

CONFLICT IN THE GLOBAL WORKPLACE

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Globalization and the increased complexity and interdependence of contemporary issues have concomitantly created a greater need for organizational cooperation and a greater possibility for organizational conflict. Contemporary issues such as the global distribution of goods and the need for healthy work environments are so complex they require cooperation and new forms of partnerships among organizations from different sectors of society and cultural groups. Digitized technology and mobile media also enable participation of different cultural and organizational actors who had heretofore been denied access to organizational problem-solving arenas. In this chapter, we explore the dynamic relationship between global diversity and organizational conflict. *Diversity is not just something we strive for in contemporary organizations, it is a fact of life in all the joint ventures that are at the core of the globalized workplace.*

But it is not just the large global issues and joint collaborations that have changed the nature of organizational life. Technological and structural innovations affect our everyday experiences, our sense of self, and our

relationship to our communities. Digital media have changed the nature of our work, how we accomplish our work, and with whom we work. Communication across time and space is less costly, boundaries are more permeable, interpersonal and group relations are more fluid, and networks are transformed. *Both long-term and short-term transnational teams are now a central feature of the global workplace and a major context for both conflict and cooperation.*

The changing face of the global workforce and substantial increases in participation by traditional minorities (e.g., women, Hispanic workers in the United States, Turkish workers in Scandinavia and Germany, South Asian workers in the Gulf States region) further facilitate increasing contact among diverse groups with diverse values, expectations, and norms. Traditional dominance by a particular cultural group is ending, and expectations for the less dominant are rising. *Perceptions of justice and fairness may vary greatly across populations and often become a major point of contention in both joint ventures and global teams.*

Clearly, globalization has brought amazing opportunities to work smarter, faster, more creatively, and better with more people across time and space. Heterogeneous and flexible groups are more creative, increase the quality of ideas generated, and are more likely to reach high quality decisions than homogeneous groups (Surowiecki, 2004). Globalization and heterogeneity go hand in hand. But as we shall see, heterogeneity also brings challenges and greater possibilities for conflict.

This chapter follows five central arguments that will help us better understand conflict in the global workplace: (1) definitions of globalization, culture, and cultural variability influence how we understand conflict, (2) conflict dynamics occur at the nexus of macrofeatures of the environment and the microcontext of the work group, (3) paradoxes of globalization create powerful tensions across the organizations and groups, (4) transnational teams are a primary site of workplace conflict, and (5) global alliances mirror the conflict dynamics found in teams.

WHAT IS GLOBALIZATION'S RELATIONSHIP TO WORKPLACE CONFLICT?

In general, globalization is “the widening, deepening, and speeding up of worldwide interconnectedness in all aspects of contemporary social life” (Held, McGrew, Goldblatt, & Perraton, 1999, p. 5), though this definition can be (and often is) conceived more narrowly. How scholars perceive globalization affects their approach to conflict in the global workplace. For example, when viewed as an economic phenomenon, the means of production, exchange, distribution, and consumption are highlighted, and contested and transnational links transcend and may supplant nation-states. Conflict is approached as the clash of ideologies between the public and private sectors. When viewed

as a political phenomenon, the exercise of power, coercion, surveillance, and control over people and territories are paramount. Here, conflict is typically studied between nation-states, ethnic minorities, and social movements, including workers' union movements. When conceived as a cultural phenomenon, symbolic exchange through rituals, everyday practices, mass and social media, face-to-face communication, and cultural performances raise issues of identity that become the focus for understanding conflict.

Studying conflict from a global communicative perspective integrates these approaches, addressing conflict quite broadly across multiple levels of the social system. We define *conflict as any situation in which incompatible goals, attitudes, emotions, or behaviors lead to disagreement between two or more entities, whether those entities be individuals, representatives of groups, organizations, or interorganizational alliances*. Conventionally, conflict in the workplace arises from two primary motivations: (1) the desire to obtain goals (concern for production) and (2) the desire to retain interpersonal relationships (concern for people) (Rubin, 1994). Rather than exploring intercultural or interpersonal communication dynamics in isolation of the historical, economic, and/or sociopolitical context, a global communication approach addresses the ways in which macroissues of convergence and the dynamics of globalization are entrenched in the microprocesses of divergence and cultural variability.

WHAT IS CULTURE'S RELATIONSHIP TO GLOBAL WORKPLACE CONFLICT?

But what do scholars mean by culture and cultural variability, and how are these related to macrolevel issues? By 1950, Kluckhohn (1951) had already collected more than 300 definitions of culture, ranging from “the total way of life,” to a cognitive map. Today, most

scholars agree that *culture embodies the societal patterns of beliefs, values, and practices that distinguish one group from another*.

Without question, the most dominant approach to organizational and national culture research has been that of Geert Hofstede. Culture, he argues, is “the collective programming of the mind that distinguishes one group or category of people from another” (1984, p. 89). Hofstede stresses *shared* cultural values as key differentiators among national groups, a view that is largely echoed by proponents of another popular approach—Global Leadership and Organizational Behavior Effectiveness (GLOBE). According to House and his GLOBE colleagues, culture consists of *shared* motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives that are transmitted across generations (House, Hanges, Javidan, Dorfman, & Gupta, 2004, p. 15). Typically, nation-state is used as a proxy for culture, although national variation exists across geographic regions.

Cultural variability affects organizational conflict through multilevel mechanisms, including (a) differential political/legal prescriptions and prohibitions, legal requirements, and regulations; (b) variable constraints and opportunities of the institutional environment; (c) diverse preferences (values) and premises about what organizations can and should be; (d) unique rites, rituals, and other communicative practices; (e) varying ways in which individuals perform their roles and relate to one another; (f) different mind-sets of occupational communities; (g) various approaches to problem solving; and (h) multiple instantiations of spatio/temporal boundaries.

The effects of cultural differences in the global workplace are far ranging. Studies that utilize experimental designs (Weber & Camerer, 2003), survey methodologies (Ardichvili & Kuchinke, 2002), comparative

case studies (Winkler, Dibbern, & Heinzl, 2008), and ethnographies (Moore, 2011) all find that conflict is manifest in emotional stress, behavioral disruptions, negative attitudes, and task interference. For example, Moore’s (2011) ethnographic study of a car assembly work group in a joint venture between German car manufacturer BMW and the British Morris Mini found that culturally divergent interpretations of specific tasks influenced processes of integration and the ability to work together. Importantly, Moore’s “holistic ethnography” did not isolate any particular cultural trait. Rather, Moore argued that national culture was less relevant as the embodiment of any specific inherent traits, but its importance was “as a set of ‘native categories’ through which the problems and successes of the integration were filtered and understood, and which colored the interactions of the two national groups of managers with each other” (p. 667). The Moore study stands out as an important contrast to more traditional studies of cultural differences in which researchers utilize “classic” dimensions of cultural differences to illustrate how variations may cause conflict. For example, a study by Hofstede, Pedersen, and Hofstede (2002) reports that members of low power distance cultures are often frustrated by the lack of participation by members of high power distance, and workers from collectivist cultures are often offended by the perceived selfishness and rudeness of those from individualist cultures.

Table 27.1 provides brief descriptions of the most commonly studied dimensions of cultural variability associated with conflict in the global workplace. A comprehensive review of leading management journals (Tsui, Nifadkar, & Ou, 2007) found Hofstede’s power distance and individualism collectivism dimensions to be the most commonly studied. Given that issues of control, leadership, and group identity are central to virtually all theories of organization, this is not surprising.

Table 27.1 Dimensions of Cultural Variability

<i>Social Orientation</i>	<i>Dimensions of Variability</i>	<i>Description</i>
Orientation to nature	Control over/harmony with/subjugation to the natural environment	Cultures vary in the degree to which people believe they are efficacious and can control the environment.
Orientation to human nature	People are basically good/bad/mixture; status is ascribed/achieved	Social positions can be earned on the basis of merit, acquired from actual behavior, reflecting personal skills, abilities, efforts, or achievements. In contrast, ascribed social positions are assigned based on factors beyond a person's control, including sex, race, or familial social connections.
Orientation to time	Monochronic/polychronic past/present/future	Time may be conceived as material, tangible, linear, and substantive or as intangible and nonlinear.
Orientation to decision making	Hypothetical/experiential	Hypothetical or counterfactual thinking uses abstract mental representations of past or future events to consider alternative courses of action. For others, reasoning is highly contextualized and grounded in personal experience.
Orientation to communication	Low context/high context	Meaning is determined by the context of culture. In low context, message is encoded in the explicit code, while in high context, the meaning of the message is in the psychological environment or already shared by people.
Orientation to space	Private/public	Cultures differ substantially in conceptualizations and use of private and public domains; separate and distinctly bounded for some, interconnected and permeable for others.
Orientation to authority	Power distance	Refers to a culture's preference for hierarchical relationships and differentiated interaction: High power distance cultures expect power to be unequally shared. Power differentials are viewed as natural and expected. Low power distance cultures are unlikely to accept relational power differentials unless they are perceived as legitimately earned.
Orientation to community	Individualism/collectivism	Reflects the degree to which people accentuate personal or group goals. Individualistic cultures tend to emphasize personal goals which are given precedence over relational and in-group oriented objectives. Collectivistic cultures emphasize group goals and will sacrifice personal objectives for in-group goals.
Orientation to goals	Feminine/masculine; Instrumental (competitive)/expressive (cooperative)	Expressiveness is associated with the "feminine" pattern of humility, quality of life, equality of the sexes, relational harmony, and helpfulness. In contrast, the "masculine pattern" emphasizes achievement, assertiveness, aggression, exhibition, and conceit.

Table 27.1 (Continued)

Orientation to structure	High uncertainty avoidance/low uncertainty avoidance	Refers to degree of reliance on social norms and procedures to alleviate the unpredictability of future events and the extent to which cultural group seek orderliness, structure, formalized procedures and laws to cover situations in their daily lives. Cultures high in uncertainty and avoidance are less comfortable with ambiguity, prefer structure, and resist change. Low uncertainty and avoidance suggests more ease with ambiguity, deviance, and change.
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NOTE: This list was derived from the excellent overviews of the cultural constructs and conflict examined in cross-cultural organizational behavior research (see Gelfand, Erez, & Aycan, 2007; Leung, Bhagat, Buchan, Erez, & Gibson, 2005; and frameworks by authors such as Earley, Singelis, Triandis, House, Hall, Schwartz, and others [Hall, 1976; House et al., 2004; Schwartz, 1994; Singelis & Brown, 1995; Triandis, 1995]).

But other variables become especially important in the uncertain, rapidly changing global context. For example, orientation to structure captures the degree to which individuals and groups respond to ambiguous and unstructured contexts with a high level of stress and a need to adopt and maintain rigid rules and strict codes of behavior. When one of our authors worked with a global engineering team in a time of international economic crisis, the unpredictable situation was exacerbated by a conflict between engineers from high uncertainty avoidance cultures, who wanted to develop a rigid set of responses and rules to cope with the volatility, and those with lower levels of uncertainty avoidance, who felt that the team should “go with the flow” and enjoy the freedom that the crisis engendered. The former group thought the latter were being reckless, and the latter thought the former were far too timid to cope with the crisis.

But just looking at one cultural dimension individually does not give us the full picture. Gomes, Cohen, and Mellahi’s (2011) study of conflict between South African and Congolese managers illustrates the importance of considering both *context* and *cultural variability* for understanding conflict. In a strategic alliance between Vodacom and Congolese Wireless Networks, the legacy of the apartheid era

magnified cross-cultural differences as well as differential perceptions of procedural and interactional justice. The context also exacerbated interpersonal conflicts among the managers based on cultural differences (e.g., South Africans tend to be far more individualistic in their approach to task issues than natives of Central Africa). The case study shows how the effectiveness of structural actions taken to address conflicts rooted in procedural injustices (i.e., the creation of new management policies and procedures to reduce disparities between South African and Congolese managers in order to enable equal access to key managerial positions for all managers) was circumscribed “by the continued presence of perceived interactional injustice (the feeling of not being treated with respect and dignity during interactions with managers from the other partner in the alliance” (Gomes et al., 2011, p. 5). Resolving the conflicts required multiple, iterative, and radical structural, personnel, and interactive changes that transcended traditional internal and microlevel solutions.

Overall, globalization *creates a work context in which social identities, normative expectations, and societal institutions must continually be negotiated as they can no longer remain spatially or communicatively distinct*. Creating new opportunities and unheralded cooperation between different

types of organizations and groups of people, there are also greater potential for conflict.

In the remainder of this chapter, we see how bringing people with diverse cultural experiences together in face-to-face and/or cyber settings to solve problems, make decisions, and complete interdependent tasks often magnifies the importance of differences in laws, norms, personality, values, beliefs, attitudes, sense of responsibility, perceptions, and languages. We limit our focus to conflict in transnational teams and global alliances, two constitutive domains of the global workplace. Given the importance, however, of understanding the macrocontext for understanding microconflict dynamics, the next section further unpacks the context in which transnational teams and global alliances exist, a context of emergent paradox.

EMERGING PARADOXES IN THE GLOBAL WORKPLACE

Organizational scholars and practitioners agree that contemporary organizations need difference and alternative views to develop creative ideas to succeed. But as we have seen, bringing people with culturally diverse perspectives and experiences together makes conflict more likely, often hampering organizational effectiveness. This tension gives rise to three paradoxes of globalization.

The Paradox of Diversity

The very differences that help make organizations more innovative and responsive to global demands make it more likely to have conflict and constrain organizations' abilities to address the issues that face them.

We need to look no further than the many failed and troubled global joint ventures over the past 20 years to see the tensions and conflicts that may emerge as organizations join

together for strategic purposes. In reporting a well-known and very costly unsuccessful venture, The New York Times described the 1993 Corning (U.S.) Vitro (Mexican) merger as a “marriage made in hell” (DePalma, 1994). Interviews with managers from both corporations suggested that Mexican managers were insulted by Americans’ directness, and American managers were frustrated by the politeness of the Mexicans. Americans perceived the politeness and lack of confrontation as an evidence of Mexican managers’ unwillingness to address problems and faults. The problems, however, were rooted not only in interpersonal differences but also in the structural and economic dynamics (e.g., different marketing strategies, increasing competition, and a stronger peso). Indeed, an essential point to consider when studying any conflict in the global workplace is that individual cognitions, values, experiences, and attitudes (the basis of most studies of conflict and cultural variability) are always grounded in the political/economic/historical context of nation-states.

The 25-month union was hurt by constant cultural clashes. Corning managers were sometimes left waiting for important decisions about marketing and sales because in Mexican culture only the top management could make them . . . Vitro’s sales approach was less aggressive, the remnant of years in a closed economy, and this sometimes clashed with the pragmatic approach Corning had developed over decades of cooperation. (DePalma, 1994, p. A16)

Similarly, in 2008, Daimler-Benz’s (German) Chief Executive Officer, Dieter Zetsch, described the disastrous 10-year merger with Chrysler Corporation (U.S.) as a “practical lesson about the limits of globalization” (Strieber, 2008, n.p.). Several analyses suggest that although strategically the merger made sense, the contrasting cultures,

conflicting management styles, histories of the two companies, and government regulations thwarted many opportunities for success (Mateja, 2007).

There are, of course, studies of international mergers that are successful. When Ciba and Sandoz (both multinational corporations [MNC] headquartered in Switzerland but with very different corporate cultures and international locations) joined together to form the pharmaceutical giant Novartis, initially there were serious problems and conflicts. Through close attention to sociocultural elements at the interpersonal/group levels (improving cultural awareness, developing culturally competent leaders, and increasing sensitivity of team members) and the structural level (selection, reward, and career systems that were modified to take into account diverse societal expectations and norms), the merger became a long-standing success (Valentine, 1998). Nonetheless, despite greater scholarly and practitioner attention being paid to conflict and global competence at both the micro- and macrolevels of global collaborations, it is still the case that post-merger profits tend to be smaller than the joint profits of the firms prior to the merger, what economists describe as the “merger paradox” (Heywood & McGinty, 2007).

The Paradox of Convergence

Globalizing processes of convergence call forth localizing dynamics of divergence Friedman’s (1999) *The Lexus and The Olive Tree* references humankind’s coterminous drives for sustenance, improvement, prosperity, modernization, and financial security (the Lexus) while capturing our need for roots (linguistic, geographic, and historical) and community (the Olive tree). These simultaneous pressures for convergence and divergence within and among global organizations produce conflict across multiple levels of interaction (Stohl, 2001). Mechanisms reinforcing

organizational similarity are rooted in the increased competitiveness of the global market and the institutional mechanisms related to legitimacy (coercive mechanisms), modeling behavior (mimetic mechanisms), and the increasing professionalism and standardization of professional norms (normative mechanisms).

An example of convergence and its relation to workplace conflict can be seen at the end of 2000, as East Asian countries (South Korea, Malaysia, Thailand, and Indonesia) were facing the financial crises that had affected business worldwide. Prior to this, organizations within each of these countries were independent centers for international investors doing things their own way. The crisis brought about local conflict and change (e.g., leadership transition in Indonesia and beginning liberalization of Malaysian economic policies) and created new organizing processes that brought several countries together in closer interactions in which pressures for conformity and adherence to institutional norms were manifest. ASEAN countries (Association of South East Asian Nation), China, Japan, South Korea, India, Australia, New Zealand, and the United States jointly formed the APEC (Asia-Pacific Economic Cooperation) to facilitate business in the Asia-Pacific region through the institutionalization of organizational norms and activities. Not only were many of the business practices of countries such as Malaysia being forced to change to conform to Western ways of doing business, but also the basic clash between Western-based conceptions of liberal economic regionalism and the East Asian value of mercantilism created conflicts that resulted in a new form of East Asian identity, making future cooperation far more difficult (Yu, 2003).

Mechanisms of convergence also create conflicts in the ever-increasing number of corporate/nongovernmental collaborations. Nongovernmental organizations (NGOs) are nonprofit entities that address social challenges

through advocacy, education, resource allocation, and/or direct services and include groups like Amnesty International and Greenpeace. In studies of cross-sector collaborations in the United Kingdom, Canada, Europe, and Asia, scholars have found that conflicts over values, missions, strategic goals, and governance structures are common (Yaziji & Doh, 2009). In June 2003, John Elkington, chair of SustainAbility, and one of the authors of a United Nation (UN) report that predicted a huge rise in the numbers of NGOs collaborating with business to bring about positive societal change (Elkington, 2003) alluded to the potential organizational conflicts that may arise when NGOs are forced to conform to global standards.

The good news for NGOs is that they are emerging as vital ingredients in the health and vitality of markets . . . They are also highly trusted, far more so than business or governments. The bad news is that unless they recognise and address growing financial, competitive and accountability pressures, their impact will be significantly reduced . . . and conflict increased. (Mertus, 2008, p. 205)

Across disciplines, conflict and contradiction are well documented in institutional change efforts (Seo & Creed, 2002). When organizations first begin to transform themselves from hierarchical top-down structures to less hierarchical, and emergent networks adjust to the volatile global environment, cultural norms regarding channels of communication, unity of command, power dynamics, information sharing, and so on are challenged. Such organizational transformations create conflicts at the interpersonal, group, and organizational levels (Lewis, 2011).

The Paradox of Global Identity

Emerging global consciousness simultaneously gives rise to a strong sense of individual identity Conflict, survival, and effectiveness

associated with globalization are not rooted solely in pressures for conformity and convergence. They are simultaneously grounded in the struggle to maintain identity. As the head of Toyota suggested more than 25 years ago, “Management is the same 95% of the time—it is the other 5% that makes a difference” (Takeo Fujisawa, cited in Adler, Doktor & Redding, 1986, p. 295). The simultaneous push of isomorphism and the pull of cultural/national create enormous paradoxical tensions. As information, capital and goods are transferred electronically around the world, and people are transported great distances with incredible speed, traditional national boundaries mean less and less, but awareness of and sensitivity to national differentiation becomes more and more important.

In summary, studying conflict in the global workplace demands that scholars and practitioners pay special attention to the economic, political, and sociocultural context in which interaction takes place. While there are myriad avenues from which to study conflict in the global workplace, we cast special attention on two domains—teams and joint ventures. The next section explores the underlying cultural dynamics of transnational teams leading to a discussion of two major theoretical frameworks commonly used to understand intercultural conflicts. This is followed by a discussion of strategies for making the conflict productive.

UNDERSTANDING

CONFLICT IN TRANSNATIONAL TEAMS

Teams, our first domain of analysis, are being utilized in global commerce at unprecedented levels to address demands created by rapid change. New organizational and operational paradigms are emerging, whereby companies use skilled, globally dispersed groups to develop products in a collaborative manner. Teams are integral to organizational

strategies to be flatter and more responsive through reliance on emergent connectivity rather than on hierarchically structured network linkages. Moreover, their increasing number is concomitant with the emergence of new media cutting the costs associated with coordination, information processing, and synchronous as well as asynchronous interaction across time and space (Marquardt & Horvath, 2001).

Given their prevalence and importance, it is not surprising that multicultural transnational teams, whether colocated, distributed, or virtual, have been the focus of a great deal of research (Gibson & McDaniel, 2010). And the picture is not all rosy. Cultural diversity has been found to increase oppositional processes and raise barriers to unifying processes, creating a “process loss” of increased conflict (Stahl, Maznevski, Voigt, & Jonsen, 2010). At the *microlevel* of analysis, transnational teams are often at the epicenter of a storm of personality clashes, frustrations between team members, linguistic inequities, decision making dissimilarities, unanticipated obstacles, and managerial dilemmas. Conflict stems from (a) a lack of awareness of important cultural differences, (b) stereotypic views of the other, (c) and the inability/unwillingness of team members to acknowledge, respect, or develop strategies for working with difference. These issues are often exacerbated by the larger context in which inequalities related to opportunities, reward systems, and normative expectations are rampant.

Interrole Conflict

A traditional area of organizational conflict research focuses on the competing demands and expectations that a person experiences when trying to fulfill different roles. Interrole conflict is negatively associated with several critical dimensions of employee experience such as satisfaction and stress (Broome, DeTurk, Kristjansdottir, Kanata, & Ganesan, 2002). Interrole conflict may arise, for example, when there are

competing cultural definitions of what it means to be a “good” team player, different values or ways of approaching ethical decision making, and different norms and national laws regarding what represents appropriate sexual behavior or what comprises a hostile work team.

The description of a festering conflict between Japanese nationals and the multicultural American members of a San Francisco-based Nomizu sake-making team highlights the many types of cultural differences that simultaneously emerge in multinational teams.

The Americans had no cultural or artistic connection to sake making and saw their job as a basic nine to five commitment of wage labor. They were characterized by their sense of individual identity, equal sense of status, informal style and direct assertiveness. In comparison, the Japanese nationals were characterized by a sense of group identity, respect for hierarchical status, formal style and indirect expression. Consequently, the American portion of the workforce, though initially intrigued by the novelty of Kawate’s management techniques, soon grew tired of having to work past five o’clock p.m. to meet daily production quotas, as did their Japanese counterparts. (Morgan, 1989, p. 311)

After serious work, disruption and the inability to bridge the basic differences in team members’ ideas of what “work” meant, management decided “it was much more cost effective for the company to allow the Japanese to work overtime until production quotas were met and let the Americans go home at five o’clock as they wished” (p. 313). In this case, the cultural gap remained, and the conflict cycles continued.

Work–Family Tensions

Another type of conflict often magnified in the global team context is work–family conflict. Work–family conflicts arise when the expectations for doing one’s job well clash with expectations of one’s family (Bellavia & Frone,

2005). National differences in legislation (e.g., the length of the work week, child labor laws, holidays, and overtime) often reflect society's values and set up different expectations for what is reasonable to expect of a team member. In the Corning Vitro merger, for example, differential expectations regarding attendance at evening meetings and taking family days after holidays caused several conflicts between American and Mexican team members.

Linguistic Issues

Team conflict in global settings may also develop and be exacerbated by linguistic, interpretive, and semantic distances among participants from different countries. In the United States, for example, there have been a number of court cases that have addressed language issues in the workplace. A recent case before the California courts addresses Filipino nurses' right to speak Tagalog to one another during breaks and to patients who are from the Philippines (Chavez, 2010). The hospital had initiated a no-exception English Only policy in the workplace, and those members of the health team (doctors and nurses) who only spoke English were accused of continually stopping Filipino nurses from speaking to one another and thereby creating a hostile work climate.

In all types of work groups, it is common for team members from a dominant group to report that they feel threatened, distrustful, and suspicious when other members speak to one in a language other than the dominant one (Samovar, Porter, & McDaniel, 2009). Nonnative speakers of the dominant language, on the other hand, often perceive that their voices are not counted, and they are not seen as adding sufficient value to the transnational team. And although virtual teams may mitigate these issues somewhat since traditional mediated communication sometimes reduces the extent to which team members' cultures are salient in an interaction (Short, Williams,

& Christie, 1976), the relational dynamism of new social media may further increase the challenges to teams operating across national borders (Kanter, 2003).

Interpretive Differences

But even when translation and language differences are normative and accepted, interpretive differences may cause conflict in groups. For example, in the 1990s under the agreed on "social contract" of the European Union, workplace conflict erupted as German workers saw the contract as a mandate for workplace participation while Spanish government interpreted it as a call for ending the minimum wage. Using semantic network analysis, Stohl (1993) found that although all the European managers in her study agreed that participation was a critical part of organizing, there were significant differences across regions. Meanings of participation ranged from legalistic, society-wide structures such as German codetermination to locating participation in the reorganization of work systems at the ground level. When multinational companies try to implement participation programs and work teams, cultural semantic incompatibility often produces conflicts between management and workers as some expect to actually have a greater say in workplace routines and decisions, whereas others are only interested in efficiency and effectiveness (Stohl & Cheney, 2001).

Employees in different national cultures may also view teamwork via different *metaphors* (e.g., sports, family, war, etc.), which can lead to divergent expectations of team roles, objectives, and membership (Stohl, 2005). For example, if Ecuadorean members of a multicultural workgroup view a project team in terms of a familial metaphor, relational concerns may well be prominent. On the other hand, American team members may be focused on the battle to "beat the competition at all costs." What constitutes a "successful

work group” can also differ culturally. In some cultures and/or situations, success may be partially (or even largely) gauged by the degree to which a team task can be achieved while best preserving existing relational networks; while in others, conflict (and perhaps the diminishing of a relationship) is a minor price to pay for a desired team outcome.

Interpretive differences may also be rooted in professional culture. In a study of a global software development team, Damian and Zowghi (2003) report that overt conflicts emerged when the engineers on the team (mostly Australians) said they needed to know why a particular strategy was suggested for the project. As professionals (occupational culture) and members of a low power distance culture (national culture, Australia), they felt this was their right, and that they should be able to voice their opinions and give their own assessment of the strategy. However, the American (national culture) managers (professional culture) (whose PDI score was only slightly higher on Hofstede’s power distance scale) saw the situation differently and did not see any need to involve the engineers in the initial decision making for the team. In their view, the engineers should only participate in determining the requirements of the technology and have no say in more strategic decisions. The conflict arose here not because there were necessarily large differences in power distance among the groups’ members but rather because there were differences in the assessment of what was appropriate in a particular context.

Identity Issues

Given the complexity of these types of global interactions, it is not surprising that conflict and negative outcomes often seem inevitable in transnational teams. Shapiro, Furst, Spreitzer, and Von Glinow (2002) even argue that the inherent nature of transnational teams puts performance-effectiveness at risk. The authors theorize that members of these

groups may be at risk for engaging in effort-withholding behaviors because of the difficulty of establishing a salient team identity in the wake of the members’ national/cultural value diversity, global dispersion, and general tendency to not see each other.

The inability for transnational teams to develop a *salient team identity* is complicated by the fact that so many groups are distributed (members are in various locations throughout the world where only some of the group may interact face-to-face) or virtual (where no one shares a location). While colocated teams may build trust through formal and informal face-to-face interactions, distance is an impediment to building trusting relationships (Kanter, 2003). To address these complexities, several theories have been utilized to help scholars and practitioners better understand and manage team conflict.

Explanatory Paradigms

A variety of mechanisms are associated with multicultural conflict. Transnational teams may be plagued by *in-group biases* (Salk & Brannen, 2000) and high levels of *ethnocentrism* (Makilouko, 2004). We will look at two of the most common explanatory mechanisms (e.g., social identity theory and similarity attraction theory [SAT]).

Social Identity Theory. Given that national culture identification is one of the most common social categories to which people identify (Earley & Mosakowski, 2000), in-group and out-group social categorization can be swift and long-lasting in transnational teams. Social identity theory (Tajfel & Turner, 1986) posits that the existence of diverse groups can lead to “us versus them” comparisons along group lines. Individuals often focus on differences rather than similarities, mistrust the other, and develop a bias in favor of one’s own group (McCann & Giles, 2006; McCann & Giles, 2007).

These differences are particularly salient in organizations, where negative stereotypical evaluations are frequently cited as an outgrowth of intergroup comparisons (Ashforth & Mael, 1989). Firms need to be sensitive to the potential that embedded cultural perceptions may have a destructive influence on team performance (Canney Davison & Ekelund, 2004).

To illustrate this point, consider the example of a Thai subsidiary of a well-known Japanese manufacturing company operating in Thailand in the mid-1990s. The Japanese management team was widely known to hold (and openly express) their strong preconceived negative attitudes about the abilities and behavior of the local staff (e.g., Thai staff as having minimal ability to solve problems, etc.). When a major, new account was landed in the firm, there was great excitement among the local staff about new opportunities that could emerge. However, when transnational teams were formed and role allocation decided, minimal responsibility was allocated to the local (Thai) members of the team. Tensions and dissatisfactions were heightened. Such culturally bound stereotypic tensions are mirrored in a study by Sriussadaporn (2006), who found that Thai local employees felt that

expatriates tended to stereotype all Thais as being lazy, to underestimate local staff's work ability, and to act as though they knew everything even through the fact that they had been in Thailand for only a short period of time. (p. 333)

Thais commented that "expatriates tended to be bossy and sometimes jumped to conclusions without thinking about the local cultural and environmental differences" (p. 336). Without question, in the scenario above, the cultural stereotypes of the Thai workforce permeated Japanese managerial decisions in this firm, and the "us versus them" categorization that social identity theory describes was salient.

Similarity Attraction Theory. A second theory with implications for conflict at the team level is SAT. According to SAT, people like and are attracted to others who are similar (rather than dissimilar) to themselves in terms of values, beliefs, and attitudes (Baskett, 1973). As the composition of a group varies in terms of age, gender, ethnicity, education, culture, and a variety of other demographic variables, perceptions of similarity and difference become more and more salient, influencing interpersonal and organizational processes and outcomes including communication, cooperation, performance, and conflict (Smith, 1998).

An example taken from a large beverage company in Thailand that employed significant numbers of (a) in-country educated local staff and management, (b) internationally educated local staff and management (e.g., Thais educated in Australia, the United Kingdom, or the United States), and (c) expatriate management (often Americans or Britons posted to Thailand) helps us see how the attraction/similarity mechanism works and may mediate national identity. In the above beverage company, if one looks only at the national cultural variables associated with each group of workers, there would be little reason to suspect greater "cultural" conflict among the two Thai groups as compared with the expatriate managers. But as one of this chapter's authors experienced when working in Thailand, it was not uncommon in multicultural team meetings for internationally educated local staff and managers (many of whom spoke imperfect Thai) to conflict with locally educated/raised employees over issues such as decision-making styles and speed of project implementation while interaction between the (at some level "more similar") internationally educated local staff and management and the expatriate employees often went quite smoothly. It seems that perceived similarity based on training and education superseded many of the national cultural differences that existed between the groups.

Making Conflict Productive

Given these theoretical frameworks and empirical examples, how can organizations enhance the likelihood that diverse teams can experience “process gains including increased creativity, a productive blend of local and global know-how, the ability to make high stakes decisions under considerable uncertainty, and the capacity to create a richer range of options?” (McGrath, 1984). How do teams facilitate the long-term gains associated with effective conflict management, including cultural awareness, respect, and synergy?

Research suggests that these process gains happen not when there isn’t any conflict but rather when it is constructive. In constructive conflict, team members develop a better awareness of themselves and others, learn about what differences make a difference between and among cultures and nation-states, and how often similar things are expressed differently (Behfar, Peterson, Mannix, & Trochim,

2008). In such cases, cultural differences are brought to the surface without rancor.

Productive conflicts enable team members to learn about, learn from, and most important learn with others from other cultures. Constructive conflict can develop more positive working relationships. When people accomplish something together, tensions are reduced and future interactions are positively anticipated. Morale is improved, satisfaction is increased, and productivity may improve based on greater motivation and knowledge about the other. Table 27.2 shows both the positive and negative effects.

STRATEGIES FOR DEALING WITH CONFLICT IN TRANSNATIONAL TEAMS

Addressing the many types of global tensions presented in this chapter, Brett, Behfar, and Kern (2006) identify four distinct types of *intervention strategies*. These strategies

Table 27.2 Potential Outcomes of Conflict

<i>Positive</i>	<i>Negative</i>
Generation of new ideas	Diverts energy
Stimulate creativity	Waste resources
Motivate change	Threatens psychological well-being
Promote vitality	Creates negative climate that transcends issue at hand
Help group establish its own identity in relation to out-groups	Breaks down cohesion
Serves as safety valve for or by identifying underlying problems and unspoken conflict	Destroys group identity and reinforces cliques
Cooperative behavior	Magnifies differences
Trust	Increases hostility
Efficacy	Increases domination and reinforces marginalization
Promote cultural/global awareness and sensitivity	Reinforce stereotypes
Develop cultural competence	Engender resentment and isolation
Transcend historical fissures	Reproduce historical tensions
New structures of equality	Reproduce perceptions of injustice

include (1) adaption, (2) structural intervention, (3) managerial intervention, and (4) exit. *Adaption* is the least disruptive approach, where members make adjustments to accommodate one another. These types of interventions typically include developmental training in which intercultural competences are addressed (Gudykunst, 2003). More intrusive *structural interventions* tend to change the shape and boundaries of the team, while *managerial interventions* include norm development and personal engagement to address norm violations. Finally, with “exit,” a team member(s) is/are literally removed from the group. Brett et al. (2006) argue that emotional issues may best be alleviated by structural intervention (i.e., a deliberate reorganization or reassignment to reduce friction), while violations of hierarchy that have resulted in loss of face might or feelings of threat optimally be solved by managerial intervention (i.e., bringing in a higher level manager). *Exit* (i.e., removing a team member when all other options have failed) would be an extreme (and last choice) strategy to initiate.

The locus of conflict clearly influences which strategies are most effective. When conflict arises from communication differences, *adaption* (i.e., acknowledging and accommodating difference) is a preferred strategy to overcome differences. Team members may try to collaborate more, make verbal and/or non-verbal modifications to their communication (e.g., talk slower), and accommodate to others' needs. If conflict results from differences in time orientation (e.g., polychronic members are perpetually late, and hence are perceived by others as lazy or uncaring; monochronic members are on time, and hence are perceived as being “compulsively on time”), accommodation to these differences is possible. For example, meetings may officially begin at 9:00 a.m. in the morning with coffee or tea, but the expectation is set that business begins promptly half an hour later, at 9:30 a.m.

Being able to suspend judgment and use one's senses to register all the ways that the team personalities are different from those in one's home culture (yet are also similar to one another) can also be an important component of adapting and mitigating multicultural team conflict (Earley & Mosakowski, 2004). This heightened sense of adaptation represents a crucial component of *cultural intelligence* (CI). Team members (or managers) with high CI are able to understand how to encounter new cultural situations and judge what goes on in them. They can thus make appropriate adjustments to understand and behave effectively, and potentially can lead teams to constructive (vs. destructive) conflict (Earley & Ang, 2003). Developing a *global mind-set* represents another way to approach leadership and teamwork in a more culturally sensitive manner. Exploratory and confirmatory factor analyses indicate three components to the global mind-set: (1) intellectual capital, (2) social capital, and (3) psychological capital (Javidan & Teagarden, 2011).

In the case when clear subgroups within the team are supported by negative stereotypes that dominate the interaction, Brett and her colleagues (2006) recommend a *structural intervention*, perhaps a deliberate reorganization that removes the source of conflict that overly disrupts or misdirects the interaction. This is especially common when conflict arises from status differences. However, when the conflict is associated with high levels of negative emotion, *managerial intervention* is often needed. Finally, when the problems become intractable either for personal or structural reasons and too much has been lost, *exit* may be the only appropriate response. In this case, face or ego may have been irreparably damaged (e.g., a manager was publicly and especially harshly criticized in front of the team), and exit was the only means available to salvage the situation.

Successful managers report using all four strategies to manage conflict, though there is general agreement that adaption is more likely to have long-term as well as short-term payoffs. Choosing appropriate strategies for addressing conflict, however, is further complicated by differences in procedural preferences and perceptions of *justice* in the workplace (Triandis, Bontempo, Villareal, Asai, & Lucca, 1988).

Research indicates that high power distance participants display a greater preference for court and mediation procedures than low power distance participants (Sivasubramaniam & Goodman-Delahunty, 2008). For many in Asian cultures, justice is achieved via compromise as opposed to some of the more adversarial procedures frequently reported in the West (Gulliver, 1979). Chinese participants prefer mediation more than American participants (Leung, 1987), the same difference is found when Japanese are compared with Spanish, Dutch, and Canadian employees (French & Weis, 2000).

Workers in low power distance countries also rely on and prefer their own training and experiences to resolve a work group conflict to intervention by a supervisor (Smith, Dugan, Peterson, & Leung, 1998), while Chinese executives are more likely than Canadian executives to consult their superiors when facing a conflict situation (Tse, Francis, & Walls, 1994). These different cultural preferences are clearly important when choosing the appropriate intervention at the team level, but as we shall see in the next section, preferential differences in procedural and operational justice also have important implications as conflict moves to the macro-interorganizational level.

UNDERSTANDING CONFLICT IN GLOBAL ALLIANCES AND JOINT VENTURES

Our second focal domain of global organizing, international collaborations, has burgeoned in

the past 20 years. International organizational alliances have become an essential part of corporate growth and strategy. Cross-national alliances expand geographical market participation, facilitate resource sharing, create economies of scale, enable responsiveness, reduce a wide variety of risks, and create opportunities for companies and staff to access and learn new skills and technologies. Despite this, joint ventures can entail serious competitive risks and managerial obstacles as companies attempt to incorporate cooperative rather than conflictual relationships (Park & Ungson, 2001). Statistics regarding the numbers of cross-national alliances that ultimately attain smooth integration and collaboration are varied, but researchers suggest that between 50% to 80% of mergers fail in some way, often due to cultural conflicts at the interpersonal, group, organizational, and interorganizational levels (Bleeke & Ernst, 1995; Inkpen & Ross, 2001). A McKinsey study of 150 large-scale companies in the United States, Europe, and Japan found that the median life span for international joint ventures (IJV) is generally 7 years, and it is only 5 years in developing nations (Meschi & Riccio, 2008). In more than 80% of the cases, one partner ends up selling its share to the other (Bleeke & Ernst, 1995). In the case of collaborations between MNCs and NGOs, the statistics are just as daunting. Brugmann and Prahalad (2007) identify several points of potential conflict in these partnerships ranging from differing attitudes toward deregulation, divergent definitions of social responsibility, and alternative views of accountability metrics.

Overall, joint ventures often become enmeshed in both structural and relational conflict. Empirical studies identify operational complexities associated with organizational and national cultural differences and differential perceptions based on the level of economic development to be two of the most powerful drivers of conflict (Babiak

& Thibault, 2008; Provan, Veazie, Staten, & Teufel-Shone, 2004).

Operational Complexity

Scholars advise foreign firms to seek local partners to reduce their “*liability of foreignness*”—their risk of misstep, or even government expropriation, due to unfamiliarity with local institutions (Henisz, 2000). Yet conflict in IJVs is rooted in the very complexity and uncertainty of the entire enterprise. Divergent goals, operational methods, styles of governance, and organizational climates are reflected at both the micro- and macrolevels of interaction (Hyder & Ghauri, 2000).

For Daimler and Chrysler, whose “cross-cultural marriage” ended in 2007, the Chicago Tribune reported that “there are those who say the merger, which faced significant cultural differences, was doomed from the start.” Dave Healy, analyst with Burnham Securities suggests, “You had two companies from different countries with different languages and different styles come together yet there were no synergies. It was simply an exercise in empire-building” (Mateja, 2007, n.p.).

Level of Economic Development

Often the most salient mechanisms of conflict are magnified in importance when the partners come from differing economically developed contexts. Not only do differences of value (e.g., perceptions and/or realities of the worth or value of the contribution made by the partners) change over time, but the types of perceptions depend on level of national economic development. Tensions may arise from differential technology utilization and purchasing (e.g., the joint venture least developed country (LDC) partner may be obliged to purchase all or a very significant part of its technology from the MNC). Other points of conflict reflect export rights (e.g., MNCs may not want the joint venture partner to export

into their own markets, whereas these rights may be the main reason for LDC partner to enter into the joint venture), tax issues (e.g., MNCs may attempt to show less profit in the joint venture if taxes in the home/domestic country are high), investment policies (e.g., MNCs may wish to reinvest in the joint venture itself), and ownership and control problems (e.g., initial contract may involve sourcing from the MNC partner) (for more detail, see Chowdhury & Chowdhury, 2001).

The pervasiveness of these features can help explain why global interorganizational partnerships are fraught with difficulty and potential conflict (Mehta, Anderson, Dubinsky, Polska, & Mazur, 2010). Just as several researchers say it is in the nature of multicultural teams for conflict to arise, Schoenberg, Denuelle, and Norburn (1995) go so far as to say that in cross-national partnerships, “the potential for conflict may well be *inherent*” (p. 8).

Explanatory Paradigms

If we examine conflict through the lens of Fey and Beamish’s (1999) definition of global joint venture conflict, “where the actions of one partner prevent or compel some outcome against the resistance of another partner” (p. 100), it is hard to imagine a long-lasting successful global alliance where partners are continuously engaged in a cycle of conflict episodes across different dimensions (Anderson, 1990). Consider the results of a study of 25 American joint ventures in Japan. Partner conflicts were attributed to differences between Japanese and Canadian cultures and were manifest in differing management styles and approaches to management issues (e.g., decision-making styles [individual vs. group consensus], views on of contracts [working document vs. symbolic understanding], sales methods (short-term vs. long-term), and personnel policies (short-term vs. lifetime employment; Wright, 1979). A 1993 KLM (Koninklijke Luchtvaart Maatschappij) and Northwest Airlines alliance

(see Tully, 1996) also illustrates the cumulative and cascading nature of conflict in joint ventures. Despite the then profitable nature of the alliance, the personal chemistry and cultural differences among the top-level Dutch and American executives were poor and plagued with conflict. The President of KLM bluntly noted, “The European way of doing business is very different from the American way” (cited in Das & Kumar, 2009). According to Das and Kumar (2009), “There is, after all, no one objective reality; there are multiple realities with each reality being constructed from the standpoint of a particular alliance partner” (p. 155). No matter what theoretical framework one operates within, for example, resource dependency, institutional, population ecology, coevolutionary theory, and network theory, the quality of the alliance relationship (both at an organizational and interpersonal level) is an important mechanism that plays a profound role in the success (or lack thereof) of cross-national joint venture alliances (Geyskens, Steenkamp, & Kumar, 2006; Hardy, Phillips, & Lawrence, 2003).

Relational Orientation. Research confirms that there are downward spirals of joint ventures when relational conflict occurs within the organizational partnership (Buckley & Casson, 1998; Hambrick, Li, Xin, & Tsui, 2001). Incompatible management styles and approaches, differences in organizational culture of the partners, differences about roles in power sharing, task interdependence, or perceived inequality in distribution of costs and benefits (Chua & Kin-Man, 1993; Lewis, 1990; Wright, 1979) all contribute to a cycle of relational conflict that moves up and down the levels of interaction, each level mirroring the other.

Relationship building, therefore, is a primary mechanism for addressing interorganizational conflict. Extended relationships and partner cooperation have been found to diffuse conflict and induce further cooperation

over time (Ring & Van de Ven, 1994) and mutual exchange between alliance partners improved performance (Luo & Park, 2004). Joint ventures’ performance and trust were also improved by a “relationship orientation” between manufacturers and foreign distributors (Zhang, Cavusgil, & Roath, 2003).

Affective interpersonal relationships orient competitors to manage their interpersonal conflicts cooperatively. For example, Wong and Tjosvold (2010) found that positive relationships between key stakeholders in competing Chinese firms led to mutually beneficial interaction and a sense that major goals were in synchrony. Managers with positive personal connections were found to avoid discussing their various conflicts in a competitive, win-lose manner. Low level “competitive” conflict predicted effective partnerships. On the other hand, distant low quality relationships meant the companies were more competitive in their approach to managing conflict and thereby collaborated ineffectively, and conflicts were more difficult to resolve, if at all.

Trust. The development of *trust* between global partners (Ariño & Torre, 1996) is often cited as primary relational mechanism improving IJV performance (e.g., Gabarro, 1978; Ring & van de Ven, 1994). Research, for example, details the role of trust in importer-supplier relationships, where suppliers may be hesitant to depend on each other without a reciprocated trust and commitment in their relationship (e.g., Li, 2003). Trust is “when one party has confidence in an exchange partner’s reliability and integrity” (Morgan & Hunt, 1994, p. 23), and commitment is “the extent to which a firm is dedicated to a close and enduring relationship with its channel member, is of extreme importance in the relational exchange paradigm” (Kim & Oh, 2002, p. 72). Trusting relationships are a vital component for mitigating inevitable conflicts especially when the partners represent different levels of economic

development (Lui & Ngo, 2004; Nguyen, Weinstein, & Meyer, 2005).

Cooperation. A central concept in the study of conflict in transnational alliances is that of partner cooperation. In cooperative arrangements, partners attempt to strive for a collective outcome that exceeds the sum of each of the participants' opportunity costs. Finding an appropriate balance between individual motives and cooperation is paramount to serving the collective interest. As Luo and Park (2004) note,

The joint venture is an intermediate form of governance designed to mitigate the hazards in market and hierarchy, but it is subject to other hazards attributable to both ends of that governance—that is, partner conflicts and managerial complexities. (p. 143)

Indeed, incentives to cheat and pursue one's own group or individual (vs. the partnership's) goals is always a possibility as alliance partners walk the delicate tightrope between individual contributions and collective benefit in a competitive market (Spekman, Kamauff, & Myhr, 1998). Cooperation in the face of self-interest and competitive uncertainty remains difficult, and possible conflict lurks around every corner (Park & Ungson, 2001); but without cooperation, mutual forbearance and structural adjustments become less appealing to the partners (Luo & Park, 2004).

STRATEGIES FOR DEALING WITH CONFLICT

As we look at joint ventures and ways to mitigate conflict, transparency, trust, and truthfulness among alliance partners are central factors (Das & Teng, 1998). The opportunity and mechanisms for learning about and from each other are also critical aspects of conflict management. When a firm increases its operational connection and embeddedness with its

partners, suppliers, and distributors abroad, conflict can be minimized through openness and access to information about each other's resources (Hyder & Ghauri, 2000). Enhanced knowledge about each firm's competencies and desires brings opportunities to develop new understandings (Tsang, 1998).

Guttman's (2007) strategies for addressing conflict focus on three core areas of the partnership that require common agreement and macroalignment. These are (1) aligning strategic and operational goals, (2) aligning roles and responsibilities, and (3) aligning around decision-making protocols. Without question, disagreement around corporate strategy (i.e., an organization's definition of its future) is at the heart of a multitude of cross-border organizational conflict. Differences in views about timelines, product lines, territory, and growth targets, to name a few, can undercut even the most culturally sensitive teams and organizations.

To alleviate these concerns, Guttman (2007; who interviewed groups from numerous *Fortune* 100 companies) suggests that new ventures first and foremost ensure that their global group is fully aligned with the company strategy and are clear about what implications that strategy will have on operations. Second, Guttman argues that the proper alignment of roles and responsibilities is a key factor in avoiding conflict. Representatives from a global parent and regional partner often conflict when decision-making roles overlap in areas such as decisions regarding time investment and product development. Finally, Guttman views decision-making type (i.e., decisions made unilaterally, consultatively, or by consensus) as a core issue that organizations must resolve to mitigate conflict. Unilateral decisions are made by one person with no input from others, consultative decisions are made by one person after getting input from the fewest number of players to add value, and in consensus style decisions,

everyone has input and everyone must agree to live with the decision. In weighing choices of decision-making styles for global ventures, one goal is to ensure shared clarity over which mode applies to a specific decision. Without this shared clarity, confusion and possibly destructive conflict may occur. Broadly speaking, the alignment features that Guttman discusses are grounded in the overarching strategies and mission of the larger organizational venture. Moreover, both microlevel and macrolevel conflict management strategies must work in tandem if the global joint venture is to be successful.

CONCLUSION

Meeting the demands of globalization requires cooperation and new forms of partnerships from organizations and teams of employees across several sectors of society and different cultural groups. But as our review has indicated, meeting these challenges is very difficult. Most organizations and teams are not able to only choose collaborators whose relations and cultures are closely aligned. Participants in the global workplace operate in environments comprising others unlike themselves. But it is not enough to simply be aware of cultural differences in isolation of the larger context. A major conclusion of this review is that it is impossible to address conflict in the global workplace without taking into account the dynamic interplay between internal, structural, and the socio/political/economic external environments.

The responsibility for managing conflict lies with every member of the organization. Whether someone is in a senior management position, a new employee, or an experienced supervisor, organizational communication at both the microlevel of teams and the macrolevel of organizational strategy constitutes the organizing structures that are the building

blocks of global organizations. It is important that partners develop a set of shared principles and work platforms that transcend cultural differences. Globalizing an organization while localizing the experience, fostering a common universal culture but also respecting individual differences, and seeking inclusion and diversity while finding points of similarity are the challenges of the global workplace. The processes of globalization are too complex, too intertwined, and too wide-ranging to manage the inevitable conflicts via isolated, independent acts. Both researchers and practitioners, alike, need to continue to develop rich theoretical formulations, new research tools, and larger knowledge bases in order to understand better the global processes in which communication plays such a pivotal role (Monge, 1998). Overall, globalization *creates a work context in which social identities, normative expectations, and societal institutions must continually be negotiated as they can no longer remain spatially or communicatively distinct.*

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