

# CROSS-CULTURAL CONFLICT- HOW DIFFERENT IS EAST FROM WEST

Charu Ranawat

Research Scholar

Department of Business Administration  
UCCMS, ML Sukhadia University, Udaipur

**Abstract:** In the era of multinational companies (MNCs) when the world has become global village and various geographical boundaries have been vanished due to these giants which operate beyond the horizons. MNCs bring along with them team composition beyond a single nationality, ethnicity, culture, and religion. This diversity brings upon a lot of fresh ideas, innovativeness, and novelty within the organizations but with this amalgamation of cultures and ideologies there is always a chance of conflict between the individuals. Approach to manage and resolve conflicts varies from one culture to another due to various factors. This study tries to figure out these factors and difference between the approaches adopted by employees coming from east and west cultures to manage conflicts.

**Index Terms-** Cross-cultural conflict, individualist, collectivist, conflict management strategies, cultural intelligence

## I. INTRODUCTION

Conflict is one thing which is there in the lives of everybody since the start of life to the end of life. No life is free from conflict as nobody lives in isolation. Conflict and its management in organizations has become one of the favourite area of organizational behaviour scholars over the past decades. With increase in international ventures of organizations worldwide which are called as multinational companies (MNCs), cross-cultural conflict has emerged owing to increased cross-cultural encounters by their employees (Mayer & Louw, 2012). Multinational companies are huge in size, turnover and have deep pockets. They are considered as powerful entities in economic world and hold important political status too in global economy as well (Geppert *et al.*, 2016). They operate in multiple countries with headquarters at origin country with region specific work centres in the host countries (Leonard *et al.*, 2014). Generally, employees move within the subsidiaries of MNCs or to the client locations, from one geography to another depending on the requirement of talent for various projects across the globe (Ghosh, 2013). In case of MNCs, project teams comprise of individuals from diverse functional areas (Kotlarsky *et al.*, 2012) and from diverse geographies (Kim *et al.*, 2018) must perform within stipulated timeframe. Efficiency within that defined timeframe is what every client wants. With this background organizations couldn't afford any sort of delays in the execution and implementation of projects. Different geographies bring people from diverse cultures and ethnicities. The multicultural teams in MNCs have slightly different composition from the regular teams in any of the organization operating in a specific country. People from varying cultural background have different values, beliefs (Heppner & Wang, 2014), principles, and customs. If those cultural differences of one group are not recognized and valued by another cultural group, then there is always a chance of tussle between them which could lead to cross-cultural conflict.

## II. REVIEW OF LITERATURE

Due to the transnational (Leonard *et al.*, 2014) presence of MNCs and their multicultural fabric researchers got curious about the dynamics of interactions between the employees coming from diverse cultures. Numerous researches have been performed so far but as per Milfont and Klein (2018) replicating the same researches over a period in cross-cultural dynamics give validity to the researches. In this flow Vollmer and Wolf (2015) found that Russians from a collectivistic culture prefer avoiding and accommodating style while Western European from the individualistic culture prefer competing and collaborating styles to manage cross-cultural conflict. Study by Mayo *et al.* (2016) explained the theories which define the effect of diversity on the success and failure of multicultural teams. Lot of studies have been performed to compare cultural conflict management style adopted by east and West cultures but there are few which also compared few of the exceptions like Kim *et al.* (2018) proved how Japanese are more individualist compared to Malaysians though both from the East part of the world. Similar study by Dheer *et al.* (2014) depicting subcultural differences between Canadians and Americans. Wang (2017) in the study explained the social theories which contribute to explain why individuals of specific culture behave in a certain fashion and suggested models to mitigate cultural conflicts in the multicultural organizations.

## III. CULTURE, DIFFERENCES, AND CROSS-CULTURAL CONFLICT

Before understanding the team dynamics and cross-cultural conflicts one should know what **culture** is. Krautz and Hoffmann (2017) define culture in very simple words that it is programming of the mind that individuals of a society have in common and which differentiates them from other cultures. According to anthropology research culture is a bunch of learned behaviours and philosophies individuals acquire as a member of a society or a special group (Delpechitre & Baker, 2017). These behaviours are built over a long period of time and are enduring which are difficult to change. As per a theory culture follows iceberg principle where only 20 percent of values are visible whereas 80 percent are not visible. Visible values are overt while invisible ones are called covert. These 80 percent covert variables of any culture create cross-cultural conflict in multicultural teams which includes traditions, fundamental values, relational dynamics, interpersonal matrix etc. (Plessis, 2011). Renowned researcher Hofstede (1980) did an extensive research on culture and cultural values. He has defined five dimensions of any national culture power distance; collectivism; masculinity; uncertainty avoidance; long term orientation (Kim *et al.*, 2018). Explaining all the dimensions are beyond

the scope of this paper. In this study collectivism has been taken up, which says the extent of the association between people and the organization in which they are involved (Kim *et al.*, 2018). On that basis researchers divided the world into two main cultures individualistic and collectivist (Houghton *et al.*, 2013) depending on the degree to which individuals have strong bond with the groups in the society (collectivist) or are more concerned for their own interests and put it above the group's interests (individualist) (Krautz & Hoffmann, 2017). Although these two cultures are found in different geographies but primarily collectivism and individualism are associated with the Eastern and Western part of the world respectively with collectivist societies in Latin America and African countries (Ghosh, 2013) which would be described later in the study.

### 3.1 Cultural Difference - Productive or Conflicting

How beneficial or challenging is cultural difference in the teams of multinational companies? To answer this question several researches have been performed so far. Researchers describe this cultural diversity as double-edged sword (Han & Beyerlein, 2016). Diversity in work force is considered sensitive in MNCs as this could create magic or havoc depending on the social equation among the diverse workforce (Levy & Reiche, 2017). Researchers emphasise that such diversity can have dual impact on group performances. There is a lot of learning which happens during cross-cultural encounters (Ghosh, 2013). Researchers say such diverse teams are high on creativity and team efficacy as diverse ideas lead to a lot of brainstorming among the teammates which provides broader bandwidth when it comes to groupthink (Han & Beyerlein, 2016). Teams when have individuals from different background possessing variety of skills, perspective and knowledge make teams richer, creative, and productive (Mayo *et al.*, 2016). But this diversity has its own drawbacks. Daily task related and socioemotional interactions (Han & Beyerlein, 2016) within multicultural teams can cause conflict or friction between the employees which if not managed properly and timely can cause trouble for any organization at various levels (Pekerti *et al.*, 2014). Several studies have been performed on the cross-cultural conflicts owing to this diversity. Here in the study focus would be on cross-cultural conflict between East and West cultures and the approaches adopted by the two to manage that conflict.

### 3.2 Cross-Cultural Conflict

Cross-cultural can be defined as implied or obvious emotional scuffle between individuals of diverse cultural groups over apparent or real incompatibility of cultural philosophies, ethics, situational customs, scarce resources, styles/ procedures, or/ and results in a face-to-face background within a sociohistorical deep-rooted system (Wang, 2017). As mentioned above two prominent cultural ideologies: individualistic and collectivistic bring practices which are poles apart. In multicultural team individuals from one cultural group face problem in interpreting behaviours and perceptions of different cultural groups creating misunderstanding which results in conflicts (Burgos-Cienfuegos *et al.*, 2015). Studies claim that due to low level of social amalgamation (Mayo *et al.*, 2016) among the teammates of such culturally diverse team compared to homogenous teams' conflicts are common (Han & Beyerlein, 2016). Cross cultural studies along with group psychology state that under the influence of social-identity (Dheer *et al.*, 2014), social comparison, and similar attraction theories (Wang, 2017) people tend to make social groups outside work teams and create psychological distance from the different out-group creating favouritism and discrimination (Mayo *et al.*, 2016). This causes some sort of friction between the cultural groups which are more like social groups formed psychologically beyond work teams. Various studies emphasised on the two extreme cultural groups consist of individuals from East and West cultures but there could be groups belonging to same geographical areas and almost similar ethnicities with little subcultural differences like Canadians and Americans (Dheer *et al.*, 2014). Apart from cultural distances there are few other factors too that are responsible for individuals not getting adjusted with the alien culture. Personality issues, emotional intelligence, family environment and likewise would also make difference from individual to individual and the capability to adjust in the alien culture (Chen *et al.*, 2014). Leaving behind the personal factors let's see how these two cultures are different in dealing cross-cultural conflicts.

## IV. DIFFERENCE BETWEEN EAST AND WEST CULTURES

Cross-cultural conflicts are common phenomenon in multicultural teams. Nobody to blame for such frictions as it is a basic nature of humans, we tend to behave and carry attitude influenced by the culture we are born in (Ghosh, 2013). Asia covers most part of the Eastern world, China, India, Southeast Asia, Singapore etc. (Zhang, 2012). While US and European nations are the torch bearers of Western culture. The type of society Asians have, researches claim that they are collectivist (Fatehi & Priestley, 2017). Study proved that Chinese who cover high demographic ratio in Asia are highly collectivist as compared to US (Houghton *et al.*, 2013). Similarly, studies show that Latin American countries like Mexico and African countries too have collectivist culture while US is on the another extreme with individualist society (Gomez & Taylor, 2017). Thus, various geographies having collectivist society although not on the Eastern side can be considered like East.

Studies further add that individualists are more straight forward and see things in black and white vis-à-vis to the collectivist society where individuals are more indirect in their conversation as don't want to hurt sentiments of anybody around which irritates individualistic cultural groups in same team thus creating cultural conflict (Wang, 2017). Researchers have tried to claim that individuals who belong to individualistic societies or cultures are more concerned about their own welfares and comfort whilst individuals from collectivistic cultures (Vollmer & Wolf, 2015) have high concern and give importance to social relationships (Houghton *et al.*, 2013). For example, when compared between Australia and China caregiver services for dementia patient is covered by social welfare services while in China families of the patients are responsible for the care (Schrauf, 2017). This shows basic difference between societal fabric of East and West. Researches prove that while dealing with cross-cultural conflicts these covert social values play an important role specially in adopting the approaches to manage these conflicts. Let's see what approaches these two poles apart cultures adopt to manage their cultural differences.

## V. CROSS- CULTURAL CONFLICT MANAGEMENT STRATEGIES- EAST VS WEST

Studies have proved that cultural- conflicts can either be taken as damaging to the teams or could also be taken up as an opportunity to evolve as an expatriate who travel for work to be a part of an alien culture very often in MNCs (Wang, 2017). Studies show that conflict resolution styles for cultural conflicts depends largely on cultural values (Gomez & Taylor, 2017). As discussed

above the focus in this study is on collectivism vs individualism out of the five Hofstede (1980) cultural dimensions or values. According to Han and Beyerlein (2016) there could be both virtual and face-to-face teams in MNC culture. Here virtual teams and their challenges have not been considered. Both face-to-face and virtual teams have different set of challenges and conflicts. Face-to-face teams have conflict related to personalities, stereotyping, authority, politics and groups (Han & Beyerlein, 2016). Studies mostly refer to five conflict resolution styles referred by Thomas (1976) based on two parameters concern for self and concern for others: competing, compromising, avoiding, accommodating, and collaboration (Vollmer & Wolf, 2015). Avoiding has low concern for all, accommodating has low concern for self but high concern for others, competing has high concern for self and low concern for others, collaborating has win-win for all, compromising is finding a middle path (Vollmer & Wolf, 2015). Chen *et al.* (2014) classified these five styles into categories: active and agreeable. Active styles would be direct and straight in approach while agreeable would refer to the behaviour which would make situation more comfortable and less stressed. Gomez and Taylor (2017) in their study mentioned that many Asian countries and Latin American nations like Mexico which are collectivist prefer less argumentative and direct conflict resolution techniques as compared to Westners. Westners would go for dominating conflict management style (Vollmer & Wolf, 2014). Collectivists prefer to involve people of their social network to resolve the conflict. While individualists would prefer methods where things are fair to all the parties involved. Burgos-Cienfuegos *et al.* (2015) in their study explain that individuals from a collectivist background would prefer accommodation and collaboration as these approaches are high on concern for others, while as per another study individualists would go for competitive and collaborative styles (Gomez & Taylor, 2017). Researchers also argue that avoidance is not adopted by individualistic society as a strategy for conflict resolution as against the collectivists. Reason being collectivists neither want to harm anybody's emotions nor want to confront anybody (Vollmer & Wolf, 2015). To maintain harmonious relations individual from both the cultures need to understand each other group's conflict handling styles and respect that.

## VI. COPING WITH CROSS-CULTURAL CONFLICT

People working for MNCs need to get deployed at foreign lands where they must adjust with the host culture not only within the organization but also outside the work with the locals (Chen *et al.*, 2014). This includes learning about the alien culture, bringing the nuances of second-culture in behaviour, and taking some assistance to bring those learning into practice (Pekerti *et al.*, 2014). Researches have defined this adjustments with the new culture as cultural intelligence (CQ) (van Driel & Gabrenya, 2012). Employees must be receptive for the cultural changes, gain knowledge about new culture, have awareness of the beliefs of second-culture, bring changes in actions and behaviour. Bringing these changes show high adaptability of the individuals to the cultural challenges (Alshaibani & Bakir, 2016). Those who have high CQ would not have much adjustment problem in the new cultural settings else there would certainly be a cross-cultural conflict (Groves *et al.*, 2014). To make individuals ready for the cultural changes MNCs can have short term courses on cross-cultural training for employees before deploying them to the foreign land to get a basic understanding of country, culture, people, and the general behavioural expectations (Ghosh, 2013).

## VII. CONCLUSION

Westners are aggressive in nature, have more direct approach and believe in fair and just resolution of any conflict vis-à-vis to Eastners who are more tolerable, more relationship oriented, believe in finding middle path for most of the troubles, and see things beyond black and white. Westners give their own identity a priority over the group while Eastners believe in maintaining long term relationships thus focus on win-win situations. Cultural diversity in MNCs could be more advantageous and productive with more diverse thinking patterns if the employees before deployment to another country get cross-cultural training. Cultural intelligence is a prerequisite for the expatriates to be successful in the alien culture.

## VIII. LIMITATIONS AND FUTURE RESEARCH

This study has not covered all the five dimensions of Hofstede cultural values. It focuses on individualism versus collectivism. Cross-cultural conflict can also be studied keeping in focus the rest four values too i.e. power distance; masculinity; uncertainty avoidance; long-term orientation. For the study world has been divided into two major types of cultures while there are sub cultures, racial and ethnic groups within a main culture (Vollmer & Wolf, 2015) which could be studied further. MNCs have virtual teams as well. Further research could be performed on cross-cultural conflict in virtual teams (Han & Beyerlein, 2016). Empirical analysis can be performed taking country specific or region-specific case studies.

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