercultural competence requires more than transmission of cultural awareness. Individuals need to learn critical thinking about their own beliefs and actions (Liu and Cindy, 2014). To have a good understanding about cultural diversity makes it easier to develop good interpersonal relationships between the team members without misperceptions and minimize the conflicts, all that leads the organization towards sustainability.

Today in business world without understanding the cultural diversity concept the sustainability of the organization cannot be achieved. The organizations must imbed the cultural diversity concept for sustainable development in their business strategy. Therefore, organizations have to learn about cultural diversity, an understanding of the dimensions of cross cultural communication, develop multi-cultural interaction skills, learn and acknowledge the optimistic approaches of each culture and most importantly creates competency by overcoming the conflicts because of cultural differences.

## 7.1Contribution and Innovation of the Study

Understanding Cultural Diversity may be the utmost challenge of 21st century. Our study proposes a novel solution of the relentless issue of cross–cultural conflict in organizations. Conceptual framework of cultural understanding will increase the effectiveness of the individuals, who are responsible to escort multicultural organizations in global economy. The framework also identifies the interaction between cultural diversity and management of employment relationship and possible effects of this on the

appearance of cross-cultural conflict and team performance. This work will be very helpful and beneficial for multi-cultural organizations to chalk out their plans to identify and minimize the conflict produced due to cultural diversity.

### 7.2 Implications for Practice

CCC is a realistic and workable framework. It has potential to control the cross cultural conflict at budding stage. The empirical study based on appropriate representative probability sampling support to widely generalizing the results of the study in textile sectors. Community of practice agrees with CCC framework for multi-cultural work environment. They consent to the fact that intra organizational conflicts are influenced by the different cultural values of the group members. Cultural responsivity through mediation of improvement in verbal and non-verbal communication improves the interpersonal relationship, resolves the interactional conflict and performance of a group and organization. Additionally the research findings have an important practical implication for management of MCOs who have to be sensitive to the differences and needs of the multi-cultural teams. It is useful for MCOs or organizations who want to inflate their trade in a foreign country. This should be helpful for workers in MCOs to handle their intra team conflicts because of cultural diversity.

# 7.3. Precincts of the Study

Cross-cultural conflict studies have been marginalized because of their sensitive nature. Social anthropological research usually involves a small sample of participants. This may be seen as limitation. But the essences of qualitative research are to develop an understanding of individual in their natural setting (Borg, et al., 1993). This is in depth data is most likely achieved through a small sample. This study is limited to self-reported responses collected via survey, rather than actual observations in the workplace. Common partiality of percept-percept inflation due to self-reporting is another limitation of the research. The study is matter to all typical limitations allied with semi-structured interview and survey research.

# 7.4. Future Directions

This research has established a foundation and gives a new line of thinking to the other researchers on which they can base their study. Future research can focus on investigation of multicultural virtual teams, not only at heterogeneous teams but including homogenous teams; scrutinize the effect of other factors on conflict which may not be based on cultural differences. Future researchers can utilize tenure of team membership as mediating variable and a case study method to go a long way in helping us better understand the influence of the cultural diversity. This will explore other areas of cultural differences and provide an enhanced understanding of the issue. The present study concerned only one sector (textile sector). It would be advantageous to expand this kind of research to include the other sectors. Moreover, it would be useful to compare the influence of cultural diversity on conflict within two sectors.

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