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MANAGING MULTI-CULTURAL TEAMS: DEALING WITH CONFLICTS RISING FROM DIFFERENT EXPECTATIONS AND PERSPECTIVES

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Abstract

With globalization and the current direction towards more integrated and cooperating world of business, workplaces and especially teams are becoming increasingly diverse. Cultural diversity brings with it benefits to the team, but also disadvantages like misunderstandings and even conflicts. In this thesis I aimed to find what leaders of multicultural teams have to take into account to avoid conflicts rising from different expectations and perspectives people from different cultures have.

To achieve this I first looked at the main differentiating variable in multicultural teams: culture, and then worked through diversity, teams and leadership to find approaches that lead to best results when managing multicultural teams. To do this I used literature review as there already is variety of literature of the different components, and also confirmed this through empirical study, where I observed and interviewed a multicultural team, OuluSES, for almost a year.

The most important findings were first of all about culture: culture was found to be emergent, people have their own individual culture, but are also part of bigger cultures. For managers of multicultural teams the most important finding was that creating personal relationships lessen the misunderstandings and especially conflicts in multicultural teams, and also lead to best results overall, especially compared to approaches where cultural differences were completely ignored.

The findings from this thesis not only offer a new perspective into the debate between static, national cultures and emergent cultures, but the biggest advantage of the thesis is for every-day leaders of multicultural leaders. As cultural diversity is bound to increase also in the future, workplaces are also bound to become increasingly diverse, which means that leaders have to be ready and equipped to deal with conflicts rising from the differences in expectations, which is where this thesis helps.
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1 INTRODUCTION

1.1. Globalization and growing diversity in organizations

Globalization has been a hot topic for a while now. It is controversial; some even deny its existence, but the believers of it believe that with globalization cultures become increasingly similar, and the need for adapting to different cultural issues lessens and perhaps even disappears. Thus the supporters of globalization do not agree with the importance of taking into consideration cultural diversity, as they believe that through globalization the cultural differences are minimized enough for universal approaches. Others, on the other hand, argue that even though globalization is most likely happening, instead of lessening the need for cultural consideration it actually makes the need even bigger. Globalization brings with it constant changes and thus insecurity. Thus people are more keen to holding to something stable, which often are the old values, customs and habits of the original culture (Perkins 2009).

Because of globalization the demographics in most countries are now culturally diverse, the world is integrating, multinational corporation are becoming increasingly common, and multicultural teams; i.e. culturally diverse teams are now a common sight in international organizations (Mäkilouko 2004, Javidan et al. 2006, Seymen 2006). Not only are workplaces themselves more diverse, but the increasing trend of working together in partnerships with other companies, joint ventures and so on, create more multicultural project teams, with members coming from different cultures, and backgrounds with different experience and views of the world (Ochieng and Price 2010). Thus people are more and more likely to encounter people with different cultural origins, language, norms, lifestyle etc. in their workplaces, and thus especially managers have to learn how to deal with people who have different sources of motivation, styles of leadership, levels of productivity, ideas authority and so on (Seymen 2006). This direction towards increased diversity is not like what the supporters of the idea that globalization brings universality believe. Globalization clearly has an effect, but in a different way than unifying all cultures and such differences. It unifies some parts, but most likely not the most crucial and innermost parts of culture (Perkins 2009), and the issue of diversity stays, and even grows in importance. Some even believe that at some point managing diversity is simply unavoidable (Bassett-Jones 2005, Seymen 2006). Christian et al. (2006) even note that dealing with diversity in work groups is one of the most challenging issues that organizations
have to deal with today. Thus despite the unifying effect globalization may have, managing differences still becomes more and more important.

1.2. Culturally diverse teamwork

Teamwork is increasingly used as a working method in all organizations in the fast-changing world of today (Sheard and Kakabadse 2000, Bassett-Jones 2005), and importance of teamwork is seen even so big, that it is said that the successfulness of the team is directly relatable to the success of the entire organization (Mahmud et al. 2014). With growing cultural diversity in the workforce of organizations, comes more and more culturally diversified teams. Cultural diversity brings with it differences in e.g. employee motivation, management styles, organizational structures (Hofstede 1980) and thus different expectations of even such basic things as how to cooperate, solve conflicts, accept authority and even ways of communicating, as they are all culturally dependent (Chevrier 2003). Thus managing diversity becomes a key issue for the organizations and especially team leaders and managers. Because of these differences and extra effort they seem to require, diverse teams are often believed to be more problematic; the differences in cultural backgrounds are seen to bring with then conflicts, disharmony (Tatli 2011), and in general less efficient teams.

But on the other hand there has been variety of studies supporting the idea that multi-cultural teams in fact perform better than teams with individuals from homogenous backgrounds (Ochieng and Price 2010). This may be so because when progress and innovation are done using different kinds of intelligent minds like in multicultural teams, they over perform teams that have people who are also smart, but have similar backgrounds and perspectives, and thus often not as varied ideas (Herring 2009). Still, sometimes the disadvantages and the problems multicultural teams brings are seen so grave, that some organizations have decided to use only monocultural teams whenever they can (Mäkitouko 2004). This is worrying as those organizations are risking their competitiveness compared to organizations who are able to enjoy the benefits of diversified minds, and also considering how in the current world the direction seems to be towards more and more diversity, avoiding it may lead to problems at some point. Of course culturally diversified teams do not automatically lead to positive nor negative outcomes (Bassett-Jones 2005). Thus it is the job of the team together and especially the team leader as the leader of the group, to guide the team into either direction, preferably of course to success. But how this should be done, is still a question without consensus on the answer (Seymen 2006).
When looking at successful teams, it hardly comes as a surprise that the best performance is achieved when the entire team is fully working together towards the same goals (Ochieng and Price 2010). Often diversity disturbs this cohesiveness, and thus it is especially important to find a way to harness it to work for the benefit of the team and thus the whole organization. It has even been said that having the right methods and instruments for managing cultural differences in teams will be one of the key things that determine the success of international business of the future (Schneider 1995). Leaders and managers of team have the biggest responsibility, but also possibility of changing diversity into advantage. All this means that managers need to be more culturally aware and prepared to manage cultural diversity. But still about ten years ago 85% of Fortune 500 companies reported to be lacking in this area, and even still now the need for more knowledge and skills in this area are still there, even growing as intercultural interactions become more common (Javidan et al 2006, Dorfman et al. 2012). Unfortunately this need is left to be filled as there still is not enough research on leadership of multicultural teams (Mäkilouko 2004).

In this thesis diversity is seen as different views of world, which managers have to take into account as these differences often manifest in even things like how people prefer to be led, and what kind of leaders are seen competent and what kinds incompetent (Dorfman et al. 2012). It is seen so important that it even becomes a carrying theme in this thesis.

1.3 Research gap

Leadership in cross-cultural context is definitely an increasingly popular subject in research (Wendt, Euwema and Emmerik 2009) showing not only the interestingness of the topic, but also the that there is a need for such research, like also noted in the intro. Despite research already done on cultures and their effect on leadership, there is room for more, or should I say, even a need for more research, which is a view that other researches done on the issue also agree with (e.g. Ochieng and Price 2010). It is also a fact that the research already done concerning cross-cultural leadership and especially the results are often not very appealing to the ever-day leaders. These results are often presented in scientific journals, which are often aimed towards science community, which can be seen from how the material and results are presented, and thus often not practical for leaders and managers. There are some advices aimed for the every-day leaders, but as they often try to accommodate to the needs of all global leaders and situations, the advices given become often generic and hard to understand how to use them in real life. Some studies try to avoid this by focusing on few or
even just one culture, but this then also means that the advice is usable pretty much only in that context, and falls to the danger of generalizing cultures and the individuals within them too much. The research of the topic also seems to be very U.S. centered: what an American manager has to take into consideration when going abroad. I wish to provide ideas and guidelines to as many managers as possible from all kinds of cultural backgrounds, and also change the focus to managing cultural diversity in teams, which is definitely lacking, instead of having the common perspective of the manager himself/herself going abroad.

Another large gap in research is in one of the basic concepts related to multicultural leadership; culture. Often in management literacy cited is the views of culture by Geert Hofstede, even though recently his studies and especially views of national culture are even deemed obsolete. But especially in the business world there still are also people and researchers who trust and base their own studies on the views of Hofstede, even though at the same time as there are researchers who see even nothing close to reality in his studies, i.e. a grave division in the views of what culture is. And thus in this thesis I will aim to fill this gap, to help create an important building block towards better understanding of managing multicultural teams. Another issue with the studies of multicultural teams is that they have especially ignored managing multicultural teams that last longer, instead of just existing for one short project (Watson et al. 1993), which I will combat also through my empirical part of OuluSES, a team that works tightly together at least for a year together with other theoretical findings. It is important to find ways to work in and manage even long-lasting multicultural teams, as the direction definitely seems to be towards them.

Like I already mentioned a bit before, my hypothesis is that people with diverse backgrounds have different expectations of their working life, how a team should work, and especially different expectations of the leader: how he or she should really lead the team. I base this idea to the fact that people with different backgrounds, cultures, may have gotten used to different styles, and thus may also expect different things, which I already talked a bit about in the intro section. One of the reason for conflicts in multi-cultural teams would thus be born from different expectations, and how those do not meet. One example of such situation could be that the leadership style or the way of managing of the team leader or manager is misunderstood or seen even repulsive because it differs so strongly from the one the employee is used to or even prefers. It is clear that this causes misunderstandings and clashes. Even though I believe that there are as many leadership styles as there are leaders, different cultures seem to have their own shared styles and methods which are preferred.
Thus my goal is to find what managers should take into account when dealing with cross-cultural teams.

Thus the topic of my thesis can be also said to be diversity management with the focus of teams and especially team management. Like Christian et al. (2006) also note, this kind of research of diversity and especially conflicts within groups of all sizes, has become an important topic for contemporary research. Kulik (2014) notes there is a lot of academic research about diversity management, and that managers themselves are under tremendous pressure to manage diversity, but for some reason these two do not meet; research findings and the real life practices have a definite gap between them. Thus more research that connects them is needed.

1.4 Research method

There is already a variety of research done on cultural issues and also leadership styles and some even connecting the two, which is why I see literature review as one of the best method of doing research for this thesis. I will also conduct an empirical study by observing and interviewing a multicultural group, to see how the theoretical findings compare to practice. The group studied is OuluSES (Student Entrepreneurship Society), a student-led organization aiming to spread entrepreneurial mindset. I will observe the board of the organization from autumn 2014 till spring 2015, ask questions and also interview them during the spring 2015, which is also the end of their year-long board season.

1.5 Research questions

Q1 Do being exposed to different cultures and being involved in cross-cultural encounters change people?

Q2 How multicultural and monocultural teams differ from each other and how leading them differs?

• Are there negative sides and/or benefits to either type?

• Do people from different cultures have different expectations towards leadership and team work, and if, how they should be dealt with?
1.6 Structure of the thesis

In the first chapter of this thesis I will look at the concept of culture, how it has evolved through years and how culture is related to management. I will also form the theoretical viewpoint of culture which will be used in this thesis. After that I will go through communication, what it is, how culture affects it, and why it is often named as one of the biggest reason for why there are problems in multicultural teams. As the topic of this thesis is multicultural teams, i.e. culturally diverse teams, after communication I will look more into what cultural diversity is, and especially what are the disadvantages but also benefits connected to it. After diversity it is time to take a closer look on teams themselves, and then especially on leaders and their role in dealing with culturally diverse teams. The section following that will go through the findings about good and bad practices when managing multicultural teams, after which I will go through organizational culture and how it can be used to turn cultural diversity into benefit, before moving forward to the empirical part, where I will compare the findings found in the theoretical part to a real life case of OuluSES.
2 CULTURE, COMMUNICATION AND DIVERSITY

2.1 Culture

2.1.1 What is culture?

When looking at multi-cultural teams, the main issue is that the members of the team are somewhat different, and that those differences can affect the overall success of the team, whether positively or negatively. While it is clear that such differences exist, how they can actually be defined is another thing. As we are mostly talking about cultural diversity here, using culture as the differentiator to be observed is a clear option, even though it is also slightly problematic as even the concept of culture itself is not clear. Already over half a century ago, in 1952, 164 different definitions of culture were registered by American anthropologists Kroeber and Kluckhohn (Soderberg and Holden 2002), and still no consensus on even the definition exists. Here are some examples of often used definitions:

"Culture is a fuzzy set of basic assumptions and values, orientations to life, beliefs, policies, procedures and behavioural conventions that are shared by a group of people, and that influence (but do not determine) each member's behaviour and his/her interpretations of the 'meaning' of other people's behaviour.” (Spencer-Oatey 2008, p. 3)

"(Culture) is the collective programming of the mind which distinguishes the members of one group or category of people from another.” (Hofstede 1981, p. 24)

"Culture or Civilization, taken in its wide ethnographic sense, is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society.” (Tylor 1871 p. 1)

We all have and are part of culture(s), but trying to explain what that really means is a difficult task (Fontaine 2007), like also seen in the example definitions above. It seems to have something to do with how we behave and see the world, but still does not fully make us. Thus it is not hard to believe that there is a lack of consensus in the academic field about what culture really even means (So-
derberg and Holden 2002). Like Seymen (2006) notes; culture is a very complex phenomena and thus difficult to define. Thus in the world of business it is even more difficult to look into things where culture is involved (Seymen 2006). Soderbergh and Holden (2002) even note that one just cannot make cultural analysis, which could be made into general guidelines for managers. If even such a basic building block is hard to define and study, how can it be used to measure and study its effects in management? As culture is such an important building block of my thesis, I will next tell a bit more about how the concept of culture has evolved, and form the view of culture that will be used in this thesis.

Culture affects attitudes, social behaviors such as aggression, conflict resolutions, social distance, helping, dominance, obedience, decision making, leadership behaviors etc. (Gibson and Zellmer-Bruth 2001), i.e. behaviors which are very significant in all group settings. According to Porter and Samovar (1982) people learn to think, believe and aim for what is considered proper in their culture. Culture also affects language habits, friendships, eating habits, communication practices, social acts, economic and political activities technology (Porter and Samovar 1982), i.e. pretty much all aspects of life. Barnlund (1982) also notes that much of behavior and other parts of culture, like e.g. how a man’s and woman’s role is seen, are learned by people around you. These models are learned largely unconsciously and are thus difficult to recognize and feel even obvious; need no explanation. Culture’s purpose is to provide the context, show what is important and what can be ignored, and thus help deal with the incredible vast amount of information surrounding us at any given moment. Without context messages are hard to decipher correctly. (Hall 1982) The same message can be seen completely different, e.g. positive and encouraging text message can be read as an offensive statement without hearing the tone how it would have been said, and seeing the context in which it was written.

As culture affects nearly every aspect of our behavior, having knowledge of cultural issues and their possible effects can be especially useful for managers working in multi-cultural business environment (Javidan et al. 2006). Especially work cultures and leadership styles in different cultures can cause miscommunication and clashes or even big conflicts within teams and organizations hindering the integration of teams and the overall success and productivity of the group (Herring 2009, Mahmund et al. 2014). The reason for this is often that the individuals in the cross-cultural team have different perceptions of the environment, motives and behavioral intentions which may lead to misunderstandings (Ochieng and Price 2010). Things that affect also work related behavior, like for
example acceptance of high power distance; that there is someone higher up is more knowledgeable and should have more power, are deeply rooted in people, as they are often learn early on (Porter and Samovar 1982, Dorfman et al. 2012). For example people who have gotten used to the father being the ultimate authority figure in the family, also often seem to tolerate high power distance (Dorfman et al. 2012). These kinds of things are hard to change, but even recognizing them is a good start.

2.1.2 Hofstede & culture’s effect on management

When Hofstede made his groundbreaking study of cultural differences and their effect on management, the idea that culture has an effect on leadership and how team members work together in general became to life. He showed that unlike it was widely believed before, American management knowledge is not universal as differences between cultures are so vast that adaptations and even completely different practices are needed (Ailon 2008). There have been also other notable studies and theories about cultures effect on management (e.g. Trompenaars 1993), but Hofstede is still the one whose work is most visible in the world of business, even in classrooms (Ailon 2008) despite deemed even obsolete in the field of anthropology.

Hofstede's idea of culture is that of ”mental programming”, like seen in the example definition above. He explains this by using an example from one of his class rooms where he showed half of the class a modified picture with young woman and the other half the old woman (in the real picture both could be found) for five seconds. After that he showed the whole class the original photo with both young and old woman, and asked which they saw. The ones ”conditioned” to see the old woman saw the old woman, and vice versa. His point is that if only five seconds can do that much, how about living your entire life in certain kind of world, in a certain culture. He then defines culture as something people conditioned the same way share, and it can be seen in the institutions people have built together; family structures, educational structures, religious organizations, associations, forms of government, law, literature, buildings and even scientific theories. (Hofstede 1980)

Hofstede (1993) further explains the concept of culture by comparing it to a forest, and individuals as the trees of the forest. He says that forest is not just the sum of the trees, but symbiosis of everything in the forest, and that the essence of the forest cannot be found by just describing its most ty-
pical trees. This is an interesting statement as by bordering culture with national borders, and how he actually conducted his ground-breaking study, he did exactly that; just looked at one of the trees in the forest.

One of Hofstede’s best known contributions to management may be his theory of four (later five) cultural dimensions; individualism-collectivism, power distance, uncertainty avoidance, masculinity-feminity, and clear descriptions of national cultures.

• Power Distance: “the extent to which the less powerful members of the organization and institutions (like family) accept and expect that power is distributed unequally” (p. 2), thus it describes how inequality is expected and accepted in a ‘more versus less’-scale.

• Individualism versus Collectivism: ”the degree to which individuals are integrated into groups” (p.2), individualism and collectivism are seen to be on the opposite sides of the spectrum. Individualism is high on cultures where ”everyone is expected to look after him/herself”, and on the other hand on more collectivistic cultures people are also expected to take care of the whole group they belong to. (p2.)

• Masculinity versus Feminity: ”distribution of roles between the sexes”, i.e. how much masculine values (e.g. assertiveness, competitiveness) are preferred over feminine (e.g. modesty, being caring) and vice versa (p. 3).

• Uncertainty Avoidance: ”society’s tolerance for uncertainty and ambiguity… to what extent a culture programs its members to feel either comfortable or uncomfortable in unstructured situations” (p.4)

• Long Term versus Short Term Orientation (created later than the first four): In cultures where people are more short-term oriented they often value more ”traditions, fulfilling social obligations, and protecting one’s ”face””. In more long-term oriented cultures people value more ”thrift and perseverance”, people are more focused on future than the present like in short-term orientation. (p. 5)

(Hofstede 1994)
Hofstede’s work has been heavily critiqued later on, called even obsolete. Some of the main criticism include, why national limits are used as the boundaries of different cultures. For example in Malaysia there are 60% of Malays, 27% of Chinese etc. but Hofstede still counts them all to be one ”Maylaysian culture”, despite the nation clearly having multiple cultures at the same time (Fontaine 2007). Hofstede’s idea of delimiting culture within nations’ borders is both separator and unifactory. Separatory so that different nations are seen to have their own unique culture, and unifactory so that people within one nation are seen to share one culture (McSweeney 2002). McSweeney (2002) also critiques Hofstede’s work as inconsistent: at times he talks about national culture’s sharedness so that the culture is shared by all the individuals within a nation, but at times he talks about culture as something that is formed by statistically averaging heterogenous ’components’.

Culture is often seen as something people are “part of” or ”belong to”, i.e. is shared by group of people, and static. But assuming that the borders of such groups are national borders is problematic, even obsolete in the in the increasingly interdependent world, and often leads to ignorance towards social variation, diversity and power relations within a nation or an organization. Such way of thinking just are not fitting to the new demands on management rising from multi-culturality, and are not even supported by managers who are facing such cross-culturality in their every day working life. (Soderbergh and Holden 2002)

Also even the viability and even how the construction of the study leading to the five dimensions mentioned above is heavily questioned (e.g. Ailon 2008). For example Ailon (2008) notes in her article that in the case of power distances by questioning only the ”white respondents” Hofstedes study showed South Africa, with a history of apartheid, having moderately small power distance level like also Great Britain despite Great Britain’s colonial history, which is questionable to say the least, just as one example of the criticism towards the dimensions. Hofstede also used his own assumptions of organizational life like e.g. hierarchal inequality being inevitable, without questioning or testing if they really were so (Ailon 2008). Also McSweeney (2002) notes the fault in the actual methodology of the research, which is the core of the so called ground breaking results. Even though he used 117 000 questionnaires in 66 countries, the sheer quantity of the respondents do not guarantee a comprehensive sample of the populations in question. In this case the average number per country was small, in some countries even tiny. In some countries there were over 1000 respon-
dents, and less than 200 in others. Another important factor to be noted that all the respondents were from one single company: IBM, and mostly limited to marketing-plus-sales employees. Thus it can maybe be said that he made a cultural study on IBMs employees, but not about national cultures. His research also fails to recognize the cultural, western, bias it has, and his own 'cultural glasses' through which he conducts his research, and how in general even the questions and models are formed just to 'have something to compare' (Ailon 2008). Hostede also fails to note in his study the different organizational cultures in the different plants studied. E.g. it is quite unlikely that a recently established plant in Turkey has exactly the same organizational culture as a long-established plant in Texas and so on. There were also radical differences between the results within countries, which makes seeing the country’s borders as the borders of a culture, i.e. people within a nation sharing one culture, problematic. The differences were so large that e.g. a Japanese responded displayed much more individualism than someone from the United States, and considering how Japan and the United States are supposed to be pretty much at the opposite ends of the individualism-collectivism scale, that is quite unbelievable. Repetition of his study has confirmed, but also invalidated the research. (McSweeney 2002) It should be noted that answering to questionnaires without being able to answer why they chose the answer they chose, may also distort the results. For example it was found that aboriginal Canadian people do not value cars, televisions and other material goods, because they do not value wealth and consumer goods, even though it really was because the lousy condition of their roads and reception band in the area (Wotherspoon ja Satzewich 1993). Soderberg and Holden (2002) even call Hofstede’s study “fundamentally flawed” as it was never even constructed for science purposes; there were great differences in respondents from different countries/cultures, and the methods of finding differences were not suitable in general. The authors even demand management academia and business consultants to ”break out” of the dependence to Hofstede’s theories and work. Hofstede also fails note how cultures can also and do change over time, which I will go through in more detail in the next section.

2.1.3 Current views of culture: culture as always changing phenomena

In the field of anthropology, these views of static culture have already been long gone, but for some reason still persist to exist in the field of management. Business world has failed to move on, and recognize that those ideas that they originally leaned on their concepts of culture, have in fact changed through times, and thus they should also update their viewpoints. Anthropologist and also media and organizational analysts see culture now to be based on ”shared or partly shared patterns of
meaning and interpretation” (Soderberg and Holden, p. 112). These are always changing through people communicating and interacting with each other through social interaction. (Soderbergh and Holden 2002, Bjerregaard et al. 2009) The contemporary view of culture is that it is not at all static, but always evolving through intercultural encounters (Bjerregaard et al. 2009). Banned and Salk (2000) combine the current views of culture with many older notable culture studies by in the following way. Culture is seen as ”sets of symbols, meanings and practices that are created and reproduced throughout the interactions of group members” (p. 455). Culture is thus seen always changing with the daily interaction between people and experiences people have.

Culture is seen to influence almost all aspects of life. It includes the customs, traditions, values, beliefs, morality, rules, ideas, attitude, views of the world, social organizations (e.g. school), language and conventions about behavior, and even things like the concept of time, use of space and so on (Seymen 2006, Porter and Samovar 1982). Thus viewing it as a static, and something that is separate even during interaction, like for example the culture defined by Hostede does, is problematic and of little use when analyzing actual encounters, and even damaging especially when looking at intercultural communication. Interactions and communication are exactly those processes that change culture and make it forever evolving. (Bjerregaard et al. 2009) Also new experiences are constantly forming individuals own culture (Hannerz 1996), let alone the so called shared culture of those individuals. New perspectives of culture also talk about context along with communication, which is useful especially when looking at workplaces as environment. Culture is also viewed so that cultural influences are on multiple levels and comes from different sources of origin, thus making national cultures simply obsolete. It is also an important question if cultures can even be studied neutrally and objectively without the researcher’s personal bias. (Bjerregaard et al. 2009)

2.1.4 One individual, multiple cultures

It is possible for people to also identify with multiple cultures at the same time or also depending on the situation; for example with national, ethnic, organizational, professional, gender and generate cultures (Soderberg and Holden 2002). These so called cultures within cultures are called sub-cultures. The members within the same subculture exhibit behavior different enough from other cultures to distinguish it as its own culture. Members of different subcultures may belong to the same culture, e.g. speak the same language, share the same religion, go to the same schools, and live around the same area, but have different experiences, and do not necessarily share the same perceptions;
i.e. they see the world differently. (Porter and Samovar 1982) This is so as people construct their realities and own cultures through interaction with others, and also through the events and interactions that happen every day (Denzin 1974, Yagi and Kleinberg 2011). Thus cultures can be seen to be forever changing and fluid and contingent, made of relations (Soderberg and Holden 2002). This also means that very individual has his or her own unique combination of cultures he or she belongs to, and also personal, cultural and social experiences which together form each individual’s own personal culture; their perceptions, attitudes and behavior, thus meaning that in the end all communication is intercultural communication (Soderberg and Holden 2002, Yagi and Kleinberg 2011). Thus it can be also said that individuals who have for example grown in the same place and had similar experiences (e.g. siblings) may have similar experiences and have developed thus partly similar own cultures, but they can never be identical.

It should be also noted that person belonging to multiple cultures does not only mean combination of one ”national” culture and subcultures based on e.g. age, but that may also have a membership of multiple ”national” cultures. (Quotation marks added to emphasize that like noted earlier, there are no cultures divided by national borders; national cultures, but e.g. Chinese and Finnish culture which refer to more to the ethnic culture than the nations called China and Finland and so on.) People might have a bicultural identity for example because they are bilingual or they have a mixed heritage (Fontaine 2007). For example a study done on Malaysian students found that the student, who had mixed parentage identified themselves with at least two ethnic groups, relating on some issues to their other ethnicity and on other issues with other (e.g. n religious aspects with Malaysian part and on school world on Chinese part) (Fontaine 2007). All this is still quite new in the science world, and more research is needed (Yagi and Kleinberg 2011). But the main thing to understand is that people have their own culture; self, but are at the same time are also part of larger shared cultures.

2.1.5 Forming of the ’self”: Mead’s view

One notable theorist who explains how ’self” is created through every day happenings and especially our environment, is Mead (e.g. 1934). According to him we in a sense mimic our surroundings, what people around us do, how they communicate and so on. Thus we condition us to behave and even think in a certain way. An example he used of how we condition ourselves to think in a certain
way was an example of a chair. If a person is asked to sit, he or she often looks at a chair and sits on one. Even if he or she refuses to sit, he or she was still thinking of the process of sitting in the same way. Overall everything has more meanings than just one: a dog is not just a dog, but everything we associate with dogs. But what and how we associate with things are affected by our experiences and how our environment views them. Even how we see ourselves is affected by how others see us and how we see us as a part of our environment. These are also things that affect our behavior, the long-term and even every day choices we make. To explain more, Mead separates self into 'I' and 'me'. To 'me' he connects the knowledge, attitudes etc. that have formed through encounters with the environment, a part of the society. 'I' on the other hand is more the individual himself/herself, regardless of the environment, but in the end still acts in the context of the 'me', who makes sure that the person follows the social rules of the society. Together they form what is seen to be a person's self.

His theory describes quite well the idea of how people are shaped through their environment every day, part of something, but still individuals, which is also the view formed in this section.

2.1.6 Culture as emergent and both personal and shared phenomena

Like it has become clear, talking about national cultures, cultures divided by national borders, is not practically applicable, and culture should be seen more fluid and personal. But still there are common things that people from China, Finland, France, be it people living within the borders of the named country or just having the cultural heritage of it (e.g. American-Chinese) and so on share, even if just with different intensity. Thus my view does not exclude either views of culture, but instead I see that together they can get closer to reality than either of them alone.

Figure 1 shows an example of a person X (male) and the culture he is part of. He is American Chinese and feels part of both of the cultures, and also the combination of the two ethinical and national cultures. He is also a parent and in a sense belongs to the cultures that parents can be said to share. He is also an employee and in a sense switches cultural frames into an employee when he is working, and so on. His self is thus a combination of all these cultures, but also has a so called individual culture, which has been formed through the every day occurrences, social contacts and so on.
Every individual is truly an individual; different from others, and it just is not possible for two people to be part of exactly the same cultural groups, have had exactly the same experiences, and even if that would be possible, it is still highly unlike that they would have experienced those the same way and so on. Thus it is difficult to put people into categories defined with cultures, which also means that when trying to learn about other different cultures to understand people from them better, there is a risk of falling for stereotypes and false information. But like mentioned above, some similarities with the people from the same culture can often be found, and thus knowledge of cultures is not completely wasted. But as there also is such a vast variety of cultures, learning about all of them is a difficult, if not even impossible task.

2.1.7 Cultural clusters
Luckily some similarities between cultures can be found, and that societies that are culturally similar can be clustered together (Ihator 2000, House et al. 2004), but the trick is to know when and where this knowledge can be used. One example of such cultures is by House et al. (2004), who
found the following kind of clusters in their study about culture’s effect on leadership, which cultures shared the preferred leadership styles and attributes:

Anglo, Eastern, Europe, Latin America, Latin Europe, Confucian Asia, Nordic Europe, Sub-Saharan Africa, Southern Asia, Germanic Europe, and Middle East.

Groups like this make it easier to handle and get to know the vastness of different cultures and their preferences concerning leadership, as you do not have to learn about each culture of the world, but can apply some things learned from other similar cultures. I say some, as as already noted before: there are still differences between the cultures and their preferences within the same group, and also each and every individual is different. But as long as that is kept in mind, these kinds of things may be of help.

In this section I presented the complexity of the phenomena called culture. From the static views of culture the perspective changed into contemporary views of culture: culture as emergent and always changing through social encounter and every day occurrences, even so that each and every one of us has our own culture. In the end formed my own that includes both of these views: culture is both something formed through social encounters happening every day, but also that there are similarities, which people belonging to the same bigger shared culture share. Though still one should be always careful of stereotyping people based on the culture or group they belong to. Culture is highly related to one of the things that are seen to be the cause of many of the problems multicultural teams have: communication, about which I will talk more next.

2.2 Communication

2.2.1 Differences in communication & misunderstandings

Culture manifests itself through communication. It dictates with whom one talks, about what, and how the communication itself is an how it proceeds. Culture also creates the context and the rules based on which people send and encode messages, how they are noticed and interpreted, i.e. pretty much everything that is related to communicative behaviors is depends largely on the culture we have been raised in. It is important to notice that communication is both verbal and non-verbal, and it may be both conscious and unconscious (often non-verbal communication), and communication
can take place even if someone just observes someone else and gives meaning to it. (Porter and Samovar 1982)

As some people have learned to pay more attention to nonverbal signals than verbal and vice versa (Ihator 2000), it is no wonder that sometimes parts of the message are missed and the intended message might be even lost completely. Particularly non-verbal communication is often the cause of misunderstandings. For example someone may show respect by standing while someone else does it by sitting down, and they both might find the one conveying respect by kneeling even stranger (Barnlund 1982). A person might be even misunderstood just by existing. For example during my own time living as an exchange student in Japan, during the first weeks I had some of my new American friends come up to me and ask why my fellow Finn was always in a bad mood, even though she actually was perfectly happy, just minding her own business and having a very Finnish expressionless face when she was not talking with anyone. This was the birth of the term "Finnish face" and as time went by, everyone started to understand the different ways of expressing oneself and one’s emotions. These differences and misunderstandings are created as people can only see the world through their own eyes, and the so called cultural glasses, which their upbringing, environment, experiences etc. have created to interpret the things they see around them. Even the importance of events of the moment, small or big, depend on the person perceiving them. Thus two people may see the exactly same situation completely differently. (Barnlund 1982) Thus if one has ever really tried and struggled to understand another person, even if that person has been close to him/her, the challenge of intercultural communication; different ways of communicating described in this chapter, do not come as a surprise (Barnlund 1982). How people communicate is also affected by things like social, professional or other status differences (Bjerregaard et al. 2009), adding their own twist to the issue. It is also often assumed that the bigger the distance between cultures, more likely and frequently there will be problems with communication (Yagi and Kleinberg 2011). When thinking about all these issues, it is not surprising that communication is often named to be one of the biggest factors that result in as the problems in multinational teams, as intercultural contact is often unsuccessful (Porter and Samovar 1982, Mäkilouko 2004).

2.2.2. Language - the reason for misunderstandings?

It could be suspected that miscommunication rises from misunderstanding the language; often in multicultural teams the working language is not native for many if not most of the team members
depending from how many different cultures, and what the working language is. Language is definitely a barrier, but even if understanding the words themselves is not a problem, miscommunication is still occurring often. For example people may understand the words, but the same words may convey a completely different meaning for different people from different cultures (Barnlund 1982, Porter and Samovar 1982, Ihator 2000, Ochieng and Price 2010). It is thus important to understand the nuances of a language to be able to communicate effectively, and just learning the language but not about the culture often does not lead to intended results as miscommunication will occur (Ihator 2000). Mäkilouko (2004) found that in fact how people communicated, was the cause of friction in the teams. The Finnish managers often communicated very directly, straight to the point without softening e.g. the negative feedback. An American team member of such leader commented that such way of communication easily seems impolite, but as the team member had had many experiences of working with Finns he (or she) knew how to interpret the direct way of communicating, and even saw the benefits of it like effectiveness compared to softer and more 'polite' ways of communicating. Also alongside the fluency of the language and cultural knowledge, the willingness to communicate in the local language may be equally important (Shaw and Barret-Power 1998).

Still even not having a common language does have its effect. For example sometimes not being fluent in the commonly used language may not only cause misunderstandings, but also insecurities of not being able to convey the message how it should be conveyed. Especially when something important needs to be argued about, being unconfident about the language may be a great hindrance. (Yagi and Kleinberg 2011, Mahmund et al. 2014) Different ways of communicating, e.g. sharing information, may differ so much that at worst case the other may even seem inefficient (Yagi and Kleinberg 2011), even though it is just a different way of doing the same thing. For example during my own time in a Japanese university the Japanese students seemed to emphasize the visual parts of the presentation compared to the facts and correctness of the information, which is the opposite to what things are here in Finland. To me it seemed that the Japanese students just made pretty presentations without focusing on the actual things, and probably to them, my presentations seemed lacking on the visual part, and they might have even thought that I was lazy for not putting so much effort into the visual part, which was important for them.
This section shed light to what culture is, how communication is highly dependent on the culture of the communicator, and how these differences can easily lead to misunderstandings, which makes the amount of conflicts and misunderstandings in multicultural teams understandable. Some of the main points showed how both verbal and non-verbal communication may cause this kind of friction through misunderstandings, and how even fluency in language does not guarantee the message being delivered like it was intended. Next section will talk more about diversity, especially cultural diversity.

2.3 Diversity

2.3.1. What is diversity?

Diversity is defined as "a mixture of people with different group identities within the same social system" (Fleury 1999 p. 110). There are many sources and forms of diversity within groups; ethnicity/nationality, gender, function, ability, disability status, geographical location, personality, sexuality, language, religion, lifestyle, tenure etc. (Bassett-Jones 2005, Herring 2009). These attributes can be divided into detectable attributes, which are easy to see like age and gender, and underlying attributes, which are harder to identify, like values, beliefs, knowledge level (Shaw and Barret-Power 1998). In this thesis I will focus on diversity rising from cultural differences. Things related to cultural differences like nationality and race are often quite easy to recognize, and with them realize that people from different nationality/race or culture may have some differences in work habits, language and so on. But what makes it difficult is that it is hard to predict in which issues there are differences, and even cause clashes when misinterpreted. The more hidden, the more hard to guess, differences are often based on the underlying attributes like values and beliefs, which are more difficult to see and thus prepare for. On the other hand also detectable attributes may also be problematic as people may make incorrect assumptions based on e.g. someone’s nationality. This is because everyone has their own biases and stereotypes of different groups (Shaw and Barret-Power 1998), even though stereotypes are just, stereotypes. This ties back to individuals and how each and every one of us are different, regardless of our nationality and even the cultural groups we are in.

Cultural diversity in workforce impacts the attitudes, manners and perceptions of the individuals, also affecting the worker’s sense of identity and the way they perceive each other, stereotyping like
mentioned earlier. Also differences in management styles, organizational attitude patterns, behavioral characteristics and communication styles, which make all the difference when working in teams, are usually based on cultural factors. (Seymen 2006) It is not surprising that such big differences even in practicalities like work methods, let alone all the possibilities for miscommunication different communication styles may create, often result in as conflicts. Solving these conflicts takes extra time and effort, and may have long lasting consequences, which all also have effect on the effectiveness and successfulness of the team, and in the end: the whole organization.

Culture diversity seems to thus create conflicts and extra problems to teams. Does it thus mean that cultural diversity is a bad thing and should be avoided when forming teams? In the next two sections I will talk more about the negative sides, but also benefits of diversity.

2.3.2 Diversity: the root of all evil?

Often the things seen to relate to cross-cultural management are quite negative; cultural differences are seen as sources of conflict, friction, suspicion or miscommunication, resulting in things like absenteeism, poor quality of work, low morale and loss of competitiveness (Soderberg and Holden 2002, Bassett-Jones 2005). Miscommunication may be also connected to incorrect information and thus incorrect decisions based on them, and all the friction also caused by it, and the overall increased complexity, ability and confusion that is related to multicultural teams, can even be linked to increased stress levels in the team (Merchant and Merchant 2004), which again can be linked back to the negative results mentioned above. Sometimes the negative aspects are seen so grave that the multicultural team is replaced with monocultural one (Mäkilouko 2004). The negative outlook on multiculturalism is also present in many studies of the topic (Soderberg and Holden 2002, Bassett-Jones 2005). Diversity often increases the complexity and confusion even in every day practices of the team, and thus potentially is fatal to the total effectiveness of the team (Chevrier 2003). The problems with cross-cultural communication often rise from differences in interaction processes, different styles of dialogue in different cultures and different ways of encoding and decoding messages like already mentioned earlier in more depth (Merchant and Merchant 2004, Seymen 2006, Bjerregaard et al. 2009), i.e. even if they understand the words the other one is speaking, they still might misunderstand what the other is really saying. Even if both of the people communicating are native English speakers, the English they speak may still have different patterns and meanings because of cultural influence (Ihator 2000). Everyone sees the world through their own ”cultural
glasses” and thus messages may get distorted in the process of communicating. On the other hand this also means that being more knowledgeable about the other’s culture may help decode the meanings (Bjerregaard et al. 2009). When people are inexperienced or unwilling to even try to understand these differences cultures and communication, it naturally leads to problems: managerial tools, methods used to award, motivate and direct people often become inefficient, and the satisfaction of employees is hard to keep up (Seymen 2006).

In fact a common source of conflicts and misunderstanding in multicultural teams are related exactly to different ways of working. Like preferences for different leaders people from different cultures often are used to different working habits common within their culture. When people from different cultures face each other for example in a team, conflicts are possible. One example of these kinds of situations is the following example of a team with American and Finnish members. The Finnish leaders of the project organized the work with as little pre-planning and process organization as possible jumping straight to implementation. This created a situation where the benefits of maximum design flexibility and team member autonomy could be enjoyed, but at the same time created confusion among the American members. They felt that the leaders did not lead enough, and at the same time the Finns felt that the Americans lacked initiative. (Mäkilouko 2004)

The misunderstandings may already start from the moment of hiring setting the whole basis of the work and team relationships askew. For example education of different countries is not directly transferable, which can for example lead to immigrants accepting positions that are relatively lower than their acquired knowledge, which again may lead to frustrations and possible conflicts in the workplace (Mahmud et al. 2014). This could also be the other way around. The team leader could base his or hers expectations on his or hers impression of what the similar degree of the employee would be in his or hers own home country, and could expect more than the employee could deliver. This may lead to frustration in both ends, which obviously does not support the cohesiveness in the team.

A study done in a laboratory setting also confirms that people with similar perceptual styles are drawn to each other, understand each other better, work more efficiently together and are more satisfied with working together than those who have different views of the world, perceptions and
also what kind of conclusions they make from experiences. Thus it is no wonder that culturally diverse teams may be problematic. Even though people are often drawn to people who are similar to them, and e.g. have similar values, are similar in age, race, gender or even nationality (Salk and Brennan 2000), the communications styles may still be different; complementary. For example more talkative people may prefer more quiet partners and so on. But still people who have similar communication styles are more effective when working together. (Barnlund 1982) When looking at the examples from multicultural teams this does not come as a surprise, but the fact that it does not always mean that also the communication styles need to be similar for the project to succeed makes one quite hopeful, especially when thinking about all the benefits multicultural team may have over monocultural ones, which I will talk about next.

2.3.3 The benefits of diversity

The extra work cross-cultural teams may bring with may lead one to the conclusion that having multi-cultural teams is a negative thing. Diversity does definitely bring different ways of seeing things and expectations with it, but also fresh perspectives and ideas, which can be connected to increased sales revenue, more customers, greater market share, and greater relative profits (Ochieng and Price 2010, Herring 2009). In fact there are many writers that regard culture even as source of creativity and innovation which can even become a competitive advantage (e.g. Soderbergh and Holden 2002, Bassett-Jones 2005) As Ochieng and Price (2010) note there have also been variety of studies supporting the idea that multi-cultural teams in fact perform better than teams with individuals from homogenous background. Diverse groups are reported to generate more ideas of high quality, are productive and even lead to higher levels of financial profitability when compared to their culturally homogenous counterparts (Herring 2009, Ochieng and Price 2010). One reason for this is reported to be that diverse teams have wider range of perspectives and a broader skill base, which all can improve group performance, may even strengthen the team, and let the team also have access to a larger network (Bassett-Jones 2005, Christian et al. 2006, Herring 2009). Overall surveys reveal that team and general workforce which are composed of members with different cultural backgrounds come up with more effective solutions to problems, and show excellent performance in the long term, and compared to homogenous groups, carry out their duties in general more efficiently (Seymen 2006). Overall it is said that diversity is good for business as it brings with it direct return on investment, and greater profits and earnings (Herring 2009). According to Herring (2009) higher levels of racial diversity in organization are also even associated with higher reve-
nues, greater number of customers, and organizations with high racial diversity are also more likely to have greater share of the market overall.

Diversified teams with varied experiences and outlooks often also means that matters are looked through thoroughly and more critically, leading to more options, lower risk aversion, better decision-making and problem solving capability. One big negative aspect people see of diverse group is that diversity leads to conflicts, but it could be also a benefit: this avoids the group becoming too cohesive and thus vulnerable to ”group think” as the members have to go beyond the easy solutions than like-minded groups. (Bassett-Jones 2005, Herring 2009) Diverse teams not only can bring different perspectives, but with those perspectives they may have better understanding of e.g. customers and their needs (Seymen 2006).

Though as Tatli (2011) notes: diversity does not always lead to positive outcomes, and thus should not be taken for granted, like noted already earlier. Some even doubt if these above mentioned benefits even really exist, and just see diversity as source of emotional conflicts among co-workers and something that diminished group cohesiveness resulting in growing absenteeism and turnover of employees, like seen in the section about negative aspects related to diversity. If diversity is in a sense forced; is created unnaturally via for example quotas, it may even lead to lower quality in the workforce as someone less qualified had to be chosen just to fill the quota. (Herring 2009)

Looking at the mix of the results of studies about the benefits or disadvantages cultural diversity one can conclude that diversity is at the same time a great opportunity but also an enormous challenge. Overall diversity brings the possibility of great benefits even to the team members themselves, but also the risk of dissatisfaction and at worst: feeling isolated. (Herring 2009) Even though the science world is still lacking consensus on wether diversity really is a positive or a negative thing, what they generally do agree is that, if cultural diversity is managed well, it can become an asset, but if its managed badly or overlooked completely, it may diminish the performance altogether. It is still better to face the ’pain’ of putting in all the needed effort to make the team work and reap the benefits, instead of face the pain of loosing competitiveness and decline from not being able to adapt fast enough to the changes in conditions and environment (Bassett-Jones 2005). A bit more worrying thing is that even organizations themselves are not so sure about the benefits of di-
versity, and it even has to be 'marketed' and 'sold' to the different organizational stake holders (Tatli 2011).

This section went over the concept of diversity, especially cultural diversity. It showed why cultural diversity may result in as problems, and what may those negative consequences be in teams, but also what positive results it may bring. The most important findings were that diversity does bring with it the danger of more miscommunication and conflicts rising from different ways of working, communicating and so on, but it was also found that well managed diversity may bring with it better thought out solutions, more diverse ideas and even rise the competitiveness of the entire organization.

Next I will explain the concept of teams better, and then move to the role of the team leader in making multicultural teams work.
3.1 Team

3.1.1 Multicultural team

Katzenbach and Smith (1993 p. 45) define team as “a small number of people with complementary skills who are committed to a common purpose, set of performance goals, and approach, for which they hold themselves mutually accountable”. The members of the team also act as a team; i.e. they recognize each other’s skills and how they complement each other, and adjust their behavior to make the team work (Bassett-Jones 2005). When a team is just formed they are in a sense just a loose group of people, and need to be teamed up to become a cohesive and integrated team. With diverse teams developing this kind of group mentality may take more time and effort, and the same form of group development also cannot be used for different teams, as all teams have different individuals and thus different needs (Sheard and Kakabadse 2000).

There are different types of teams that can be classified as being multicultural. For example there are short- and long-term project teams with members from different cultures, which reside in the same country. These teams may be formed within one organization or because of cooperation of two or more companies within one country or different countries. It is also possible for the team members to just meet face-to-face but work even in different countries, or even also meet through electronic medias; virtual project teams. (Mäkilouko 2004) All these different forms of multicultural teams bring with them different challenges. In this thesis I will mostly focus on team working together on day-to-day basis, but many of the findings may be beneficial to all kinds of multicultural teams.

3.1.2 What is a successful team?

According to Wendt, Euwema and Emmerik (2009) the successfulness of a team correlates with the cohesiveness of the group; the more cohesive the group the more successful the group thus is. Cohesiveness holds the idea of how strongly the members of the team or group are attracted to remain as a part of the team or group. If the will to belong to the group is strong, they try to maintain positive relationships within the team and keep destructive conflicts as minimal as possible, which all
are related to improved performance even at the individual level, and in the end the success of the team (Wendt, Euwema and Emmerik 2009). This kind of feeling of being part of a group also helps cope with the differences, get out of the comfort zones and help create innovative solutions (Ochieng and Price 2010). In short it can be said that teams that work well together get better results, which makes managing diversity and minimizing the possible clashes of work and leadership cultures an important task. In general managers should make sure that all of the team members are devoted to being cooperative and 'good members of the team', doing more for the team cohesiveness than just what is in the job description, which naturally results in as an enjoyable work environment and promotes performance on various areas (De Cremer et al. 2009), which again affect the successfulness of the entire organization. Like noted earlier, this is especially important in culturally diverse teams.

It may be easy to come to a conclusion that organizations should minimize diversity to avoid all the clashes and conflicts, and at best: use only teams which’s members are similar, or in this case: monocultural to ensure the cohesiveness of the team, but like found earlier, multicultural teams bring with the benefits which may make having them worth the trouble. One study found that monocultural teams in fact did significantly better in problem identification, quality of solutions and overall performance compared to multicultural teams at the beginning of their time as a group. But after few week both teams were on equal standing, though in fact the multicultural team scored significantly higher on range of perspectives and alternatives generated. It took more time for the multicultural team to get integrated and find the ways to work that worked for them, but when they found the way they were able to look at the problems from vast variety of perspectives. This again shows the same statement that multicultural teams are more troublesome, but can in the end outperform monocultural teams when solving complex issues. Often the importance of time as variable affecting the successfulness of the team has been ignored in studies, even though it does have an effect, like seen here: as after a while, when also the multicultural teams integrated, they got first to equal grounds with the monocultural teams, and then started even outperforming them. (Watson et al. 1993) Thus the expectations one has on multicultural teams has to be though about in relation to the time that has passed. Immediate results may not be the best, but after time the benefits are more likely to come.

Another key factor affecting the performance of the team is the reason, the task, the team is formed for. Quite obviously the tasks that can be done by even one person of the team have less of an im-
pact on the whole team than tasks that require more cooperation across the team. It should be also noted that such forming activities and behaviors which are common when the team is just starting out and beginning their integration process, can also happen again in the middle of the teams life cycle. For example after a clash within the team, the team members have to reorganize themselves and the patterns of interaction within the group. In multicultural teams the need for re-organizing may come more often compare to monocultural teams, making them seem like bit more troublesome team type. (Shaw and Barret-Power 1998)

Another issue with culturally diverse teams, which may hinder the cohesiveness of the group, is that even the concept of team itself might be different for people with different cultural backgrounds. There may be differences in expectations about the roles, the scope, membership and other team related things. For example some see team as something that only exists during the work hours and which ceases to exist when the project is done, and others see the team as a family kind of thing. In collectivistic cultures like in Japan, teams are often seen more like a family, and thus there team-building activities are common and the team members spend time together outside work hours. The team is often seen as something more long term (Gibson and Zellmer-Bruhn 2001). People may even have different perception of what acceptable behavior in a group is, and even how conflicts should be resolved (Shaw and Barret-Power 1998). These are also important factors affecting what is expected of the team, the motivation of the team members, and thus affect how they should be led. For example people who are more used to the teams that are seen more like a family, often expect their leaders to act more like a 'father' or a 'mother' emphasizing emotion, and deal more with the relationships in the team as opposed to more individualistic teams, where leaders are expected to be more task oriented. (Gibson and Zellmer-Bruhn 2001)

Collectivistic teams are said to have less conflicts among themselves as they highly prioritize team harmony (Gibson and Zellmer-Bruhn 2001), but it still can not be said which kinds of teams are better, also same with other team types. But what is important is to understand that people coming from these kinds of different backgrounds also come with different expectations, and the leader has to be able to lead people from both ends, and between, of the spectrum together. Another thing to remember is that even though the team members themselves feel that their team is a cohesive unit, the communication works and they feel in a sense comfortable with each other, there still might be underlying issues, which hinder other aspects of the team work (Shaw and Barret-Power 1998). In a
sense one must be always prepared to deal with the possible problems that are just not visible at the moment.

3.1.3 Forming the team

Managing work routines and creation of appropriate teams are big parts of creating suitable conditions to promote creativity and innovation in diverse contexts. When creating teams managers should not only consider functional competences, but more personal aspects like preference for different types of work and work context, work methods and motivation, the personality of the individuals, to mention few. But one should turn in a sense a blind eye to the age, ethnicity and gender of the members, to ensure the birth of a balanced, but diverse team. (Bassett-Jones 2005) One approach is to minimized differences in work habits etc. by choosing members that are culturally similar, or members who are experienced in multicultural environments, i.e. in general choosing the team wisely (Dorfman et al. 2012). Of course this comes with the risk that too similar team members are chosen, which lessens the benefits of having a multicultural team. Schneider (1995) also suggests keeping the international teams small, so that it would be easier for the team members to learn about each other, their working habits etc. and learn to interpret body language and gestures. He especially suggests this when the cultural differences and the insecurity about cultural differences are high. Also other authors talk about forming personal relationships within the team as one of the key factors to the success. Many authors (e.g. Schneider 1995, Sheard and Kakabadse 2000) share the viewpoint that developing personal relationships within the team creates a good platform for working together, solving problems, makes communication easier as miscommunication is lessened by understanding each other better and thus understanding the intended meaning behind the words and so on. It is in fact such an important issue and seemingly working method of dealing with problems and issues in multicultural teams that I will talk about it more in depth a bit later.

This section shed light to the theory behind the concept of team. What kind of teams there are and what multicultural teams are. It touched base also on why cohesiveness of teams is important and why especially managing cultural diversity is important considering the cohesiveness of the team. In the end I also talked a bit how the problems connected to cultural diversity can be combatted already at the beginning, when the team itself is created. Next I will focus more on the leader of the team and his/her role and other things, which can affect cultural issues in the team, even things like
what kind of leaders are perceived to be efficient by the different standards of different cultures. After that I will move to successful and not so successful practices of managing multicultural teams.

**3.2 Team leader & international leadership**

3.2.1 The varied tasks of the team leader

Global leadership is all about working with and especially influencing people who come from different cultural backgrounds and are different from the leader (Javidan et al. 2006). International leaders’ core task is to guide and direct these differences, create an environment where all this different knowledge, values and experiences can be changed into results. Culturally diversified teams definitely bring some uncertainty and unpredictability with them, but also potential for synergistic interaction, which the leader has to make sure is not wasted. (Soderberg and Holden 2002)

Ochieng and Price (2010, p. 449) argue: "best project performance is achieved when the whole project team is fully integrated and aligned with project objectives", which is related to team cohesiveness. As diversity can create a foundation of mistrust and even prevent real cohesiveness from developing, managing it should be one of the main priorities of the leader. To achieve this leaders should also develop respect and trust within the team among other things that enable team cohesiveness. (Kloppenborg and Petrick 1999, Soderberg and Holden 2002)

It is quite obvious that team members who are satisfied with their work and the team in general are more willing to work for the benefit of the team and even put in that little bit of extra. It has been found that (team) leaders have a great impact on this, and thus working towards not only the goals of the team, but the satisfaction of the team members should be a priority for the team leader. Leaders can do this by giving a clear vision towards which the team should work for, motivate and inspire, and empower the members to self-influence instead of just meagerly following orders. (Yun et al. 2007) The leader can also do this by acting as a role model, and thus by encouraging the members of the team with his or her example to e.g. contribute time, effort and resources to make the team as cohesive as possible (De Cremer et al. 2009). In other words: if the leader ”does good”, the followers will follow. De Cremer et al. (2009) call these kinds of leaders Self-sacrificing leaders, meaning that the leaders hold the benefits of the group over benefitting himself/herself. This garners trust among the team members, as they believe the leader has their and the group’s best interest in
mind, and thus they are also more motivated to act in a similar matter, which again benefits the whole team (De Cremer et al. 2009). Even though the team is seemingly functional and working towards the same goal, it may still be that not all of the members of the team are ready to adapt and change their behavior for the benefit of the whole team. The team can still be functional, if the so called key people are adapting, but it will be increasingly difficult especially if the team leader is not willing to adapt to the needs cultural differences may bring. (Sheard and Kakabadse 2000) A study by Sheard and Kakabadse (2000) also found that those teams whose leader closely supported the team integrated faster than teams with 'hands off leaders’. Thus the role of the team leader is especially important right after the construction of the group. As noted earlier, people have different opinions wether diversity within teams is a positive or a negative, but how the team members and especially the team leader sees it has a great effect on working with it. If the manager successfully embraces diversity instead of seeing it only as ‘unavoidable evil’, the whole organization can reap the fruits of it via creativity and innovation (Bassett-Jones 2005).

This all speaks about the important and varied role the leader of the team has, and also about the responsibility he or she has of making sure the team and project(s) succeed. As the team leader holds the main responsibility of the team, he or she is the one not only making sure that the task at hand gets done, but also ensuring that the team has the right attitude to the teamwork (Ochieng and Price 2010).

3.2.2. Skills and attributes international leaders need

Doing all that international leaders have to do, requires leaders to have certain skills, cultural awareness and methods to deal with diversity, but still the competences of leaders have pretty much been ignored in the management literature (Muller and Turner 2006). Leader that is best suited to lead diverse teams is suitably trained, who understand the challenges of diversity management, and has understanding of how to manage people who are different from each other, and also have the emotional intelligence and commitment which are needed to build personal relationships with each individual and the team as whole, and overall make the team work. (Basset-Jones 2005, Seymen 2006) To do all this they have to also have global mindset, tolerate high levels of ambiguity and be adaptable and flexible towards different cultural needs (Javidan et al. 2006). Having knowledge of cultural issues, how to deal with them in general and also more specific cultural knowledge about the values and practices of the culture of his or her team members, empowers leaders and managers
with the necessary skills and knowledge for managing multicultural teams more efficiently (Merch- 
hant and Merchant 2004, Ochieng and Price 2010). Leaders should also be conscious of his or her own cultural orientation (Merchant and Merchant 2004), and it is important for the team leader to realize that what has made him successful in his or her home country and home culture, even when working in his or her home country, will not necessary lead to success with people with different background, but may in fact do more harm than good (Javidan et al. 2006). In the end managers effectiveness depends on the people they lead, and thus it is important for managers to know how their subordinates in a sense wish to be led (Hofstede 1993).

3.2.3 Learning the skills needed: trainings & experience

This kind of knowledge of different needs could be shared by for example having information of these kinds of issues available in the organization, or trainings in general, though unfortunately often the trainings have been focused on managers going on a expatriate mission, and how to adapt to the local situation in the target location. The trainings have also often been in form of crash courses; done in during just few days with standardized materials. Needless to say they often really just gives a scratch of the real issues to be dealt with, and in worst cases concentrate on completely wrong issues. (Segalla et al. 2000) Also learning the culture and context of the other(s) takes time, and unfortunately often that time is seen to be too long, expensive and the benefits are not seen as big as the costs (Hall 1982). But still these trainings do help broaden the perspective of the leaders, make them realize that his/her way is not the only way, but sometimes even harmful and thus adaptations are needed. One view that is gaining popularity among scholars is that the things and methods required can be learned through actual experience. Some of the scholars even believe on-the-job work experience to be the best method for this, and that it in fact contributes even to around 70% compared to the meager 10% of the official programs and trainings do. (DeRue and Wellman 2009). Especially living abroad in an work assignment has been found the most effective way of developing the abilities needed by global leaders (Conner 2000). Sometimes by living abroad people have even started to adopt the local values and ways over the values of the home country and culture. For a leader of a multicultural team it is important to be aware and knowledgeable of cultural differences, but only by having hands-on experience of people with different cultural identities one can develop better knowhow and have a wider, and often more appropriate lookout of the situations at hand. This experience does not necessarily have to come only from living abroad, but getting experience of dealing with individuals with different cultural background also outside work situations
helps become more culturally competent at workplace. (Ghosh 2013) Though the best would be to have been living abroad, as people who have lived in other countries than just their own often learn that there are more than way to do things, and even adopt new methods and values choosing the ones that best fit himself/herself (Barlnuld 1982). Some organizations have already recognized the importance of living abroad for their multicultural managers and ask wether the candidate for employment has or has not lived abroad already in the application form. This phenomena is easy to see when looking at ads for open positions in multinational companies in job ad sites such as in mol.fi or monster.com.

Overall the main point for multicultural leaders is to understand that is not really realistic to expect that the ways of managing found to be good in one culture and context can be “transferred” to another culture and context. They are so so deep in each society making changing them close to impossible. Even though some leadership behaviors and methods are more universally applicable than others, some successful methods in one cultural environment may be even harmful in another. A positive attribute somewhere may be seen as the exact opposite in another. Thus it is important for the leader to know about the expectations of the ones being led, and try to act accordingly. (Dorfman et al. 2012)

There have been many researches looking into the effect culture has on management. Here is a bit about one of them.

3.2.4. Globe -study

One distinguished study trying to combat exactly this issue: to find out culture’s effect on team management and how it should handled, is the GLOBE study. 200 researcher from different academic disciplines from all over the world set out to the effects of culture on leadership and organizational effectiveness. They studied the effects national culture has on the managerial expectations of the leader, and later the relationship between culture, leadership behavior and leadership effectiveness, and desired attributes of leaders in different cultures. To get the results they surveyed and interviewed more than 1000 CEOs and 5000 top management team direct reports of these CEOs, but also utilized prior research done on the topic. (Dorfman et al. 2012) Their study has created many
managerially applicable implications, like the similar cultures-grouping mentioned earlier in this thesis.

In another study they aimed to find leadership attributes, which are and are not universally desirable. Meaning that some of these attributes work really well in some cultures, but can lead even to negative outcomes in others. Thus one should be careful or at least do the research before strongly exhibiting these attributes. Universally desirable attributes were found to be e.g. being honest, decisive, motivational an dynamic. Universally undesirable attributes were being a loner, irritable and ruthless. (Javidan et al. 2006) After reading the list they feel quite obvious, and can even be questioned if the words themselves having strong connotations (e.g. ruthless, a very negative word) had anything to do with the results. The authors also noted that some attributes were not universal despite them seeming to be so, at least from the Western perspective. Some examples of such attributes were being compassionate and sensitive, which is quite surprising and shows that nothing really is obvious when dealing with different cultures.

The attributes they found to be especially culturally contingent, and thus leaders should be conscious of them:

- Status conscious: consciousness of one’s own and others’ social position holding an elitist belief that some individuals deserve more privileges than others
- Bureaucratic: following established norms, rules, policies and procedures and habitually follows regular routines
- Autonomous: tendencies to act independently without relying to others; may also include self-governing behavior and a preference to work and act separately from others
- Face saving: the tendency to ensure followers are not embarrassed or shamed; maintains good relationships by refraining from making negative comments, instead uses metaphors and examples
- Humane: empathy for other by giving time, money, resources, and assistance when needed; shows concern for followers’ personal and group welfare
- Self-sacrificing/risk taking: ability to convince followers to invest their efforts in activities that do not have a high probability of success, to forgo their self-interest, and make personal sacrifices for the goal or vision
- Internally competitive: the tendency to encourage competition within a group and may include concealing information in a secretive manner

(Dorfman et al. 2012)

GLOBE research basis itself on Hofstede’s study on cultures, and as already discussed earlier, it is not really valid view, and thus the validity of the GLOBE study has to be though more, before accepting it as it is, especially when looking at their findings on different countries and their cultures and leaderships attributes that are connected to those respective countries. On the other hand they still proved through their study that different cultures (however one wish to define culture) really do have preferences to different types of leadership. Also their findings of different attributes of leaders that are seen positive or negative, more or less effective depending on the culture, helps people and especially leaders, realize how important their own behavior is and especially how important it is to adapt it according to the preferences of the local culture. Thus it is also important to do more research and see what works and what does not, and in general be adaptable. In general realizing that your own behavior affects other, and that there might be cultural variation in perceiving the same behavior, and then adjusting your behavior accordingly are key things for success (Shaw and Barret-Power 1998).

Even though by now it has become clear that culture does have effect on leadership and management. But still for a long time, it was though that management principles were universal, American.

3.2.5 The "universal" American way of leading

In the 1950s and 60s the idea that dominated, at least in the Western world, was that management teachings and methods were universally applicable (Hofstede 1983). As most of the management theories were developed in the United States, the “universal theories” were actually just reflections of the American management theories and values (Segalla, Fischer and Sandner 2000). Around the 1980s Hofstede was one of the first people to note that this presumed universalism was not actually true, and that thus there was a need to find the style and methods that would work locally. He questioned how one way of managing people from different cultures, sub-cultures, minority groups,
people with different education level and so on could have the same result (Hofstede 1980). People from different cultures have different criteria for what attributes and methods are seen positive and effective, and thus it has to be noted that successful methods and attributes in one place may be even harmful in other places (Javidan et al. 2006).

It has now been half a decade, but still the traces of this can be seen as even now many, of not even most management theories come from the United States, and are still often believed to work “just like that”, or just with little modifications universally (Hofstede 1993). “We see the world how we have learned to see it” (Hofstede 1980 p. 50); the theories reflect the so called American cultural environment, not the entire world. Thus there has to be a change in the fact that such a large portion of management and cultural theories come from the United States. This also means that the skills and traits stemming from American expectations, that are often associated with successful leaders (e.g. flexibility, charisma, honesty or self-confidence) are also not universal, and thus might not be that useful, or in fact; even harmful, in non-American teams and projects (Chevrier 2003).

Also many, if not even most, of cross-cultural knowledge is still based on questionnaires reflecting the values which are considered relevant in the society where the questionnaire was developed, often meaning North American values. Another problem with these questions that they often stem from the theoretical work done in the North America of 1950s and 60s, and it is highly questionable if the problems, values and thus questions then asked should even be asked anymore, even in North America. The world has changed a lot since 1959s and 60s. It has also been proven that not everyone understands the questions similarly; even if they do understand the words, the meaning the see in those words might be different (Segalla, Fischer and Sandner 2000), which these questionnaires often fail not note.

If the American values truly were universal, life would be easy for cross-cultural leaders. Unfortunately in different cultures, for example so called masculine (e.g. assertiveness, toughness) and feminine (intuition, compromising, consensus-building) traits are seen differently. Also even things like rewarding systems may differ. In some cultures things are seen from more like a long-term perspective and thus the progress when looking at the long-term goals is rewarder as opposed to cultures with short-term view where immediate results are appreciated more. (Perkins 2009) This is very important to notice as for example an assertive leader may seem aggressive in cultures where
more feminine traits are valued, even if he or she is behaving exactly like he or she did in his/her own culture where the same behavior was seen appropriate. Also when thinking about the other example, rewarding: rewarding systems are there to motivate the employees, to tell them they have done a good job. Thus if a worker who is used to getting rewarded for short-term success, does not in a company looking at the long-term results, may feel that his or her work is not appreciated, even though it might be the exact opposite. Segalla et al. (2000) call the so called America-bias unfortunate, as for example in Europe the business world is increasingly integrated through international joint ventures, mergers, cooperation and so on, and managers need cross-cultural knowledge more than ever before. Thus the science world should finally shake the residues of American management views, and develop their own, culturally considerable views.

3.3 Leaders and leadership styles

3.3.1 The difficulty of giving advice to international leaders & the challenge of leading diverse teams

As there are all kinds of leaders, there are also all kinds of leadership styles even within cultures. Thus it cannot be said that there is just one good style that everyone should use. Another thing making giving advice to how to manage cultural differences a difficult task, is that even the strategies to cope with cultural differences are culturally bound (Chevrier 2003). Explaining possible reasons for the differences and how to deal with them for example with a Finn must be done differently to a French than to a Swede as they themselves have different perceptions of the way things should be. For example Finns and Swedes may have the same or at least very similar conception of such basic thing like time, concept of working and so on, but different compared to a French, and thus there is a need for giving the advice in a different manner. What makes giving "universal advice" to managers managing multicultural teams even more challenging, is that also different situations, and phases of the organization require different kind of leadership (Muller and Turner 2006). A company nearing bankruptcy and a company at its hype obviously need different types of management and leaders.

This makes creating guidelines for managers a difficult task, but starting from trying to understand where the differences in cultural differences in working and preference of leadership styles even
come from, is a good start. There are various issues that may have an effect both on the subordinates’ preference and perceptions of leadership style of a manager. Examples of these are the cultural environment in which the employee is brought up, also his social class or even sex. There are differences rising also from the different job and position the employee holds. Though according to research done on the issue it can be said that leaders who have one, definite leadership style are seen as more effective in promoting confidence and satisfaction among employees than managers who do not seem to have a certain style, no matter which this leadership style is. Knowing how to lead is important also from the perspective that employees who are led by how they prefer to be led can be connected to high job satisfaction, and in general leaders, who follow the cultural norms and respond to the expectations of the ones led; i.e. "fit in", are seen more effective than the ones that are not following and fulfilling these expectations, and vice versa. Leaders of multicultural teams are definitely facing a challenge, as they have to be able to lead in the middle of an array of all these different expectations and practices (Mäkilouko 2004). For example in Germanic Europe participative leadership is preferred and seen as the most effective way of leading, but e.g. in Southern Asia leaders are expected to act lead in a more humane way, and so on (Dorfman et al. 2012). These things may effect even such practical things as how the employees wish to receive feedback. For example Americans may prefer to hear how they are doing directly whereas Asians generally prefer indirect ways (Seymen 2006). Culture affects also even things like what motivates people and what is their goal, also in a team. A person grown in a more individualistic culture may have more competitive spirit compared to a person born and raised in a more collectivistic culture, who may prioritize harmony and collaboration in the team more (Ihator 2000). When members from such different cultures with different expectations are in same team, lead by one leader, it becomes a true challenge for the team leader to respond to all these different expectations, but leaders have no choice but to try develop a way that works with all the diversified ways and needs. Before being able to perceive others and find the the correct way to do things, leaders also have to be aware of their own perceptions, preferences and ways of functioning. This may be difficult as it is often hard for managers to know how the employees perceive him. (Sadler & Hofstede 1976, Dorfman et al. 2012)

There are also cultural differences in on what the power of the manager and leader is seen to be based. Let’s for example compare a French and a German manager. Even though the countries are neighbors, still the management styles and practices, and even the base of the power of the leader differ. For example a French manager’s power is based on social status and intellectual superiority,
and the distance from the subordinates is important. On the other hand for a German leader cooperation is in a key position, and instead of seeing leaders to be in an ivory tower, they feel like they are part of the team, just coaching the other members. Their power is not based on social status, but technical expertise and experience. (Segalla et al. 2000) It is not hard to imagine all the difficulties these managers and members when mixed could be faced with.

Managers themselves also come from different cultures and backgrounds with different sets of skills, personalities and experiences, and they carry their experiences and cultural heritage with them at all times (Seymen 2006, Perkins 2009). Managers trained in China have gone through different trainings, teachings and so on than for example a manager in Germany. But even if a Chinese manager was trained in Germany he or she would still not act like a German manager as his/her background, things like culture, up bringing, religion etc. still affect the way she or he sees the world and makes his/her decisions. A Chinese manager may have also gotten used to heavily relying, on networks (often called guanxi), which may not, or most likely will not work for example in the United States. This is just one example of differences leaders from different cultures may have. (Liu and Mackinnon 2000)

All this affects the effectiveness of the leaders, or at least the perceived effectiveness of the leader. But there are also things that the leader can often not change, which may make him or her seem even incompetent or on the opposite: very competent as a leader. For example in France people are entrusted with responsibility from early on, in Germany professional achievement is often connected to age (Schneider 1995). Thus for example a young person, manager, may be seen competent or incompetent depending on who and from where the person perceiving him/her might be from. These kinds of things are problematic, as no one can change their age or ethnicity etc. but still somehow leaders have to break out of the expectations in a positive way.

Leaders mission is to also keep the team motivated. Once again cultural differences affect how people get motivated, and thus the leader has to adapt. For example often in Germany the workers are in a sense more independent and do not need that much of "motivation" from the manager that their American counterparts might need. There are also great differences to what people with different background even want from their work, i.e. what is their motivation to work. This naturally has
great effect in how they work and how they expect to be treated. For example Americans may value earnings, advancement and benefits more, and their Dutch counterparts freedom to adopt their own approach to work, being consulted by his or hers boss before decisions, training opportunities and so on, just as one example. In general the concept of management exists all over the world, but its meaning differs from country to another. To fully understand this one would have to look deeply into the historical and cultural factors of the country or culture. (Hofstede 1993) The main point of all this is that leaders cannot choose their leadership style at will; what works depends highly on the subordinates. (Hofstede 1980)

The main findings in this section were that leaders do have an important role in making multicultural teams work, not only by actively working towards cohesive team but also through example. It was also noted that having cultural knowledge and experience, especially from living abroad is very helpful. One point to keep in mind was that even different leadership attributes are perceived differently, so it is important for leaders to know what kind of behavior and attributes are and are not connected to good leader in the cultural context they are working in. Of course there are also attributes like age and sex, which cannot be changed but still might have an effect on this. Overall it is clear that multicultural leaders are faced with a true challenge, but to reap the benefits of multicultural teams, they must rise for it. There have been many studies made to help multicultural managers to do this (e.g. GLOBE study, Mäkilouko 2004). From those I have gathered some proven tips of what should and should not be done to get a cohesive multicultural team.

3.3.2 Approaches with negative effect

3.3.2.1 Ignoring/blind to cultural differences

Some leaders believe that by ignoring the cultural differences they treat the members of the team equally and thus fairly resulting in as the best outcome. Some leaders also just do not see the need for taking cultural factors into account. Unfortunately this type of leadership tends to result in as problems and disintegration of the teamwork (Mäkilouko 2004). Also some researchers believe that cultural differences might not be that big of a deal. For example contextual factors like national policies, organizational or individual factors etc. may be seen to be more important when trying to understand the different work values than culture (Fontaine 2007). Sometimes paying too much attention to the problems really does make the problem exist as people start paying more attention to
them. Some authors also believe that focusing on cultural differences predispose focusing on cultural stereotypes, and instead the focus should been on the individuals themselves instead (Seymen 2006). It is definitely true that stereotypes are hardly an accurate description of each person belonging to the same stereotype. Of course some things are "so French", but more often than not, it is impossible to find someone who is a "stereotypical French, Japanese, teenager, hippie" and so on. Chevrier (2003) also notes that there are individuals who are more comfortable with the practices of another culture than their own. He explained it with the following real-life example. In one of his interviews a Portuguese respondent had said that she felt more comfortable with the detailed and definite planning of activities they used in her non-Portugese team than the very improvisation-heavy way of working back home. But still many researches have shown that ignoring the existence of such differences leads to worse results than recognizing and especially embracing them (e.g. Schneider 1995, Mäkilouko 2004). Another real-life example of a leader preferring to ignore cultural differences can be found in an article by Chevrier (2003). The Swiss manager interviewed believed that the best way to deal with cultural diversity was to ignore it; treat all the members of all teams the same way. This might be fair, but not recognizing the cultural differences and their effects, especially the possible miscommunications may become a big problem in the future. The members of the team themselves said that ignoring the differences did not prevent the project from aiming for it goals, but that it "annoys people". Thus perhaps taking cultural issues into account could have led at least to better cohesiveness in that team.

3.3.2.2 In-group / out-group favoritism

Sometimes ignoring cultural issues in the team leads to the creation of so called in groups and out groups. For example in a study by Mäkilouko (2004) the division happened between the Finnish (the workplace also residing in Finland) and non-Finnish team members. Many of the Finns saw Finnish culture and the Finnish team members to be better compared to the non-Finnish members and their cultures, even superior when considering the execution of the task. Some of the Finns even showed clear in-group favoritism (the in group being the Finns) (Mäkilouko 2004). Like it has been noted already many times, working with people from the same or similar cultures is often more practical as everyone knows the same basics of working (e.g. how much to prepare for a meeting, when 6pm meeting really is: 6.00, around 6pm or sometime in the evening and so on), and thus their view is understandable, but quite short sighted. This division within the team definitely hinders the cohesiveness of the team, and thus may even have an impact on the overall results. It
would not be a surprise if such division would hinder communication, team spirit, the division of
tasks et cetera, and thus be harmful for the entire project. But still the in-group and out-group being
formed based on national cultures is still not that surprising. Studies have found that even when
people are faced with even just superficial differences, the team members may choose their national
culture as primary form of identity. This phenomena has been shown to happen even if the groups
are form at random. (Brannen and Salk 2000) Thus it can be said that in-group / out-group division
is even normal, but unfortunate phenomena.

3.3.2.3 Leader as cultural mediator

Another approach to cultural differences within the team is quite similar to the first one: not trying
to do anything about the cultural differences or adapt, but unlike in the previous approach recognize
their existence. Instead of team building and creating connections within the team, and in a sense
making the whole team adapt together, the team leader may for example feel that he or she himself/
herself is accustomed enough in both/all of the cultures and can thus act as a cultural mediator al-
lowing the team members to act in their own culture, and that thus there is no need for the whole
team to adapt (Mäkilouko 2004). Thus the impact cultural differences may have is recognized and
in a sense dealt with, but not by trying to make the whole team adapt. One team leader acting in the
mediator described his/her role in the following way:

"My most important and perhaps the most difficult task is being a link between Finns and
Chinese ... Being a link is something like, when the Chinese hardly say anything direct, I would
know how to interpret that so the Finns understand it. And when instructions come from Finland to
China it is often quite direct text. This has to be interpreted to the Chinese so that they understand it
in the right way (Finnish leader)."

(Mäkilouko 2004, p. 392)

This kind of person who acts as a cultural mediator is sometimes also called as a boundary spanner.

3.3.2.4 Boundary spanners/cultural mediator

Boundary spanners have a repertoire of cultural identities, which they can ’switch on’ when faced
with a particular cultural frame. This ’switching is usually not conscious act, but something that
happens automatically. They are usually subconsciously more keen on one of the cultural identities,
which of course affects the perception of other cultures, situation and environment in general. Is also common that their own self is a mix of the cultures they have in their repertoire. Boundary spanners are thus people with multiple cultural identities, people who have adopted more than one culture, or at least parts of them, which I talked more about in the section about people with multiple cultural identities. Boundary spanner does not necessarily have to be the team leader like in the example above, but it can be anyone in the team. Boundary spanner is rarely an official title, or even part of the job description, but instead a person who naturally has the needed explicit and tacit knowledge of the organization, its sociocultural, economic and political influences, and also deep understanding of the cultures between which there is a need to be mediated. Usually people who have the knowledge of multiple cultures and are able to utilize it, end up in these roles and embark in this role not because someone asks them to, but because they feel it helps get the job done. This (unofficial) role is then shaped and formed by the reactions the environment has to it. (Yagi and Kleinberg 2011) A person with such skills may be for example bi-cultural, and use his or her heritage or cultural sense developed over the years to the advantage of the organization. Such person is thus in a sense an ”ambassador”, who also helps clear the possible confusion and misconceptions the people from different cultures may have of each other (Fontaine 2007). In multicultural environment such ”cultural translators” are key for the harmony of the group as they help with communication, ”translating” the cultural differences and messages so that the meaning is understood like it is meant (Chevrier 2003).

An example of this is found in an article by Yagi and Kleinberg (2011). They talked about a boundary spanner working between American and Japanese parts of the organization, who had found that the most efficient way of getting the message across as it had meant to be, meant he had to change it from the ”Japanese style of writing and presenting issues” into ”American one” and vise versa. This is a good example of a case where the language was not the issue hindering communication, but the way the information was presented. They also talked about examples where the boundary spanners had to adapt not the message, but also the two different styles of working (e.g. American: fast results, failures do not matter vs. Japanese: results slowly, but with 100% success rate) so that both parties would feel that their needs were respected. Overall the fluency in the languages might not be the main requirement for the boundary spanner, but understanding of the differences that the opposing cultures have. For example in the same organization a Polish employee was as
good boundary spanner between the Japanese and American parts as the Japanese boundary span-
ner.

This section talked about the bad practices of multicultural leaders, practices that do not enhance
team cohesiveness and help deal with the problems diversity may bring. It was found that especially
ignoring cultural differences completely was, despite seemingly fair, an approach leading to negati-
ve results. Another approach was the leader being a boundary spanner in the team without other
adaptations. This approach is better than the other one, but still not the best option out there.
Though it should be noted that having boundary spanners in the team may be of great benefit, but
that other adaptations are often also needed. Next I will talk about practices that are found to lead to
positive results in managing multicultural teams.

3.3.3 Good practices found by studies

3.3.3.1 Relationship orientation

What is common feature in multicultural and diverse environments is chaos. Like mentioned in
multiple examples earlier; there are different ways of working, resolving conflicts, thinking about
time, communicating and so on which create chaos when people with those different views are
working together. The third approach combats this by really taking the cultural differences into con-
sideration, but not just by looking at the stereotypes about different cultures. In this approach the
main thing is to understand that there are differences, and actively try to take them into account as
well as possible. The members of the team are not just seen as a representatives of their culture, but
individuals with differences possibly stemming from cultural factors; different experiences, history
etc. Leaders with this kind of approach exhibit cultural empathy and the are willing to learn and un-
derstand other cultures, and in general understand that different members of the team may have dif-
ferent needs for e.g. autonomy, communication and so on (Mäkilouko 2004). People who are using
this approach are often more knowledgeable about cultures, and always willing to adapt and learn
new to make the team better. Another common feature among leaders using this approach is that
they rely on developing personal relationships and creating common rules and context for the team
from the possible similarities.
One manager with such an approach to leading a team described his/her working style in the following way: "My style is that I don’t hurry up but start slowly through the technical background. Slowly we get to know each other and build larger perspectives. My style includes quite careful listening to the other side. What kind of people they are and try to learn myself . . . Free-time contacts are important in leadership. It clearly brings you closer to the person" (Mäkilouko 2004, p. 391)

The keys for success of the entire team is to develop trust and openness. This requires the team members, and especially the leader to be empathetic, fair and consistent, and be ready to listen, without forgetting to stay positive that it can really work. (Ochieng and Price 2010) Everyone in the team should understand that there are differences, and doing something differently does not necessarily mean that the other is for example ignorant or lazy, but that it might be just one of those differences. Thus tolerance, patience and willingness to talk about these issues are important factors to create success. Overall by getting to know each other, the members of the team learn what is acceptable and what is not, also by becoming more familiar with the manners and ways of the other it is easier to interpret what they mean; e.g. when someone is joking and when not. This helps with communication and lessen the amount of conflicts (Mäkilouko 2004) as people are less likely to misunderstand and are more willing to solve the miscommunication situations instead of letting them become a big conflicts. This also makes making work arrangements, i.e. practical things of the teamwork easier, and also leads to breaking the (often negative) stereotypes the team members may have of each other based on factors like their culture. (Chevrier 2003)

Developing trust and friendship may be some of the keys to good teamwork as by getting to know each other better also many of the cultural biases and stereotypes disappear. This is important as people who have stereotypes and are ignorant may be in fact the real reason behind differences instead of real differences in cultures. These stereotypes and assumptions rise from what is unknown, and must be guessed about the other. Usually the stereotypes about others are negative leading to negative assumptions. It is the cross-cultural managers job to help the team members to identify these possible biases and negative assumptions, and work around them, and help create personal relationships within the team. (Fontaine 2007) Creating personal relationships with the team members is especially important and even helpful for managers. It is said that leaders who have developed close and lasting relationships, even friendships with his or her team members are even said to lead multinational teams more easily. (Shaw and Barret-Power 1998)
Also discussion, openness and talking e.g. about the management styles together are also of benefit (Soderberg and Holden 2002), which is naturally easier if the team is already close. For example to have in-house training to discuss about cultural differences, how people work and all sorts of related things (Seymen 2006), but also share information about the leaders and the member’s own as well as the host country’s culture, can help understand each other better and lessens the pre-existing stereotypes (Javidan et al. 2006). At best the team members and even the leader may also even learn and acquire better practices. These kind of things combined with personal connections, and better understanding of the individuals can definitely be of great help. The team can also then build on the found shared things, and sit down together as a team to create your own, team specific ways of working and communicating (Brannen and Salk 2000); i.e. in a sense create the team’s own shared culture. Also agreeing and using standardized decision-making and problem solving methods, meeting techniques and in general standardized working methods, can create a common context and the rules to be followed for everyone in the team (Schneider 1995).

3.3.3.2 Solving conflicts with care

But despite all this, conflicts are still bound to happen. But what really matters, is how they are dealt with. The most important thing is to understand that not all conflicts are bad; instead they can be a source of finding new methods and ways to work better. When conflicts occur it is important for the manager to find out why it has occurred, get people to really sit down and solve it together, and later explain properly why the manager decided to solve the conflict like she/he did. (Ochieng and Price 2010) When the communication lines are, so to say, open, there is a good level of trust, honesty and respect among the team members the team has good tools for success (Ochieng and Price 2010). This kind of relationship and especially personal relationship-focused way of leading has been found to even lead to better results than just having a task focus, or even relationship and task focus together. Thus it is important to recognize that there are clear benefits in investing yourself personally in multicultural team work. (Mäkilouko 2004)

3.3.3.3 Remembering the goal

As an addition to creating personal relationships, it should be also remembered that teams are formed for a reason, to reach a specific goal, and fulfill the task they are given. This task should be kept in mind at all times, as it helps remember why the team exists, and not get lost in the differences in opinion and work methods etc. Sheard and Kakabadse (2000) 12 of the 20 managers interviewed in a study by Ochieng and Price (2010) also talked about the importance of keeping the
goal in mind. The told that when they faced conflicts in the team they reminded the team of the reason of their existence, and reaching the goal as the top priority. Shepard and Kakabadse (2000) also emphasize the importance of talking and agreeing together as a team about the priorities of the project at hand. This can minimize the conflicts related to prioritizing e.g. things to be done differently. In general the team should sit down together and talk about the execution of the project early on; what should be done when and how, the roles and so on, and also during the process as then also issues that come up after the start of the project can be dealt with (Ochieng and Price 2010). Another tip the researchers of the GLOBE study found through their own work in a multicultural team, is to create milestones, which can be celebrated and thus create more "feel-good" feeling among the team, and in general have fun group activities to integrate the group further (Dorfman et al. 2012).

In this chapter I talked more about practices which do and do not lead to the best results. The worst practices found were the ones related to cultural ignorance, even though treating everyone the same and ignoring the possible differences rising from cultural issues may seem fair, the results are often still worse than if the manager would have taken other kind of approach; creating personal relationships. With the latter approach it becomes easier for the team to understand each other, i.e. the risk of misinterpreting communication and thus also conflicts lessen. Also when people are close they are more likely to talk about the problems before they even become big issues.

Apart from dealing with the varying ways of working within the team, as Christian et al. (2006) point out, another way of dealing with it and in general diversity within group, or moderating its effects, may be possible by dealing with the surrounding factors, temporal factors and organizational context, or task related factors. Fontaine (2007) also believes that as employees’ cultural values are hard or even impossible to change, and thus other things that could help manage them should be found, e.g. contextual factors; the environment where the employees operate. This context can be for example the organizational culture (Brannen and Salk 2000), which I will explain more next.
4 ORGANIZATIONAL CULTURE

4.1. Context and common practices through organizational culture

Culture affects even such basic pieces of life like life rhythm, time consciousness, time division etc., and thus when working in a multicultural team, one is bound to find differences and sometimes these differences in practicalities can even become sources of conflict. Different cultures definitely result in different organizational and administrative practices, and thus employee expectations. Some researchers also believe that the more culturally distant employees are the bigger differences in expectations they have. (Kogut and Singh 1988) To solve this, creating the rules and in a sense team culture, like mentioned earlier, may be one way of creating the common ways of working that is definitely needed.

Another way which also may be used in conjunction with 'team culture’ is getting the same context, rules and behavioral rules from organizational culture. In fact there are many authors who believe that one key way of dealing with cultural diversity is to build a strong organizational culture, which can be used for example as the norms of behavior and communication, and act as guidelines of common practices like work hours, appropriate level of preparation before meetings and so on (Hofstede 1993, Chevrier 2003, Seymen 2006), and thus giving everyone the same rules to the game, so they will know how to play together. This kind of organizational culture is said to grow trust, subtleness and intimacy leading to lessened need of control, and in general less formal ways of working as the members are are working under the same rules and values (Seymen 2006).

4.2 What is organizational culture?

Organizational culture means "a group of ruling ideas that include: ways of reasoning, ways of acting, common shared values, codes of behavior and ethical standards, which are formed and developed over a long period with the active consensus of their leaders and influenced by the social environment as the background” (Ng et al. 2003 p. 44). ‘National’ culture and organizational culture differ so, that organizational culture is only temporary, when being member of an organization and different in different organizations, and ’national’ culture is always with you (Seymen 2006). Organizational cultures are much more superficial phenomenon than national cultures, as national cultures consist of invisible values, which are acquired throughout your life, whereas organizational cul-
ture is more about the visible practices of the organization, and acquired only starting from when a person joins the organization (Hostede 1993). Often companies maintain this culture already since the hiring process as apart from skills, they also see to be sometimes even more important, if the candidate fits the organizational culture. Creating a strong organizational culture is challenging, especially for multinational organizations, as there are often multiple models of organizational culture within that organization (Brannen and Salk 2000). It is even been said that despite all the efforts subcultures within the organizations still had more influence than the organizational culture, but that like noted earlier, they may still solve some superficial problems like work hours (Chevrier 2003).

According to Yagi and Kleinberg (2011) there are several studies which show that the daily interactions between people with different cultural backgrounds in organizations in also create organizational cultures, and subcultures within it, which reflect the employees themselves. Not only the employees of the organization may alter and together create the organizational culture, but also things like the cultures the employees have outside the organization and changes in those, but also internal politics and outer groups can have affect, making also organizational culture a living and changing phenomena (Ghosh 2013). The leaders of the organization might have planned to have certain kind of organization culture, but in the end it is the employees and the people in the organization that together form the culture. This is quite in line with the negotiated order approach.

4.3 Negotiated order approach

Organizations consist of people with different backgrounds, goals etc., and combining these, can be a challenge. Sharing a common goal is one thing that guides the work, but that is not all there is to it, as through implementation the goal often becomes fragmented because of differences in e.g. motivations behind actions. Organizational structure is often named to be the solution, but as it is possible for all kinds of structures to exist within that structure, it still does not explain enough. Strauss et al. (1964) based their study on hospitals, and noted how the hospital work consisted of constant negotiations between different hospital workers, patients and other parties instead of just officially made structures. Thus apart from official teams and structures, there were structures based on the negotiations and deals happening all the time. Thus not only did the official structures help go towards the main goal, but so did the unofficial structures within an around them. These negotiations are done between people, which means that such humane things like perception of a person affects how he or she is treated, how his or her ideas are listened to and so on, together with the en-
vironment; politics within the organization and so on, which all together form the web of relationships which is the organizational culture. Organizational culture is thus seen as relationships among people (Fine 1984). Another important feature to note that these negotiations can be renegotiated at any given time, in an hour, a week, a month and so on. Though usually big changes happen over time as a result of smaller changes occurring. (Strauss et al. 1964) This is the basis of the negotiated order perspective.

In short the negotiated order perspective sheds light to the following kinds of questions: "how do working cultures (team and organizational cultures) emerge in multicultural organizations?, and how do social and work contexts influence both identity management and working culture creating?" (Brannen and Salk 2000 p. 453). Negotiated order approach and organizational culture theories both emphasize worker satisfaction and commitment, and note that members and also organizations themselves have to take into account the constraints social and psychical environments may bring (Fine 1984). Thus negotiated order approach works well when one wishes to observe organizational cultures. This theory can explain why people do not necessarily always follow the officially created structures. For example there might be official routes for reporting and asking help in an organization, but often people are e.g. more comfortable asking someone they know more personally, or "seems nice" instead of the person they are supposed to ask. Negotiated order approach is very similar to the emergent view of culture, as both are seen to be constructed in human encounters.
5 THEORITICAL FRAMEWORK

In this thesis culture obviously plays a big role as cultural diversity is the starting point: why there are difficulties in working and especially leading multicultural teams. Thus it became important to define what culture really is. I started by explaining why national culture does not work as there are so many cultures, ethnic, sub cultures and so on, even within national borders. My own view became closer to the idea of emergent culture, where each individual has their own culture, which is formed through daily social encounters and experiences. But at the same time I also recognize that people who are ethnically e.g. Chinese have some common 'Chinese' characteristics. Thus I have come to believe that culture is both emergent and individual, but that people also belong to bigger shared cultures at the same time. I also note that within one culture everyone still are individuals and thus different from each other. Thus one should always still be careful of stereotyping because of someone belonging to a specific culture.

Other big underlying issue in this thesis was the notion that people from different cultures do have different expectations considering working; working in teams, what even is a team, especially leadership and management, and more practical things like how prepared you should be for a meeting, what time the meeting really starts and so on. This created the basis for the thesis; culturally diverse teams and especially their leaders have to deal with all kinds of different expectations the people in the team have. This is important, like explained earlier, as diversity and the possible miscommunication and conflicts rising from it may hinder the cohesiveness of the team, which again is key indicator for a successful team. This brings us to the next key issue: communication. Communication was found to be verbal and non-verbal, and highly dependent on the communicator’s, sender or receiver, own culture. Thus there are different ways of sending and receiving messages, sometimes even so different that someone may misunderstand someone else just by that person existing, like found in the example of 'Finnish face’. Thus it is no wonder that culture is often named as the biggest reason for why multicultural teams are often more problematic than monocultural ones.

What became also clear through this thesis was the importance of the team leader in dealing with the possible problems rising from cultural diversity. It was found that leader can even through his or her own example help diverse teams work better together, but that leaders also have an important role in solving the conflicts and together creating the common rules that help with the practicalities
of working life. By creating personal relationships with the team members and the team members among themselves, the communication gets easier and in general the amount of conflicts is lessened. With close relationships it is also easier to agree together about the team culture and ways of working the group itself should have, which also lessens miscommunication and conflicts as there is a context that can be referred to. In general personal relationships help multicultural teams work better together as they make also talking about the problems, finding better solutions, and in general solving conflicts also before they even become big. Other important tips for dealing with cultural diversity, were the knowledge and experience of cultures, and for managers especially understanding that the worst approach, despite seemingly equal, was ignoring that there are different needs stemming from cultural differences.

Another way apart from creating the common context and the behavior rules to be applied within the team, was also using organizational culture as the context, though it was found that organizational culture is more superficial solution, but can still offer solutions to practical every day problems like working times. Like with culture, organizational culture was found to consist not only of the culture that is purposely created by e.g. the top management of the organization, but also emergent, forming through personal relationships, and being constantly re-negotiated. Thus the theory applicable when looking at organizational culture was found to be negotiated order approach.

Next I will present a real life case of a multicultural team, and compare how the theoretical findings of this thesis apply to real life. Only organizational culture will not be observed that much in this case, as the organization itself is so small, and especially this year all except for two had had no previous experience of the organization nor their activities, and thus they started from a blank page. Though of course negotiated order approach still applies. Instead some notions about team culture will be made, as even though there are no limits to how many people organizational culture has to consist of, I see team culture more applicable in this case.
EMPIRIA: OULUSES

OuluSES (Oulu Student Entrepreneurship Society) is a student-led organization promoting entrepreneurial mindset. They do this by organizing events, bigger and smaller, like investor event in an ice hole: Polar Bear Pitching, and entrepreneurship panel Pohjola2030 this spring, coding events for girls, events to go meet new successful entrepreneurs and so on. OuluSES is part of the nationwide entrepreneurship society (ES) network. They get their funding mainly from the city and both University of Oulu and OAMK (Oulu University of Applied Sciences) which supports their vision of focusing on especially students as their target group. One of their biggest goals is to not only to spread entrepreneurship mindedness, but especially show students that entrepreneurship may be one viable option post-graduation. The team consists of nine board members, and varying amount of team members, who come and go, being sometimes just part of one project, and sometimes being active the entire year. The board and team consist of members from Finland, Russia, South Korea, Ukraine, Hungary, Germany etc. Finns being the biggest nationality group.

Through this study I wanted to see if many of the main findings from the theoretical part were applicable to a real life case, and thus also check their validity. I focused on the following issues:

1. the cultural identity the members had: if their cultural identity had changed and if they themselves had changed through cross-cultural encounters.
2. What they thought about working in multicultural teams vs. monocultural ones; the main differences and challenges
   - Does communication have a role in the challenges?
3. How cultural issues had affected OuluSES as a team?
4. The leaders role in managing diversity

Overall the main idea was to first create the multicultural profiles of the team members, how well accustomed they were to working in multicultural teams before seeing how it actually worked out in OuluSES. I also wanted to use the interviews to verify my own observations made throughout the year to confirm their validity and objectivity.
6.1 Research method

I conducted the study via continuous observation throughout the year when this board was in action; i.e. from autumn 2014 till spring 2015. I was an also an active member of the board myself, and could thus make close observations. Acting also as the secretary of the board I was in close contact with all the issues the board dealt with, and took notes also for my thesis about the cross-cultural issues, which rose and in general things that came up during our multination teamwork. During the year I also had multiple short discussions about the topic with the members of the group, and finally this spring I also conducted face-to-face interviews and one phone interview with the board members. In total it came to be six interviews. I was not able to directly interview the last three members of the board as they were not active anymore this spring, but I had talked about these issues with them earlier, and was thus able to use the findings from those discussions in my own observations. The interviews were done in quite informal and unstructured manner, which gave flexibility to e.g. elaborate when needed, and helped also discover new findings in more detail. I had some base questions, which helped give the structure, and then I elaborated those questions depending on how the conversation proceeded and the answers of the respondents. I also used additional questions depending on the person, what I knew of him/her, if I had made related observations before, which I wanted to know more of, or if we had talked about related issues before. The rough basic structure of the interviews can be found as an attachment (appendix 1) at the end of this thesis.

My personal participation in the group could have hindered the objectivity of this study, but I combatted this by doing my observations as objectively as possible, and also through the interviews comparing them to the views the others had of the same issues. If I had had clearly different opinion of the same issue than the people interviewed, I would have looked more into the issue to make sure the results were as little biased as possible. Fortunately such big differences did not come up during the interviews.

I chose only the board members to be interviewed as in OuluSES the board is the key part of this organization, and in general most work is done by the board themselves. OuluSES also has only few members who are not part of the board, and they are not that much involved in the activities, some even just for a project or two. Thus getting information about the relationships and cultural issues of a tight team and especially observing the possible changes within the relationships over time, would have not been possible, and thus I decided to limit the interviewees so. I recorded the
interviews and then transcribed the parts relevant to this study writing also detailed notes, and later organized the answers accordingly. I also had the opportunity to get back to the people interviewed, if something was unclear or if I in general needed more information. Also during the interviews I made sure to check and make sure that the person interviewed had understood the question how I had intended, and also that I understood the answer like the interviewee meant.

6.2 The Team

The team has six Finnish members (me included), who all have had international experiences also before joining OuluSES either through living abroad, traveling or working in multicultural groups for schoolwork. Two of the Finns and OuluSES’s Russian member were the ones I could not interview, and thus do not have more detailed profiles for them. But of the other four Finns, two had lived abroad as an exchange student: A in Italy and myself in Japan. The last two, A2 and M have never lived abroad, but have traveled many times before, and A2 has a Russian mother and M has a Thai stepmother. All Finns also travel quite a lot and said that multicultural group works are “every day life” at school. The foreigners of the group were a very diversified group, like you can see from the list above. In the board OuluSES had a Hungarian who had been been living in Finland as and exchange student before and now as a degree student, and who speaks perfectly fluent Finnish. OuluSES also has an Ukrainian member, who has also lived in the United States for two years, 3 years in Bulgaria and now two years in Finland. Last non-Finnish member of the board was originally from South Korea, but who has lived most of her life abroad, e.g. in Philippines for one year, England for seven years, Australia for 2 and now in Finland for a bit over two years, and reported British culture being the one she is most comfortable with.

6.3 Working in OuluSES

As about half of the group were Finns and as OuluSES also works in Finland, the working culture was also quite Finnish. This gave the context to draw the basic rules and ways of working, and helped with many practical things like meeting times, etc. but also caused many problems. At no point were cultural things taken into consideration apart from each person individually by themselves (remembering to be understanding etc.), and even the choice of using Finnish culture as the working culture just became so, most likely because the majority of the members were Finnish and OuluSES
itself works in Oulu, Finland. I will explain this more in detail about the challenges this approach brought later in this section.

In the theoretical part of the thesis it became clear that having cross-cultural experiences, and especially living abroad helps work in multicultural teams. To find out if this was also true in the group I studied, I started their interviews by asking questions about their cultural identity, and thus found out, if the members had noticed themselves also changing by getting more accustomed to other cultures, and also figured out the level of their international experiences.

6.4 Cultural identity

When looking for the background info one of the aims was to find wether the notion in the theoretical part that international experience, how having more experience of cross-cultural situations helps work in multicultural teams, was applicable also in real life. I also aimed to find out if having those international experiences had changed them, and especially if they had changed so that they did not feel like the average citizen of country X (X being their original homeland), but more like a mix of two or more cultures or anything like that. If they had, it would support the cultural theory section above, where it was theorizes that each and every one of us are shaped and formed through our experiences, and that through international experiences you also e.g. adapt new values and change your view of life, and also the fact that just by looking at someone’s nationality one cannot really make conclusions as the risk of stereotyping and being wrong is strong.

All of the board members interviewed, regardless of if they had or had not lived abroad, said they were very "internationally oriented", meaning e.g. working in multicultural groups was pretty much "every day life” for all of them through school and work. Thus the group interviewed can be said to have quite a lot of international (group work) experience, though of course the people who had lived abroad had most. Despite the varying degrees of international experience, all of the members were clearly interested in international activities, even preferring multicultural teams over monocultural one. But still differences in the answers could be detected correlating to the level and degree of the international experience, especially when talking about cultural differences within the team, and how they themselves had changes through international experience. The members who had had
more international experience seemed to overall look and notice cultural issues more easily. They also were more keen to emphasize the importance of taking cultural differences into account.

**6.5. The change cross-cultural experience brings**

All except one of the respondents explained that by living abroad (or through having a family member who is not from the same ‘national’ culture or nationality), had definitely changed them. Their values and overall perception of the world had changed, and adapted. The more time the respondents had spent living abroad and be involved in cross-cultural activities the more different they felt than the ”average citizen” of their original home country. One of them even said that she ”feels like an alien back home”. The South Korean respondents even noted that she felt more British than South Korean and also more comfortable being among Brits, which she believed was because she had spend such a long time in Britain and especially as this had been during her teenager years, i.e. the years she had really become the person she really is. The Finn with a Thai stepmother also noted how he had found many of the Thai habits, and even the Buddhist teachings to be values he shares, and even prefers over some Finnish ones. Similar notions came through all of the interviews, also from my own experience, except for the Finn who had lived in Italy. Only he reported that living abroad had not really changed him himself, even though it had broadened his world in many ways, and taught that there are more ways to do things than just one. But as 6/7 respondents (including myself) showed clear signs that cultural experiences, and especially living abroad, had changed themselves, and that they had adopted parts of the other culture(s), it can be concluded that the findings are consistent with the theoretical part: getting more cross-cultural experiences really does change you. It also became clear that the more experiences the people had had of multicultural situations, e.g. living in multiple countries vs. not living in any other country/just having a short exchange period, the more they had felt themselves changing.

All of the interviewees, especially the ones who had lived in more than one country, also noted that having these kinds of cultural encounters have enabled them to adapt quicker situations with different cultures, and also that with more experience of multicultural teams the adaptation process had become increasingly easy. In the theoretical it was found that not only knowledge, but especially real-life experiences of cross-cultural situations, and especially living abroad, gives people the knowledge needed to work with and adapt to different cultural environments and contexts.
6.6 Differences between working in multicultural and monocultural team?

All of the respondents had been working in multicultural teams before working at OuluSES. Some had gotten in through work experience, and all had done group work in multicultural teams at school often. In this section I wanted to find out what they felt like were the differences between working in monocultural vs. multicultural teams, and if communication played a big role in the differences and especially problems. To not to lead them towards specific answers, I first inquired about the differences between the two team types, possible challenges and so on, and only then asked, if they had felt that communication had had any part, if they had not already mentioned it before.

A common answer among all the respondents were that working in a monocultural team, which they are also part of, is often easier as you ”know what to expect”, as one of the respondents put it. Also in general working-methods related things like e.g. if the meeting is at 6pm, do you arrive at 6.00 or 6.30 or just in the evening are the same, are usually known in monocultural teams, which makes some practical things easier. There are differences also in preferred work methods. One of the Finnish respondents used an example from university group works. ”Often Finnish prefer to quickly divide the work and work individually as much as possible, whereas many non-Finns prefer to do as much together as possible”. Again this was consistent with the findings in the theoretical parts about how diversity created problems especially because there are differences in practicalities like work methods and so on.

Despite the work being a bit more bothersome in multicultural teams, the respondents still saw the benefits of having different minds working together, and even preferred working in multicultural teams. They found that culturally diverse teams were able to look at problems from more different perspectives, which resulted in as better though out outcomes. As the team members have different experiences and views of the world among other things, they can come up with ideas that you could have never even thought about, which again matches with the theoretical part. Though the Ukrainian respondent noted that it also depends on the task: if the task is very simple, like moving a couch, working in multicultural often means that more time has to be spend to adapt compared to a monocultural team, where the job could be just done without too much of adjustments as the people already know the ”basics”. But with more complicated tasks it is really good to have different
people with different backgrounds and views of the world, as it leads to better results, especially if you are creating a new product, especially for international markets, multicultural teams are usually much better option, she explained.

6.7 Communication

Most of the respondents saw communicational differences as the biggest difference and even challenge in multicultural teams. Like mentioned also earlier in the theoretical part, also the respondents noted how at first it is often more difficult to "read people", understand what they are really trying to communicate, and miscommunications rise in multicultural teams. Also they noted that the same situation may be read completely different by different people, which may lead to confusion or even conflicts. During the year there had been few occasions in OuluSES where misinterpreting what others meant led to conflicts. One example of miscommunication was in a meeting after one event, when some of the other members (mostly Finns) asked the non-Finnish member how the event went, what should have been done better etc. The people asking meant to ask just for future reference what could be done better next time, but the non-Finnish organizer saw it as a questioning: why had the event gone so badly, and even blaming her for it. It was true that compared to the previous events OuluSES had held this year, there were less people in the event, but it was concluded during the meeting that it was because of the schedule conflicting with many other popular events, not because of her. Another example of different ways of communicating was when two of the members were explaining a new event idea to the rest of the group. Based on how the South Korean (who identifies most with British culture) described the event, it seemed to become one of the biggest OuluSES has ever organized, but when the Finnish member explained the same event it just seemed like a small event, and the rest of the group was left confused to think which is it going to be.

Some of the interviewees noted how cultural knowledge can help when trying to interpret what the other one is trying to say. Like for example in the South Korean - Finnish way of explaining above, knowing that Finns often have the tendency to 'under-exaggerate' and Brits often tend to exaggerate, at least from the Finnish perspective, could have helped interpret what the reality was going to be. Some of the respondents also noted the importance of knowing the language, especially the local language. Like the Hungarian member, fluent in Finnish, said that knowing the Finnish culture
but also the language helped interpret what the Finns really meant when they were talking. Like noted earlier, sometimes the same word has different meanings in different cultures, and knowing the culture and like the Hungarian member noted, also the original language of the communicator, helps interpret the message and the words used correctly.

But still the most of the respondents also emphasized that even though sometimes cultural similarities among people from e.g. France can be seen and that sometimes they can be helpful when trying to understand what the other really means, still stereotypes are just stereotypes and people are in the end still individuals regardless to which culture group they belong to. This belief of people as just individuals, even so strong that some saw pretty much all cultural issues only as stereotypes, and almost nothing more. This was the view for example of A2, the leader of the team. The people with less experience of cross-cultural issues, who mostly had not lived abroad, were also the ones who did not see taking cultural issues into account as important as the ones with more experience did.

Overall the whole team of OuluSES was internationally oriented and had had quite wide variety of experience from working in multicultural team, and said they were comfortable working in such teams, and even preferred multicultural teams over monocultural ones. Thus they should have been well equipped to work in the multicultural team of OuluSES. Still during the spring it became obvious that people were not as enthusiastic and interested in working in the team anymore as they were in the beginning. The cohesiveness of the team was not really there anymore. People started to do just the bare minimum, some even not that, and just few members of the team seemed to keep the whole organization running. Of course spring, being the busiest season for students, also had an impact on it, but there also started to be clear divisions in the team, and the lack of motivation seemed to be connected to many cases of these misunderstandings. For example one of the most active member from autumn period started doing just the bare minimum, as all that time she (non-Finnish) had felt that her work is not appreciated, and was also really busy at school. This was really unfortunate as her work was in fact well appreciated, but like it is quite common in Finnish culture: the people praising her did not do it straight to her.
Next I will look at the possible reasons for why such good starting point still did not work out to the full potential it could have, or in fact the results were almost the opposite.

6.8 Personal relationships

Some of the respondents emphasized, based on their own previous experience, how getting to know your team members helps lessen the amount of miscommunication as you learn to interpret what the others really mean, which is once again consistent with the personal relationship approach -approach of the theoretical part. Especially the people who had most experience of cross-cultural encounters emphasized the importance of personal relationships. Unfortunately some of the interviewees also noted that that part was missing at OuluSES, to which based on my own observation, I wholeheartedly agree. Since the beginning "straight to work” kind of approach was used, which was in a sense very Finnish. During the very first meeting the group had only very short introductions; name, what you study and that was about it. They also spent one weekend in a cottage making plans for the year & trip to Slush in Helsinki. During the cottage weekend and also in Slush there were not any ”grouping exercises” meant to bring the group together, but mostly just focusing on the work, or hanging in smaller groups during the break times. Thus the group cohesiveness and personal relationships among the entire team were never really developed.

The group used Whatsapp (messaging app) to communicate. Not only official things, but also random funny things and updates about things not related to OuluSES. It was a good channel for not so official communication and helped create that group feeling that was a bit lacking. But still the most active members were mostly Finns, and less than half of the group really discussed there, so it cannot said to be a way to bring the whole team together. Instead it was another sign of the division, and in general just was not enough.

6.9 In group / out group -division of the group

Like noted in the theoretical part, people are often drawn to create in and out groups based on cultural issues, even if slight differences between the members are found. Also in OuluSES there started to be a division between the ’core group’ and the ’others’. The core group consisted of Finns, who met up together and made future plans for OuluSES together when hanging out outside the official meetings. Some of the members of the ’out group’ were less active in general, and even if they were
active, they still did not participate in these 'in-group’ meetings. Sometimes some of the 'in group members’ also showed signs of disapproving the non-activeness of the people outside the group, and even felt like they themselves were doing most of the work. After looking at the theoretical part, this does not come as a surprise.

In meetings the division between Finns and non-Finns was also visible, most likely not on purpose but just because of language differences. Sometimes some of the Finns felt that it was easier to talk about the particular issue in their native tongue instead of English, as some of them were not yet perfectly comfortable using, especially when dealing with more complicated issues. Sometimes also discussions about particular things concerning just few of the members were done in Finnish. As only one of the non-Finns understood Finnish the others were often confused, and felt also slightly like outsiders. I personally, having been in many situations where everyone around me speak their own native langue, which I understood only little during my exchange period in Japan, I kept reminding people to speak English, if the issue concerned everyone in the room, or if it concerned only the people talking (if they were e.g. talking about their own personal issues), I gave the non-Finns a short summary intending to help them not feel like they were outsiders. In the interviews some of the people interviewed noted that it was nice, but they also understood that sometimes it is just easier to communicate in your native language, and that they were not really offended by it.

6.10 Leadership

The chairman of the board, i.e. the leader of the group was a Finn, whose style of leading was very participative, even too participative. He mostly just provided the structure of the meetings; what should be discussed and did a lot of work for OuluSES outside as the representative, and made sure all the practical things were done. The team members described him as a very hard worker, but wished that he would have been even a bit more ‘aggressive’ and directive as a leader. The group lacked direction as everyone pretty much waited for the leader to guide them, and did not want to "step on his toes" by doing it themselves. The board consisted of mostly people who had never been part of OuluSES activities and thus it would have been even more important to have proper guidance at least at the beginning. What the people interviewed also said, was that because he as the leader did not try to solve any conflicts, they were mostly left unsolved. Though when I interviewed him he said he had not noticed any conflicts or misunderstandings, and like noted earlier, he did not really find differences because of cultural issues, just that people were individuals and should be treated
so. The only cultural issues or differences the leader had noted was that for some you had to really emphasize that they had done a good job, but also that he saw more like a personal quality instead of difference between Finnish way and the way of that individual’s culture. Thus his example to the team was to ignore cultural differences, and not really even address the possible conflict or miscommunication situations. Like noted earlier in the thesis, leader’s example is very important to the team, and thus in this case the way adopted was to ignore the cultural issues, and only talk about them behind people’s backs, and complain without doing anything to fix the situation.

As the leader was not showing clear leadership and the power with the position, and especially not dealing with cultural differences at all, on this part case OuluSES can be only looked at how things go if the approaches seen good above in the theoretical part are not used, but instead culturally blind approach is applied. It also makes one think, that if stronger leadership was applied, would it have made a difference. I believe it would have, as many conflicts were left unresolved and overall the group never became really cohesive. Also with so many members unfamiliar with OuluSES activities more guidance would have been helpful. Though on this part it has to be noted that the leader himself was also new to the OuluSES activities, and thus part of this responsibility of guiding should have also come from the few members that actually had had at least some experience in what OuluSES really does, which is also what came up with some of the people interviewed. I also felt that the leader expected the team to be more initiative themselves, and the team expected him to lead more, which obviously does not lead to good results. "Not wanting to disrupt the leader’s authority” was definitely seen in the group.

Some of the interviewees also commented that Finns (a.k.a. the majority of the group) are not really confrontal, and instead of dealing with the conflicts they prefer to just “let it slide”, which is also one reason why cultural differences and the problems rising from the were not addressed. This can be a good thing as small issues are not made bigger than they are, but still, sometimes things have to be dealt with to not let them become big, and like now: cause disruption in the group spirit without anyone noticing. Now looking at the situation it could have definitely been that, if the group had really teamed up and gotten much closer on a personal level, instead of knowing just few people more than just on a so called professional level, maybe the group would have been closer and more inspired to work together and for OuluSES also during the spring time.
As the end result, even though the team members were experienced in working in multicultural teams and thus had good possibilities for success, the full potential was not reached. OuluSES became an example of a multicultural team where the cultural differences were not specifically taken into account, and as they did not have leadership which supported the cohesiveness of the diversified group and in general they did not develop personal relationships, which could have helped communication and in general lessen the conflicts and misunderstandings. Also even though the team members understood that there were cultural differences, and that thus they had to be patient and more tolerant, the conflicts and miscommunication which did happen, were almost never handled and were free to just grow bigger and bigger. In the end this resulted in a division in the group, in-group favorism, and lack of motivation. All this is not surprising after the theoretical part of this thesis, and it would be interesting to see if the same team would have done things the other way, what would have been the situation now, at the end of their board season. Overall the empirical part confirmed the findings of the theoretical part of the thesis.
7 Conclusion

This thesis aimed to find ways to deal with the problems rising from different expectations and perspectives people from different cultures have, and even more so: prevent having them. To find solutions, I approached the problem with the following main research questions:

Q1  Do being exposed to different cultures and being involved in cross-cultural encounters change people?

Q2  How multicultural and monocultural teams differ from each other and how leading differs?
   • Are there negative sides and/or benefits to either type?
   • Do people from different cultures have different expectations towards leadership and team work, and if, how they should be dealt with?

It was found both through the theoretical part and the empirical study that cross-cultural encounters do change people, even so that the more immersed the person has been on another culture(s) the more they have felt themselves changing. This means they have adopted values and views from other cultures, and in general realized that there are other ways of doing things and even seeing the world. Also many differences between mono- and multicultural teams were found. Multicultural teams were found to often lead to miscommunications and even conflicts because of differences in expectations, work methods and communication ways, which again lead to confusion, stress, absenteeism from work and many other negative sides. Still benefits of multicultural teams like better though out solutions, more creative ideas, even competitive advantages and so on were also found, and the end view was that well managed diversity in teams can even over-perform monocultural teams. Differences between monocultural and multicultural teams were found to stem from different expectations people from different cultures have of leadership, the leaders themselves, team work, and every day practices of working life. Thus it became obvious that leaders of diverse teams have to battle between all this to make sure that the benefits of multicultural teams can be reaped. One of the key tips for multicultural leaders was to develop personal connections, get to know people better, understand them and thus lessen the amount of miscommunications and thus conflicts.
Throughout the thesis it became clear that cultural issues are definitely something that cannot be ignored. But still, for the same reason that Hofstede’s study on national cultures was not accurate, working in multicultural teams might not be as big of a challenge as it might seem. Hofstede based his study on employees of the same organization, IBM, in pretty much similar positions (McSweeney 2002), and thus the people interviewed are not seen as a good representations of the cultures they were supposed to represent. But this can be turned around: people who end up in the same team might not be that different despite even big differences in cultural things like generation, religion, geographic orientation and so on, as they often may have gone through similar education, have similar occupation and might share similar socioeconomic subgroup membership (Salk and Brennan 2000). Thus cultural differences should be recognized and dealt with, but their importance should still not be exaggerated and seen even overwhelming. There is hope, so to say.

But after saying that, now it seems that cultural differences and the need to really sit down and work on them, is still not recognized like they should be. In fact cultural differences are often completely ignored, or even avoided. Like this thesis showed, ignoring cultural differences does not bring out the full potential of multicultural teams and can even be harmful as miscommunication and conflicts occur and are let alone to wreak havoc. It is a shame as now more than ever the global organizations need members who are culturally aware, and know how to deal with a multicultural environment and its challenges. Unfortunately organizations are still yet to realize the importance of multicultural workers, or even in general culturally aware workers, and their benefits, as the concept is still rarely incorporated into their selection, training and career process. Not only culturally aware employees more equipped to work in a multicultural environment, but they can also help others deal with the problems and issues and the possible clashes such environment brings, making them valuable asset to organizations.

It was found that management theories are not universal, but still the aim of this thesis was to find something that all leaders, no matter where they are from and in no matter what kind of cultural environment they were managing, could use. I personally feel that my thesis did exactly that. Findings like creating personal relationships within the team, and not forgetting that people are still individuals while cultural knowledge may help understand them better, can be used by anyone anywhere.
But at the same time I also believe that this is only the start: much more research and applicable advice is needed. Thus I also hope that this thesis can act as a wake up call: cultural diversity cannot be ignored, and more tools to deal with it are needed.

Another main contribution of this thesis was in the area of culture. Culture is a hard phenomena to define, describe and truly grasp, and maybe for that reason the business world has gotten stuck in the old static views of national cultures. Instead of jumping straight to the ideas of emergent culture, which seem to be more favored nowadays in cultural studies, I created a view that is something between; people were seen to be part of larger cultures (emphasis on the plural form), but also have their own culture formed through other cultures and every day encounters. I believe this view describes what culture and people really are better, and thus helps managers struggling between cultural stereotypes and differences between individuals to understand people better. Of course this view also brings with it limitations: such view is quite complicated, and does not give easy "do it like this" answers. But if leaders are prepared to look more into the idea, they can surely expect benefits over 'easy answers' like believing blindly cultural profiles. I also believe the whole subject of multicultural teams in general needs more studying. Especially findings in the area of grouping; making a loose group of people into a cohesive team, would be useful and even practical for many leaders.

The world is without a doubt moving towards more cultural diversity, and people need to be prepared for that. Theses and studies like this are a start, but more is needed. Thus if nothing else. I hope this thesis helps people realize this need, and also understand the need for taking cultural issues into consideration.
8 References


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Appendix 1: OUTLINE OF A SEMI-STRUCTURED INTERVIEW

Background information:

Cultural identity:

- Multicultural experiences:
  - Lived abroad/other experiences/family members etc.?
- Worked (often) in a multicultural team? Other ”international activities”?
- Are you really familiar with other culture(s), i.e. could act as a ”cultural guide”?
  - Have you noticed yourself changing after learning about the customs, values etc. of other cultures? Or in general changing?
    - Have you e.g. adapted new values?
    - Have you noticed yourself acting different in different ”cultural” situations / switching the cultural frame you have depending on the context?
- Do you feel like a ”normal Finn/Hungarian etc.” or having become in a sense ”a mix” of more cultures, even partially?

Multicultural teams:

- Monocultural vs. multicultural team: which is easier to work in?
  - Why?
    - Biggest differences?
    - Biggest Challenge/benefit?
    - (Communication?)
  - Is working in a multicultural team a good or a bad thing?
    - Why?
  - After a while (if had worked in multiple multicultural teams) has it changed; e.g. become easier?
    - Why/how?
Communication:

- would you say communication is the biggest problem? Why?
- Examples?

Any tips for people going to work in a multicultural team?

OuluSES (in a very free style, depending on the person):

General issues:

- What worked in the team work? Good practices etc.?
- What could have been done better?
- Were cultural issues taken into account? (If yes: how? If not: should they have been? Why?)
- Examples of conflicts/miscommunication?
- Were there in general problems with communication?
- Did you notice a division in the team (related to in group / out group issues)?
  - (Why do you think it happened?)
  - For non-Finns: there were many moments when (some of the) Finns forgot to speak English in a meeting, your thoughts on that? Exclusive?

Leadership:

- How was A as a leader?
- What was good/bad?
- Leadership style?
- Would stronger leadership helped with cultural issues/other problems?