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<input type="checkbox"/>	Licentiate's thesis
<input type="checkbox"/>	Doctoral dissertation

Subject	International Business	Date	06.06.2022
Author(s)	Nhi Tran	Number of pages	101+appendix
Title	Conflict Management in Culturally Diverse Workplaces: A lower-level manager's perspective		
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Abstract

This study discusses the intercultural workplace conflict management from lower-level manager's point of view. The main objective of this study is to better understand how managers can develop the intercultural conflict management skills. The sub-objectives are to analyse workplace conflicts in intercultural context, determine crucial intercultural managerial skills, and understand the role of the manager as an interpreter with supervisory duties. Studying the workplace conflicts through intercultural lenses is important to understand the causes of conflicts in culturally diverse settings. Identifying the crucial managerial skills for conflict management shows the areas that require more attention. Thus, understanding how intercultural conflicts are created help to analyse different conflict management strategies and explore manager's role.

The theoretical background of the study follows the structure of culture-based social ecological conflict model and includes additional literature and theories related to the components. The empirical research is conducted by qualitative interviews of informants who meet the criteria. The semi-structured interviews of five informants were collected and transcribed. For the analysis of the data, thematic analysis method was selected.

The findings of this study indicate that conflicts occurring at culturally diverse workplaces were related to apparent functional differences, which makes cultural differences an enhancing factor rather than a cause of conflicts. The study supports that lower-level managers have an important role in intercultural conflict settings in intervening conflict situations through interpretation. Yet the managerial skills are rather underappreciated and require self-learning because of insufficient training for the position. What is expected from the manager differ between different actors. Thus, responsibilities of a manager are vaguely determined, and the task-effectiveness was found to be valued over relational-effectiveness. The role of the manager as an interpreter and intervener is changing with the experiences, which highlights the importance of learning in the field through trial and error.

Key words	Intercultural conflict, workplace conflict, conflict management, lower-level manager
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<input type="checkbox"/>	Väitöskirja

Oppiaine	Kansainvälinen liiketoiminta	Päivämäärä	06.06.2022
Tekijä(t)	Nhi Tran	Sivumäärä	101+liite
Otsikko	Konfliktien hallinta kulttuurisesti monimuotoisilla työpaikoilla: Alemman tason johtajan näkökulma		
Ohjaaja(t)	D. Sc. Elina Pelto, D. Sc. Riikka Harikkala-Laihinen		

Tiivistelmä

Tässä tutkimuksessa käsitellään kulttuurienvälisten työpaikkakonfliktien hallintaa alemman tason johtajien näkökulmasta. Tutkimuksen päätavoitteena on ymmärtää paremmin, miten johtajat voivat kehittää kulttuurienvälisten konfliktien hallintataitoja. Alatavoitteina on analysoida työpaikkakonflikteja kulttuurienvälisessä kontekstissa, määrittää kulttuurienväliset johtamistaidot, jotka ovat ratkaisevia, ja ymmärtää johtajan rooli tulkkina, jolla on esimiestehtäviä. Työpaikkakonfliktien tutkiminen kulttuurienvälisen näkökulman kautta on tärkeää, jotta voidaan ymmärtää konfliktien syitä kulttuurisesti erilaisissa ympäristöissä. Konfliktinhallinnan kannalta ratkaisevien johtamistaitojen tunnistaminen osoittaa, mihin alueisiin on kiinnitettävä enemmän huomiota. Näin ollen kulttuurienvälisten konfliktien syntymisen ymmärtäminen auttaa analysoimaan erilaisia konfliktinhallintastrategioita ja tutkimaan johtajan roolia.

Tutkimuksen teoreettinen tausta noudattaa kulttuuripohjaisen sosiaalis-ekologisen konfliktimallin rakennetta, ja siihen sisältyy osiin liittyvää lisäkirjallisuutta ja teorioita. Empiirinen tutkimus toteutetaan kriteerit täyttävien informanttien laadullisilla haastatteluilla. Viiden informantin puolistrukturoidut haastattelut kerättiin ja kirjoitettiin puhtaaksi. Aineiston analysointiin valittiin temaattinen analyysimenetelmä.

Tutkimuksen tulokset osoittavat, että kulttuurisesti erilaisissa työpaikoissa esiintyvät konfliktit liittyivät ilmeisiin toiminnallisiin eroihin, mikä tekee kulttuurieroista pikemminkin konflikteja lisäävän tekijän kuin niiden syy. Tutkimus tukee sitä, että alemman tason johtajilla on kulttuurienvälisissä konfliktiympäristöissä tärkeä rooli puuttua konfliktitilanteisiin tulkinnan kautta. Johtamistaitoja kuitenkin arvostetaan melko vähän, ja ne edellyttävät itseopiskelua, koska tehtävään ei ole riittävästi koulutusta. Se, mitä johtajalta odotetaan, vaihtelee eri toimijoiden välillä. Näin ollen johtajan vastuut ovat epämääräisesti määriteltyjä, ja tehtävän tehokkuus on arvoitettu suhteelliseen tehokkuuteen nähden. Johtajan rooli tulkkina ja välittäjänä muuttuu kokemusten myötä, mikä korostaa kentällä kokeilujen ja erehdysten kautta tapahtuvan oppimisen merkitystä.

Avainsanat	Kulttuurienvälinen konflikti, työpaikkakonflikti, konfliktien hallinta
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**UNIVERSITY
OF TURKU**

Turku School of
Economics

CONFLICT MANAGEMENT IN CULTURALLY DIVERSE WORKPLACES

A lower-level manager's perspective

Master's Thesis
in International Business

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06.06.2022
Turku

The originality of this thesis has been checked in accordance with the University of Turku quality assurance system using the Turnitin OriginalityCheck service.

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1 INTRODUCTION

1.1 Cultural diversity challenging managers

Globalization, mergers, acquisitions, and migration have contributed to the increase of multicultural teams all around the world and it is important to understand how cultural diversity affect management (Gonçalves et al. 2016). More culturally diverse workforce means having workers from different countries with different cultural backgrounds. Diverse teams are more challenging to manage because members have different values and behavior, which lifts the importance of the manager in addressing the issues rightfully (Smith & Blanck 2002, 302).

Often the globalization of businesses is described to be the reason for increase of cultural diversity in the workforce (Dalluay & Jalagat 2016; Martin 2014; Chuang 2013). However, the increased mobility and migration requires more attention. Changes in socio-political systems or scarce employment options in the home countries make migration for better foreign salaries a viable option (Gonçalves 2020). Culturally diverse workplaces are also formed from migration for better income opportunities or for personal development and new challenges (Prause & Mutjaba 2015). Migrant workers represent a part of the culturally diverse work force especially in the blue-collar industries due to weaker language skills. The term ‘blue-collar’ is vague and rather criticized but is associated with low-skilled work force and is underexplored in the literature related to workplace and language. (Gonçalves 2020.)

There are positive and negative effects of cultural diversity, but the critical thing is how negatives are being managed (Katz & Flynn 2013, 396). Although diverse groups are more challenging, they can be beneficial because varying values and styles may bring richer solutions (Smith and Blanck 2002, 302). These highlight the importance of the manager’s ability to see the positive and negative matters that follow a cultural diversity and bring out the benefits. Although it is assumed that cultural differences increase conflicts and affects performance negatively, Ayub and Jehn (2014) show that the negative effect turns positive the higher the national variety is, because it reduces national stereotypes. The negative impacts of cultural diversity include miscommunication and poor adaptation behaviors, which might increase the tendency for conflicts. These have roots in the different opinions, values, thoughts, and traditions which are not seen at the surface. (Martin 2014.)

The increasing labor force diversity raises a complicated challenge to manage conflicts among people with different cultural values (Chen et al. 2018). The cultural conflicts intensify as the workforce diversity increases. Cultural issues negatively affect the energy of the members. Uncertainty and complexity lead to confusion and frustration more strongly for diverse groups as it is more difficult to compromise and might result in conflicts and negative dynamics. The trend of organizations becoming more diverse forces change and more adjustments. (Amaram 2007, 3-4.) Organizations with diverse labor force are more concerned with issues such as workplace discrimination because they affect workers negatively (Pandey 2019). Multicultural management and conflict management are widely investigated separately, however, specifically intercultural workplace conflicts require more attention (Brett 2018). Also the language practices, beliefs and management in workplace setting have been much examined, but more work is required (Gonçalves, 2020).

People working in manager or supervisor positions spend over half of their time on back-and-forth communication among stakeholders above and below (O'Leary and Van Slyke 2010). Much of resources like time is spent on ineffective communication dealing with conflicts. Katz and Flynn (2013) found out that leaders spend an estimate of three to four hours per week on conflicts, which accounts to 38% of a work week. This is a loss in productivity, which affect employees and end up being detrimental to the organization (Martin 2014).

Conflicts at the workplace may hamper overall productivity by affecting decision making, workers' relationships and cause distraction. Conflicts cause distrust and frustration, which may negatively affect the intercultural relations and organizational success (Tommy & Oetzel 2019). Many organizations undermine the advantage of conflict management training or have difficulty including them into the processes. Moreover, organizations may forget the cost of unmanaged conflict and tend to avoid conflict rather than facing and dealing with them. Workplace conflict left unhandled have direct and indirect costs for managers, workers, and overall effectiveness of the organization (Katz & Flynn 2013.)

Professionally managed conflict in return can improve job satisfaction and reduce stress (Mayer & Louw 2012). Culturally diverse teams face many challenges and conflicts which could be resolved and mitigated by a skilled manager. Managerial skills to effectively lead, understand, and handle multicultural team challenges is increasingly important in today's world (Matveev & Nelson 2004). Nevertheless, managers are

struggling with leading culturally diverse teams with significantly different ethnicities to their own (Dalluay & Jalagat 2016). Scholars find that managers with distinct cultural backgrounds from their employees find it particularly difficult to effectively manage their subordinates (Kiong & Kee 1998; Chen & Tjosvold 2006).

Despite all the research around the topic of conflict management in diverse groups, conflict situations still arise in real life and managers face challenges with managing them (Prause & Mutjaba 2015). The cultural differences observed by the manager becomes crucial. Identifying specific reasons for management inefficiency while bringing theory closer to practice calls for more attention. Thus, there needs to be more research about the mediator between theory and practice, which is the manager. Individual intervention has stronger potential in improving conflict management (Gilin Oore, Leiter, LeBlanc 2015), therefore the manager's perspective is chosen as an approach because it would allow exploring on an individual level. The manager's thought process and the realization of patterns when managing conflicts are emphasized in this study.

In this thesis manager is referring to the lower-level manager, supervisor, or foreman who is the closest manager to the workers. Managers are in critical position in conflict management because they have a direct connection to the workers and have more accurate knowledge of the daily tasks of the workers. They also have knowledge about the workers on a personal level as individuals because of the daily interaction. Conflict management is relatively interaction based; therefore, lower-level manager perspective is chosen as a focus for this thesis.

Lower-level managers have a complicated relationship with power because they are subordinates for upper management but at the same time a manager for workers. Thus, their role is highly dependent on structural positions, interactions and the expectations that come with them. The failure to adapt to the role expectations may create conflicting behavior. (Anicich & Hirsh 2017.) It is critical to understand the role of the manager and the pressure they face to study their ability to intervene conflicts.

In terms of effective interactions and negotiations, cultural management skills are required not only in multinational context but also domestically (Gonçalves et al. 2016, 726). Expatriating managers may face similar cultural issues when managing a global workforce, but the manager being a foreign instead of a local may change the dynamics of diversity management. Therefore, this thesis will narrow it to local managers, which would exclude expatriates who might experience similar challenges as a manager abroad. This would separate the adaptation and culture shock process from diversity managing.

Interpersonal conflicts and their management are proven to affect economic outcomes; therefore, it is increasingly important to understand factors influencing conflict management on an individual level (Gunkel 2016). The study aims to analyze how managers understand, resolve, and prevent intercultural conflicts in a diverse workplace. Cultural conflict management requires more attention especially in the organization-level (Vollmer and Wolf, 2015) therefore this study will focus on the lower-level managers with more interaction with the workers. A manager working closely with workers will have more insights worth investigating. This is interesting because the manager is affecting the harmony of the team and is part of the team. Exploring the manager's perspective would reveal the self-evaluation process of the manager and the effect of manager role to one's behavior.

1.2 Aim of the study

The research question of this thesis is

How do lower-level managers engage in intercultural conflict management in a culturally diverse workplace?

And the sub-questions are:

1. What kind of challenges arise in culturally diverse workplaces?
2. Which managerial skills are required in intercultural conflict management?
3. How does lower-level manager's self-reflection affect intercultural conflict management?

The topic of this research is cultural conflict management focusing on the perspective of the manager working in a multicultural team. The research will study the managerial skills required in cultural conflict management by exploring the values, beliefs, and assumptions of the manager. The sub-questions will help to understand the nature and causes of intercultural conflicts, the determinants of effective conflict management, and how managers understand and handle the matter based on their interpretation. Based on the literature, this thesis will structure a model for gathering empirical data. The theory will then be compared with the empirical evidence and results are analyzed.

With the term 'cultural' this thesis refers to the national culture of people and the tendencies that follow. Studies about cultural diversity may use different concepts for one topic. Culturally diverse or multicultural as terms are associated with describing an environment of people from diverse cultural backgrounds coexisting, rather than the

interaction between cultures (Fries, 2009). In this thesis, a culturally diverse workplace is assumed to comprise of people from cultures different from the manager's own culture. This would include immigrants or people who have grown under the influence of another culture. A relevant concept of acculturation is the process of cultural adaptation where people incorporate values of the new culture to their personal identity that reshapes their cultural identity (Schwartz 2006). This acculturation is observed by the manager through daily tasks at the workplace and shapes their understanding of the workers' cultures. Frame switching is a concept which explains how multicultural people with experience of many cultures change their cultural mindset according to the situation (Heine & Ruby 2014).

Although concepts of cross-cultural and intercultural are used interchangeably, the viewpoint is quite different. Sarmiento (2014) define interculturalism as the process of deeper culture creation rather than only an encounter of cultural qualities. Interculturalism deals with issues that occur during interaction of people from different cultures, while cross-cultural is often a comparison of some phenomenon in two or more cultures. (Croucher & Kelly 2019) Cross-cultural studies would consider countries separately without interaction between the people, while intercultural as a term implies interaction (Fries 2009). When exploring workplace conflicts, the interaction between workers is crucial. This thesis is not merely comparing how conflicts are managed in different cultures but rather how different cultures collide and possibly create conflicts. Therefore, intercultural is the most suitable concept for this thesis, because this study aims for workplace harmony by investigating the interaction between members from the manager's point of view.

Because this research focuses on cultural conflict management, investigating the level of cultural awareness and the management style of the manager is reasonable. The study will try to understand possible patterns of certain styles in conflict management and the effect of cultural diversity. This will help managers strengthen their managerial skills to create and maintain more efficient multicultural teams. Finding and developing suitable managerial skills to a multicultural team is vital for the team harmony and long-term success of the organization. This study contributes to the conflict management literature by exploring the manager's perspective and style in a culturally diverse environment.

However, to answer the research question of how lower-level managers engage in intercultural conflict management, an understanding of manager's perception is required. This would include how the managers interpret differences in other cultures, which might

reflect to their own conflict management behavior. The cross-cultural comparison between cultures may happen in the mind of the manager but is not the essential focal point of this thesis.

The role of the manager is integral in this thesis, therefore narrowing down to blue-collar workplaces is relevant. It is assumed that the manager has a more important role as the mediator between workers because of the smaller autonomy of blue-collar workers and lack of worker-worker interactions. The matters of blue-collar workers are on the grass roots level, which is hidden and easily forgotten, therefore quite excluded from the academic examination (Gonçalves 2020). Thus, this thesis sheds light on the challenges in the blue-collar workplaces.

The structure of this thesis will begin with a literature review of the relevant concepts: workplace conflict, intercultural diversity, and conflict management. Workplace conflicts presents different types and causes of workplace conflicts. Cultural diversity sub-chapter combines the typical cultural orientations that are assumed to affect conflict situations. Conflict management focuses on the managerial aspect of intercultural conflict management and the determinants of competence. On the next chapter, this thesis follows a model of Culture-Based Social Ecological Conflict Model (CBSECM) to bring together the theories of conflict, culture, and management in a workplace setting. Next follows the research approach and methodology, which are introduced in chapter 4. Then the results are presented and analyzed in chapter 5. The thesis will conclude with theoretical contributions, managerial implications, and future research suggestions in chapter 6. Finally, a summary of the study is presented in chapter 7.

2 INTERCULTURAL WORKPLACE CONFLICTS

2.1 Understanding workplace conflicts

There are different ways to define conflicts, one of which is the perceived difference of interest (Pruitt et al. 2004) or an incompatible activity of a person that obstructs and is not accepted by another person (Tjosvold et al. 2014). Budd et al. (2020) define conflict as a visible or obscure disagreement between two or more parties that results from differences that are real or imagined. Other scholars define conflict as a state of disagreement between individuals resulting in negative feelings as it is threatening one's identity or interests (LeBlanc et. al 2014, p. 6). The definitions emphasize differently the act of perceiving it and the occurrence of negative consequences, but all point to differing opinions which seem to be difficult to coexist. Brett (2018) stresses that only one person may perceive conflict, but it requires at least two people to create conflict. This implies that there needs to be at least two differing opinions to start a conflict. In this thesis, conflict is defined as a visible disagreement, which causes negative feelings among counterparties and hinders workplace efficiency. This definition does not exclude the manager being involved as one conflict party. The manager may be part of the conflict or an outside observer. Visible means that the conflict should be noticed by the manager hence, initiate the thought process about a right management strategy.

Workplace conflicts, also referred to as organizational conflicts, are categorized in interpersonal, intragroup, and intergroup conflicts based on at which level it occurs. The interpersonal conflicts refer to individual level conflicts that may arise from disagreements of members. Intragroup level conflicts are between people in terms of their objectives. Intergroup conflicts are between units in an organization. (Rahim 2002.) This categorization explains the scope of the conflict and how many people it involves. Because this thesis focuses on the managers working in proximity with the workers, workplace conflicts within the group (interpersonal and intragroup) are more relevant in this study. Brett (2018) highlights that workplace conflicts are more complicated conflicts because agreements are not always reached, and there is no exit as people must continue to work together. Whereas in other situations, for example a price conflict between the seller and buyer would only cause them to part ways and look for other options.

Many scholars divide workplace conflicts into task conflicts and relationship conflicts (Jehn 1997; Desivilya et al. 2010; Behfar et al. 2011; Mauersberger et al. 2020). Some have incorporated a third type of conflict that are relevant in certain contexts. One categorization of the type of conflict are task conflict, relationship conflict, and process conflict (Jehn 1997). Other sources have status-related conflicts as the third type, which depends on the people's social influence at the workplace (Brett 2018, 33). Conflict types have also been categorized based on the source such as structural, cognitive, and psychogenic (Budd et al. 2020). The three categorizations are presented in figure 1 below.

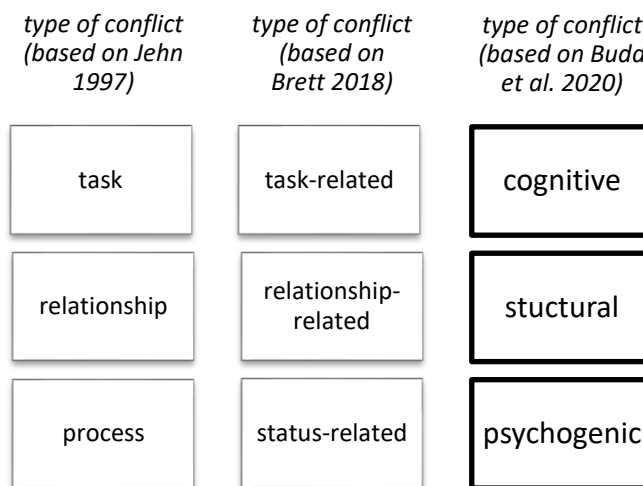


Figure 1 Types of conflict (based on Jehn 1997; Brett 2018, 33; Budd et al. 2020)

Task conflicts result from differences in the way of working for example means, resource distribution and interpretation of facts and policies (Brett 2018, 33). Similarly cognitive conflicts arise from differing interpretations and perception (Budd et al. 2020). Cognitive sources of conflicts are related to functioning such as in interpretation, decision-making, and communication, which may be influenced by cultural differences (Budd et al. 2020; Heine & Ruby 2010).

Relationship conflicts are related to interpersonal issues such as differences in values, tastes, and communication styles (Desivilya et al. 2010, 28–40; Brett 2018, 33). Similarly structural sources cause relationship-related conflicts that are due to differences in goals, rights, or power (Budd et al. 2020). With structural conflicts, the failure to correctly diagnose the nature of the relationship often obstructs conflict resolution. Different relationships (e.g., manager-worker or among workers) have different mindsets and different amounts of self-interest. By paying attention to decision-making, critical

thinking and self-awareness would help managers to resolve cognitive conflicts more effectively. (Budd et al. 2020.)

Task conflicts are seen to lead to better decision making, while relationship conflict limits the flow of information in the company as workers focus on each other instead of the task (Plessis 2012). Whether task conflict is constructive or destructive depends on the simultaneous occurrence of relationship conflicts as they drain energy leaving employees unable to focus on tasks (Mauersberger et al. 2020).

Process conflict has received less attention due to its ambiguous definition making it difficult to distinguish it from task and relationship conflicts. Relationship conflicts might arise from process conflicts but are primarily different (Behfar et al. 2011, 166). Process conflicts deal with the logistical strategies to coordinate people to do the tasks. Issues related to roles and responsibilities such as how to complete a task and solve problems are process conflicts (Behfar et al. 2011, 164). Both relationship and process conflict are likely to be harmful for team innovation (O'Neill et al. 2013).

Psychogenic sources are triggered by the feelings and emotions of the perceiver. This also explains why differences in how the conflict is perceived might cause bad feelings for some and eventually create further conflict. Resolving psychogenic conflicts would require better understanding of feelings and emotions because the conflicts are mainly reactions that can be mood dependent. Overall, different type of conflicts may occur simultaneously, therefore resolution requires analysis and planning for an effective strategy. (Budd et al. 2020.)

The classification into structural, cognitive, and psychogenic sources of conflicts is suitable for this thesis because it includes the psychogenic aspect, which deals with feelings and emotions, which are relevant in the field of conflict management. The variation of feelings and emotions and their expression can be influenced by the culture (Lim 2016). Therefore, this classification is also suitable with the cultural aspect. Other sources of conflicts, which do not directly fall under any of the categorized types may be present.

Sources of a conflict can be differences in information interpretation, contradicting goals (Plessis 2012), violation of boundaries, old experiences and confusion between symptoms and causes of a problem (Appelbaum and Shapiro 1998, 229). The company's unclear or incoherent goals may also leave room for interpretations and lead to contradictions. For example, Plessis (2012) lists 21 paradoxes experienced by workers in South Africa. The study stresses the problem of complicated goals of a company being

the major reason for conflicts to arise. The complicated goals closely relate to how they are interpreted and brought to practise.

Causes of conflict may be related to how problems are viewed such as theoretical versus practical approach (Budd et al. 2018). However, people tend to lean towards their pre-existing beliefs rather than accuracy (Ledgerwood et al. 2014). Also, inconsistencies in people's words and actions may cause condemnation among the workers (Budd et al. 2018). For example, someone claiming not to demand much, yet expects special treatment or things for their own benefit. Cognitive biases related to decision making such as framing, anchoring, and fixed perception commonly result in conflict (Budd et al. 2018). Workplace conflicts can create negative emotions because they threaten self-worth, but culture can affect how negative emotions are felt and how they are expressed (Brett 2018). Differences in how emotions are expressed may be interpreted as exaggeration of conflict by some. In a workplace setting, illusions of transparency and overconfidence are biases often leading to conflicts (Budd et al. 2018).

Many categorizations of workplace conflicts and other possible causes of conflicts have been presented. This thesis focuses on culturally diverse workplaces, therefore cultural diversity relevant for this thesis is defined in the following subchapter.

2.2 Defining cultural diversity

The differences in worldviews, expectations, and preferences may create conflicts in the workplace (Budd et al. 2020, 261). Culturally diverse teams are prone to certain type of conflicts due to the differences in culture (Smith & Blanck 2002). Cultural differences may be a source of conflict through differences in the cognitive frames as people experience issues through their cultural lenses and develop different expectations over time (Budd et al. 2020). Cultural conflict in a workplace stem from differences in practical solutions to problems of social interaction and social interdependence, therefore it is important to understand how cultures collide (Brett 2018). The differences may be in perception of the environment, intentions, communication styles and stereotypes. (Matveev & Nelson 2004, 255.)

To explain how cultures differ, the scope of the culture in this thesis should also be defined. Because this thesis examines diverse workplaces, an approach which considers cultural orientations both from individual personality level and ethnic level is appropriate. In diverse teams, culture is divided into four levels which are individual style, functional culture, organizational culture, and national culture in figure 2. The greater cultural

variation, the more it requires work to deal with differences. As culture is divided in four levels, the workplace conflicts arising from each level is of different nature and would require appropriate management. Managers may create an environment where differences are appreciated, which encourages different thinking and helps trust building. (Smith & Blanck 2002.)

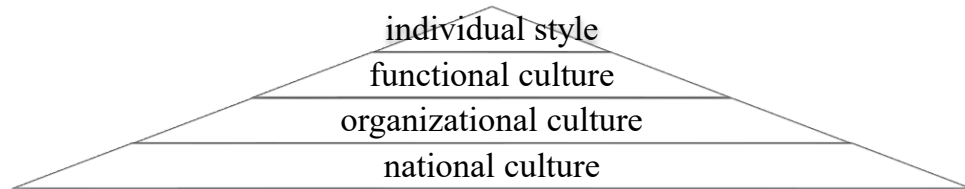


Figure 2 Cultural levels (adapted from Smith & Blanck 2002).

Individual style is about personality differences based on Myers-Briggs's personality types, which can lead to misunderstandings, miscommunication and even mistrust. (Smith and Blanck 2002, 302-303). Myers-Briggs's types are divided based on openness, consciousness, extroversion, and agreeableness dimensions. Although culture indicates to something formed by a group, conflicts can still be affected by the personalities of individuals because it requires only two people to create conflict. There has been criticism about the adequacy of studying individual personalities in cultural comparison context (Fetvadjev & Vijver 2015). However, in intercultural context where interaction is emphasized, it is useful to explore on this level because conflict interactions are between two or more individuals.

Functional culture is how people are used to work based on their profession (Smith and Blanck 2002, 302-303). In the workplace context, this could imply to the educational background or previous profession of the workers, which shape their worldviews. For example, a person with business background and the other with technical study background might prioritize tasks differently. There might be differences in goals between things such as profitability or efficiency.

Organizational culture is about shared assumptions which can differ in every workplace (Smith & Blanck 2002, 302-303). Previous workplaces of the workers may have had different values, which the worker shares and assumes in the new workplace. These differing assumptions might contribute to conflict creation. For example, a worker coming from a highly hierarchical organization may have different assumptions of their role in the new workplace.

National culture differences explain the tendencies of different ethnicities or nationalities and are grouped into dimensions according to many scholars (Hofstede 1980; 1984; Trompenaar 1996 and Hofstede & Minkov 2011). The national cultural differences are often approached through a framework, which can explain the tendencies of people from each nationality. The frameworks provide a base for understanding the cultural differences which may lead to cultural conflicts in a multicultural workplace. The national culture frameworks especially Hofstede's (1984) has received much criticism for being too generalized and narrow, therefore not representative. However, for the purpose of recognizing and identifying certain cultural differences between people from a manager's point of view, frameworks can be serving as classification tools. They may help managers with identifying cultural differences among workers to manage intercultural workforce more effectively.

After understanding the types of workplace conflicts in general and the levels of how cultural differences are reflected, the definition of conflict management in this thesis is appropriate. The next sub-chapter will discuss the definition of conflict management, the steps involved in conflict management and important skills of an intercultural manager in general.

2.3 Conflict management

Conflict resolution is finding a solution to a disagreement, usually a short-term and situational. It includes solving the dispute and finding ways to prevent it from happening again. Whereas the goal of conflict management is not merely to resolve the conflict but finding the optimal way to deal with them. For example, by minimizing the negative effects of them and aim for continuation of work. Conflict management is more beneficial in situations where conflicts are caused by deeper differences in values and principles. (ADR times.) In this thesis conflict interferes with deeper cultural values and productivity, therefore, conflict management is more suitable term to be used. However, conflict resolution is an important part of conflict management in forms of intervention or negotiation for example. In this thesis conflict management is the overall management of conflicts with the most appropriate strategy within the situational constraints faced by the manager.

Workplace conflict management is about diagnosis and intervention, which include identifying the amount of conflict, styles to manage them, causes of the conflict, and lastly learning about it (Rahim 2002). This view emphasizes the steps of analyzing the situation

and possible management styles. The intervention aspect is more highlighted in conflict resolution literature. Lack of communication is not the problem per se, but rather the lack of negotiation and relevant conflict resolution skills (Bollen 2016, 191). These highlight the importance of managers' adaptiveness in terms of achieving more constructive ways to resolve conflicts and reach higher levels of worker satisfaction and well-being (Coleman & Kugler 2014). Managing intercultural conflicts requires understanding of deep levels of culture, identification, and analysis of the conflict (Pondy 1992). Scholars agree that effective conflict resolution requires three steps, acknowledging, identifying, and tackling the conflict (Budd et al. 2020; Colvin 2016).

Firstly, it should be acknowledged that there are various reasons for conflict, which may be beyond basic issues. Sometimes conflicts may be due to deeper factors rather than structural factors. Secondly, identifying the sources of conflicts is important. For example, conflict due to perceived injustice should be managed differently than miscommunication. Therefore, it is important to identify the nature and source of conflict, whether it is structural, cognitive, psychogenic or a combination of them. Thirdly, conflict resolution strategy should be planned to tackle the sources. (Colvin 2016.) For example, structural conflict requires a diagnosis of the nature of the relationship of conflict members, while cognitive conflicts require diagnosis of the thinking frames of people. Resolving psychogenic conflicts is difficult due to its embeddedness but requires understanding of feelings and emotions for a constructive intervention. (Budd et al. 2020.)

Similarly, Appelbaum and Shapiro (1998) state that systematic management of conflicts is done by diagnosis of potential sources of conflict, planning a strategy and implementation of the plan. They included the consecutive step of respecting the decision, which is also important, because managing conflicts can be difficult as it may be affected by many situational things. Sudhakar (2015, 220) lists the steps of conflict management, which are: identify conflicts, evaluate conflict, identify options for solution, apply conflict resolution style, choose the best option, implement it, and review the impact. Based on the existing literature, below in figure 3 is comprised the conflict management process of this thesis.

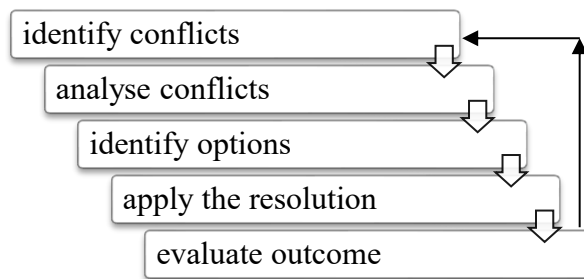


Figure 3 Conflict management process (adapted from Sudhakar 2015, 220)

The conflict management process includes steps of identify conflicts, which refer to exploring the reason of conflict and the possible sources of conflict. Next, analysis of conflict refers to critically prioritizing conflict based on relevance, urgency, or implications. Identifying options is planning the strategy of how to confront or react to the conflict. Applying the most suitable resolution style to the given situation. Then the result is evaluated in terms of effectiveness, satisfaction, or the harmony. The arrow back to the starting point indicates the repetitive nature of poorly managed conflicts.

Conflict resolution has received a lot of attention in the academic literature and is an important step of conflict management process. Constructive conflict resolution model incorporates trust and power dynamics to resolution which are attitude, technique, and process. Attitude refers to personal orientation of the mind. Technique is about the activities that facilitate environment for successful resolution. Process is the active choice of style to apply on a given situation. The power and trust components in conflict resolution context refers to the manager understanding the tendencies of power roles and uses them when choosing techniques in managing. (Tjosvold et al. 2016, 219; Butts 2016, 192)

Cooperative goal is when conflict members can only achieve their own goals if others also reach theirs. This creates a mutual positive relationship, which encourages the members to promote each other to reach their goals. Whereas competitive goal is when an individual can only achieve their goals if others fail to. The nature of goals affects the formation of relationship among workers and their behaviour. However, incorporating cooperative goals is proven to lead to better solutions and stronger relationships. (Deutsch et al. 2014.)

Multicultural group communication suggests ways a manager can enhance intercultural communication. Acquaint with workers' background and assign tasks based on them, express how everyone contributes with their job, express how diversity can be

an asset, clarify goals, expectations, roles, rules and norms, take responsibility in conflict resolution, open to learn about other cultures, encourage open communication, balancing the dynamics of the quiet-talkative, staying neutral in conflict situations, and treat workers as individuals instead of a representative of an ethnic group. (Keisala 2012, 229-230.) The manager being a third-party member, type of conflict, needs of workers, and manager's goals affect the way manager chooses to approach a conflict (Butts 2016, 190).

3 CULTURE-BASED SOCIAL ECOLOGICAL CONFLICT MODEL

3.1 Structure of the model

Studying the manager's point of view can be approached through understanding the process of conflict creation and determinants that contribute to it. The Culture-Based Social Ecological Conflict Model (CBSECM) developed by Ting-Toomey and Oetzel (2013) in explore intercultural conflicts. The model uses a multilevel perspective approach to capture the conflict with broader context including historical and religious elements (Oetzel & Ting-Toomey 2013). The multilevel approach improves the model by allowing broader overview to explain more complex dynamics in real life from micro to macro perspectives. The CBSECM is presented in figure 4, which is discussed in more detail in the following sub-chapters.

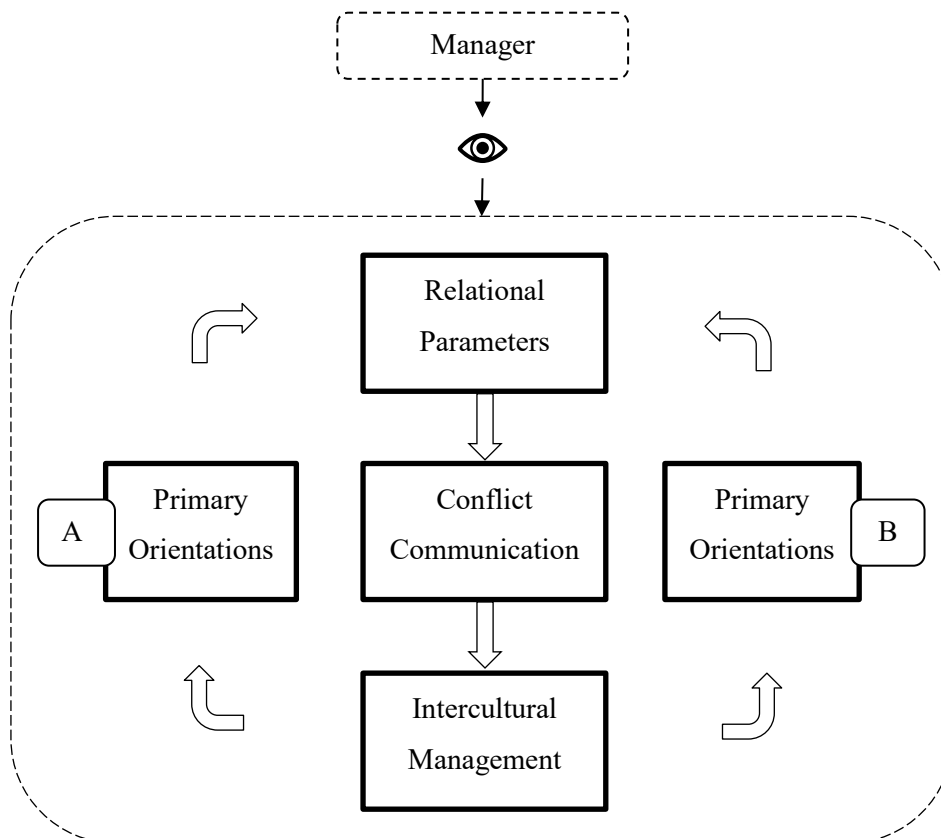


Figure 4 Culture-Based Social Ecological Conflict Model CBSECM (adapted from Ting-Toomey & Oetzel 2013)

The model is a conceptualization of the intercultural conflict field explaining how tendencies of people lead to certain interpretations about the conflict situation, which then forms their preferred conflict behaviors. The main components are *primary orientation*, *relational parameters*, *conflict communication*, and *intercultural management*. The components are evaluated from many levels. Primary orientations of conflict members affect the relational parameters, which then is assumed to influence conflict communication. Intercultural management component is then the evaluative measure for competence. This CBSECM is suitable for this study as it focuses on conflicts between people of different cultural orientations while considering the relational factors of the interactions. The model acts as a theoretical framework for this thesis.

The model includes the situation of the manager observing a conflict between two workers as a third-party member. 'A' refers to one conflict party or a worker with certain primary orientations and 'B' refers to the other conflict party. In this situation, the manager has an interventive role in possibly resolving the conflict. Because this thesis explores the lower-level managers that closely work together with the workers, the manager may as well be a conflict member, in the position of A or B. In this case, the manager is being confronted and should react appropriately. Thus, the role of the manager in this thesis may be interchanging depending on the nature of the conflict.

3.2 Primary orientations

The primary orientations explain how people from different cultures tend to behave in conflict situations and what their preferences in conflict management styles are. This includes cultural and individual attributes (Oetzel & Ting-Toomey 2013, 773) or cultural and individual socialization value patterns (Ting-Toomey 2009, 205). The individual socialization patterns include the personality issues and theory of how the self-image is understood between independent and interdependent types (Ting-Toomey 2009; Markus & Kitayaman 1991). Analysis of self-construal and self-face are associated with individual attributes. How one perceives conflicts are influenced by their own assessment of the situation and these judgments are shaped by the primary orientations (Oetzel & Ting-Toomey 2006, 707–712).

3.2.1 Attributes relevant to intercultural conflict context

The national culture considers the cultural tendencies of different ethnicities, which the manager may use to better understand workers. Individual style reveals the dynamics in workers' and manager's personality, which can explain their behavior. Individual-level variables such as self-construal are important variables for studying conflict styles in addition to the ethnic and cultural variables (Ting-Toomey et al. 2001, 100). Therefore, individual attributes and ethnic culture are chosen to be examined in this thesis.

The cultural assumptions are deep-rooted values that generate basic values and indirectly shapes behavior on an individual level (Usunier & Lee 2013, 62). However, there can be individuals that do not represent the typical culture of the nation. It is to be noted that there are other sources of influence, but for this thesis cultural dimensions act as a tool for managers to better understand interactions.

Although, there has been debates whether culture influences the individual characteristics and personality (Unusier & Lee 2008). Some scholars found out that individual differences and social orientation differences between cultures do not necessarily connect (Na et al. 2010). Whether personality is culture-bound or culture-free depends on the school of thought. To serve the purpose of this thesis national cultural patterns and individual personalities are both assumed to contribute to conflict creation.

Another way to categorize intercultural conflicts is the three levels illustrated in figure 5 including individual, intermediary, and societal level. Societal level conflicts include those that the person cannot influence, such as history, structural inequality, and minority group strength. Intermediate level refers to situational factors such as location and context. Individual level refers to attitudinal aspects such as tolerance, in-group bias, and frustration. (Neuliep 2006.)

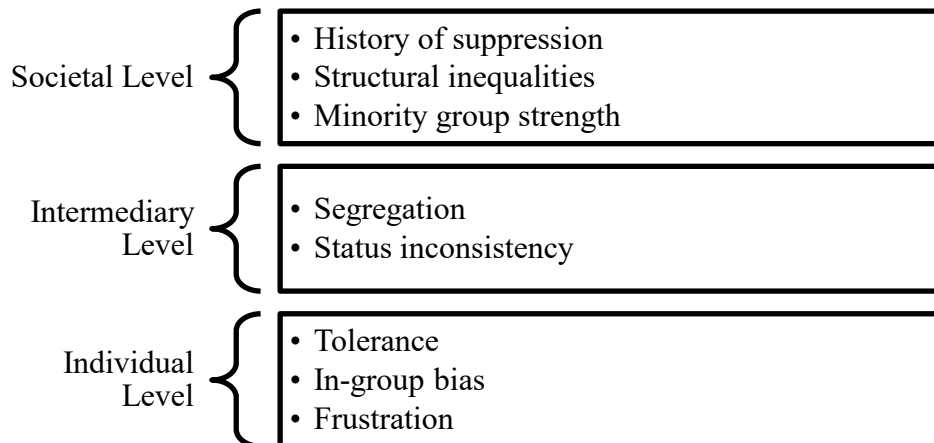


Figure 5 Model of intercultural conflicts (Kim 2001; Neuliep 2006)

Since this thesis is focusing on intercultural workplace conflicts, this model describes the scope of conflicts. Societal level conflicts of this model closely resemble the macro level elements of primary orientations and relational parameters in the CBSECM by Ting-Toomey and Oetzel (2013). Both ends of the intercultural conflict levels; individual and societal levels are most relevant because the intermediary level is fixed in a workplace environment. Thus, micro and macro or individual and societal cultural level attributes are the main levels for this thesis.

3.2.2 Cultural dimensions

This thesis focuses on individual differences, not only personality, but also individuals' self-conception and how it is visible in their behavior on a practical level. Cultural dimensions cover the more abstract ideologies that gives a direction to the behavior. The cultural dimensions introduced in various variables help to understand the manager's own values and worldviews, which can give some indication of their management style. This thesis does not follow any specific framework, but only includes the most relevant cultural dimensions in the intercultural conflict context. The cultural dimensions are presented in figure 6, which include social objectives, power distance, rule interpretation, goal achievement, and time orientation.

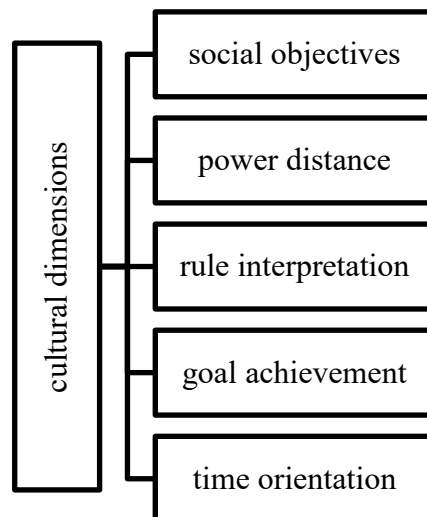


Figure 6 Cultural dimensions (adapted from Trompenaars 1996; Hofstede 1984; Heine & Ruby 2010)

The fundamental aspect how cultures differ are the individual and *social objectives* (Heine & Ruby 2010, 256), which are reflected in one's individualist-collectivist tendencies. Individualism versus collectivism dimension tells the level of perceived

responsibility and reliance on groups (Hofstede 1984). It describes whether people place higher the interest of the group or personal goals (Trompenaars 1996). This dimension is used to indicate the level of interdependence in conflict management styles. The motivation to view oneself positively is higher in independent cultural context, while in interdependent cultures self-enhancement is relatively weaker (Heine & Ruby 2010, 256). Usunier and Lee (2013, 38) describe this self-motivation as potency, which refers to people believing in their skills and capabilities. In a workplace setting an individualist worker may want more recognition of one's achievement because individual goals are viewed more important than group goals. Whereas collectivism may slow down decision making and reduce motivation to achieve on an individual level. Finnish people are classified in individualist culture, where there is freedom to make mistakes (Hampden-Turner et al. 2020, 52).

Power distance describes how the power is distributed in a company for example high power distance is often accompanied with more repressive management, while low power distance refers to more democratic management (Hofstede 1984). In other words, it is the weaker power members' level of acceptance towards unequal power distribution (Hofstede & Minkov 2011). In the context of conflict management, the power distance refers to the preference over how hierarchical management style is (Ristic et al. 2020).

Rule-related matters could be explained through universal and particular dimensions, which describe people's attitude towards fixed rules (Trompenaars 1996). In intercultural conflict creation context, it can mean the tendency to overlooking the rules due to the circumstances. For example, a particularistic worker could place relationship over rules by offering a discount for an important customer, whereas a universalist would follow the rules equally with every customer regardless of the relationship. Also related to following the rules is the uncertainty avoidance dimension by Hofstede (1980), which refers to the toleration to something unplanned. For example, people from strong uncertainty avoidance cultures may feel more discomfort and try to reduce the uncertainty by following the rules (Hofstede & Minkov 2011). Rule-related behavior is also explained through human nature orientation (HNO), which is divided into positive and negative. Positive HNO is shown in lighter penalties and positive reinforcements because people are assumed to respect the rules while negative HNO refers to having stronger penalties because people are assumed to act opportunistic in general (Usunier & Lee 2013, 60).

Goal achievement can be explained through achievement versus ascription dimension, which is about whether status is being self-built through competition or

assisted through social status. The concept of personalization is closely related to this dimension, which describes whether people's capacities and roles are assumed based on who they are or what they do (Usunier & Lee 2013, 32). Both cultures have vulnerabilities, therefore there should be a balance between challenging the status quo and respecting people's experience (Trompenaars 1996). For example, someone receiving support based on social status instead of skills and effort may be considered unfair in an achievement culture.

Time orientation dimension is whether the present and the past or the future is valued more (Trompenaar 1996; Hofstede & Minkov 2011). It is about whether time is perceived sequential or synchronous, meaning whether things are done strictly one at a time or flexibly many things at once (Trompenaars 1996; Hall 1976, 47). Time orientation can be reflected on the working styles of the workers for instance in the order and priorities of tasks. Differing attitudes in time orientation may cause dissatisfaction among people. For example, the Finnish time orientation leans heavily on the linear type, where one task is taken at a time and punctuality is valued (Nishimura et al. 2008, 789; Hampden-Turner et al. 2020, 120).

3.2.3 Individual attributes

The following attributes have more focus on the individual level presented in figure 7. In this thesis they are called the individual level attributes, which are visible especially during interaction with other people. Each attribute describes the element in which contrasts can be found between individuals.

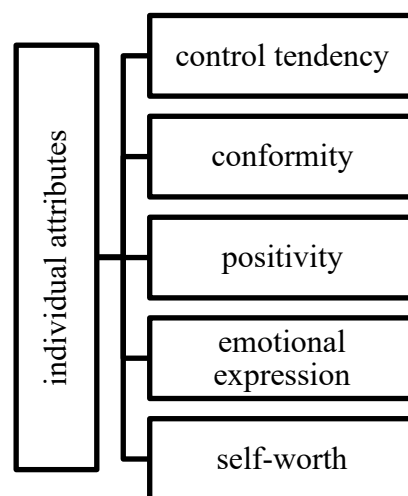


Figure 7 Individual attributes (adapted from Trompenaars 1996; Hofstede 1984; Heine & Ruby 2010)

Controlling tendencies refer to the tendency to control or adjust to the environment. Attribution style is whether the self is derived from inner or outer attributes (Heine & Ruby 2010). Seeing oneself malleable in a stable world will more likely make them adjust to the world around, whereas in contrast someone seeing oneself as stable will more likely control the surrounding to meet one's own needs (Heine & Ruby 2010). Trompenaars (1996) describes this through internal versus external control dimension, which is how people believe they can influence the environment to achieve goals. Depending on the culture, workers have different tendencies towards controlling the surrounding and adapting to the circumstances.

Conforming to the typical or preference for uniqueness are stronger in different cultural contexts (Heine & Ruby 2010). This dimension can be reflected from the individualist or collectivist tendencies: collectivists may prefer to conform because it brings feelings of harmony and connectedness, while someone from individualist culture would have higher motivation to be unique as they enjoy freedom and independence (Kim & Markus, 1999)

Positivity is explained through approach and avoidance dimension, which tells whether people prefer to avoid negative events or approach positive events. Compared to westerners, East Asians perceive a loss relatively stronger than an opportunity to win, which are characteristics of avoidance motivation, whereby, face is easier to lose than to gain in avoidance cultures. (Heine & Ruby 2010.) The avoidance view is like loss aversion, which is a cognitive bias that occurs in conflict (Budd et al. 2018).

Affective versus neutral dimension deals with how *emotionally expressive* people are in different cultures (Trompenaars 1996). Different levels of expression of negative feelings could lead to misunderstandings in a workplace setting. Leung and Cohen (2011) discuss the expression of negative emotions in dignity, face, and honor cultures and find that individuals tend to suppress negative emotions because they are felt as shame. In Western individualist culture, high arousal emotions such as afraid and enthusiasm are valued more, while Eastern collectivist culture prefer low arousal emotions of peace and relax more (Lim 2016). Finns tend to focus on objectives and do not display emotions relatively less (Hampden-Turner et al. 2020, 69). Thus, cultural differences reflect to the emotional expression style and level of arousal.

Self-worth refers to the sense of one's own value. Leung and Cohen (2011) divide them in three types of cultures: dignity, face, and honor. In dignity cultures, self-worth comes from within and does not depend on others' opinions. In face culture the self-worth

is dependent on the assessment of others. This interdependent self which is derived through the identity created by others is affected by others' thoughts and feelings, which then shape one's behavior in every social context (Heine & Ruby 2010). In honor cultures, conflict is associated with both shame and anger because of honor being socially claimed. The differences in the way how self-worth is understood may cause conflicts because people may have different social motives. (Brett 2018.)

However, it is argued that conflict management choices based on merely cultural predictions is an inadequate determinant, because situational determinants such as urgency, cultural identity and work status may also affect the behavior (Brew & Cairns 2004; Oyserman 2011). Therefore, situational and relational parameters such as role differences and relationships are important to recognize.

3.3 Relational parameters

The thoughts and interpretations about conflict are influenced by one's evaluation of the conflict situation. The situational appraisals deal with relationship parameters, the interaction context, and conflict goals. Situational elements can be history of conflicts, group belonging, and conflict intensity. Situational appraisal perspective highlights that culture-level factors affect the self-conception of people. Relational parameters include the intimacy and trust dimensions. Relational distance deals with differences that are affected by the type of relationship and the level of self-face and other-face. Status difference includes issues related to the differences in how status is perceived and assessed. (Oetzel & Ting-Toomey 2006. 707–712). Basically, the situational setting together with the interpretation of the perceiver affect the conflict approach in the next conflict communication process (Oetzel & Ting-Toomey 2013, 767).

3.3.1 Interpersonal relations

Outgroup orientation views unity beyond the groups borders and everyone is assumed to have equal rights regardless of belonging into a group (Usunier & Lee 2013, 31-35). For example, a family member who is regarded as ingroup member is not receiving special treatment because outgroup orientation values universal rules and objectivity. Stronger ingroup orientation may result in higher loyalty for ingroup members but reduce responsibility with outgroup members. The belief that it is acceptable to harm outgroup members to please ingroup members is an example of strong ingroup orientation. With

regards to rules, ingroup oriented people tend to incline towards particularistic thinking where rules are only applicable in certain situations. (Usunier & Lee 2013.)

According to the classification in competitive and cooperative goals. Whether the nature of the relationship is competitive, or cooperative affects the level of concern for self or for others (Deutsch 1994). Based on this Chen et al. (2018) characterizes cooperative goal with trust, concern for opposing ideas, and seek for integrated solutions to conflicts. Thus, when the relationships between a manager and a worker or between two workers is cooperative in nature, signs of trust and incentive to compromise are expected. It can be said that nature of relationship affects the incentives and interpretation of the goal.

The study about American and Chinese worker-manager settings shows that cultures of low power distance with collectivism enhanced trust and concern for opposing opinions (Chen et al. 2018). This closely resembles the communal conflict approach according to the model by Oetzel & Ting-Toomey (2001).

The concept of self is important in relational discussions and relevant in the interaction context. When exploring conflict approaches at the workplace, face is relevant to be discussed because face concerns are considered to influence conflict styles (Zhang et al.,2014). Face negotiation theory is based on two main concerns, towards self and towards others. Studies suggest that men have usually higher self-face and women higher other-face (Rahim &Katz 2019). Self-face is the concern for image of oneself, while other-face is the concern for counterparty's image and mutual-face is then concern for the image of both and the relationship. An individual with collectivistic values tends to have higher concern for the mutual-face image in conflict situations. The conflict face-negotiation theory assumes that everyone tries to maintain face (Ting-Toomey 2005). It divides cultural dimensions in individual, relational, and situational factors, which affect how the facework changes in different situations. (Oetzel & Ting-Toomey 2006.)

3.3.2 Conflict approaching styles

Oetzel and Ting-Toomey (2001) placed power distance and individualist-collectivist cultures on axes and discussed about the four approach styles: impartial, status-achievement, communal, and benevolent in figure 8. It explains ways of approaching something that one perceives as unacceptable behavior. This can be seen in the worker's behavior. Based on individualism and collectivism dimension, Markus and Kitayama (1991) divide self-concepts in the group context. Tommy and Oetzel (2019) explain

conflict confrontation through individualist-collectivist tendencies with respect to the power distance. Similarly, Coleman and Kugler (2012 & 2014) presented the situated conflict model but in three dimensions: goal interdependency, power distance, and group interdependency. However, this thesis uses the matrix by Tommy and Oetzel (2019) for simplicity. Moreover, the cultural dimension (individualism and collectivism) is assumed to include aspects of goal interdependency and group interdependency.

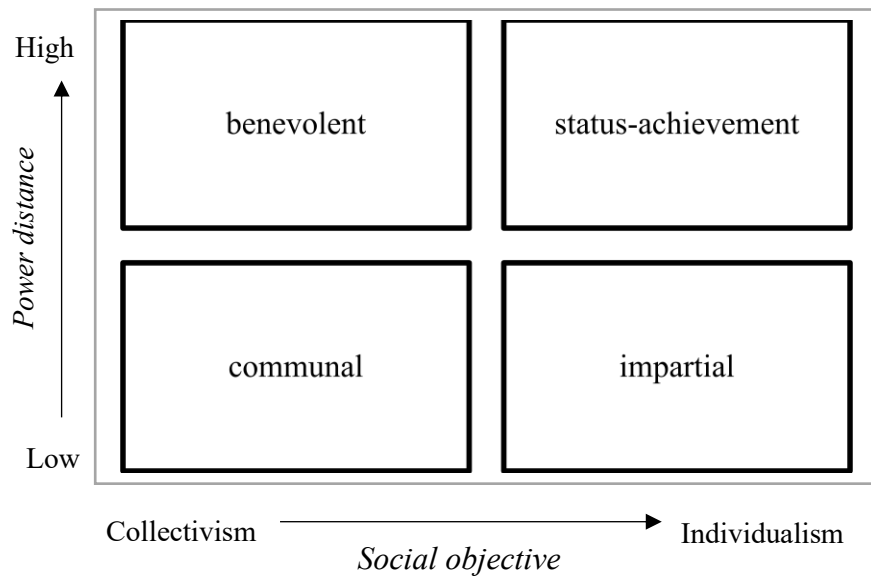


Figure 8 Conflict confrontation styles (Tommy & Oetzel 2019)

Impartial approach is seen in workplaces with small power distance and individualistic values, where people tend to use direct confrontation when dissatisfied. *Status-achievement* approach with large power distance orientation values individual independence and earned inequality means that employees may confront the manager, but still respects the higher position. Collectivistic with large power distance values would be *benevolent* approach, where employees prefer to confront the manager indirectly. *Communal* approach has collectivistic values and small power distance, where people are equal, and conflicts are resolved together. (Rahim 2002.)

The approaches above may be observed in workers when dissatisfied with the manager. In worker-worker conflicts, the power distance is assumed to be lower, therefore this model is more relevant for manager-worker conflicts. This model helps to identify how cultural orientations affect the approaching style. Through this, the interaction can be better understood.

The sensitivity to conflict varies between people, which could also cause conflict. Some classify any dispute between members in the team as conflict, while others understand conflict as a more serious problem in the workplace and disputes as harmless disagreement. People have different sensitivities towards conflicts and define them differently, which affect the attitudes towards conflict issue. For example, someone viewing something as a harmless disagreement and refuses to take the issue seriously may create conflict from the more sensitive counterparty's point of view. (Katz & Flynn 2013.) Therefore, approaching styles together with the sensitivity of the conflict members affect the overall interaction in the conflict situation.

Now that styles of how conflict is brought up have been presented, the next sub-chapter will elaborate on the communicational aspect of conflicts. It focuses more on the handling of the conflict instead of merely observing and identifying different types. The following two components take the actions of the manager more into consideration.

3.4 Intercultural conflict communication

Conflict communication includes the expression of emotions, conflict styles and facework, which are influenced by situational evaluations (Ting-Toomey & Oetzel 2013). Conflict communication processes include analyses of the style of expression and face negotiating. For example, direct or indirect communication styles correlate with how self-face is perceived. Dominating style may be perceived as motivating in some cultures and the opposite in some other. (Oetzel & Ting-Toomey 2013, 768.) Conflict approach style is part of the communication process (Oetzel & Ting-Toomey 2006. 707–712). It includes the different ways an individual can react to a conflict varying from avoiding to compromising style depending on their face concerns (Rahim 2002).

3.4.1 Communication culture

Language barriers might already pose difficulty in communication due to workers having different cultural backgrounds. The reason why cultural diversity may cause conflicts through different assumptions and perceptions is because of lack of socialization to other cultures, which leads to prejudice and hampers effective communication (Dalluay & Jalagat 2016). Therefore, it is important to understand the principle of effective communication in culturally diverse settings. Clear communication is necessary to culturally diverse workforce and helps decision making (Leung et al. 2013).

According to Merkin (2015) low-context communication is important in building relationships with people from individualistic cultures as they have more consultative face-saving style. In face-threatening situations they also tend to communicate directly. Individualistic behavior of self-promotion may be despised by collectivists that value modesty. Therefore, it is important for people from both cultures to understand the other culture to effectively communicate. Being culturally aware includes knowing the appropriate communication styles for every situation considering others' face needs.

Hall (1976) categorizes communication cultures into high context and low context. It refers to the typical communication style of certain group of people. In high context communication is indirect, where internal meaning is often deeply rooted, and the other person is expected to understand the untold information based on the background knowledge. While in low context culture meanings are explicitly coded and communication is direct. Low context culture usually value individualism over collectivism. The Finnish communication style is described as quiet with more emphasis on listening, which makes it a high context culture, although, there has been debates over where Finnish communication falls. (Nishimura et al. 2008.) In high context cultures, conflict resolution is often done through non-confrontational indirect strategies and members of low context cultures are more solution-oriented and prefer direct confrontation (Chua & Gudykunst 1987). Thus, the level of context indicates the preferred confrontation style.

Brett (2018) has analyzed the differences between the three cultures in terms of self-worth and the preferred confrontation style. People from dignity culture tend to choose direct style of confrontation to maintain dignity. In dignity culture, self-worth is not lost due to inability to resolve conflicts, therefore need for third-party involvement is lower. (Brett 2018.)

In face culture people prefer to avoid direct confrontation to lower the risk of losing the face of themselves and the counterparty (Brett 2018). For example, in Taiwanese cultural context direct confrontations are considered rude, which may complicate conflict resolution (Chen et al. 2016). People from face culture tend to intervene promptly in conflicts to save face. A study finds that Chinese workers prefer to avoid difficult conversations because of the risk of disturbing the manager and damaging their relationship (Chen & Tjosvold 2006). The barrier to express one's real thoughts contribute to confrontation style. Thus, cultures with higher barrier to express honest thoughts are due to higher to risks of losing something.

In honor cultures confrontation tends to result in aggression because conflict is associated with blame and requires restoring of reputation. The findings show that people from dignity and honor cultures tend to have direct confrontation of conflict, while those with face culture prefer indirect confrontation. (Brett 2018.)

3.4.2 Conflict management styles

The conflict management style refers to the way how managers react to the conflict. The styles are based on the two objectives of the manager: concern for production and concern for people (Blake & Mouton 1964). Other scholars rephrased and divided conflict management strategies based on desire to satisfy one's own interests and counterparty's interests (Thomas & Kilman 1978; Rahim & Bonoma 1979; Cunha 2005). This matrix of concern for own and other's interest is suitable for the context of workplace conflict management. Rahim (2002) summarizes conflict management in five main styles: *integrating, obliging, dominating, avoiding, and compromising*. In figure 9 is shown in matrix where each style has varying levels of concern for self and concern for others.

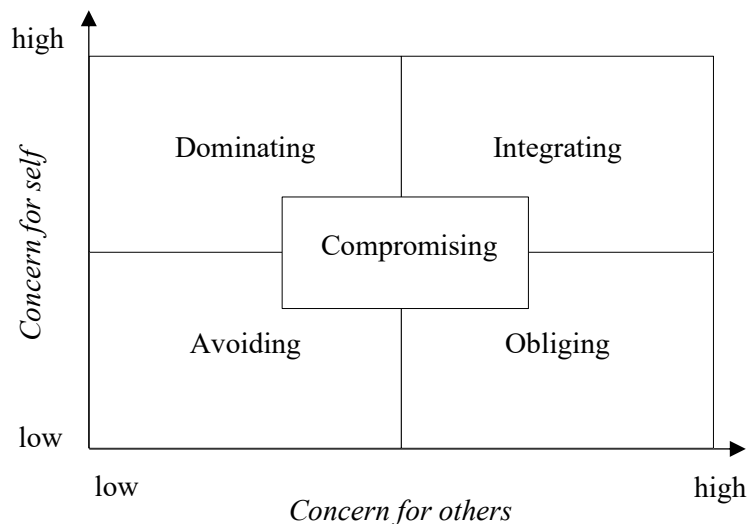


Figure 9 Conflict management style (adapted from Rahim 2002; Thomas & Kilman 1978)

The *integrating* style has high concern for both parties and is useful in complex situations where a creative combination of ideas is needed. It is suitable for long-term strategic issues because it may require time. *Obliging* style is when one places others' interests higher than their own concerns, which occurs when the person is in weaker position or considers the relationship to be more important than the conflict. The *dominating* style

with high desire for own interests over others may neglect others' ideas. However, this style is useful in routine based or hectic situations. *Avoiding* style has low concern for both parties and occurs in a form of withdrawal. This style is useful for smaller conflicts where the issue is not important to the person. Lastly, *compromising* style is meeting in the middle where both parties decide together. This style is used when parties have equal power and when there seems to be no solution. (Rahim 2002.)

Ting-Toomey and Oetzel (2003) show that individualism-collectivism dimensions affect conflict styles. Members with independent self-analysis tend to have higher concern for self-face which would be seen in dominating style while interdependent self-analysis is seen in higher other-face and avoiding and integrating style. Thus, the manager's self-analysis affects the conflict management style through concern for face. This independent or interdependent self-construal explains the interconnections between the self and the others.

Conflict management style of the manager also depends on the status of the conflict partner (Ristic et al. 2020). More cooperative conflict management styles, where concern for others is higher are more likely to create positive personal and organizational results (Rahim 2010). Managers of collectivistic cultures tend to promote social harmony and therefore, are less likely to use repressive styles like dominating style (Ristic et al. 2020). Managers from dominating cultures operating in an environment that is culturally far from their own will weaken their dominating and confrontational tendencies and are more open to using integrating styles of conflict management (Ristic et al. 2020). In multinational groups the negative impacts of a cultural diversity can be mitigated through cooperative approaches of conflict management, while competitive approach may worsen it, therefore the manager is accountable for choosing a suitable style (Liu et al. 2020, 2369).

Most of the managers admit avoiding conflicts with the belief of them fading away by themselves and around half of the employees avoid dealing with the conflict issue directly (Katz & Flynn 2013). Thus, the avoidance style is seen in both employers and employees although the views might differ greatly. However, the evidence shows that encouragement by managers to handle conflicts also lowered the number of conflicts in an organization (Katz & Flynn 2013).

Research found out that leaders in Malaysian construction industry prefer avoiding and cooperation styles to manage conflicts over other styles. The research concluded that if goals of the workers and the project are not proportional, then mutual goal relationship

is unlikely to be reached. With this assumption, avoiding conflict resolution is seen as the best option for both the people and the project. (Tabassi et al. 2019) However, the case in that research dealt with temporary organizations, where effectiveness of conflict resolution will not matter anyway. Thus, the continuity and time length of a project might also affect the choice of conflict style by the manager. The damage of unresolving the conflict compared to the benefit of resolving it should be worth the effort.

When exceptions like temporal nature of the project is put aside, the cultural orientations have shown to correlate with certain styles. The correlation of individualist or collectivist cultures with conflict styles gives some indication which cultures prefer certain management styles and why. Gunkel et al. (2016) studied the effect of individuals cultural value orientation on conflict management style preferences through emotional intelligence. The findings show that collectivism positively correlates with integrating style and negatively to dominating style. However, a study about conflict styles in Taiwanese cultural context point out that desired styles of conflict management vary strongly in collectivist cultures (Chen et al. 2016). Long-term orientation also showed more correlation with integrating and compromising styles while high power distance correlated with dominating and avoiding style (Gunkel et al. 2016).

Also, the preferred conflict management style can be understood through interpretation of goals. People from cultures of cooperative goals tend to create mutually advantageous integration that improves relationships and productivity (Tjosvold et al. 2014). A manager with collaborative style identifies the source of conflict, openly shares information and search for mutually beneficial solutions. This approach focuses on the common values, objectives, and solutions. (Swierczek 1994, 46.) Gunkel et al. (2016, 580) found that collectivism, uncertainty avoidance, and long-term orientation are strong dimensions to predict integrating, obliging, and compromising conflict management styles as they require more understanding and control of own and other's emotions. While managers from individualistic culture tend to have lower quality of social relationships, which may lead to narrow-mindedness and inefficient conflict management (Tjosvold et al., 2014). Thus, the social objective and goal orientation affects which conflict management style the manager chooses. This shows how primary orientations are carried on throughout the model and visible in the management style.

3.5 Intercultural conflict management

Conflict Competence especially in intercultural context is about appropriateness, effectiveness, and adaptiveness to the situational constraints. Appropriate refers to being proper and culture sensitive. Effective means the ability to come to a mutual understanding with limited prejudice. Adaptability refers to flexibility to mold the behavior to match the situational needs. (Ting-Toomey in Deardorff 2009, 102–103).

With increasing cultural diversity in workplaces managers encounter challenges that require a response on how to effectively manage cultural diversity (Dalluay & Jalagat 2016; Smith & Blanck 2002). Common challenges faced by multicultural team managers include unclear communication, different working styles, different expectations, and lack of understanding about others' cultures. Conflict communication should be appropriate, effective, productive, and satisfying (Oetzel & Ting-Toomey 2013, 768). The definition of communication appropriateness may vary slightly in different contexts. Relational appropriateness refers to prosocial communication behavior without being rude, while situational appropriateness is more about smoothness and adapting to the given situation. Other important skills of the manager are discussed further next.

3.5.1 Managerial intercultural skills

It is a vital skill for a manager to solve common cultural conflicts in multicultural groups. (Matveev & Nelson 2004, 255.) The greater the cultural distance, the more likely conflict negotiations are misinterpreted (Ting-Toomey 2009, 101). Therefore, managerial skills should also cover the effective conflict interaction process. Main competencies of a manager are strategic thinking, cultural sensitivity, change acceptance and knowledge of the environment (Kohont & Brewster 2014).

Managers working in a multicultural team should have cultural communication competence to effectively manage a culturally diverse workforce (Matveev & Nelson 2004, 255). Face negotiation theory includes skills such as knowledge, mindfulness, and communication as components of effective intercultural competence. Especially in cultural conflict context knowledge is the most important because that is how people understand their own perspective and how it differs to others. Cultural knowledge makes a manager more competent during interactions and mindfulness towards cultural differences requires challenging own views. Conflict communication skills include

culture-sensitivity, where behavior is culturally appropriate and respectful. (Oetzel & Ting-Toomey 2006, 716–717.)

Ting-Toomey (2009, 101-104) divides components of intercultural competence in knowledge, mindfulness, and communication skills. Culture-sensitive knowledge is essential for understanding the self and others on a deeper level such as cultural patterns or preferred styles. Mindfulness refers to the transition from knowledge to practice. It requires evaluation of the situation and mental adjustments to apply the chosen behavior in practice. Communication skills refer to the operational management of the conflict situation with appropriate communication and cultural sensitivity. Communication appropriateness refers to behaving according to expectations while taking the situational and cultural patterns in consideration. Perception of the own and others' conflict styles plays a large role in communication competence (Gross & Guerrero 2000, 202).

Intercultural competence is divided in three components by Matveev (2017): knowledge, skills, and attitude. Knowledge component includes knowing the self as cultural identity, being aware of similarities and differences across cultures, understanding oppressions, and appreciate effects of cultural differences on communication. Skills component is more active component, which applies the knowledge. It includes engagement in self-reflection, identifying and articulating cultural differences, taking many perspectives, and communicate cross-culturally. Attitudes component emphasizes on deeper values, such as group equality, fairness, risk-taking, and importance of cross-cultural interactions. (Hamilton et al. 1998; Matveev 2017.)

The intercultural conflicts are often caused by differences in expectations on appropriate approaching or encountering of a conflict situation (Ting-Toomey 2009, 101). From the manager's point of view, the expectations of their role as a manager may not match the expectations of the workers from the manager and cause conflicts. For example, a manager assumes that intervention is redundant and chooses avoidance strategy, while intervention would have been expected and needed by the workers. Therefore, identifying the cultural orientations of others and self is important. Since expectations differ and manager has many goals to achieve, the effectiveness should be discussed.

3.5.2 Managerial effectiveness

Effectiveness refers to the communication quality of a conflict situation, where goals are integrated accurately with no biases. Communication adaptability is the ability to change

own conflict approaching style to match the situation. This requires mental and behavioral flexibility and proactiveness. (Ting-Toomey 2009, 101-104.)

Understanding the main objective of diversity which is acknowledging people's individualities is essential for a manager. Creating an open communication environment which encourages information sharing is also important. Overall respect for cultural diversities over small things makes diversity management successful. (Amaram 2007, 5.) Katz & Flynn (2013, 407) support that effective conflict management should be flexible, practical, adaptable to diverse cultures, and easily communicated to workers. Because conflicts are so complex, it requires a comprehensive use of strategies to successfully manage them (Budd et al. 2018). Scholars of conflict management find cultural conflicts to be difficult to manage, because different norms and values affect the interaction (Rahim 2010).

Characteristics of an effective intercultural interaction are divided to three dimensions: *self-effectiveness*, which relates to personal adjustment; *relational effectiveness*, which includes maintaining good interpersonal relationships with culturally different people; and *task effectiveness* which is completion of task-related goals. These are presented in figure 10. (Thomas et al. 2008.)

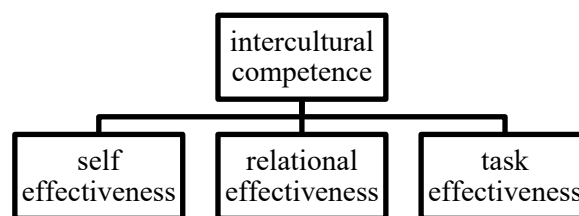


Figure 10 Intercultural competence (adapted from Thomas et al. 2008)

Developing a better understanding of each other's perspectives and the alliance in general can prevent divergent task understandings from escalating into destructive conflict spirals. Through role-differences employees are exposed to differing perspectives. Understanding other members' viewpoints and the relationships in general may prevent task conflicts from becoming destructive (Pesch & Bouncken 2018). Thus, inability to see issues from many perspectives may lie a risk of simple task conflicts becoming destructive.

Pesch and Bouncken (2018, 279–292) highlight the effect of socializing activities in preventing task-related conflicts from escalating to relationship conflicts. The benefit of socializing practices was assumed to encourage diversity and enhance shared learning.

However, the results show that socializing practices in with groups of high cultural distance are rather counterproductive because they have negative impact on trust perceptions and further polarizes the views. The findings also support that managerial cultural intelligence increases openness and trust, leading to better attitude toward others. Trust has an important role in enabling constructive conflicts because if there is trust that everyone is working towards one common goal, the opposing views are accepted more openly (Pesch & Bouncken 2017).

An effective intercultural manager should be receptive towards the cultural sensitivities that may be distinct from their own values and beliefs (Jogulu 2010, 708). Cultural skills involve appreciation of other's cultures, flexibility, and generating new appropriate behavior in the intercultural context. Respecting cultural values that may be largely different to manager's own values and integrating new behavior are regarded as cultural skills.

3.5.3 Manager's self-reflection

People tend to view themselves subconsciously appropriate to the ingroup culture. Self-esteem being low or high is seen through self-effacing or self-assuring behavior. This relates to the collectivism, where group is viewed more important than an individual. Perceived activity contrast is about what is appropriate level of personal activity, which can be seen as overworking or valuing free time outside working hours. Brett (2018) highlights the measure of self-worth in studying culturally diverse people's behavior and their assessment of others.

The self can be self-contained and derived from persons inner characteristics and attributes or be more dependent on the relations with others and their actions are rely on others' concerns, interdependent self-concept (Heine 2010, 256; Markus & Kitayama 1991, 225). This distinction is important because it explains how manager understand the recognized cultural differences. The evaluation of self also reflects how others' behaviors are evaluated (Brett 2018). Managers with interdependent self-concept have high concern for others and considers the social context more strongly. This description would incline towards integrating and obliging style of conflict management. Manager's individual personality is also an important factor affecting group harmony and understanding (Cupach et al. 2009, 150–151).

There is a gap between how managers believe their worldviews and values affect their behavior and the actual values that reflect from and predict their behavior. The

greater the gap, the higher potential for conflict creation. (Katz & Flynn 2013). Conflict creation is influenced by individuals' understanding of themselves, others, and social activities (Pandey 2015). Adair et al. (2009) imply that before meeting people from other cultures, people tend to adjust their approaches based on assumptions about the communication. However, effective management is not merely imitating the ideal behavior observed in the other culture, but rather understanding how own behaviors are being perceived and the ability to adapt them to communicate a message (Arasaratnam-Smith 2017, 63). Conflict adaptivity is defined as the ability to feasibly choose a consistent conflict behavior strategy in each situation (Coleman & Kugler 2014, 949).

The level of cultural intelligence and self-monitoring can predict the choice of interpersonal conflict management style (Gonçalves et al. 2016). The results showed that a person with higher cultural awareness tend to have high concern for both parties and value the relationship more, thus choose more integrative styles. However, self-monitoring as a predictor of conflict management style showed self-contradictory results, because of the duality of being sensitive to the social environment. Cultural intelligence plays an important role in choosing an appropriate and effective conflict management style (Gonçalves et al. 2016, 726). Chen et al. (2016) study in Asian context findings show that manager's emotional intelligence improves work output.

Brett (2018) names three elements of workplace conflicts: style of confrontation, expression of negative emotions, and third-party intervention. These three elements are assumed to be strongly influenced by culture. Thus, manager's ability to identify these elements in themselves while reflecting them to the expectation of the workers with distinct cultural values is highlighted in this thesis. Therefore, it is crucial to study how the manager understands one's own cultural values and position themselves.

3.6 Synthesis

Chapter 3 has discussed the components where cultural values are reflected and lead to differing styles on many levels largely following a CBSECM. The first two components of primary orientations and relational parameters help to broaden the understanding of cultural values observed in individuals. This is vital for the manager working closely with people from diverse cultural backgrounds. The latter two components were more involved with intervention, where especially managerial skills may be useful.

The first component of primary orientations was classified in two levels, cultural and individual level attributes. Taking into consideration the workplace conflict setting and

lower-level manager position, the relevant dimensions were chosen. The second component of relational parameters, which included theory related to human relations in a workplace when the effect of cultural differences is considered. The third component further integrated the primary orientations and relational factors to conflict communication. It included theories related to cultural communication culture and confrontation styles. The fourth component of the model emphasized on the managerial aspect of intercultural conflict management and could be used as a measure for intercultural managerial competence.

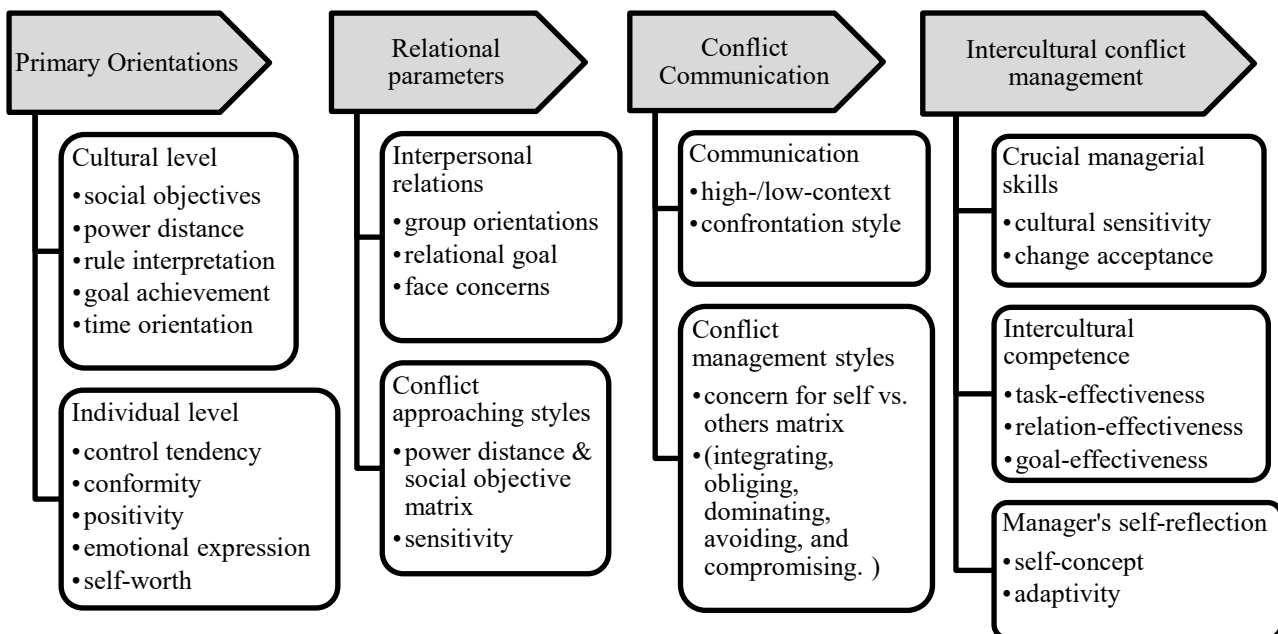


Figure 11 CBSECM process layout (adapted from Ting-Toomey & Oetzel 2013)

The figure is based on CBSECM and follows how primary values emanate to the conflict management in workplace context observed by the lower-level manager. This synthesis combines the theories and models relevant to workplace conflict context. The figure 12 is the conflict model in process layout to illustrate the factors of each component more in detail. It focuses on one perspective at a time and in a conflict interaction, both conflict members could be analyzed using this framework. Thus, the empirics of this study will follow the structure of the model presented in figure 6. The themes presented in the model are identified and further explored in the empirical data. The next chapter discusses the research process including methodology, data analysis, and evaluation of this thesis.

4 RESEARCH DESIGN

4.1 Qualitative research strategy

Qualitative research is chosen as the approach for this study because this study strives to understand conflict management from the manager's point of view. It aims to produce a holistic understanding of the phenomenon through interpretation and review which lead to new interpretations. (Puusa & Juuti 2011, 47-51.) Qualitative research aims to develop new information, deepen understanding, de-scribe or interpret a phenomenon or challenge the existing interpretations. Glesne and Peshkin (1992) add that qualitative approach assumes that variables are complex and difficult to measure. Instead of testing hypotheses, qualitative research studies the emergence of processes and looks for patterns. A qualitative research approach is suitable for analysis done on certain events through a person's perception and their interpretations about them (Koskinen et al. 2005, 31; Ghauri et al. 2020, 97).

Tesch (2013, 59 & 65) divides approaches of qualitative research in four types based on where the research has interest in: language characteristics, regularities searching, finding meaning in texts or action, and reflection. This study is interested in finding regularities and especially patterns. The branching into patterns as deficiencies is more suitable for this study as it aims to find practical solutions for better conflict management instead of developing the theory. Therefore, a qualitative evaluation research is chosen as an approach for this study.

Primary data is used in this thesis because it allows more consistent data with the research problems. Although sensitive topics may reduce incentive of the respondents, primary data is however suitable for capturing the data particularly about attitudes and behavior. Especially data on orientations, motivations and behavior are in focus. (Ghauri et al. 2020, 89-93).

4.2 Interview method

Qualitative methods highlight the subjective nature of the reality and information collected from it. It focuses on investigating certain events and participant's perception and allows researcher's interpretation of the observation. At the centre is participant's experiences and the job of the research is to interpret the phenomenon bringing together

theory and empirics. The analysis is based on the interpretations of the researcher, which plays an important role in qualitative research (Ghauri et al. 2020, 98).

Out of the many qualitative methods an interview method seems to be the most accurate method in analysing meanings and interpretations by people. However, the limitation of this method information being subjectively based on the interpretations of the interviewee and not the real situation. (Koskinen et al. 2005, 106-107.) This study focuses on the understandings, viewpoints, and emotions of the participants to investigate conflict management in culturally diverse workplaces. The interview questions are formulated to follow this type of research.

An interview reminds of a discussion but is more of a pre-planned and goal-oriented action led by the interviewer. The difference to a discussion is that in the interview, the interviewee does not have equal control power in asking and answering questions. The interviewer has the responsibility to encourage or motivate the interviewee to answer and at the same time stay critical and notice possible clarification points. (Hirsjärvi & Hurme 1991, 25-27.)

Especially semi-structured interview method is often used in situations where the area of study deals with sensitive subjects (Hirsjärvi 1980). A semi-structured interview is the most suitable method for this study because it is more efficient, and it narrows down the irrelevant answers without limiting the flexibility of the interview too much. In semi-structured interviews the themes and subject areas are known but the format of the questions and their order is not controlled. This gives the interviewer more freedom to lead the interview to some certain subject that could be clarified. It is done through questions that come to mind during the interview for example. (Hirsjärvi & Hurme 1991, 29-36.)

Interview was divided in main themes with alternately simple and difficult questions (see appendix). This variation of open and closed interview questions was to encourage the interviewee to talk more freely and produce more detailed answers while being engaged (Eriksson & Kovalainen 2016, 96). The questions would revolve around the themes of this study which are cultural differences, and workplace conflict. Based on the interview, the most interesting subjects or relationships that arise are analysed and compared to the theoretical background. Inductive analysis is then used because the research aims to find unexpected events. It is not testing theory nor hypotheses but instead, evaluating data according to own understanding.

4.3 Data collection

Convenience sampling is a common data collection method due to its accessibility with low resources required. (Fletcher & Plakoyianmaki 2011, 181.) Having access to the lower-level managers was more difficult because most companies' websites mainly listed the information of the higher management or direct all contact requests to customer service. Email was used to contact companies from many industries and sent to the most reasonable email address on the website. There was a risk of the email being ignored before reaching the right target group.

Therefore, selection of respondents was supported with the help of LinkedIn. The LinkedIn search function was used because it shows companies, people, and their job titles in the company. This allowed direct reach to potential respondents without any mediators. The search words were lower-level manager, foreman and supervisor. Connect requests were sent to respondents including a short introduction about the research topic and the criteria that should be met. The criteria for the selection were a manager position in a multicultural work environment, close work with the workers with a lot of interaction and work in Finland. Those who were interested and fit the criteria, accepted the request which led to further planning about the practicalities of arranging an interview.

The interviewees are presented in Table 1 The reason of having managers from many different industries was to see variations or patterns in lower-level managers in blue-collar worker industries.

Table 1 Research interviews

Manager in industries	Management experience (years)	Gender	Date	Duration
Food processing (FPM)	2	Male	20.05.2021	00:44:06
Beauty (BM)	19	Male	01.09.2021	00:49:11
Construction (CM)	5	Male	26.10.2021	00:34:19
Factory (FM)	12	Female	07.09.2021	00:41:06
Restaurant (RM)	21	Male	15.11.2021	00:58:23

After an agreement to take part in an interview, a few questions were sent for the interviewees to familiarize with. Sending some of the main interview questions beforehand, gave the interviewees a better glimpse of what to expect yet not being able

to fully prepare for their answers. The interviews were done remotely via Zoom for safety reasons regarding to the coronavirus.

Zoom platform also offers a feature of screen sharing while on a call, which was useful in terms of structure of the interview. The agenda was visible to the interviewee throughout the whole interview. Each interview was slightly different as the interview questions were improved after every time. The questions were also personalised for every interviewee for example depending on their level of experience. Some clarifying questions and follow-up questions were asked whenever considered necessary.

All interviews were held in Finnish, their work language in the company. The interviews were all recorded and lasted approximately 45 min each. Recording the interview allowed for better focus on the discussion and conversational dynamics of the interview. Taking notes during the interview allows interviewer to write observations of the interviewee's behaviour. However, it could occupy the interviewer too much ending up in being less present and miss some opportunities for a follow-up question. Thus, recording and taking notes at the same time is a balanced method complementing each shortcomings. Another advantage of recording would be the ability to revisit the data on its original form as many times as needed. (Hirsjärvi et al. 1996; Silverman 2000.)

However, the risk of recording the interviews could add the hesitancy to the respondents on top of the already sensitive topic (Hirsjärvi et al. 2009; Boeije 2010). This might cause the respondent to refuse to answer or pay too much attention to their answer such as the wording of their respond. This hesitancy was limited by discussing the purpose of the study in the early stages, which encouraged the interviewees to share their views more openly. All interviewees gave consent to recording.

Other ethical matters in interview process were considered. The sensitive nature of the research topic causes potential harm to the interviewees. The most relevant for this thesis is psychological harm, where sensitive questions might trigger negative feelings such as anxiety and stress in the interviewees. (Boeije 2010, 48.) This potential harm is reduced by informing the interviewees beforehand the sensitivity level of some example questions that is going to be asked. Voluntariness of participation was stressed and possibility to refuse to answer certain questions was also mentioned. However, the research topic itself revealed the sensitive nature of the research questions already. Being interested to participate showed that risks were acknowledged. Moreover, the interviewees were answering conflict related questions as third party observers, which reduced emotional harm to them because they were not directly involved as conflict

members. The effect on the self-identity of the interviewees were reduced by paying attention to the question format respecting the interviewee. The manager related questions were asked with an emphasis on the learning points and exploratory aspect was highlighted.

4.4 Data analysis

This thesis approached the data by organizing and bringing out the construction of information. This was done by transcribing and analysing the data. The collected data from the interviews were fully transcribed into text. The transcribed text was then translated in English while keeping the original meanings including linguistic expressions such as idioms. To have a holistic view of the data, general analysis was done by reading through the transcribed interviews. The initial preparation was supported with color-coding recurring terms or themes that appeared in the printed and transcribed data with colour markers.

Thematic analysis was chosen as the main method for analysing and processing the data. While analysing through thematic segmentation, it is important to have theory and empirical data interact closely (Eskola & Suoranta 1998, 176). The themes are both deductively preselected and may also emerge from the data inductively. Therefore, an open mentality was kept allowing possible new themes that were not considered prior data collection to emerge.

The purpose of data analysis in qualitative research is largely reconstructing the data in a comprehensible fashion (Jorgensen 1989, 107). Data analysis is largely segmentation and reassembling. Segmentation refers to comparison of data where researcher decides how to form the categories. Reassembling is the critical consideration of possible patterns and relationships between the categories to form a coherent whole. (Boeije 2010, 76-79.)

In this study, the actual analysis was done through systematic coding using the qualitative analysis tool Nvivo. The program can categorize answers under certain themes together without changing the original order. The preliminary coding units were chosen based on the pre-themes. The interview was semi-structured, which eased the categorization process to some extent because the interview structure followed the major themes.

Separation and categorizing data were done with careful consideration of which pieces should be grouped together and which to include. Then, the themes were labelled with a summarizing name, in other words, coded. These codes were clarified by

eliminating irrelevant parts and repetitions. The coding logic was initially to collect relevant parts based on a presence of certain keywords. Some parts were overlapping, and some parts required a new code but did not have enough similar content to create its own code, therefore renaming of codes or merging and dividing of parts was needed. The terminology was developed as the analysis progressed when the relationships between data and concepts were clarified.

The synthesis compiled the main points and answer the research questions (Puusa & Juuti 2011, 123). Thus, the themes arising from the empirical data were continuously compared with the theoretical framework to look for differences. In this phase, segmented and reassembled data was looked at from a context-specific point of view. The meaning-making process was done by reviewing the research questions. The relevance of a relationship was measured by the frequency or centrality in the data (Eriksson & Kovalainen 2016, 124). The topics which are assumed relevant and meaningful for answering the research question were chosen. Even though extensive theoretical base was collected, the analysis was largely based on own interpretation. Therefore, attention was paid to minimizing presumptions and biases that could have affected interpretation and distort the scientific findings.

4.5 Evaluation of the study

A characteristic limitation of interview method is that they give indirect information interpreted by both the interviewee and the researcher, not directly from the real-life situation (Koskinen et al. 2005, 107). Puusa and Juuti (2011, 78) add that trustworthiness of a research might be affected by the interviewee not understanding the question due to the unclear format of the questions. Also, social distance like the use of unfamiliar terms or jargon may be used by the interviewer or interviewee. However, this was controlled by having well thought questions beforehand. The clarifying questions during the interview were also used to guide the interviewees when necessary.

Mäkelä (1990) introduced four assessment tools for evaluating qualitative research, which are societal significance, adequacy, coverage and dependability or repeatability of the data. Significance of the data answers the question of why it is worth analysing. The *societal significance* of the data is measured in ways, such as authenticity and naturality of the data. Interview research aims to capture the real feelings of the interviewees. Therefore, it is important to specify situational factors affecting the authenticity of the interview. (Lincoln & Guba 1985; Mäkelä 1990, 47-52.)

The interview situation was planned to encourage sincerity by lowering the power distance between the interviewee and interviewer through connection building questions in the initial phase before the interview. Full anonymity and confidentiality was promised, which encouraged the interviewees to share sensitive matters more openly and honestly as their privacy was protected. Moreover, the role of the interviewees being the third party observing the conflicts reduced the pressures of disclosing sensitive information as they are not directly involved in them.

The *adequacy* of the data is about a suitable number of respondents, that would give enough information to analyse the issue. Often in qualitative research, data analysis has stronger role than data collection. However, it is seen to be proportionate to the scope of re-search. (Mäkelä 1990, 52-53.) Sensitive nature of the topic caused difficulty in finding voluntary respondents. Some of the potential interviewees despite being interested refused to take part in the investigation. This was because of the guidelines from the higher management about sharing sensitive information about the organization to the outside. The topic of conflict management would involve challenges and difficulties, which companies are hesitant to share. Although confidentiality was assured, from the company's point of view, there still lies a risk of giving a negative impression about themselves.

This study uses thematizing to analyse, which refers to exploring common themes that emerge in interviews. In terms of number of interviewees this study only focused on 5 interviewees. The adequacy of this study is negatively affected by the sensitivity of the topic, which caused hesitancy to participate. This limited access to a large respondent pool, which limited the possibility for interviewee selection and to produce more accurate results. The interviewee search was ended due to limited resources, such as time constraints. Therefore, this thesis has rather low generalizability. However, this study focused on deeper analysis of managers' conflict management and their thought processes during them.

One determining factor of *data coverage* is that interpretations are not based on random extracts, because data of a qualitative research is often broad and difficult to control (Mäkelä 1990, 53). To limit this from happening, this study has divided the interviews in parts and kept the sub themes consistent throughout the investigation. The data analysis was done using themes and codes that appear in the data. The relevance was based on the repetition by one respondent or emergence in many interviews. Systematic

data analysis was done with close consideration of research questions to ensure context relatedness.

Dependability or repeatability of a qualitative analysis implies how well the reader can follow the interpretations of the researcher. Repeatability means that categorization and analysis criteria are explained clearly enough to have the same results independent of the researcher. (Mäkelä 1990, 53.) A clear description of methods ensures higher dependability because it is easier to follow the interpretation chain of the researcher. Ways to increase dependability is to split interpretation process in parts and compare the results (Mäkelä 1990, 56). Closely related term confirmability, which tells how well this study can be confirmed by other scholars (Eriksson & Kovalainen 2008). The confirmability in this study was ensured by providing a detailed description of the research process, having the themes structured to follow the theoretical framework, and having the interview questions displayed during interviews. Also, keeping the original answers of the respondents' word from word as they came keep the information unchanged. This way, the interpretation process is visible to the reader. An interview as a method for data collection is quite subjective by nature as the researcher has more active role. Therefore, another person conducting the exact same experiment with same results is difficult to attain. However, objectivity was pursued by eliminating biases as much as possible. The interview questions were constructed based on theoretical framework while avoiding leading questions. The analysis of this research was done partially through codes and themes that were set prior to the interview. Other interpretations were made based on the number of topic emergences by different interviewees or the repetition of certain terms by one interviewee. After a detailed description of the research process with thorough evaluation of the method, the results are presented. The empirical findings of this study are presented in the next chapter.

5 CONFLICT MANAGEMENT IN CULTURALLY DIVERSE WORKPLACES

5.1 Challenges in culturally diverse workplaces

This sub-chapter discusses the challenges faced by the interviewed managers of the study. The prominent themes that arose from the data could be categorized in communicational, role-related, rule-related, goal-related, jealousy, and religion-related challenges. These themes are further discussed in the following paragraphs and direct quotes from the interviewees are also presented to support analysis.

5.1.1 Communicational challenges

The difference between multicultural and monocultural workplaces is the presence of multiple nationalities in the same environment. Certain aspects rose among the respondents. In addition to language barrier and communication challenges, a few managers mentioned that in a less culturally diverse workplace there is less questioning of rules and way of working because the majority accept and comply with the rules. In culturally diverse workplaces people tend to form groups of their own ethnicities or with those with the smallest cultural distance. The tendency of individuals viewing each other as ingroup, or outgroup is stronger in culturally diverse workplaces. Attitudinal and motivational problems get amplified in multicultural settings because the differences are more evident, thus comparison is easier and more present.

When managers were asked about the difference between managing a monocultural and multicultural work group, most of them mentioned the difficulty in communication. Especially in giving instructions and delivering a message. The instructions were not questioned as much in monocultural workplaces because there is less of ingroup versus outgroup mentality.

“In monocultural workplaces everyone follows instructions because everybody else does too.”(FM)

In culturally diverse workplaces the difficulties are largely related to language barriers, which was supported by all interviewees. As people have difficulty bring out their wishes and demands, problems arise. These communicational challenges caused by language barrier were faced by most of the interviewees:

“Giving instructions to people whose mother tongue is not Finnish has been challenging. My English is not very good. So, it is a challenge to transfer information to a person who does not fully understand it and from a person who cannot fully explain it.”(CM)

In manager-worker interactions, communication is largely in the form of giving instructions. The common problem that occurs is the misunderstandings of instructions. Transferring information from the highest management through managers to every worker is more challenging with the presence of language barriers. The general instructions are given by the manager, then each worker each by themselves are responsible for understanding them and follow along. However, when workers have weaker language skills there are doubts about the interpretation of instructions and mistakes occur. This causes dissatisfaction in co-workers because in a teamwork environment of such, a mistake by one becomes everyone’s burden. Therefore, intercultural workplaces face challenges that are often stemming from misunderstanding of the instructions:

“Work instructions are misinterpreted, or they are not well enough explained in a foreign language. When the process fails, quickly you notice people blaming each other.”(FM)

A misunderstanding may create conflicts among workers if blaming occurs and there is no manager intervention. In the existing literature this resembles cognitive conflict developing into a structural conflict, where interpretational differences may develop into interpersonal blaming. Thus, the development of conflicts may be caused by already existing conflict of other type and result in a combination of many types of conflicts.

To overcome language barriers while giving instructions, some managers chose to demonstrate the worker how something is done. However, demonstration cannot always be afforded time wise or more abstract goals cannot be demonstrated. Therefore, at times translation is needed. Workers who do not speak Finnish nor English had to rely on other workers who share a third language with them to translate the instructions.

5.1.2 Role-related challenges

The ingroup members can find each other through many demographic factors but the most evident that arose in the interviews were geographical factors, nationality, and shared language. The groups were more visible in the places aside work areas for example break rooms or the lunchroom, where socialization and relaxing happens. The disadvantage of grouping arises when it affects the willingness to help one another. The lowered incentive to help another person because they are not an ingroup member may hamper productivity of the work and create unideal work environment.

The translation process affects the role dynamics, which led to some role-related problems. The problems arising from translation process was supported by two managers. Taking orders from someone of the same power position caused some resistance in some workers because it allows the translator to talk on behalf of the manager. This could be perceived as crossing the line to the manager's privileges. This is closely related to the dimension of power hierarchy. In high power distance cultures management is expected to be more repressive. A worker of high hierarchy culture respects the privileges of person with higher power position. Therefore, a co-worker with same power position suddenly having more power may feel as a threat. Two managers could notice certain cultural groups being more sensitive about receiving orders:

“Kosovars and Romanians are sensitive to having orders from someone with equal power.”(CM)

The process conflict in the literature are problems related to roles and responsibilities, which resembles this. Reluctance stems from roles being shifted as the other worker is expected to have similar role with same power and responsibilities.

Another manager noticed the tension between two workers when one was translating to the other. During these situations, the message travels from the manager through a worker with decent Finnish or English skills and finally to the worker who does not speak either of the languages. In translation, it is inevitable that the message travels through someone else. For convenience reasons, the translator happens to be another worker:

“I noticed tension between them. Even the translated critique was hard to swallow. He had an unapproved absence. I had to give a warning. She translated and told me that he was very angry that I warned. I cannot help it because this is how we operate with everyone.”(FM)

Studies exploring gender related issues in face theory suggest that men are prone to saving the self-face more than women. Having higher self-face means to be concerned about one's own image, thus they seek to have a face at the workplace (Oetzel and Ting-Toomey, 2003). There seems to be feelings of losing the face because this involved three individuals. The worker seems to have lost face in front of the translator and the manager who were both women. This led to another noticeable issue in the data. According to two interviewees, gender had a significant role in reluctance to cooperate. Reluctance towards following instructions from a female was stronger in some workers of certain cultural backgrounds:

“Workers of certain background cannot/do not want to take orders from a female. It is quite a big issue.” (FM)

Gender equality is different in many cultures. Some male workers do not take a female manager seriously. The only female manager in this thesis could point out certain cultures that have higher gender sensitivity with whom she faced difficulties fulfilling her duties as a manager. This calls for more research for how gender inequality is visible in workplace conflict settings and how cultural orientations shape this view.

5.1.3 Challenges related to interpretation of rules

A company may have certain values that it wants to achieve. The manager has the pressure from upper management to exceed certain numbers and to manage the operation to reach the goal. The food production manager had difficulty communicating the mission to workers. Competitive factor of the company is having large-scale production visible to customers and maintain large product variety. Therefore, the presentation of product variety and availability are more utmost important. Some workers prioritized minimization of food waste over variety of products. The food production manager interpreted this cultural difference to stem from workers coming from countries that have experienced worse conditions than a welfare state like Finland. Thus, cultural differences can be seen in level of appreciation towards ingredients, which are behind different assumptions and working styles:

“The excess ingredients are supposed to be thrown away, but it seems like some would store them if I didn't comment about it. Maybe it is because

welfare in every country is different, and all have different backgrounds. For me it would be common sense to throw wastage away.”(FPM)

Another manager mentioned that some operational challenges are faced when some cultural values are so strong to be an obstacle for working. Some workers refused to throw away waste food due to moral reasons:

“There were two workers who told me they don’t want to throw away rice because some people in the world are starving at the same time. There is a saying rice is like heaven’s pearl. So, they would rather quit the job instead.”(RM)

There is high importance on certain cultural values, which are strong enough for the worker to rather resign. Moral reasons being an obstacle for working shows that the values may differ greatly. This finding supports that the multilevel approach of CBSECM is relevant for workplace conflicts. The macro level elements such as historical and cultural elements do influence the primary orientation of the person in a workplace setting.

The construction manager had a similar problem with workers valuing safety. Some workers were undervaluing the protective gear and refuse to follow the guidelines of wearing them. The workers carry the values from the place of origin to the new environment which can be seen in the different assumptions of the workers compared to the local ways. This behaviour was interpreted by the manager as being accustomed to the old ways in their home country:

“They didn’t have any safety protocols in their home country. While in Finland it is common sense to wear safety gears when climbing up. (..)They view it as a drag.”(CM)

Many of the managers mentioned that workers’ unwillingness to comply with the rules were due to clashing values compared to those in their home country. The reason was often interpreted as workers acting according to how they would act in their home country. This relates to the cultural dimensions of universalism versus particularism, which refer to how individuals view fixed rules (Trompenaar 1996). The worker viewing the safety rules as a drag is a sign of overlooking the rules due to the situation. The empirical data seems to depict a particularist worker and a universalist manager. If it is assumed that an instruction is followed only when it is logical, the workers might not

comply with instructions when they are clashing with their own logic and not explained well enough.

These differences in values can cause conflicts as workers are deciding based on their experience which may differ deeply. Therefore, 'common sense' as a term can be very broad in a culturally diverse environment. Based on the interviews, most of the managers experienced situations where certain assumptions were not aligned. Instead, assumptions are deeply rooted and carried with the worker from their place of origin to the new environment. It may be difficult to understand and adapt to new rules which are based on different core values. Thus, a change in core values cannot be expected even when the worker resides in Finland.

In one case the worker had done the exact opposite of the rule which required more effort than not doing anything, the reason may be something else. The manager has the right to have their holiday free from work-related duties, therefore reaching out to the manager is disturbing. Therefore, there is a rule that personal phone number should not be given out to the customers. This might be confusing to understand for a worker who is instructed to ask whenever unsure. Despite of repetition, there has been difficulties understanding the instructions:

“Something that was told many times before is not to give my personal phone number to customers, yet it still happens.” (FPM)

The problem seems to be on a deeper level relating to willingness to understand and acknowledging the reasons behind certain actions. The worker with limited language skills might direct every inconvenience to the manager and see it as the only solution. Any case could be perceived as an emergency from worker's point of view, which justifies incompliance to the rule. There seems to be lack of understanding of the overall operation of the company and the clear roles of a worker and the manager. Manager's responsibilities do not extent to their free time, which was difficult to understand by some workers. Thus, it is important for the manager to explain why such rules exist and why they should be followed. This reduces an information gap to the workers and eases the assessment of the situation. Whether it is a humane mistake of not understanding the rule in the first place or situational constrains that change the course, the challenge is to communicate the reasons behind rules and motivate workers own thinking.

Culturally diverse workplaces have people with different cultural orientations and values, which extend wider than in monocultural workplace. This leaves more room for

interpretation of rules. Therefore, in intercultural work environments, rules should be described with more clarity leaving less room for interpretation.

5.1.4 Differences related to understanding of goals

The beauty industry manager mentioned the reason for different way of attracting customers being due to workers coming from countries with lack in social benefits, which explains their competitive working style. Workers with such origins tend to value immediate benefit over long term sustainable benefit. They are more focused on attracting the customer first-hand instead of building a reputation for returning customers. Sustainable selling would focus on return-rate of customers. Different values in everyday activities at the workplace may clash and may stem from the values in the home country. The different values in sales creates behaviours which may not match with the reputation of the organization and other workers:

“Workers of certain culture have more ruthless style in attracting customers. Things are taking colleague’s clients (...) people cannot think long term. For them it is difficult to understand sustainable selling especially here in Finland where customer base is smaller for the beauty industry.”(BM)

Even though the main goal is understood by every worker, cultural differences affect the way how the goals are achieved. The differences in ways of achieving goals was seen in different prioritization. From the data it can be interpreted that the workers tend to understand the short-term goals better than the long-term goals of the company. Worker safety, product quality, and company image are things that contribute to the long-term goals of the company. These were not understood by many of the workers. Instead, only the immediate goals such as finishing the task or ensuring supply of product or service was understood. Achieving the immediate goal may harm the process of achieving long-term goals, therefore in culturally diverse workplaces, goal description requires more attention when diverse core values are present in a workplace.

Another issue arises with untold rules, which are assumed to be common sense to some workers. According to the manager, customers should be treated professionally without inappropriate behaviour. However, some workers did not meet the expectations:

“They did not understand that customer service is professional (..) The word spreads. You should respect the customer. (...) it affects other workers and the whole company. I had to fire that worker after a few warnings.”(BM)

The worker is a representation of the company, therefore should behave appropriately and professionally. The manager expects the worker to behave appropriately but the worker didn't seem to understand the effect of one's behaviour on the image of the company. However, the manager has used their decision power to fire the worker due to incompliance to rules and possible harm to the company image. Understanding the goal of the company in giving the best representation to customers even from the small encounters was lacking from the worker. This implies that the employee loyalty is low as the worker is not committed to the success of the company. Thus, low employee loyalty creates challenges on the operational level.

Although some untold rules are not understood, some are clear. The inconsistency of the attitude towards untold rules are caused by some external factor. According to the manager working in the construction industry timetable is the most important priority and is understood by everyone:

“When the renovation starts, the timetable and processes are planned beforehand already. The common thread is there and if it fails and we fall out of the timetable, then money is wasted, quality will suffer, so if something should be prioritised, then the timetable and everyone understands that.”
(CM)

In this statement, everyone seems to know that timetable is utmost important and understands the consequences. To prevent falling out of timetable, the processes are planned in detail. Thus, detailed planning of projects seems to be easier to follow for the workers instead of long-term goals. However, other managers faced challenges to explain why timetables and effectiveness are important. Whether it is industry-specific culture, which affects how timetable is prioritized or managers ability to explain the consequences, there is need for more investigation in the industry specific patterns.

An understanding of the contribution and the influence of one's behaviour on the whole production chain seems to affect how workers prioritize. Gaining employee loyalty may be beneficial for the company as workers understand the goals requiring less rules. If autonomy of workers is difficult to achieve, then the ability to explain why some decisions are made and why rules should be followed is required from an interculturally competent manager.

5.1.5 Jealousy

Most of the interviewees mentioned jealousy as the root of conflicts. Signs of jealousy was shown in different ways in various situations. Jealousy was associated when a worker feels that someone else is having benefits that they themselves do not have. Jealousy came after comparing oneself to someone of the same position at the workplace. In the interviews, the sources of jealousy were mostly related to work shifts and quality of work, which indirectly connect to the unit of workload over salary. Workers earning on a timely basis would compare their workload to others. Personal conflicts were developed when livelihood was affected in a repetitive manner. Jealous behaviour was noticed by most managers:

“Jealousy is one big thing. People are jealous over small things, but that is human nature. Sometimes there are cases where people want to make others jealous on purpose and other weird behaviors. I have wondered would there be any conflicts if all workers had good salaries.”(FPM)

The link for jealousy to money stood out in the interviews. One manager revealed a common source of conflicts in their workplace being the uneven distribution of work shifts, especially Sunday shifts. Depending on the labor union, mostly work on annual holidays including Sundays are paid with doubled wages, which increases incentives for workers to work on those days. The manager of this workplace was responsible of work shift planning, which required careful decision making. This was because the distribution of Sunday shifts indirectly affects salary and creates comparison between workers. Many consecutive Sundays would result in larger pay gap between two workers in the same position. Both fulltime workers working 5 days per week but the workers who get the Sunday shifts would earn a 6-day salary instead of 5. Thus, not working on Sundays is viewed as reduction of otherwise higher salary. However, there is only need for certain number of workers on Sundays. This relates to a larger theme of jealousy that emerged in many interviews in slightly different ways. Jealousy related to work shifts refers to different levels of appreciation towards work and free time. There are some patterns in certain cultural groups valuing free time more than work. An example of this would be a restaurant manager noticing that uneven distribution of work shifts is a source of conflict:

“If they don’t get Sunday shifts, they will complain, while there are also those who can only work from Monday to Friday during the office hours.”(RM)

Conflicts arose both ways, with workers not getting Sunday shifts and with workers having to work outside of normal office hours. The different valuation of work and free time causes challenges for managers to come up with an equal strategy for all. In a monocultural workplace the situations are viewed to be less varying.

If comparison was not possible based on salary, signs of jealousy appeared from workload comparison. Jealousy related to the quality of work was also common. Workers compare their workload to each other and get jealous. This drags down the total efficiency of work when more people start to avoid certain tasks. Dividing all work equally would hamper work efficiency and reduce teamwork mentality among workers:

“Equality is good, but the mentality should be like in a sports team. Someone is better at something. There are defenders and attackers in hockey too. A working team should be likewise, [...] It drags down the effectiveness if we divide tasks evenly.”(FPM)

The interviewees in this study mentioned many conflicts to be indirectly originated by salary-related differences. Jealousy is observed when temporary workers join the workplace with different contracts. This creates comparison as some people may earn more with the exact same amount of work. Inversely, when workers are asked to work on something outside of core responsibilities, they would ask what they get in return. This indicates mercenary work mentality, which was noticed by two managers. This mentality in workers were seen to hamper workplace productivity and increase comparison between workers and lead to jealousy. The data of this thesis shows high sensitivity towards comparison especially of salaries. One manager described the workers valuation towards salary to be the greatest driver:

“For some workers, the workplace is viewed as a place to collect money.”(BM)

This suggests that in the role of reward system is important for industries involved in this study. The manager understands the work ethics of the workers in question. Therefore, aligning the goals for workers with different views about the work may be challenging.

Too much responsibility can be source of conflict among workers. None of the workers are willing to work extra and be responsible for tasks that do not belong to them. Having vague responsibility descriptions may create disputes among workers as they

themselves must decide who should do it. This uneven distribution of workload was mentioned often in interviews. It increases dissatisfaction among workers as someone will have to sacrifice and work extra, which makes workers compare workloads more and hampers team harmony. Two managers mentioned that too much responsibility to workers creates dissatisfaction in the workers, therefore actively delegating responsibilities is a working solution:

“I left too much responsibility for workers, so they were dissatisfied but I managed to solve it by choosing one floor manager who would have higher salary to delegate certain responsibilities that I didn’t have time for.” (BM)

The clear division of tasks has its advantages and disadvantages. The root cause of many workplace conflicts could be interpreted to be jealousy, which can arise in many forms and in different contexts. The reasons may not be evident but require deeper analysis of the situation and understanding of the primary values of the workers. Jealousy follows comparison, therefore creating environments that limits comparison can reduce conflict creation.

Despite all challenges of intercultural management, the benefits of cultural diversity were noticed by some of the interviewees. The benefits were related to work efficiency such as higher appreciation of work or more practical issues such as quick learning. The benefits of cultural diversity were noticed and described as such:

“It is absolutely a resource that we have people from many cultures.” (CM, FM)

One theme constantly arising throughout the interviews was the different levels of appreciation of work between cultural groups. Differences in how work is viewed may cause difficulties finding one strategy to suit everyone. Ability to notice the differences and apply them in decision making shows deeper level of understanding intercultural workplace dynamics.

Appreciation of work refers to valuing employment and the opportunity to work. The appreciation of work can be shown in higher efforts in working and availability for example. The interviewees tend to compare native and non-native workers as the latter group has different cultural background with respect to themselves. One of the reasons for higher appreciation of work is having less options. For example, people with weaker language skills face more difficulty in finding a job and earn the livelihood as there are

less options for them. This less advantageous basis is balanced by putting more effort in other ways. Thus, they feel the need to provide more to be comparable to the native population. Some managers noticed higher diligence in foreign workers, which stem from unequal starting points.

“I count to foreigners’ strength their diligence. It might be true that they feel like they need to bring more to the table because they have different nationality, so they are taken as seriously.”(CM)

Appreciation of the opportunity to work is also shown in high availability for work and flexibility to work-related changes. These are factors that can also be interpreted as diligence. The restaurant manager viewed availability and willingness to work overtime as benefits of a worker:

“The benefit of non-native workers is that they rarely refuse to work overtime, and sudden change of shifts are also ok. With native workers planned shifts are respected more and should be visible 3 weeks prior. Of course, it depends on an individual too.”(RM)

These qualities show that some workers prioritize work over other things in life such as free time. The flexibility of non-native workers was noticed by three managers. This could be rephrased as higher tolerance for changes, which is linked to uncertainty avoidance dimension. Respecting plans is more important for people with strong uncertainty avoidance culture because they would feel discomfort with changes. Also, the trade-off of workers who refuse to sudden changes are higher. The trade-off would be free time, which is more important to these people. Therefore, differences in how work is viewed may cause challenges for managers to come up with rules and motivators. One unified motivator might be ineffective and lead to jealousy when benefits are unevenly valued.

5.1.6 Religion and history

The literature review of this thesis chose to focus on specifically the older model of Culture-Based Situational Conflict Model which excluded the multilevel aspect. However, the empirical data shows that religion has an influence on behaviour. There has been challenges in maintaining teamwork mentality with the presence of religious exceptions.

The terms of employment are often set by the labour union of each industry. The collective labour agreement includes the amount and length of the breaks, which are based on certain work safety guidelines. However, between Muslim and non-Muslim workers there has been difficulty compromising rules and exceptions. As supported by two manager, freedom of religion should be guaranteed, but in Finnish work environment religion does not play a big role.

Some of the managers faced difficulty between respecting religious traditions and treating workers fairly. On the one hand the manager could show respect towards religious traditions by allowing exceptions but on the other hand this should be granted to all workers equally, which is not possible as overall operation should not be affected. Religious traditions which temporarily affect workers' lives, such as fasting can influence one's work output. The exceptions made based on religious reasons create comparison among workers, which can mature into conflicts:

“For example, the Muslims have Ramadan, during which they are not allowed to even drink. With that kind of heavy work that we are doing, it is very tough for that person. It is quite like walking on tightrope, because other non-Muslim workers get frustrated when that person gets lighter jobs only because they have an excuse.”(CM)

It was mentioned that Muslims have Ramadan, during which eating and drinking are sacrificed. During this period the workers are offered lighter tasks because of their weak physical condition during fasting. A gesture from the manager respecting the religious tradition have caused some disputes among the workers because the manager is seen as treating workers unequally based on religion. Thus, religious traditions cause very complicated challenges for managers and requires high caution in approaching them. Muslims also have prayer sessions, which can be interpreted by others as an extra break:

“Those with Muslim background and non-Muslim people do not understand exceptions such as prayers, which create clash. Others see it as a break. It is extremely difficult to reconcile because the collective bargaining has come up with the rules.”(FM)

Whereas people of Orthodox religion celebrate Easter, which their most important holiday has caused difficulty for the manager to choose between being equal and being culturally considerate. For non-Orthodox it can be interpreted as unequal treatment when granting the holiday requests. One exception could be understandable, but religious

holiday like Easter is celebrated every year, which makes it an annually returning conflict. Making exceptions to rules based on religious reasons easily cause conflicts:

“Orthodox people celebrate Easter, which is not big of a holiday for us, but for them it is very important one and they want that day off. Others get annoyed as they cannot have the same days free because they are not Orthodox.”(CM)

One of the greatest challenges faced by a few respondents was the ability to consider people’s religions and fulfil their functional duties. The harmonization of respect to cultural diversity and fulfilling work-related duties require caution. The greatest challenge for the managers was to know where to draw the line between an understandable exception and an excuse to benefit from exceptions.

One manager had stronger view on sticking to the workplace rules instead of allowing exceptions. This manager values fairness over tolerance in required skills of a manager. This low tolerance towards religion was displayed through reasoning of equality:

“We are in Finland so that is how it is done, because we do not put people in unequal positions merely based on religion.”(FM)

This implies that the manager has an assumption that the importance of religion is less important than the work responsibilities and that the workers should also prioritize their values accordingly. Another manager also agrees that adaption to the current environment should be present, but certain situations are still challenging. It was also pointed out that the amount of customer contact determines whether exceptions can be facilitated. Being under the eye of customers, the manager feels responsible showing that work is done to ensure product availability to the customers. Thus, balancing between religious factors and work efficiency creates challenges:

“(…) should get used to the Finnish way, the Finnish culture. It would be different if we worked in a factory outside with no direct customer contact then culture could be considered more, and workplace could facilitate prayer moments somehow. Even though religious liberty is everyone’s right but is it

relevant to pause everything for someone to pray? Well, I don't really know, these are difficult situations.”(FM)

Considering cultural factors resemble concern to people, while evaluating the company image and work efficiency resemble concern to work. This case is a depiction of people versus work goals, the two types of intercultural effectiveness as described in literature. The rhetorical question of the interviewee shows that the cultural differences are acknowledged but not necessarily supported. In principle, most managers agree that workers should adapt to the environment and workplace rules. But some managers showed more signs of tolerance and efforts to understand different stronger valuation of religion. Other manager rather accepted the exception and change the work to suit the people rather than forcing the people to adapt to the environment. The manager understands the magnitude and accepts the situation of the workers' history even though it has no direct link to the work per se:

“Israelis and Palestinians cannot work together because they have been in war for ages. Although they have moved to Finland, they still don't respect each other because it's so deep in their roots.”(CM)

The historical events appear to affect workers even at the workplace and cannot be put aside. These show that societal level conflicts occur in culturally diverse settings. This implies that the macro elements are deeply rooted in workers and affects conflict creation. The tone of the manager stating this revealed that some historical conflicts should be accepted and avoided instead of forcing individuals to put them aside and focus on the work. This shows that the manager understands the seriousness and the unsolvable nature of the conflict. The definition of conflict management, which focuses on the best viable solution in general and not necessarily resolution of the conflict can be observe from this. In terms of effectiveness, accepting this historical conflict and avoiding situations that would ignite conflict between two workers is more reasonable.

5.2 Crucial managerial skills in intercultural conflict management

This sub-chapter discusses themes related to managerial skills that were identified from the data. With aims to answer the second sub-research question this sub-chapter found crucial managerial skills to be about instructions-giving, listening, confrontation and conflict resolution. These themes are discussed more thoroughly in the next paragraphs.

5.2.1 Instructions-giving

All the managers interviewed spoke Finnish as their mother tongue and English with varying levels. The interactions between a manager and workers were mostly in forms of giving instructions and solving problems where the workers themselves cannot solve. Related to giving instructions, the style of instructing was different depending on the situation. Most of the managers acknowledge the change in their style in certain situations.

“As my English skills are limited, my delivery can be ruder than intended because I cannot find the right words”.(CM)

The existing literature mentions about different levels of sensitivity, where something harmless for one person can be interpreted as more serious for another person (Katz & Flynn 2013). The empirical data shows that the manager has faced such situation and understands both sides. The manager understands the tone differences and the effect of wording from the perceiver’s point of view. The admittance of limited language skills shows that there is a language barrier both ways. Thus, it seems that the manager understands the risks of tone differences but is unable to influence it due to limited language skills.

While communicating through giving instructions or pointing out a mistake to the worker, managers paid attention to how cultural differences affect the way people perceive messages. The manager has noted the cultural patterns and shown signs of conforming to the culture of the workers when talking to that group of workers:

“To older Asian workers I try to speak more respectfully, because in Asian culture one should respect the elders even if they are wrong. However, this does not apply to Finland, if the parents are stupid, they will hear about it from their children. “ (FPM)

This part includes the three components of intercultural competence as in literature, which comprises of cultural knowledge, mindfulness, and communication (Ting-Toomey 2009). The manager has compared the situation to a similar situation in a different cultural context and noticed a difference. This is equivalent to having culture-sensitive knowledge because the manager shows reflection of own values and tries to understand cultural patterns. An understanding of this cultural pattern is then applied to behaviour as the manager actively changes one’s communication style. This would resemble mindfulness,

which refers to transitioning from knowledge to practice. Lastly, communication appropriateness was noted as the manager takes into consideration the situational and cultural patterns while communicating to the worker even though they clash with the manager's own cultural orientations.

How different communication styles are perceived was noticed by the managers. Another manager also agrees that communication style should be adjusted to reach the perceiver more smoothly and acknowledges the risks of being misunderstood:

“My style is very direct and the Finns that have long worked with me also appreciate it. For Romanians and Kosovars, the critique should be given more gently. It requires time though. At the worksite, a constant rush and I might say something quick and often it is by blurting and some foreigners might interpret it as rage.”(CM)

This supports the existing finding of Merkin (2015) where individualistic people prefer direct communication and low-context communication is important for trust building. However, weighing of priorities was observed from the interviewee. The manager prioritized the task-effectiveness over this risk of misunderstanding. Therefore, the lack of efforts in culturally appropriate managing may be a trade-off with the task-related responsibilities.

Ability to tell whether the instructions were really understood was a theme that was brought up various times by many interviewees. There were instances where instructions were given, but they were not fully understood by the worker. Despite of asking whether the worker has understood the instructions and receiving an affirmative reply, the misunderstandings have still occurred. An important skill for intercultural managers is to sense when messages are understood and whether clarification is required. In culturally diverse workplaces the message may not reach the worker on the first time through verbal communication:

“I specifically asked if they understood, and they said yes, but in reality, they did not.”(FPM, FM, CM)

Closely related to the root cause of such situations is the fear of admittance, as workers might not want to admit that they have not understood because they might have been punished for it. The past experiences of the workers previously working in different environment. The ability to understand behaviour through workers' past experiences is

important in instruction-giving as it will help the manager to assume less and convey a message more effectively.

5.2.2 Listening

Trust building has a larger role in situations where language barrier exists between members. Especially between the worker and manager, trust was seen to compensate the lack of communication abilities. However, it requires sensitivity by the manager to notice this limited communication and extra efforts to discover more about workers:

“For example, this one worker did not dare to talk about his problems.(...) You should build a relationship with trust.”(CM)

In many interviews it was mentioned that listening skills are important for any manager. In intercultural workplaces, language barriers are creating challenges in understanding workers and their needs. Therefore, it requires more effort from the manager to get to know the workers personally. Listening skills were viewed by two interviewees as more than only an act of listening but rather active listening, which requires some additional effort to connect with a worker. The active listening includes taking initiative and have a conversation with the workers personally. It was seen as a preventative task of effective management. Active listening is a small effort put in the beginning, which would pay off in the future. It allowed the manager to learn about the worker and their personality. Active listening is a way of showing that the worker matters.

“It is about genuinely listening what another has to say and not doing anything at the same time. That time pays off. That person feels that we are interested about them, and that their work is appreciated.”(BM)

These are a depiction of trust-building behaviour initiated by the managers. Trust was associated with listening or means that would lead to listening. Most of the managers view listening as one of the important managerial skills to build trust. This would have preventative effect and be beneficial in the long term. The description by this manager about the worthiness of active listening shows that work motivation can be increased through appreciation. This shows understanding of workers' need to feel appreciated and sense of meaningfulness in their work.

Another manager adds the importance of action as part of listening. Evidence of true listening is shown through actions. Actions do not necessarily have to be accepting the

requests, but rather letting the worker know that the problem is taken seriously. If the manager does not have the power to decide on the issue on their own, they can inform the worker that the issue is taken forward. Showing that they have tried to voice the worker's opinion is regarded as an action already. It is important to let workers have a feeling that they have been listened and something done about it. Therefore, it is crucial for managers to follow up workers about their efforts.

“Someone who listen to you or give you a feeling that they are listening instead of saying yes but nothing is happening. You should follow up their requests. (...) Sometimes things don't go through due to financial reasons, I still bring them bad news. But at least I show them I tried to solve it like something has happened.”(BM)

The managers emphasis on the benefits of listening implies that they themselves have explored and noticed the benefits of it. Listening acts as the trust building mechanism for managers. It has a preventative feature in conflict management context. Therefore, it could be suggested relationship building to be included in the conflict management steps. In worker-worker setting, where the manager is a third-party member, the relationship building refers to creating environments that allow trust building between workers. In worker-manager disputes, this would then refer to manager gaining trust of the worker.

5.2.3 Confrontation

Becoming aware of the conflict and intervening the optimal way and at the right time was a theme that was brought up by most of the managers. Most of the managers prefer to resolve the instantly. The way of confronting may vary between managers of different cultures, but the empirical data of this study showed more direct style of confrontation.

Firstly, becoming aware of the conflict early enough was considered a skill and a result of effort in giving attention to the workers according to one manager. The other managers reacted whenever conflicts arose, when one of the conflict members would bring out the problem. Secondly, intervening the optimal way is dependent on many factors such as cultures involved, the source of conflict and the time of being aware. Gathering conflict members together to discuss the issue together or properly study both perspectives and make judgement. Thirdly, the timing of intervention is also important. The decision when to confront is also manager's to make. Whether the style is to let it sit or actively resolve it depends on the preferred style and appropriateness to the situation.

This requires skills to differentiate minor disputes of a worker having a bad day from something that stems from a bigger problem.

Two managers noticed stronger defensive behaviour from workers of certain cultural background. The defence mode was visible through disaffirming mistakes and anger. This was faced during situations when the worker was given critique or confronted. The managers noticed different levels of sensitivity in workers and expressed the need of more careful addressing of problems for certain workers. In literature this slightly resembles honour culture, where confrontations are associated with shame and anger. A worker from honour culture, where self-worth is interdependent and the manager who does not share similar self-worth might approach in a wrong way. A few managers mentioned that workers of certain cultures take critique more seriously than was intended:

“People of certain culture take their mistakes a lot more serious than they should.” (FM, RM)

The reason for this could be related to fear of punishments, which were possibly more severe in their culture, as mentioned by another interviewee. There has been an unnecessarily strong reaction to the confrontation. One manager described the confrontation process in steps and argues it to be due to fear of punishment:

“There is a big fuss about it, which lasts for one minute and then they start to process it and admit the mistake. In the beginning it is difficult for them to admit. I think it’s because perhaps they got punished from it, while in Finland it would not affect salary negatively, so it is easier to admit.” (FM)

This also implies to the avoidance culture, where losses are felt heavier than wins. Similarly, a mistake resembles a loss, which results in more negative feelings for some cultures. Therefore, it is crucial for a manager to observe the reaction of workers when being confronted and analyse it through critical lenses. However, one manager pointed out the opposite behaviour which entails people who could not care less about their mistakes and the consequences:

“On the contrary there are some who straight up do not care less about their mistakes and unwilling to understand that the mistake is visible even to the customers.” (FM)

Workers’ sensitivity towards critique can be interpreted in many ways. In collectivistic cultures, people value the connectedness and harmony, thus a mistake can

be interpreted as breaking them. According to the individual level attributes, the sensitivity towards mistakes can be explained through honour and dignity cultures. In these cultures, the other-face is more important and confrontations are preferred indirectly. Most managers were only interpreting the situation on a surface level rather than specifically pinpointing cultural orientations.

Some managers mentioned that conflicts were usually minor and were about someone being messy in a common area. This has to do with where tools were placed for example.

“Often our workers have conflicts related to cleaning turns, someone borrowing something and not putting it back, it is a common area, close work environment. It is like a small family.”(RM, BM)

The concept of experience was often brought up during the interviews. More encounters mean better understanding whether something is an excuse or a valid reason. The manager learns to differentiate between a work that was purposely done badly or whether bad result was due to unwanted obstacles. This also applies to the reason for absences. The ability to estimate efficiency and critical thinking is considered a crucial skill in a culturally diverse workplace.

“From the quality of work, you can tell. We have done the same a thousand times and I know it takes around 3h and someone takes the whole day for it, I know it is laziness” (CM)

One manager with more experience in years mentioned that it is important to look deeper in the tasks. For an inexperienced manager looking on the surface some things such as laziness can be masked. For example, bad quality of work or intentional lower productiveness is something a manager with experience can tell. With different cultures colliding in the same workplace, it can be more difficult to tell whether it is a systematic error or an individual flaw because the spectrum of normal is broader. Ability to use critical thinking in evaluating situations is a crucial skill for intercultural managers.

“A worker not meeting the basic requirements and complaining about having not enough time is questioning because all other workers have had no issues. I don’t know what that person does at work if that is too much asked. I cannot blindly listen to their complaints but think whether it is even true.”(RM)

A female worker translating to a male worker turned out to be the cause of tension between them. Even when both people were aware of the confrontation being a straight translation, some tension was present regardless. This is in line with the honour culture, where conflict is associated with shame and anger because of honour is being socially claimed (Brett, 2018). Having the translator means that there is a third person witnessing the negative feedback, which might result in shame and anger. This negative behaviour was noted by one manager:

“B(male) had an unapproved absence. A(female) translated and said that B was very mad about the warning (...) but I cannot do anything about it because this is how we work here. To me(manager), B only replied ok, but I noticed tension between them.”(FM)

In this situation the manager might have partially contributed to the conflict creation by confronting the worker in front of a translator who happens to be another worker. Sensitivity is required in confrontation because different cultures perceive confrontations differently.

In addition to critical thinking and experience, the skills can be combined and rephrased as the skill of seeing a few steps ahead or thinking ahead. With the religion-related conflicts mentioned earlier, the skill of thinking ahead refers to the manager knowing the possible outcomes of certain actions. For example, allowing one exception could end up in everyone doing it. This also refers to seeing the possible ways workers could go around the instructions.

5.2.4 Conflict resolution

Intercultural conflicts between members who do not share the same language fluently requires managerial skills to resolve them. A manager would require skills, especially the people management and practical skills to effectively intervene a conflict:

“It requires human resource management skills and applying skills, because without it would only be a quarrel.”(FM)

With applying skills, the manager means the ability to apply theory in practice. The manager emphasized the people skills in conflict management, because otherwise it would lead to nowhere. The manager skills and the intervention seem to be important

factor differentiating unravelling of the problem from aimless quarrelling. The manager is the person initiating resolution process and observe to find out where the problem is. In a way the manager has the role of the judge and the negotiator at the same time. Thus, advanced thinking is required in intercultural conflict management.

How managers tolerated and felt responsible for solving conflicts depend on the type of conflict. Personal conflicts were seen not to be manager's responsibility and in general do not belong to the workplace. This was clear for the interviewees. The distinction between personal conflicts and work-related conflicts were clear to most of interviewees.

"If the conflict is work-related, like where the tools should be located, then the manager can decide based on practicality. But if it is personal conflicts, they don't belong here." (FPM)

The interviewees have taken the role of a task manager to fulfil their main responsibility of reaching daily goal. Even though individuals are part of the work force, who can contribute to the workplace harmony, from this can be seen that managers are prioritizing the operationality of the work more than individual conflicts. In other words, managers in this study prioritized task-effectiveness over relational-effectiveness when conflicts are involved. Therefore, ability to draw a clear distinction between types of conflict is crucial for managers to stay focused on their assignment as a manager.

When it comes to personal conflicts, the manager views these not to belong at the workplace. Out of the conflict styles this resembles avoiding style the most because the conflict is rejected merely by a statement of it not belonging at the workplace. However, the manager categorizes the conflict based on its relevance and deliberately decides to use avoiding style. Thus, the decision not to intervene follows an assessment of the relevance.

Aside from the ability to distinguish the conflict types, with task-related conflicts the manager in question seems to have a more dominating style, which was described to be useful in routine-based issues. The reason for choosing such a style seems to be time-efficiency because the location of the tools does not make a great difference anyways. Therefore, the manager viewed oneself to be the one to make a one-sided decision. This decision-making skill is important in terms of effectiveness and could be interpreted as situational appropriateness.

Conflict resolution process starts from noticing that there is conflict between workers, then the conflict parties are informed that the conflict is noticed and it is

affecting workplace harmony. Then the conflict parties are given a chance to express their views to understand the root cause. To the question of how conflicts are resolved, one manager described:

“It is firstly informed that we have noticed some conflict. Both sides get a chance to speak about what they think has gone wrong and what the problem is. At that moment I usually mention that workplace is not a right place to fight about such simple things as instructions. That is my job.”(FM)

The answer shows the manager’s concern over the irrelevance of the problem. There has been misunderstanding of instructions, which have been caused by insufficient communication and language barriers. Even if conflicts are work-related, the manager, emphasized that it is the manager’s responsibility to communicate better. Similarly, this manager strongly distinguishes conflicts that do not belong to the workplace by explaining their irrelevancy. However, this manager chose to listen to both sides to figure out the irrelevant source of conflict.

All interviewees considered discussion to be the right way to resolve the conflict. Especially face-to-face negotiation with the conflict parties in a private setting was the best resolution method according to all the interviewees. The manager acts as a mediator and encourages conflict members to communicate their issues to each other and solve it together. One respondent noticed that some workers would rather point out the problem through telling it privately to the manager. However, all managers prefer to resolve conflicts through talking about it together. Listening to one side and making conclusions might lead to greater problems as the manager might false accuse some worker. An open discussion about the conflict with all involved members present as soon as possible was the most preferred conflict resolution style by the managers.

“Take the people who are fighting and possibly a translator to talk it out to know what the main issue is. Often is revealed that there has been a total misunderstanding either in someone’s sayings or in understanding the instructions. They have been simple as that.”(FM)

Two managers had noticed workers with different cultural backgrounds to prefer bringing up the issues stealthily to the manager. In existing literature this closely resembles the benevolence culture, where dissatisfactions are rather confronted indirectly. However, the ability to stay neutral and listen to both sides was considered fairer according to the managers. Therefore, most of the interviewees preferred open

discussion to start unravelling the conflict. To the question of how intercultural conflicts should be resolved, most managers emphasized the importance of open discussion:

“Openly, face-to-face. Usually, the foreigners they don’t tell straight to the colleague but rather come whisper to me. I think it is not the right way that I should transfer the message. I like to bring all to the table and discuss about it together.”(CM)

The encouragement for open discussions implies that the managers in this study prefer compromising and integrating styles, where a middle ground is created where both parties decide together. How the problem is brought up varied between workers’ cultural orientation. The manager observed different ways of expressing their dissatisfactions between indirect and direct communication style. This indirect confrontation is characteristics of face culture in literature where confrontations are preferred indirectly to prevent losing face. Even though differences in approaching styles were noted, managers in this study preferred direct communication. The managers preferred open discussion where conflict members are encouraged to directly communicate their issues regardless of the cultural orientations and confrontation preferences.

Tolerance towards workers’ different backgrounds was regarded as the main required skill of an intercultural manager. Understanding different coping styles. Most of the managers mentioned that the background of the worker affects their style of reacting to conflicts. The linkage of uncommon behaviour by the worker to their background was noted in most of interviewees.

5.3 The self-reflection of a manager in an intercultural workplace

This sub-chapter aims to answer the third sub-research question and analyse the self-reflection of managers through understanding their responsibilities first. Then from the data was identified actions of manager’s self-reflection through learning points. Importance of experience in the field as an operating lower-level manager was a theme that stood out from the empirical data. These themes are discussed more in detail below.

5.3.1 Role of a manager

The role of managers is most visible while giving instructions, creating work environment, and resolving conflict. Respecting the differences while fulfilling the responsibilities as a manager. Understand the assignment from the upper management’s

perspective and find a best way to make it work. Balancing between two pressures, from workers and managers.

Often, the requirements or the goals come from the upper management in different forms. The goals could be based on numbers such as sales or productivity. The effectiveness of workers is measured in sales over workforce. The quotient will give the value of sales that one worker on average contributes. A target effectiveness or timetables are set by the upper management and the manager's responsibility is to execute the plan.

“Every factory has certain efficiency goals (...) Priorities follow these targets that are set and given from the upper management” (FM)

Thus, managers face the pressures both from upper management and from the workers, which makes it difficult to make decisions. Three managers pointed out the difficulty in working as a lower-level manager is to fulfil wants and needs from both directions. The pressure from the upper management which aims to increase efficiency has a cost-benefit perspective. While the pressure from workers is to maintain workplace harmony in a culturally diverse environment.

“The upper management doesn't care how production works but instead whether it meets the targets and the hours worked and their ratios.”(FM, FPM)

The challenge for managers is to act as intermediary between management and workers was supported. The empirical data shows that there is lack of understanding by the upper management about the operational challenges faced by lower-level managers. Still, the interviewees in this study accept the task and move forward to execute the tasks in the best possible way. According to the interviewees, there is a mismatch between expectations of manager responsibilities from different positions. Upper management, the manager oneself, and the workers have different expectations about the manager's

responsibilities. Thus, for hiring people, the lower-level manager responsibilities should be communicated not only to the manager themselves but also more clearly to those who interact with the manager. In the table below is illustrated the highlights of what interviewees think was expected from them that arose from the interviews.

Table 2 Expected duties of a lower-level manager

Expectations from a lower-level manager according to:	upper management	instruct workers, oversee the whole operation
	themselves	meet the requirements, resolve conflicts, maintain harmony
	workers	instruct, decide over practicalities, monitor work quality, answer questions.

The views of the manager responsibilities are based on managers of this thesis shows that managers are aware of the misalignment of goals based on the position. The managers accept the different objectives of both groups of people above and below in terms of power position. The way of obtaining the manager position varied among the interviewees. Some worked their way from being a worker being promoted into a manager, some were hired as to the manager position, and some established the manager position through company ownership. Even though there were differences between how the role was obtained, similar themes arose.

Some managers viewed their role as a manager to only lead the workflow, rather than the people. They did not feel the direct responsibility or did not believe they had the ability to affect the harmony at the workplace. Other managers took more responsibility in behaving such a way that would contribute to a better atmosphere at the workplace. Overall, all managers understood their responsibilities in daily operation. The main responsibility of a manager is to maintain operation and ensure that products or services are provided accordingly to the customer. The operational goal of everyone should be to meet the demands of the customers, which was supported by all interviewees:

“It is everyone’s goal because the customer pays the salary. The goal is to serve the customer as good as possible (...) All the work follows the customer needs and demands of course.”(FM)

The managers view their role manage the workforce to reach operational goals and meet the demands. Most of the managers showed high levels of commitment and loyalty to the company and understand the value chain from them to the However, the workers’

role expectations about the manager were varying between cultural groups. Two managers noticed that for some workers, the manager has more authority:

“For them, manager means more. They do not question their manager as much.” (RM, CM)

Higher authority of a manager closely relates to expectations of the worker about the manager’s role. This leads to another thing that occurred in two interviews, which is where responsibility lies. Managers had different expectations to the extent of autonomy a worker has. The line between which things should be instructed and which are common sense have shown to be vague in intercultural workplaces. This has been a challenge for managers. The construction manager was certain that everybody at the work site knows about the time schedule and strictly follow it, while the factory manager pointed out some problems in keeping up with the time schedule. The factory manager mentioned that for some people, manager is expected to oversee everything. This manager emphasized the low autonomy of the workers with a slightly negative tone. There are different expectations about the division of responsibilities:

“Some workers wait for instructions and orders, and some behave as if they do not need to think at all because manager has all the answers because a manager knows everything.” (FM)

Purposeful lack of communication can also be a source of conflict. Workers unwilling to communicate with each other for unknown reasons has been a problem faced by two interviewees. Small actions like that may build anger in co-workers, which further develops into bigger conflict at work when the two workers are forced to interact with each other. The cause of conflict in this situation is the perceived disrespectful behaviour by co-workers. Only taking orders from the manager can be regarded as loyal behaviour. The manager’s reaction to the situation is crucial because respecting the loyalty might encourage more of that behaviour, which lead to lower teamwork:

“There have been quite messy conflicts which initiated from a worker refusing to communicate. That worker never communicates to co-workers but only to the manager, which makes the co-workers angry as they are not respected.” (RM)

Prejudice should be minimized was mentioned by a few interviewees. Some of the managers sensed the risk of being labelled as racist and tend to avoid taking sides.

Sometimes the fear of being accused as racist forced managers to be extra careful with their words and pointing out obvious mistakes by the workers can be more difficult. One manager mentioned that managers are not racist but tend to have presumptions. Two managers felt that it is not clear to everyone that race, passport or skin colour or anything should not put people in unequal positions. It is not clear without managers specifically pointing out their stand. The managers found it difficult to prove their neutrality and that they are merely trying to fulfil their duties.

The role of the manager in being the observer can affect how workers treat each other and in general the overall harmony at the workplace. One manager noticed unfair behaviour and crossing of authority among workers:

“There was this fellow from Gambia, when he started working, there was a lot of not racism, but belittling. He was ordered around a lot even though nobody really had the authority to. He himself was thinking that he was less worthy at the workplace.”(CM)

The mistreatments not always mean racial discrimination but rather a skill discrimination. The managers understood the prevailing problem of racial discrimination and are sensitive about it. However, the manager differentiated ethnic differences from skill differences:

“He started as a handyman, so even if he was a Finn, somehow at the site, the mentality is that you are a better carpenter while the other is only a handyman.”(CM)

From this can be seen that the manager has guidelines to interpret the situation and uses critical thinking before judging a situation. However, this raises the question of how much belittling would be present if ethnic differences were removed. The ability to note differences and understand the workers’ thought processes was observed by this manager. Observation was taken further with analysis of what is the real reason for certain behaviour.

Two interviewees noted that the Finns had higher expectations for how they were treated as workers. The foreign nationalities had lower expectations from the manager in terms of how workers are treated. The workers have primarily different views about worker well-being.

“The Finnish workers like to be praised more and the other nationalities don’t even expect that” (CM, BM)

Similarly, another manager mentioned that there are differences in expectations of salary increase. Some workers expect the salary to increase even though their output is worse than others. This expectation that salary is paid for the time at work regardless of the productivity they contribute to was more common with the native workers. This is partially because the Finnish workers had a better understanding of the rules in the collective agreement, therefore could expect to be treated fairly. From this can be concluded that in intercultural workplaces the expectations for the work differ. Therefore, an intercultural manager aiming to maximize productivity could benefit from understanding the motivators.

5.3.2 Learning points as a manager

Remembering to show gratitude goes a long way and shows to be an easily forgotten gesture. After a stressful workday or at the end of a project one manager highlighted the importance of thanking the workers for great work because that shows the workers, they are important and part of something. The manager had noticed the benefit, something managers often forget to do:

“Go talk to everyone separately. It is the only way to learn what they want from you. I have done it and noticed that one worker loves to talk about what she has cooked for her family and that she likes to cook. She said that it is so nice that I listen.” (FM)

The only way to know what workers want from a manager is to personally go talk to them. Talking to workers separately one on one allows the creation of trust because the purpose of the conversation is not only about work. This positive feedback from a worker gives the manager a feeling of succeeding at managing and them to continue doing it. Similarly, another manager supports that encouraging non-work-related conversation between workers increases willingness to help at work. This is actively reducing grouping and make workers that otherwise would not interact much to get to know each other. The manager is actively blurring the line between ingroup and outgroup members and reducing the us versus them mentality. This has been a preventative measure to reduce non-cooperation and improve workplace harmony.

“If there have been disputes, I have determined seating during lunchtime. (...) I have separated Romanians from sitting with each other. When they talk with others (not Romanians) about something else than work, they also are more willing to help one another at the work site.”(CM)

The manager separating one ethnic group through seating shows that the manager acknowledges grouping to have an influence on workplace harmony and tries to intervene. This closely resembles definition of ingroup orientation in the literature, which is high loyalty for ingroup members and reduced responsibility to outgroup members. The manager actively separating ingroup oriented workers is in a way attempting to increase their responsibility to outgroup members. This shows that the manager understands the tendency of this cultural group and acts to limit the possible negative outcomes.

Two managers agree that manager should not be friends with workers, which meant that the responsibilities should be fulfilled, and work should be kept apart from leisure time. Situations from the worker’s point of view might not match with the business point of view. Therefore, the manager being the middle person seeing both point of views must choose to relate to one of them.

“At first, I didn’t see things from company’s point of view. I only saw worker’s point of view. As I got more responsibility, I started to see things from company’s point of view”(BM)

Intercultural workplaces require careful interpretation of the situation because friendship can be viewed differently. One manager shared one’s mistake of being friends with workers making it difficult to differentiate employment and friendship:

“You can be friends this and that but not like I was in the beginning like spending time outside of work (...) I felt the friendship was being taken advantage of by some workers. I should not be their friend but a manager instead.”(BM)

The cultural and individual factors affect how friendships are defined and how the advantages that accrue from it are valued. The manager point of view shifted from worker to company over time through the increase of responsibilities. As the perception changed, the manager started to point out cultural groups with advantageous behaviour and form a conclusion.

The empirical data shows that managers have stepped in manage position with different perception and through time formed an opinion. The experiences affect how managers settle in their role. This trial-and-error method was observed in many interviewees. This implies that managers learn to position through experiences.

The managers acknowledge that their own behaviour changes in different situations and can be perceived more seriously by some workers. In intercultural setting, the effect of expression of mood is perceived stronger than intended. The manager noticed that one's behaviour that is considered normal frustration for those with small cultural distance may be interpreted stronger by some people with different cultural background or limited language skills. The acknowledgement of own situational mood changes can help to control the reactions in an appropriate way. However, the manager believes that the behaviour is human nature and accepts it.

"I am aware that when I am stressed, it erupts on workers even though it shouldn't, but it is quite humane that if you are in a bad mood, it is involuntarily reflected. (...) Some workers don't understand tone changes and might get offended"(CM)

More negative tone based on mood is acknowledged by the manager. How the tone is perceived is dependent on the worker's sensitivity. Communicational differences like this may develop into psychogenic conflicts, where the source is related to emotions and feelings of the perceiver.

The learning points include the challenging moments faced by the managers and how a permanent shift in mindset was observed by themselves. It involves some self-reflection and mistakes made during on the journey. Manager's role may change depending on who is interacted with and over time through experience.

5.3.3 Importance of experience

Most of interviewees mentioned that the importance of experience exceeds the education in this kind of manager position. The interviewees mentioned that human resource management is not learnt in school but instead learnt from experience. This indicates the importance of understanding the context, the details of a situation and outcomes of possible actions. Being part of the process or present from the start is crucial to fully understand the situation and both point of views. This requires time to get to know the processes and the people working there.

“Even in the University of Applied Sciences we did not learn anything about management. (...) Fresh out of school straight to managing people, you won’t get too far.”(CM, FM)

The latter sentence refers to the lack of real-life experience in managing people and the insufficient preparation value of training. The phrase implies that the manager has felt that there is a large gap between what is taught in school and real work life. It emphasizes the importance of first-hand experience. It also indicates that there is lack of training in intercultural management in schools. However, the interviewees tried to make a point that there are no specific set of rules to manage people, because managing with only theoretical knowledge will not only be ineffective but may also be detrimental because workers’ trust is not earned:

“The flexibility of workers collapses when there is an inexperienced manager. They notice immediately that aha, now you are commanding. Now you notice that they do not work overtime anymore. The reaction is reflected to what they have received from the manager.”(FM)

Earning respect was a theme that arose in many interviews. Achievement and ascription cultures were linked with how respect was earned. The managers noticed differences among workers in the level of respect due to higher power position, which refers to ascription culture. However, characteristics of achievement culture was also noticed. Skills and experience of the manager form a different kind of respect from workers:

“It has helped me a lot that I know how it is done and I can estimate how long a job takes. I get the respect in a different way.”(CM, RM)

The empirical data shows that managers would earn the respect through knowledge and experience. The person that has the knowledge to do the task is respected. Thus, power position-based respect that is supported with skills and experience, the manager can gain respect in many ways, which is longer lasting. The importance of respect was noticed through benefits of earning it or drawbacks of lack of it. The manager reflecting past experiences and their own behaviour in the interaction could be called learning from trial and error.

Understanding who are the people in a conflict and how their values affect their behaviour grew with experience. Through getting to know workers individually as a

person the manager can access the deeper cultural values of the worker. This way the manager can come up with innovative ways to involve workers and improve workplace harmony.

5.4 Empirical findings

According to the empirical data, language barriers were causing many of the simple misunderstandings or misinterpretations which led to conflicts. The occurrence was rather usual, which shows that overcoming the language barrier through clearer communication is more important among blue-collar worker industries. Overcoming language barriers was also done through other supporting means such as listening and trust-building. Active listening to both positive and negative matters of the workers was found to be an important skill of an intercultural manager. Listening and having non-work-related conversations appeared to be preventative measures of conflict management, which was lacking in the gathered literature.

The findings show that crucial managerial skills have to do with coming up with rules at the workplace. One role of workplace rules in this study was to bring equality among workers. The results highlight the two-sided effect of rules as they can solve the specific problem but create many new problems that would not have occurred if the rule is not challenged. Making rules for taking holidays for religious reasons is an example of this as it creates extra comparison among workers leading to further demands, which might not have occurred in workplaces with majority being atheists for instance. Thus, a manager in culturally diverse workplaces requires seeing ahead many steps, high caution for consequences of any action, and overall people skills to manage these complicated situations.

Figure 13 is a modified version of the CBSECM that was constructed in the synthesis of the literature. The empirical data of this study provided findings that supported some existing literature. In addition, some new themes arose, that were not discussed in the model. Jealousy was an important factor, which explained certain behaviours of workers and led to further challenges in creating rules. Behind jealousy the root-cause could be inequality or uneven distribution which could be described using similar terms in the literature. However, in this study jealousy was seen to be prominent enough to form its own theme.

Similarly religious matters were not as prominent in the gathered literature of this study. Religion and history have shown to be more influential to individuals' behaviour

which contributed to challenges at a workplace. The influence of religion highlights the relevance of macro-level elements of primary orientations in the multilevel model of conflicts by Oetzel and Ting-Toomey (2013).

Earning respect was found to be important aspect in gaining experience. Managers realizing the importance of respect give them more courage with making appropriate decisions. Inversely, the lack of respect from workers would end up in unnecessary resistance. The findings show that importance of earning respect is also valid in culturally diverse workplaces.

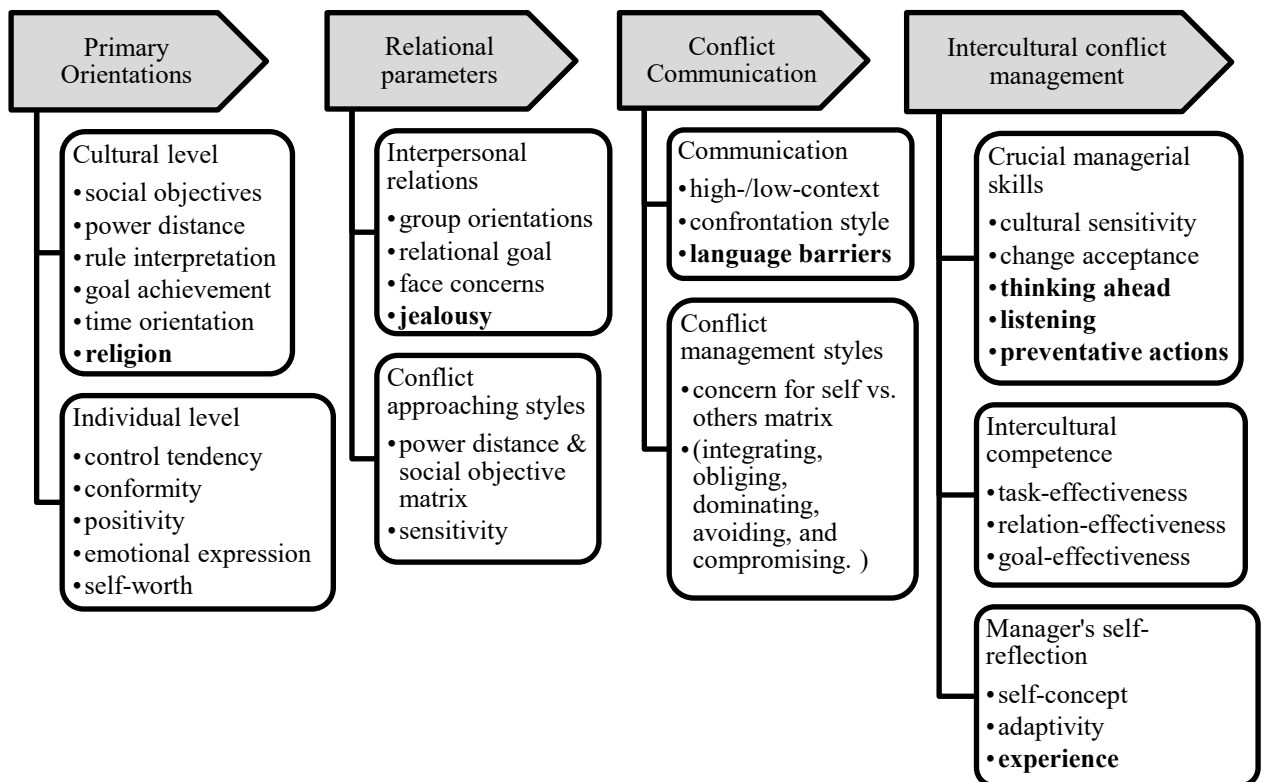


Figure 12 Modified CBSECM (adapted from Ting-Toomey & Oetzel 2013)

To conclude the findings made from the empirical data in this chapter, it can be claimed that managers engage in conflict management in many ways. It was found that managers engage through identifying cultural differences with respect to one's own culture, realises the risky effects of one's actions on conflict creation, and reshapes their understanding of their role in conflict management through experience. In the next chapter, theoretical contributions, and managerial implications together with the suggestions for future research are presented.

6 CONCLUSIONS

6.1 Theoretical contributions

The study examines various theories about cultural conflict management in culturally diverse workplaces. The theories and models related have been comprised into one CBSECM and have been compared to the empirical evidence. Through the comparison, many of the findings of existing literature have been verified. This thesis confirms various previous studies and provides extensions to them or sheds light on fields that require more exploration.

Communicational challenges especially language barriers create challenges for the managers in giving instructions. The managers acknowledge their limited ability to convey a message. However, communicational challenges arising in this thesis were largely related to language barriers and limited ability to understand instructions. The theoretical body of this thesis considers deeper values like the cultural orientations more and to a lesser extent the apparent differences such as language and religion. Thus, studying culturally diverse workplaces especially in blue-collar industries would require models that focus on the apparent differences before deeper differences like primary orientations which Gonçalves (2020) has highlighted.

Sudhakar (2015) described the conflict management process to include identification of the conflict, analysis of the situation, identification of resolution strategies, implementation, and review of the result. This study confirms some of the steps as they were also found in the empirical data. The identification of sources of conflict occurred in aims to discuss about the conflict together with conflict members, analysis of the relevance was observed in managers using critical thinking before diagnosing the problem to be worth intervening. Implementation and review of the outcome was observed in the innovative ways managers resolved conflicts. However, the preventative actions such as listening, and trust building was seen to be an important part the conflict management process. Also, the causes of some conflicts have been of simple nature, which have been resolved through one clarifying action by the manager.

Related to intercultural competence criteria, where task-effectiveness, relational-effectiveness, and self-effectiveness are the main components, this study showed that managers prioritize task-effectiveness over relational-effectiveness. However, this may also be a cultural feature. Finnish people are known to have high-context culture and be

more solution-oriented. Thus, manager from elsewhere might prioritize other types of effectiveness over task-effectiveness.

The findings show support that situational cultural conflict model needs the multilevel approach as the effect of meta-level elements such as history and religion do have an influence in the workplace environment (Ting-Toomey & Oetzel 2013). This study supports that the CBSECM is suitable for workplace conflicts of this thesis. The macro level elements such as history and religion have deeply rooted effect on individuals, which reflect on their behaviour at the workplace. Especially the religious elements turned out to affect workers cultural identification and behavior at the workplace.

Previous studies including this study has approached intercultural conflict management subject with an assumption of different cultural orientations creating conflicts between members (Oetzel & Ting-Toomey 2013; Smith & Blanck 2002). However, this study reveals the role of cultural differences as an enhancer of the causes of conflict rather than being the cause of conflicts. The causes of conflict according to this study revolve around jealousy, interpretation, and communication, which are challenges that could occur without cultural differences. This makes deeper analysis of the cultures slightly redundant. Nevertheless, the enhancing effect of cultural differences on conflicts is visible through conflict members' reactions.

This thesis highlights the importance of manager familiarizing oneself with the workers. Every manager has their own conflict management plan, which is a result of a trial-and-error phase which refers to experience. The real interaction in the field is valued which indicate that managerial skills development is strongly linked to the practical level experience.

6.2 Managerial implications

This study focused on managers of culturally diverse workplaces acting as the role model and being responsible of the operational side of work. Therefore, the results of this study can be beneficial to the upper management to better understand the intercultural challenges faced by lower-level managers. This highlights the need for skilled management in the grassroot levels of the company and increases the relevance of training lower-level managers before taking the role.

An issue highlighted in this study us the lack of training or almost non-existent training in schools to prepare lower-level managers to manage workforce. Schools and

Universities should increase training programs that prepare people for management roles especially of culturally diverse groups. Especially for lower-level managers, the original intention may not have been to manage workforce, but rather ending up to that position because of the task-related knowledge. Therefore, schools should offer cultural diversity training generally to every student regardless of the degree. Even if the person does not end up in managerial position, the cultural diversity is valuable in worker-worker interactions. Alternatively, the company could also offer programs, where interaction in culturally diverse environments is emphasized. The results emphasize the need for interaction with people of different backgrounds. The workplace environment has the salary aspect involved, which might disturb learning process and increase opportunistic mentality. Therefore, training projects, where salary and livelihood are put aside might help to focus on cultural diversity and people.

Going straight from outside to managing people skips the familiarizing step where the manager can get to know the workers without managerial responsibilities affecting the dynamics. The intercultural experience can then be learnt earlier, which eases taking up the role. This would leave more time to focus on other more important matters.

Those in lower-level management position working in multicultural environments could better identify cultures more objectively, classify cultural orientations, and link behavior to dimensions rather than merely on ethnicities or nationalities. This deeper understanding of cultures and how they are projected in conflict situations might help those in managerial positions to choose more strategic approach to solving and preventing conflicts.

More specifically about certain aspects of management, the delegation of work requires thinking ahead of possible scenarios. Especially in culturally diverse workplaces, managers should clearly explain responsibilities to minimize interpretation problems. Considering things as common sense should be reduced because the spectrum of 'normal' in culturally diverse settings are broader. Therefore, having bottom line that many things are not "common sense" may serve well and reach far as managers see themselves representing one culture with certain norms. Having this mentality may help managers to use cultural lenses for better communication, listening, and specifically describing expectations and rules.

Earning workers' respect was found to be an important part of managerial skills.

This thesis combines cultural orientations and individual attributes which were viewed relevant for intercultural conflict management. The managers may use the

simplified primary orientations component of this thesis to identify own and workers behaviors in intercultural settings.

6.3 Limitations and future research suggestions

Purpose of this study was to explore conflict management in culturally diverse workplaces. The behavior and thought process of managers were in focus. Therefore, a qualitative interview research was chosen as a method. It is important to note that data is subjective according to the managers in Finland. Thus, the events cannot be generalized uniform across the world. More research is needed in other countries where managers of certain culture manage a multicultural group to see if similar themes emerge and how the behaviors of workers are interpreted in other parts of the world.

Related to the subjectivity, the managers may have a skewed view of the situations and inaccurate interpretations of workers' behaviors. Therefore, another study that would explore the issues from workers point of view would comprehend the analysis. Interviewing the workers would give another aspect of the disputes. Because this thesis only considered the manager's point of view and focused on the self-reflection of the managers, the workers perception is missing. To understand the conflict parties, interviewing them could give more insights about the deeper issues that might not have been noticed by the manager. For the cases where the manager is involved in the conflict, interviewing the counterparty could reveal the other perspective to the issues and better overview of the real situation.

Future studies could also compare manager of low-skilled labor to manager of high-skilled labor. This would give interesting insights on which kind of intercultural conflicts are common in each environment. The research would reveal how each type of labor is susceptible to intercultural conflicts and help managers to be more proactive in managing them. This study focused on blue-collar industries, where intercultural conflicts arose in companion with many other factors. Conflicts in blue-collar industries could be compared with white-collar industries to better explore the nature of conflicts and which managerial skills should be highlighted in each.

Comparing manager being the owner to the hired manager could highlight some differences in conflict management styles and the roles formed. There were some differences between the way managers obtained their position. Regarding the authority and role issues exploring the effect of manager type on the workers' respect towards them would be interesting.

Due to limited number of potential interviewees, the distribution of cultures could not be controlled. In other words, the cultural diversity of the workplaces was not constant. Having different proportions of cultures might affect the results. The manager's perception being affected by large cultural distance to a certain culture or by the multicultural environment in general could not be differentiated. A study comparing managers of workplaces with similar national cultures with even distributions would give more accurate results.

This study explored the workplace conflicts occurring in culturally diverse workplaces. However, from this study cannot be specifically pointed out the difference between intercultural workplace conflicts and general workplace conflicts. To highlight the intercultural workplace as a variable, similar study focusing on monocultural workplaces should be conducted. Comparing the results of these studies would give better understanding on the effect of cultural diversity in conflict creation and management in workplaces.

This study did not specify industries. Some intercultural conflicts may be related to the industry and the including tasks. The organizational and functional cultures could be highlighted more. Therefore, further studies are needed in specific industries to better understand the industry-specific characteristics, which cause intercultural conflicts.

An issue arising from the data was gender as a variable. Several mentions related to gender differences and sensitivity in interactions with the opposite gender revealed that there is need for research comparing genders in conflict management context.

7 SUMMARY

This study has explored the process of how lower-level managers engage in intercultural conflict management. This thesis combined workplace conflicts, conflict management, and intercultural workplaces, which have been separately studied in the existing literature. This study explored the topic of conflicts, which is partially due to its sensitive nature rather underexamined. Therefore, the topic was approached moderately in generic fashion.

The sub-questions of this study were to explore what kind of challenges arise in culturally diverse workplaces, which managerial skills are required in intercultural conflict management, and how does lower-level manager's self-reflection affect intercultural conflict management. This thesis began with a framework that follows the culture-based social ecological conflict model. It acted as a structure for the literature review. The model presented different primary orientations, relational attributes, conflict communicational, and managerial factors that could contribute to intercultural conflicts.

The empirical study was conducted as a qualitative study with a semi-structured interview based on the theoretical background. The interviewees were selected based on criteria of managerial position, high interaction with the workers and culturally diverse workplace environment. All the interviewees were Finnish managers operating in blue-collar industries. The interviews were recorded and carefully transcribed for further analysis. The data was analysed using the Nvivo qualitative analysis tool. Pre-determined and newly emerged themes were restructured to answer the research questions of the study.

The empirical study connected theory to practice and analysed conflict situations from the cause to the resolution viewed by the manager. The thesis supported the past findings but also highlighted the factors that need more attention. The study showed that challenges in culturally diverse workplaces revolve around misunderstandings and jealousy, which are rather enhanced with cultural differences. In intercultural conflict context crucial managerial skills lean towards people skills and prioritization skills. The role of managers as an interpreter and self-interpreter highlighted the importance of first-hand experience. In addition to theoretical contributions, managerial implications were provided to help understand lower-level managers' perspective and managers in similar position to better understand and develop intercultural managerial skills.

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APPENDIX

Appendix 1. Interview questions

1. Background

- Describe shortly about the company and the daily tasks of yours as a manager
- How much managerial experience have you had?
- What did you expect from your manager role?
- In which instances do you interact with workers the most?

2. Harmony

- What are your goals as a manager?
- What is the common goal of the group?
- How has the working atmosphere been?
 - Have you been able to influence it? How?

3. Managerial

- What are the challenges in leading a multicultural team?
- Does managing a monocultural group and a multicultural group differ? How?
- Does managing differ from your expectations of it? How?

4. Cultural differences

- How is cultural differences present at the workplace?
- What kind of challenges do cultural differences pose?
- How are cultural differences reflected in the achievement of goals?
- When do you spot differences between employees?
 - How do workers react to the rules?
 - On what basis did you delegate?
 - How do workers react to delegating?
- On what basis are the priorities of workers formed?
- How are workers' mistakes treated?

5. Workplace conflict and resolution

- Which things are contributing to the conflict?
- How are workplace conflicts resolved?
- What kind of communication works in conflict situations?

6. The role of the manager

- How do you see yourself as a manager?

- Does your behavior change according to the situation? How?
- What have you learned about leading a multinational group?
- What are the different expectations employees have of a manager?
- What does this position require? Tips for the next multicultural group leader?

7. Other

- Is there anything else that comes to mind about the interview that you would like to tell?
- What has been positive about this position and this job?