Cultural Differences at Work: How Managers Deepen or Lessen the Cross-Racial Divide in their Workgroups

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A Brisbane worker recently commented in an interview, ‘I think there’s a lot of difficulty just in cultural diversity.’ The worker, a member of a racial minority group, said:

If I was to categorise the problems, my frustration here would be more personal, the lack of understanding of issues and people – it is really just diverse people skills. Not understanding that people come from different backgrounds and people just talking out of their narrow experiences, they just don’t realise that they are insulting you... (interview with Ayoko, November 1999).

What do managers do about these cross-racial tensions at work? Analysis of our interview data revealed that most (80%) leaders do nothing about the conflict. Where something is done, workers often report that it worsens rather than lightens the tension in the work atmosphere.

Indeed, there is ample evidence in the literature that task and interpersonal conflict (e.g., Jehn 1997) leads to poor group cohesion and social integration (Hambrick 1994), which, in turn negatively affects the well-being and performance of the group. Conflict, however, does not always have negative results. As we argue, the effect of conflict depends, in part, on the way it is managed by the parties concerned, in particular by the group leader. Leaders of diverse work groups must therefore possess conflict resolution skills. In this paper, we summarise the development of a model of the role of leader behaviour in conflict management in culturally diverse workgroups. The paper also reports preliminary results from the first stage in a research program aimed at assessing and refining the model.
Overview of proposed model

In our model, we show that diversity in workgroups leads to conflicts. These conflicts vary in type, frequency, length and intensity. The effect of these conflicts on individuals and the group depends largely on how the leader manages the conflicts. In particular, we argue that the conflict management skills, emotion management skills, and level of openness to dissimilar others displayed by a leader responding to conflict determines the consequences of conflict on group outcomes. The expected relationships are depicted in Figure 1.

Figure 1 Model of leader’s conflict management in culturally heterogeneous work groups

| Culturally heterogeneous workgroups (e.g., stage; % of diversity) | Conflicts types frequency length intensity | Leader intervention Conflict Mgmt. Skills Emotion Management Skills Openness to dissimilar others Technical, Conceptual, Interpersonal, Administrative Skills | Outcomes Task Social |

Conflict

There is little consensus in the literature on the definition of conflict (Jehn 1992). We adopt the social psychology approach to the study of conflict, which argues that conflict is a function of the perceptions of the parties and not simply the extent of overt hostility displayed (Pondy 1967). That is, we define conflict as the perceived incompatibilities by parties of the views, wishes and desires each holds (Jehn 1992). Further, we accept the conclusion of studies in intra-group conflict which suggest the need to distinguish between constructive conflict (positive and beneficial conflict) and destructive conflict. Although most researchers have perceived conflict as damaging and disadvantageous, with adverse effects for individuals, groups and organisations, research shows that conflict can be beneficial. It may lead to innovation, re-evaluation of the status quo and the elimination of complacency (Jehn 1997). Although studies on conflict abound, few have examined the kind of conflict that has positive effects, termed constructive conflict (e.g. Jehn 1997). Further, the kind of conflict that is generated in culturally heterogeneous groups and leader responses to these conflicts have not been thoroughly documented in the literature. This study begins to address this gap.

Internal or intra-group conflict can also be categorised into task and emotional (also called relationship conflict) conflict (Jehn 1997). This distinction is not new. Emotional conflict, or what we call social conflict, arises from negative feelings and dislike for another group (Berscheid 1983). It deals with personal and relationship
issues manifested as friction, frustration, and personality clashes within the group (Ross 1989). Dislike is central to the occurrence of social conflict. Research shows that people tend to dislike others who do not agree with them and who do not share similar beliefs and values (Raven and Rubin 1976). Social conflict produces negative interactions that inhibit personal relationships and thus limit group cohesion and efficiency. The other dimension of intra-group conflict – task conflict – pertains to conflict of ideas in the group and the disagreement about the content and issues of the task. It is the awareness that there are disagreements about the actual tasks being performed in the group (John 1992) regardless of whether the ultimate goal of the group is shared (Brehmer 1976). A group may therefore experience task related conflict even when members share the same goal and objective for the task. These conflicts can produce better outcomes for the group or can occupy the group in disputes over how to accomplish tasks or fail to inform better decision-making.

Clearly the two dimensions of conflict are not mutually exclusive. Disagreements on how to perform tasks increase the chances of negative feelings, which, in turn lead to social conflict. Social conflict, which produces dislike for another group, increases the chances of an inclination to reject the views of members of other groups on how to perform tasks. Furthermore, a major differentiator of cultures is in their orientations to work and time. Consequently, differences in values and approaches to work are more likely to emerge where culturally different workers interact.

Heterogeneity and conflict and group consequences

Observable heterogeneity is a term used in the literature to describe the differences that are visible in people, such as gender and race. These observable differences often trigger in others certain biases, prejudices, or stereotypes (Milliken and Martins 1996). Studies reveal that perceived dissimilarity based on observable attributes does indeed evoke stereotypes, which, in turn have negative consequences for the different other, at least in the short-term (Harrison, Price and Bell 1998). The evoked stereotypes and prejudices for the dissimilar others in a work group, no matter how short-lived (Milliken and Martins 1996), may be a source of destructive conflict inhibiting optimal performance.

Diversity on observable attributes yields both positive and negative effects (Jackson 1991). For example, it is connected to greater creativity and innovation within organisations (Cox and Blake 1991). Also, heterogeneous work groups are more effective in decision-making processes and problem solving than homogeneous groups (Milliken and Martins 1996). In an era where creativity and innovation is especially important to organisational competitiveness, the potential value of a culturally mixed workforce is clear (Cox and Blake 1991). Nevertheless, diversity in the workplace more often than not fails to realise this potential. Instead, diverse teams tend to have greater short-term problems, particularly with establishing relationships and appropriate processes (Nemeth, 1986). Diverse groups also tend to have lower levels of interpersonal attraction and higher turnover. In addition, diverse groups are
characterised by extensive time consuming consideration of task related issues (Beisecker 1969) and expend more effort and concentration on tasks. The relational demography literature, which includes theories from social psychology (Byrne 1971) and organisational behaviour (Milliken and Martins 1996) has clearly established that differences among group members have a negative effect on group functioning (Harrison et al. 1998). Members of such groups tend to be less cohesive and trusting, less committed to the organisation, less satisfied with their jobs, more stressed, more likely to turn over, more likely to be absent more frequently, and to experience more communication difficulties (e.g., Boucher and Hesketh 1994; Fujimoto, Härtel and Härtel, in press). Such findings show that the affective and behavioural costs of diverse workgroups more often than not outweigh the touted cognitive benefits of diversity (Härtel and Fujimoto 1999; in press).

Clearly, conflict in diverse work groups is a widespread problem in organisations. And yet, there are few studies examining the effects of conflict in organisations (Jehn 1997) and fewer still that investigate leader behaviour in managing conflict in diverse work groups. In this paper, we argue that the major difficulties faced by newly formed diverse work groups are primarily caused by conflict. Conflict, in turn, negatively affects innovation, decision-making, and group outcomes (Tannenbaum et al 1996). The argument in this paper is that destructive social and task conflict reduces the potential performance of heterogeneous workgroups. The leader’s capacity to manage the group in ways that increase the likelihood of constructive conflict and decrease the likelihood of destructive conflict is proposed as the factor which separates diverse groups that achieve their potential from diverse groups that experience negative outcomes.

Cross-cultural research provides evidence that culturally diverse groups prefer different ways of being led (Hofstede 1993). Indeed, a number of foreign companies, especially US multinationals, require managers to acquire appropriate skills to manage culturally diverse employees. Given that leadership is often credited with successful performance in international competition (Hodggett and Luthans,1994), it is therefore important to secure capable leaders who can effectively manage culturally diverse work groups. In spite of this understanding, few studies have captured the leader behaviours, activities or specific skills for managing conflict and promoting effectiveness in culturally diverse groups. This paper begins to bridge this gap.

**Leadership**

Leadership is variedly described (Bass 1990). However, put succinctly, it is an influence process concerned with defining and implementing task objectives and strategies, and defining and maintaining organisational culture and people’s identification with such tasks and culture (Yukl 1989). No consensus has been reached in the leadership literature on which leadership styles are most and least effective or how best to define leadership (Jung 1997). Similarly, ‘no clear and unequivocal understanding exists as to what distinguishes leaders from non leaders,
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and perhaps more importantly, what distinguishes effective leaders from ineffective leaders' (Jago 1982: 315).

To distinguish effective from ineffective leaders, Yukl (1989) proposed that the
behavioural aspects of leadership needed to be considered to shed insight on how
a particular style of leadership differs from others with regard to followers' emotional
and behavioural responses. The approach taken in this paper is a response to this
call. In particular, we propose some leader behaviours that we expect should affect
the emotional and behavioural responses of employees in heterogeneous workgroups,
and we provide preliminary findings of a study examining the self-reports and
behaviour of members of such workgroups. Ultimately, findings from research
conducted using the approach advocated here will contribute towards identifying
leadership behaviours underlying effective and ineffective leadership in a culturally
diverse work group context. Such research is necessary to guide the training and
development of leaders for diverse organisational workgroups.

Leadership research reveals that subordinates perceive their leader's behaviours
primarily in two ways. First, they consider their task-oriented behaviours, which
relate to initiating structure. Second, they consider their people-oriented behaviours,
which relate to consideration (Fleishman 1953). These two categories of behaviours
contribute independently to leader effectiveness (Nystrom 1978). That is, effective
leaders select task oriented and social oriented behaviours that are appropriate to
the task and social characteristics of the situation (Yukl 1989). We argue that an
essential aspect of a leader's effectiveness in managing heterogeneous workgroups
is the adaptation of task oriented behaviours to the positive and negative aspects
of task related conflict in their group and the adaptation of social oriented behaviours
to the social conflict experienced in their group.

Leader skills affecting conflict

Evidence abounds that team leaders make a difference in team performance (Brewer,
Wilson and Beck 1994). Team leaders' decisions and behaviours are found to
influence almost every aspect of team effectiveness. Besides contributing their own
attitudes, skills and abilities relating to group task and social processes, team leaders,
through their monitoring, feedback, coaching and influencing behaviours, play a
central role in the development of other team members' competencies (McIntyre
and Salas 1995). We now briefly present those task and social skills we consider
as crucial to conflict management in heterogeneous workgroups. We identify three
task conflict management skills: technical skills, conceptual skills, and administrative
skills. We also identify three social conflict management skills: conflict management
skills, emotion management skills, and openness to dissimilar others. Each is
considered in more detail in the following section.
Task conflict management skills

One of the skills generally supported by research as necessary for managerial positions are technical skills (Bass 1990, Mann 1982). Technical skills refer to knowledge of products, services, work operations, procedures, equipment, markets, clients, and competitors. Conceptual skills also receive general support in the literature as necessary for managerial positions and therefore are included in the model (Bass 1990, Mann 1982). Conceptual skills refer to the ability to analyse complex events and perceive trends, to recognise changes, to identify problems and opportunities, to develop creative and practical solutions to problems, to conceptualise complex ideas, and to use models, theories and analogies. A third skill recognised in the literature as crucial to management positions is administrative skill. This skill refers to the ability to perform relevant managerial functions such as planning, delegating, and supervising. This particular skill appears to comprise both task and social skills because it combines specific technical, cognitive and interpersonal skills.

Social conflict management skills

In the literature a number of interpersonal skills have been recognised as important in management positions (Bass 1990, Mann 1982). These skills include understanding interpersonal and group processes, comprehension of others’ motives, feelings and attitudes (e.g. empathy, social sensitivity), maintenance of cooperative relationships (e.g. tact, diplomacy and conflict resolutions skills), ability in oral communication and persuasiveness. We argue that, for managing conflict in heterogeneous workgroups, three interpersonal skills are particularly crucial, namely, conflict management skills, emotion management skills, and openness to dissimilarity.

Conflict management skills

As we have argued above, the crucial barrier to heterogeneous groups realising their potential is task and social conflict. Therefore, conflict management skills are important for effective leadership of heterogeneous workgroups. These skills comprise an understanding of the conflict cycle, understanding of conflict management skills and their implementation.

Emotion management skills

Social conflict arises from and perpetuates negative emotions related to dissimilar values, wishes, and desires. Consequently, emotion management skills are expected to be crucial for effective leadership of heterogeneous groups. Research relevant to the management of emotions includes the literature on interpersonal intelligence (Gardener, 1983: 239), social intelligence (e.g. Thorndike 1920), and emotional
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intelligence (Härtel et al. 1999a, Salovey and Mayer 1990). These areas indicate that effective emotion management involves the ability to identify, monitor, and regulate one's own and others' emotions. Good emotion management skills improve one's thinking and enable one to motivate, plan, and achieve (Salovey and Mayer 1990).

Three major factors are important to emotional intelligence (Härtel et al. 1999a, Jordan, Ashkanasy and Härtel, in press, Jordan et al. 2000). These are: dealing with one's own emotions (awareness of one's own emotions, control of felt emotions, display of one's own emotions); dealing with others' emotions (awareness of others emotions, ability to manage other's emotions, empathy); and using emotions in decision making and problem solving. The successful regulation of emotion allows individuals to refocus their own and others' attention on more important problems (Salovey and Mayer 1990). On the other hand, if emotional conflict is not minimised and resolved in a positive way, group efficiency and effectiveness suffers (Agyris 1962). This is because much of the group's effort is turned away from task accomplishment to the resolution of personal conflict or the attempt to ignore the conflicts. Further, those individuals who are emotionally engaged in the conflict lose their perspective about the task (Kelley 1979) and experience less satisfaction (Roloff 1987).

Task and interpersonal conflict evoke strong emotions. Emotional conflict is compounded in the heterogeneous work group because such groups diverge more on individual values and beliefs. Therefore, leaders of heterogeneous workgroups need to be able to monitor their own emotions and the emotions of others in order to facilitate effective outcomes in the group. Leaders need to have the emotional capability to acknowledge, recognise, monitor, discriminate and attend to group members' emotions (Huy 1999). This capability will be manifested in the group's norms and routines related to feeling (cf Schein 1992). Thus, the level, amount, intensity and frequency of conflicts experienced in culturally heterogeneous workgroups will be related to the extent to which the leader is emotionally capable and creates a positive workgroup emotional climate.

Openness to dissimilarity

Negative affective and behavioural reactions to dissimilar others can be explained by the disposition of human beings to be attracted to others perceived to be similar, which has, as its by-product, the exclusion of dissimilar others (Bryne 1971). Studies reveal that a sharply differentiated in-group is likely to create feelings of resentment and undermine team identification among those subordinates who are excluded from the in-group (Yukl 1989). Research on heterogeneous workgroups indicates that supervisors tend to perceive dissimilar subordinates less positively (Jackson et al. 1991). The same is true for individuals making selection decisions involving diverse candidates (Härtel et al. 1999b). For effective group processes and outcomes therefore, groups must be able to overcome the inclination to be attracted to similar others (Härtel and Fujimoto 1999). We propose in this study that the leader's openness towards, and treatment of, dissimilar others in the workgroup will reduce
the amount of conflict generated in the group. The leader’s ability to reduce the in-group/out-group distinction should, therefore, result in higher cohesion and integration, which are associated with better task and social outcomes. Furthermore, we propose that the leader can enhance group members’ openness to diversity, which, we argue, is critical to reducing destructive conflict and enhancing constructive conflict.

Propositions of proposed model of effect on task and social outcomes of leader management of conflict in heterogeneous workgroups

Six propositions may be derived from our theoretical model (see Figure 1):

1. the leader’s management of conflict will affect the task and social outcomes of the culturally diverse group;

2. the leader’s openness to dissimilar others in the group will influence the type, amount and intensity of conflict produced in the culturally diverse group;

3. culturally diverse groups with leaders who are emotionally competent will have more constructive conflicts and fewer destructive conflicts compared to culturally diverse groups whose leaders have poor emotion management skills;

4. different leader skills are needed for different conflict types;

5. conflict types will vary with the kinds of cultural diversity present in the group; and

6. conflict types will affect different aspects of performance.

Method and results of preliminary study

In this paper, we report on the first stage of a research program investigating the role of leaders in the course and consequences of conflict experienced by culturally diverse workgroups. The epistemology adopted for this research is scientific realism, which assumes that reality can be estimated from observation. The aim of this study was to identify the types of friction emerging in diverse project groups, how it is managed, and how leaders can deepen or lessen the cross-racial divide in their workgroups.

Groups from an undergraduate business subject in communication were surveyed and observed for two hours each week for a period of five weeks. Nine groups, each consisting of between four and six members, participated in the study. The forty-one participants were between sixteen and twenty-five years of age. Fifty-four percent were women. Fifty-five percent of participants fell into culturally diverse categories. The major findings of the study can be summarised as follows:
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- Although leaders were not assigned to the groups, leaders did emerge in some groups. Groups where leaders did emerge organised more quickly to perform their task.

- In some of the groups where leaders did not clearly emerge, members indicated that performance would have been enhanced with a designated leader.

- Groups with older and more experienced members were more task focused and reported fewer conflicts. This finding was supported both by observation and questionnaire responses.

- Groups that were similar in age experienced more conflicts.

- Most groups experienced major difficulties during group formation, which they referred to as ‘ambiguity,’ ‘problems,’ ‘worries,’ or ‘difficulties.’ These groups, however, reported that the situation improved as they continued to interact over time.

- Groups settled to a normal and relatively smooth task routine by about week 4 of group formation.

- Diverse members of the group spoke less and had fewer interactions with other group members. Survey responses suggested that, at least in some cases, this reflected specific cultural values toward interaction.

- Language barriers negatively affected interactions within the group.

- Tolerance of and openness to other people’s opinions and differences contributed to conflict resolution and group cohesion.

- Listening and other communication skills were important impediments to destructive conflict.

- Styles of management of conflict observed included compromise, negotiation, avoidance, inaction, and open discussion.

- Task conflicts occurred across time but were most frequent during the initial stages of group formation.

- Conflicts were mostly task related, concerning both content and process. In most cases, groups endeavoured to avoid interpersonal conflicts by ‘leaving it behind.’

- Understanding others was frequently reported as a way of avoiding conflicts, especially emotional conflicts.

- Time management skills were clearly indicated as major requirements for task effectiveness in these groups.
Conclusions

We have argued that one of the main challenges facing leaders of diverse work groups is the resolution of conflict. If poorly managed, conflict can weaken cohesion among team members and increase the cross-cultural divide. Low cohesion affects both individual and group output negatively. In this paper, we summarised a model that identifies the key competencies for leadership of culturally diverse workgroups. We then presented preliminary results from the first stage in a research program aimed at assessing and refining the model. Leaders with good technical skills, good conceptual skills, good interpersonal skills, good administrative skills, good emotion management skills, good conflict management skills, and who are open to dissimilarity decrease the cross-cultural divide in workgroups, thereby improving the experience of diverse employees.

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