

MANAGING CHANGE IN ORGANISATIONAL ENVIRONMENT

By

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Submitted in fulfilment of the requirements for the Degree of Magister
Philosophiae at the Nelson Mandela Metropolitan University

April 2016

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DECLARATION

I, Elena Markova (student number - 213521121), hereby declare that the treatise for the Degree of Magister Philosophiae is my own work and that it has not previously been submitted for assessment or completion of any postgraduate qualification to another University or for another qualification.

A handwritten signature in black ink, appearing to read 'E. Markova', is written over a horizontal dotted line. The signature is contained within a rectangular box.

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DEDICATION

For my loving and supporting parents, Irina and Sergey.

ACKNOWLEDGEMENTS

First and foremost, I would like to extend appreciation to my supervisor, Professor Lyn Snodgrass, for her valuable advice and guidance and especially for her patience and encouragement that helped me to move steadily forward.

My thanks also go to the following:

To my dear colleagues and friends who supported me throughout the whole two years of my studies, participated in this research and shared with me their experience and insights.

To my boss, Anton, who believed in my goals and tolerated my long periods of absence from work. His patience and understanding is hard to overestimate. I hope that the results of this research can make its modest contribution to the further development and improvement of our common work environment.

To my dearest South African friend, Hazel, for her assistance and constant moral support. She and her wonderful family truly became my second family in South Africa.

To my wise friend Amir, who helped me through the tough times and never let me lose faith in myself and my goals.

To my friends and parents back in Russia and all around the world, cheering me on and tolerating my limited availability. I cherish their unwavering support and persistent encouragement.

ABSTRACT

Twentieth century has set an unprecedented pace of change which seems to be ever increasing. The changes are transforming every sphere of social life including business and organisational life. Globalisation has made organisational structures flatter but wider in reach. Advancements in information and communication technologies have made teams larger through vast and powerful information networks. These forces are triggering the reshaping and restructuring of every major industry worldwide nowadays.

The main research aim of this study is to explore how organisational conflict is affected by change (and vice versa) in order to work out a set of recommendations which shall take form of practical intervention strategies for the improvement of organizational effectiveness by mitigating the dysfunctions of a conflict and adjusting employees' styles of handling interpersonal and intergroup conflict.

Workplace conflict is an everyday reality. It is an inevitable result of human interaction in a competitive environment of the workplace. So, according to this assumption, conflict is not something vicious and destructive, but an intrinsic part of human interaction. Then, the conflict is not a problem in itself, the way it is managed is what defines whether the conflict is destructive or not.

Keywords: organisational conflict, workplace conflict, teamwork, change management, team effectiveness, leadership

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CHAPTER ONE

INTRODUCTION

*”To improve is to change,
so to be perfect is to have changed often”*

Winston Churchill

(in James, R.R., 1922-1928:3706)

1.1 BACKGROUND OF THE RESEARCH

Human society is a dynamic system which is constantly in motion. However, the pace of the motion may vary from decade to decade, century to century. Twentieth century has set an unprecedented pace of change which seems to be ever increasing. The changes are transforming every sphere of social life including business and organisational life. Globalisation has made organisational structures flatter but wider in reach. Advancements in communication and information technologies have made teams larger through vast and powerful information networks. These forces are triggering the reshaping and restructuring of every major industry worldwide nowadays. For example, Thomas Malone (2003:9) over a decade ago predicted an unstoppable “snowballing” character of major changes in the business world triggered by technological development:

“low-cost jet travel and air transport, packetised freight shipping, cheap long-distance phone service, overnight package delivery, the fax machine and, most importantly, the PC and internet made it easier and cheaper to move goods, people and information. New IT tools are constantly enabling new ways for companies to compete, and the notched up-competitive environment creates the pressure that pushes.”

Marshall Goldsmith (2002:14) supports Malone’s argument by saying:

“Technology has forever changed the way that companies manufacture, market, sell, and ship products and/or services. Technology has also changed the way people manage and work in organizations. People are using technology to communicate, gather information, collaborate with team members, manage personal time and productivity, and learn.”

The speed of change challenges organisations to find new and more effective ways of functioning. The way they cope with these challenges determines how successful they are in comparison to their numerous competitors or whether they survive at all. Maddi and Khoshaba (2005:8) claim that nowadays competition for clients and resources is getting more and more cutthroat across all industries; companies are forced to try all sorts of changes in order to keep up with their competitors, “to adjust and stay ahead of the pack, companies reorganise, upsize or downsize, centralise or decentralise, outsource, diversify or merge” (id., 2005:8-9). These reorganisations, using Maddi and Khoshaba’s (2005:9) words, “open a Pandora’s box of employee problems” including constant stress and fear of layoffs, additional workload, new younger colleagues/competitors, wage freezes or cuts, revised benefit plans et cetera. All these issues under certain conditions can become the underlying causes of interpersonal and intergroup conflicts inside the organisation.

Another challenge of globalisation is the growing level of workplace diversity. Hardly anyone will agree that cultural diversity in itself is a positive thing, but badly managed diversity is dangerous because it leads to the clashes between cultures, or cultural conflicts. If one stops and thinks about his/her everyday life, neighbourhood, workplace, or places where he/she spends his/her free time, it is hard to ignore the fact that relatively few people nowadays live surrounded by neighbours/friends/co-worker who are “the cultural replicas of themselves” (Barnlund, 2000:47). In the future the degree of internationalisation/cultural mixing will only increase. As the world is being transformed, the neighbours, fellow students and co-workers will be predominantly people whose lifestyles differ from each other's. As Barnlund describes (2000:48) it, “time and space have cushioned intercultural encounters, confining them to touristic exchanges, but this insulation is rapidly wearing thin and in the world of tomorrow we can expect to live shoulder to shoulder surrounded by people who seek different values and abide by different rules. Is it going to be easy?” Definitely not. The distinctive rules that govern different cultures and codes through which these cultures are expressed are far from obvious. And the ordinary people’s knowledge about these cultural codes and expressions is, on average, very basic or non-existent. Many scholars and practitioners in the field of sociology, conflict studies, communication and culture have confirmed that conflict management is directly impacted by cultural patterns. Personal

beliefs, perceptions, values, needs, and feelings are inseparable parts of any conflict. The way individuals address and resolve conflicts is influenced by the way they feel about themselves, how they relate to others, and how they value and view the world (Shapiro, 2004:9). Bercovitch and Foulkes (2012:41) allege that culture has been proven to influence each of the fundamental components of conflict management.

In light of the events that shook the world in 2015 it is appropriate to mention that labour relationship and organisational environment in the Western countries, and Europe in particular, will very soon experience the aftershocks of the drastic political and economic disruptions of the last years. A new spiral of violent conflicts in the Middle East caused unprecedented influx of refugees into most of the European countries which will inevitably affect the workforce landscape. The hundreds of thousands of refugees not only will eventually require training and new jobs but they are bringing along with them a whole new cultural background which has to be accepted and assimilated. This background is an imprint of their original cultures which are drastically different from the European.

Hence, organisational conflict on a bigger scale is an element in a "closed circuit" of social change. It is a product of both organisational changes and multiculturalism which in its turn are caused by the increasing competition for resources, globalisation of the markets and technologies and economic and political disruptions.

Figure 1.1 : Interconnection of change and conflict



As shown in a Figure 1.1, organisational conflict and change have a two-way relation. This assumption leads to another aspect of organisational conflict which is in the focus of this study. There is a considerable debate in the conflict literature regarding the functional or dysfunctional character of a conflict. Fisher and Ury (1981) suggest that handling conflict is a daily occurrence for all individuals. People differ, and because they do, they need to negotiate with others about their differences (id., 1981:xi–xii). So, workplace conflict is an everyday reality. It is an inevitable result of human interaction in the competitive environment of the workplace. So, according to this assumption, conflict is not something vicious and destructive, but an intrinsic part of human interaction. Then, a conflict is not a problem in itself, the way it is managed is what defines whether it is constructive or not.

As Bobinski (2006) puts it, “how conflict is addressed can either add to or take away from a company’s bottom line”. An unhealthy, unmanaged conflict turns into tension. Unmanaged conflict is perhaps one of the largest reducible costs in organisations today and probably the least recognised. Unspoken conflict, what Lencioni describes as tension, results in chronically unresolved conflicts. Dana identifies eight “hidden” costs of an unresolved conflict. Dana (2001) maintains:

“Not all cost factors are relevant to every conflict, but every conflict incurs cost by several of these means: wasted time, lower quality of decisions, loss of skilled employees, restructuring inefficiencies, sabotage/theft/damage, lower levels of motivation, absenteeism, health costs.”

But there is always another side of the coin. A wisely managed conflict can be beneficial for the organisation. Anstey (2006:3) claims that “all conflict is about change”, however conflict is also about the way one manages the change and, at the same time, healthy conflict itself might become the source and the engine of change and development.

1.2 RESEARCH MOTIVATION

The field of organisational theory is deeply permeated by conflict threads. Human interaction is a constant dichotomy between conflict and harmony. However, there are still many uncertainties and debates about the connection of conflict with other forms of social behaviour in organisations.

The researcher believes that a workplace conflict is an important and interesting social phenomenon with its distinct features which distinguish it from other types of social conflicts and also make it particularly difficult “to diagnose and to treat”. The first challenge of organisational conflict is the definition of it. What is conflict in an organisation? How to detect it? Workplace conflict is often latent and may stay unacknowledged by conflict parties and their co-workers for quite a long time. Therefore, the researcher believes that the formal definition of what constitutes “conflict” and its diverse forms shall be extended to the examination of conflict in the routine and mundane activities that comprise organisational life. Kolb and Putnam (1992:312) argue that workplace conflicts and their management “are embedded in the interactions among organization members as they go about their daily activities”. It often happens that conflict in a workplace is regarded as “inappropriate”, or “discreditable”. To paraphrase Bradshaw (2014:11), teamwork has become mandatory in any organization, there is a requirement to behave as a team player, therefore any kind of disagreement is not welcome. Thus, employees try to hide conflict, or “keep it under wraps”, so that often the workplace becomes “a minefield of hidden, suppressed or otherwise potential conflicts” (Bradshaw, 2014:11). This feature of workplace conflict bears a particular risk in itself since effective teamwork depends, among other things, on effective conflict management.

Another characteristic of a workplace conflict is that it tends to be protracted (partly due to its latency), contagious and resistant to intervention. On the one hand, it can be explained by a high interdependence of employees in an organisation (department/branch) which causes conflict to spread quickly and involve more and more parties. On the other hand, the most important reason, in the researcher’s opinion, is that often there are no skills for adequate conflict management and, what’s even worse, there is no awareness that such skills are

needed. An effective organisational conflict management systems should take into consideration the particularities of this type of conflict and deal with them at cultural, structural and procedural levels.

The researcher is convinced that the phenomenon of a workplace conflict requires more systematic and focused analysis because a sound model of conflict management could answer the question of how conflict energy could be harnessed and vectored to the purposes of organisational performance improvement.

The researcher admits that it would be deceptive to claim that there is a lack in current knowledge with regard to the stated research problem, however the goal of the present study is to investigate the current body knowledge further and deeper with intent to identify possible loopholes, gaps and/or inconsistencies and thereby formulate new approaches and models integrating the current knowledge with the new ideas and findings.

The choice of the research subject was motivated by the desire to disprove a common belief that workplace conflict is something to be avoided, feared of and/or fought against. This study was conceived to contribute to a changing view of conflict in an organizations. Conflict shall no longer be seen as solely dysfunctional process, it can be transformed into a healthy process, but one that needs to be managed and contained through negotiation, structural adaptation and other forms of intervention (Kolb and Putnam, 1992:311). The detrimental effects of a relationship (or affective) conflict could be mitigated by competent management strategies and tactics aimed at balancing out the destructive and constructive drives of a conflict. Whereas the effects of a task-oriented conflict could be utilised to the benefit of the team if managed adequately.

By means of this study the researcher is interested to explore how organisational conflict is affected by change (and vice versa) in order to work out a set of recommendations. These recommendations shall take the form of practical intervention strategies to improve organizational effectiveness by mitigating the dysfunctions of a conflict and to help adjusting participants' styles of handling interpersonal conflict.

Changes in culture and leadership also contribute to the reinforcement of conflict management skills. These changes require subsequent adjustments on different organisational levels which in their turn may be a potential cause of interpersonal and intergroup conflicts. Thus, development of an effective conflict management system is a long-term and complex multi-level process. But in the end the result will prove itself worthy of an effort because the benefits of conflict management in a workplace are indisputable: minimisation of costs, higher organisational effectiveness, improved performance and job satisfaction of the employees, enhanced adaptability and flexibility in a changing and competitive environment.

1.3 RESEARCH PROBLEM

1.3.1 Main research problems

Two main problems within the scope of this research are:

- workplace conflicts caused or aggravated by the organizational change processes;
- strategies to manage and prevent organisational conflicts or minimise their negative impacts on the team effectiveness.

1.3.2 Research topics

In order to address the research problems the researcher endeavours to unpack the following topics:

1.3.2.1 Organisational change

- The concept of organisational change and its characteristics;
- The factors influencing the perception of changes;
- Organisational change management;

1.3.2.2 Organisational conflict

- The concept of organisational conflict and its characteristics;
- The concept of constructive conflict and its features;
- Organisational conflict management;

1.3.2.3 Topics closely interrelated with organisational change and conflict

- The concept of teamwork and its primary values;
- The role of communication in an organisation;
- The role of leader in change and conflict management.

1.4 RESEARCH OBJECTIVES

The main research aim of this study is to explore how organisational conflict is affected by change (and vice versa) in order to work out a set of recommendations which shall take the form of practical intervention strategies to improve organizational effectiveness by mitigating the dysfunctions of a conflict. The objectives of the study directly impacted the development of the research design.

In order to reach the primary research objective stated above the researcher sets the following sub-aims of the study:

- To examine the phenomenon of organisational change and how it is perceived by the employees;
- To investigate change-induced conflict and processes in organization and their management tactics;
- To analyse what are the personality-driven factors affecting change and conflict process in organisational environment;
- To explore the dynamics between destructive and constructive conflict and to examine what factors facilitates constructive conflict;
- To reveal the core values of teamwork and their connection to conflict management;
- To explore change and conflict management strategies that enhance team performance;
- To recommend constructive conflict management practices that could facilitate organisational change management and team effectiveness.

1.5 CHAPTER OUTLINE

The research document is divided into five chapters:

Chapter One provides details about the motivation for the study, the main research problem and the objectives to be achieved.

Chapter Two presents the literature review, giving the theoretical framework and showing how the study is aligned with contemporary approaches to organisational behaviour studies, organisational development and conflict management.

Chapter Three describes the research design developed for the purposes of this study, including research philosophy, methodology, data collection and analysis techniques. This chapter also tackles the problem of research limitations and ethics.

Chapter Four presents the results of the study drawing on the data obtained from the empirical part of the research: semi-structured interviews and open-ended questionnaires.

Chapter Five concludes with the summary of the main problems analysed during the research and recommendations for practical strategies developed on the basis of the research findings.

CHAPTER TWO

THEORETICAL REVIEW

2.1 INTRODUCTION

The present research deals with several interconnected fields of study: organisational conflict and its management, organisational change and its management. The theoretical frameworks, as well as the bodies of literature, of these fields are intrinsically interrelated. In this Chapter the researcher attempts to establish the conceptual boundaries for the study, to examine the most relevant concepts and theoretical ideas upon which the study is drawn on. Literature review is intended to help the researcher to understand how and where her study fits into a broader debate and to justify the value and significance of the present research for the overall field of conflict and change studies.

2.2 MEANING OF WORK AND WORK VALUES

An organisational conflict is also called a workplace conflict, in other words a conflict that takes place at work. Therefore, before defining a conflict, it is necessary to define what “work” and “ a workplace” is and how the concept of work “fits into the larger set of institutions that constitute a modern, information-based, global society” (Kochan, 2010:288).

The notion of work is pivotal for any society, however every culture (geographically and in historical perspective) has its own interpretation and meaning of work. One fact is doubtless, work has a central place in every person’s life considering the amount of time and energy he/ she gives to it. Moreover work is closely connected with other aspects of human life such as community or family.

2.2.1 Notions of work

Economic science views work and labour primarily as a means of achieving appropriate standards of living and security. Marx contended that “the wage relationship is the most consequential single social relationship in modern society” (Abbot, 2005:302). According to Reskin (2000:3261), the term “work” economically refers to activities oriented toward producing goods and services for one’s own use or for pay. From this point of view paid work

is regarded as a process solely aimed at providing an individual with necessary buying power in exchange for his /her labour. Whereas, in socio-psychological sciences the concept of work is considered crucial for social and psychological well-being of an individual. If it is to believe that materialistic reward is the only motivation for human beings to work, then any kind of work-related relationships (employee/employee, employee/management, management/management et cetera) is driven by the sole search of pecuniary reward. This understanding is obviously flawed. To quote Hillman (1989:171):

Work is irreducible. We don't work for food gathering or tribal power and conquest or to buy a new car and so on and so forth. Working is its own end and brings its own joy; but one has to have a fantasy so that work can go on, and the fantasies we now have about it — economic and sociological — keep it from going on, so we have a huge problem of productivity and quality in our Western work. We have got work where we don't want it. We don't want to work. It's like not wanting to eat or to make love. It's an instinctual laming. And this is psychology's fault: it doesn't attend to the work instinct.

Gill (1999:725) suggests that economical concept of work must be “expanded to encompass work as a creative endeavour - an escape from social isolation - and to acknowledge the analytical implications of the workplace as a social microcosm, which is, inter alia, governed by power relationships”. Non-economic meaning of work have significant role in shaping the individual's values such as dignity, identity, social role and responsibilities, self-worth, self-awareness. Among these non-pecuniary aspects are not only the features of the job itself but also the overall social and physical environment of the workplace. Morin (2004) maintains that the work instinct would be an innate and powerful tendency to exercise one's mental and physical powers, one's skills and talents, in order to achieve something, to reach a goal, to create, to express one's self et cetera. She emphasises that work instinct is innate for human beings and essential for preserving their emotional and mental health.

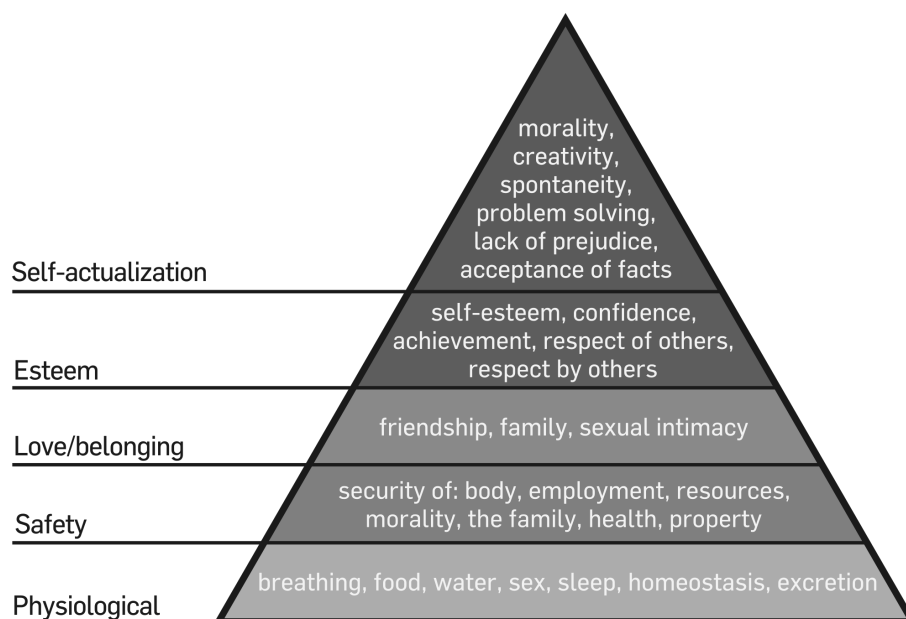
Psychological school (for example, Feather N., 1989; Baumeister, 1991; Brief and Nord, 1990a; Wrzesniewski, 2003) draws attention to the psychological meaning of work, which is rooted in individuals' subjective interpretations of work experiences and interactions and the

consequences of work deprivation. Sociologists hold that work is considered meaningful when “the social and cultural systems around people ascribe value to their work activities” (Rosso et al., 2010:94).

The need for work, or in other words need for self-actualisation, is deeply connected to the social, ethical, and cultural institutions. Gill (1999:726) remarks that for the population of the developed countries these psychological needs can be met only through paid work, in contrast to developing societies or societies of the past where such psychological needs could be satisfied through other social structures such as religious institutions, local community, extended family circle. This understanding of work also finds its place in the Maslow’s hierarchy of needs. Work is necessary for the satisfaction of the basic physiological need such as food, since human beings no longer live in nature and cannot properly feed themselves by gathering fruits, herbs or hunting. Moreover, paid occupation is essential to meet the second-tier needs, so-called “Safety” needs. People need work to be able to provide resources for themselves and their family, to ensure security and proper living conditions.

Meanwhile, socio-psychological understanding of work explains why work is crucial for the satisfaction of esteem and self-actualisation needs. Work helps an individual to get respect by the peers through his/her achievement at work. Professional success helps to build up personal self-esteem and confidence. In modern society paid work, as a social institution, has become an indispensable element for the developing of the individual’s social identity and self-worth. Morin (2004) supports this argument by saying that “to the extent that the work organization allows, work can serve as a tonic for personal identity in that it helps boost self-esteem, develop a sense of identity, worth, and dignity”. The views of work as an effort to make something, to achieve something, to produce a desired effect have their basis in the ideas of Erich Fromm (1973) who believed that work is an effective mean to deal with the angst of death and void. He once wrote: “The principle can be formulated thus: I am because I effect.” Therefore, working is a meaningful way to prove one’s existence, and hopefully, that it is worth to be lived.

Figure 2.1 : Maslow's hierarchy of needs



Jahoda (1982:59) in her works also puts forward the idea of a double role of work. She distinguishes between two main functions of paid work: “manifest” and “latent”. The manifest function is related to the pecuniary reward of paid work. The latent function is associated with paid work as an institution. As Feather (1989) puts it, work provides a structured sense of time, socialisation opportunities, sense of contribution to a collective purpose, acquisition of social status and identity. Jahoda (1982) suggests that the loss of these experiences leads to the disturbance of the psychological well-being of an individual.

The notion of work could be also understood through the values that one attributes to it or seeks to achieve through it. Super and Šverko (1995) name five key values (human needs): autonomy, social advancement, self-achievement, social interactions and risk-taking.

2.2.2 Characteristics of meaningful work

The obvious importance of work, however, does not automatically mean that any kind of paid work fulfills its economic and socio-psychological function. It is important to identify what are the characteristics that make “work” work. Peter Warr (1987) suggested a very interesting model of variable factors that define “good” or “bad” job and the correlation between them. He draws a comparison between these factors and vitamins. Some factors, like some groups of vitamins, are linear related to good health, whereas some are only beneficial in strictly prescribed dosage. To cite Gill (1999):

Warr’s “vitamin model” proposed that 1) opportunity for control, 2) opportunity for skill use, 3) externally generated goals, 4) variety, 5) environmental clarity (presence of transparency and productive feedback), and 6) opportunity for interpersonal contact, all positively contribute to individual well-being, but only if present within bounds. These are likened to vitamins A and D, in that too much or too little of any of the above six brings about undesirable levels of psychological stress. He identified only three major job traits as linearly related to individual happiness: 1) valued social position, 2) money, and 3) physical security; these were likened to vitamins C and E.

Hence, the implications of job contents and environment on individual’s psychological well-being are obvious. The mechanism by which works helps to develop individual’s sense of dignity and self-worth is based on purposeful and meaningful contribution to the improvement of one’s living conditions and his/her family/community. If this mechanism gets impaired and the work does not help the individual to fulfil this function (even on the perceptual level), frustration may arise. Morin (2004) refers to such psychological condition as «alienation».

According to Antonovsky (1987) the sense of coherence that the subject finds in his/her relationship to work gives him/her a sense of psychological security and serenity which helps him/her to cope with the challenges that are inevitably involved in performing his/her duties”. To paraphrase Markus (1987), when work content and social environment at work are not consistent with the social norms embedded in the individual’s conscience, an employee cannot entirely satisfy his/her psychological needs, the stress will accumulate. This argument

implies the ethical aspect of work's meaningfulness. Morin (2004) puts forward a dimension of workplace ethics and moral correctness by saying that work is meaningful when it is done responsibly, not just in terms of its execution, but in terms of the products and consequences it engenders. According to the research done by the Academy of Management Executive (2004), ethical and moral problems are becoming a growing concern in the workplace. Work is an activity that brings people and groups of people together, that gives rise to conflicts and that leads to consequences that aren't always predictable. Work is meaningful when it is performed in a context following established rules and duties and when inspired by moral and spiritual values.

The attributes of ideal workplace as described before by Warr's model (1987) or by Morin (2004) can be negatively affected by the emergence of conflict in the work environment. The definition, the nature and the basic characteristics of this phenomenon will be investigated in the next subchapter.

2.3 NATURE OF WORKPLACE CONFLICT AND ITS FEATURES

Conflict is intrinsic to human society, therefore conflict also exists in the workplace. The body of literature written on conflict is tremendous. Conflict has been studied at different levels, from intrapersonal to international. This research will primarily deal with the conflict at the interpersonal and intergroup level. At the interpersonal level an individual comes into conflict with others. At intergroup level the conflict takes place between or among groups. Interorganisational and international conflicts are out of the scope of this research.

Organizational conflict (or workplace conflict) is one of the types of social conflict. According to the broadest definition, a social conflict is the antagonisms between individuals (or groups of individuals) due to real or perceived differences (Thomas, 1992; Wall and Callister, 1995; Cohen and Bailey, 1997). Deutsch (1973) claims that for a conflict to emerge, one party's explicit behaviour shall interfere with interests and goals of another party. Abel (1982) interprets conflict in terms of inconsistent claims to resources. Hocker and Wilmot (2010:11) assume that conflict is an expressed struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and interference from others in

achieving their goals. Pruitt and Rubin (2004:4) define conflict as a perceived divergence of interests or a belief that parties' current aspirations cannot be reached simultaneously. To cite Jeong (2010:5):

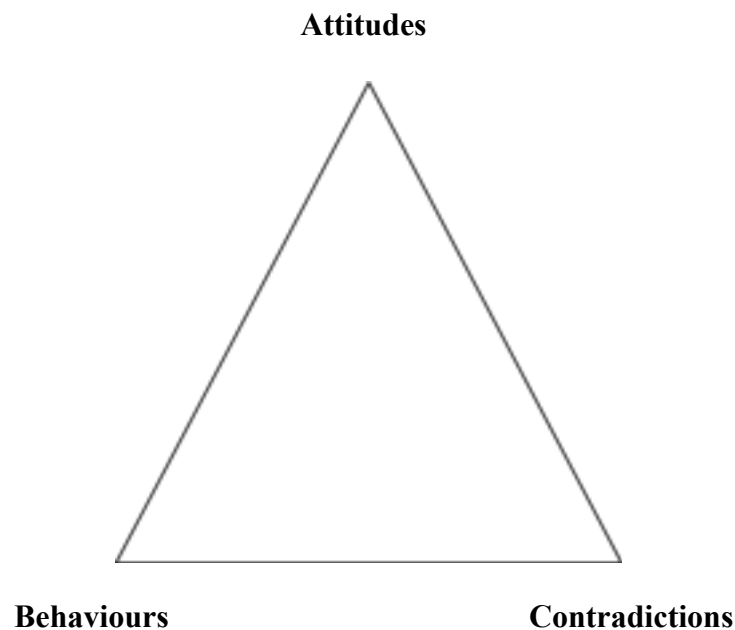
Conflict represents the persistent and pervasive nature of intergroup and international competition among disparate interests and values that underlies power dynamics.

Conflict has an indisputable impact on an organisation at various levels, both positive and negative (De Dreu et al., 1999). One of the early sociologists, Charles Cooley acknowledged (1918) that conflict is a positive drive for progressive change. He emphasised (1918) the significance of social competition and interpreted conflict as the clash of primary human and institutional values (social and political structures). The concept of conflict can be found in much of organization theory. Most scholars and practitioners (Kolb and Putnam, 1992) agree that the dichotomy between conflict and peace (harmony) defines the dynamics of social interaction. However, they do not agree on the role and value of conflict, its relations with other forms of organisational behaviour and processes. Scientific attempts to define organisational conflict can be traced back as to the early social and labour theorists Marx and Weber , who viewed group conflict as an inevitable outgrowth of social class and organization hierarchy. According to Roloff (1987:496), “organisational conflict occurs when members engage in activities that are incompatible with those of colleagues within their network, members of other collectivities or unaffiliated individuals (or entities) who utilise the services or products of the organisation”. Chris Argyris (1964) believes that conflict is normal and had caused managers to establish controls in the first place. Kolb and Putnam (1992:311) call conflict “a stubborn fact of organizational life”.

2.3.1 Latency

According to Galtung's (1973) conflict triangle (Figure 2.1) every conflict had three essential components: attitudes, contradictions and behaviour.

Figure 2.2 : The Galtung's ABC triangle



Source: Mitchell (1981:18)

Workplace conflict often lacks one important component or, rather, this component is not as salient as in other types of social conflict. This component is conflict behaviours.

Organizational conflicts typically do not reach a high level of publicity and attention, unlike strikes, boycotts or mass layoffs. Workplace conflicts are usually quite inconspicuous, there are no striking manifestations of it such as aggressive behaviour and language. Kolb and Putnam (1992) observe, that organisational conflict is also rarely treated like public disputes or interorganisational conflicts where parties are involved in formal negotiation or mediation in order to resolve their problems. The management of workplace disputes is usually just a part of everyday routine activities. Workplace conflict might also take a latent form. It may stay invisible (unacknowledged) for quite some time. The main reason for this to occur is that usually parties are unwilling to acknowledge its existence, they refuse to accept that there is

something wrong and they have to deal with it. Conflict in a workplace seems “inappropriate”, “discreditable”. To paraphrase Bradshaw (2014:11), teamwork has become a mandatory requirement within organization, it is required (or even demanded) to behave as a team player, therefore any kind of disagreement is not welcome at all. Thus, people try to hide conflict, or keep it “under wraps”, so that often a workplace becomes “a minefield of hidden, suppressed or otherwise potential conflicts” (Bradshaw, 2014:11).

2.3.2 Pervasiveness

Workplace conflicts tend to be protracted and resistant to treatment. Partially due to the quality mentioned above - latency. The other reason is the lack of skills for adequate management of conflicts in organization. High interdependence of employees in an organisation (a group within an organisation) may also contribute to the fast spreading of the conflict.

Workplace conflicts may also protract because managers believe that conflict is something that can be solved solely through better resource/task management, decision-making or improved communication (March and Simon, 1958; Kreisberg, 1973). Unfortunately such tactics do not always help, they tend rather to mask up the problem (Kolb, 1989a) by preserving working relationships which might be threatened by more overt forms of disputing (Yngvesson, 1978).

2.3.3 Consumption of resources

All organizations need human and material resources to function properly and satisfy its customers' needs. But these resources are not infinite and thus shall be used wisely. Smart resources management is a key to success. A conflict is in most cases counterproductive and consumes resources which are so needed for other activities of the organization. Unresolved protracted conflict leads to high staff turnover (resignations of valuable personnel). Replacement of a senior employee entails significant costs for the company and deranges the course of ongoing projects. Moreover, managers have to spend their expensive time on dealing with the consequences of poorly managed conflicts in their teams, instead of fulfilling their primary tasks.

2.4 IMPACT OF CONFLICT ON ORGANISATION

Taking into consideration that conflict is inevitable, one has to be ready to face its by-products. A conflict path may lead its parties either to a) a resolution or b) a deadlock or c) further conflict escalation spirals or d) to a state of “anaesthesia” when the parties decide to pretend the conflict does not exist. Wall and Callister (1995) indicate that whatever the tactic is, the outcomes can be either integrative (a win-win situation), or distributive (lose-win situation). The researcher believes that also a lose-lose outcome is possible. Such outcome would mean that neither party has achieved any positive result or was left with negative residues (frustration, broken commitments and lost trust).

The essence of functional and dysfunctional social conflict was closely studied by Coser (1956), Pondy (1967), Walton and McKersie (1965), Thomas (1976) and later developed by Amason (1996), Rahim (2002, 2000), Tjosvold (1997) and others. These authors greatly contributed to the change in general understanding of conflict. It was no longer deemed solely as a destructive power, conflict was described as a healthy process, on conditions that it is properly managed. Just to name a few scholars that believed in the concept of functional conflict:

Robbins (1974, 1978) asserted that conflict can inspire the change and adaptation necessary for organizational survival.

Cosier and Dalton (1990) hold that conflict can stimulate creativity, improve the quality of decisions, challenge old ideas, develop greater awareness of latent problems and at times more accurately (re)frame issues.

Tjosvold (1992, 1997), Touval (1992) regard conflict as an opportunity for innovation, personal development, better self-awareness and more effective interpersonal relations.

Jehn (1995), Pelled, Eisenhardt and Xin (1999) are also of opinion that organizational conflict has both functional and dysfunctional outcomes.

Eisenhardt, Kahwajy, and Bourgeois (1998:142) suggest that conflict in top management is inevitable and is usually valuable.

However, it would be wrong to claim that there has been a complete turnaround in the academic views on the nature of conflict. Most scholars and practitioners in the field of

conflict management are well aware of the downsides of a conflict and are cautious to declare its overall positiveness.

Wall and Callister (1995), for example, belong to the group of scholars who are most implacable to conflict. They flatly refuse to accept the potential positive impact of organisational conflict. They argue that “the effects expected from moderate conflict can be better achieved through other means” and warn against the dangerous tendency of conflict to escalate and the risks of such “moderate” conflict getting out of hand. In their work “Conflict and its management” (1995) they raised several important questions with intent to comprehend a) if certain amount of conflict could be beneficial, b) if too little conflict is as dysfunctional as too much; and c) if leaders should sometimes promote conflict to attain organizational goals. Wall and Callister’s (1995:545) answer negatively to all of these questions. Rahim (2002) disagrees with their view claiming that their approach is not comprehensive enough and that creating an effective conflict management mechanism could minimise the dysfunctions of conflict and stimulate its constructive functions while enhancing learning, change adaptability and effectiveness of an organization. Spector and Lex (1998) view conflict rather as a cause of lower effectiveness, reduced well-being and turnover. Amason (1996), De Dreu and Van de Vliert (1997), Jehn (1995) also point out negative consequences of conflict for the well-being and effectiveness of the team, especially when conflicts relate to the interpersonal relationship aspects of a team.

Based on the academic discussion of the constructive and destructive sides of the conflict, which was reviewed for the purposes of this research, it is fair to say that conflict could also be described according to Warr’s “vitamin module”: is it good in moderate dosage under “a vigilant medical supervision”. However, the view of conflict as a dysfunctional factor in social interaction is still prevalent in the academic literature. As Rahim (2002) observes, most recommendations regarding organizational conflict in this or that way could be “boiled down” to conflict reduction, resolution, or minimisation.

2.5 TYPES OF ORGANISATIONAL CONFLICT

The typology of organisational conflict has been studied by various scholars. Rahim, (2001, 2002), Amason (1996), Jehn (1995), Jehn, Northcraft, and Neale (1999), Pearson, Ensley, & Amason (2002) distinguish several types of workplace conflicts which require different managing strategies. Guetzkow and Gyr (1954) suggested two dimensions of conflict which are useful for managing conflict: one consisting of disagreements relating to task issues and the other consisting of emotional or interpersonal issues which lead to conflict. These two dimensions of conflict have been given a variety of names, e.g., substantive and affective conflicts (Guetzkow and Gyr, 1954), task and relationship conflicts (Pinkley, 1990; Jehn, 1997), cognitive and affective conflicts (Amason, 1996), and task and emotional conflicts (Ross and Ross, 1989), people oriented and task oriented (Wall and Nolan, 1986). Many scholars suggest (Amason, 1996; Jehn, 1995; Pearson, Ensley and Amason, 2002) that the distinction between these two types of conflict is valid and that they have different effects in a workplace.

2.5.1 Affective conflict

Affective (or relationship) conflict evolves around perceived incompatibilities between individuals. As De Dreu and Van Vianen (2001:309) observe, team work in organizations is increasingly the norm, yet the challenges of working effectively in teams are considerable. One challenge to team effectiveness that De Dreu and Van Vianen point out, is the tension between team members due to real or perceived differences (2001:309). These incompatible differences can manifest themselves in individuals' attitudes, values, interests and goals, or in parties' ambitions for power, status or/and control. The above-mentioned divergences are an excellent breeding ground for conflict. As Jehn (1997:531-532) puts it "relationship conflicts interfere with task-related effort because members focus on reducing threats, increasing power, and attempting to build cohesion rather than working on a task". Relationship (affective) conflict causes members to be negative, irritable, suspicious and produces animosity and bickering among group members, stress, anxiety, fear, and resentment (Friedman et al. 2000; Jehn 1995).

Relationship conflicts concern insights and information that are unrelated to the task, involve negative emotions and threaten one's personal identity and feelings of self-worth (Pelled, 1995). Personal relationships can differ: from love to hatred, from sympathy to antipathy, from respect to disdain or disregard. Teams work together effectively because they establish a positive, trusting group climate, based on interpersonal liking and shared norms and values (Zander, 1993). And following the same logic, teams fail to be productive because they fail to develop a positive team climate and instead develop relationship conflicts. Thus, affective conflict diminishes group loyalty, commitment, intent to stay in the present organization, and job satisfaction (Amason, 1996; Jehn, 1995, 1997; Jehn et al., 1999, Cox 2003; De Dreu and Van Vianen 2001; Gardner 1992; Guerra et al. 2005) which results in higher levels of stress and anxiety, and conflict escalation. Contemporary studies tried to investigate a possibility of mitigating or elimination the negative effects of relationship conflict (De Dreu and Weingart 2003). For example, the research by De Dreu and Van Vianen (2001) or Murnighan and Conlon (1991) recommends to use avoidance tactics rather collaborative or contentious conflict handling styles when dealing with relationship conflict.

2.5.2 Task conflict

Task conflict refers to disagreements related to tasks, responsibilities, policies, and other organizational issues. Though every team is aiming to get optimal results and show good performance, the objectives and interests both within the group and even more between members of different teams may differ significantly. The theorists in the field of conflict identify two types of conflict that occur regarding group goals: (1) procedural conflict and (2) substantive conflict. Northouse (2011:178) explains:

- Procedural conflict refers to the differences between individuals with regard to the approach they wish to take in attempting to reach a goal. In essence, it is conflict over the best means to an agreed-upon goal; it is not about what goal to achieve.
- Substantive conflict occurs when individuals differ with regard to the substance of the goal itself, or what the goal should be.

So the task of a team leader is to smooth away these diverging interests (goals et cetera) as much as possible and improve effectiveness and productivity. But if the differences prevail, conflict takes place.

De Dreu and Van Vianen (2001:313) describe task conflict as a conflict about procedures and policies, and about judgments and the interpretation of facts. Task conflict is less threatening to one's personal identity, involves less intense, negative emotions, and tends to motivate team members to search for optimal judgements and decisions (Amason and Schweiger, 1997; De Dreu et al., 1999; Jehn, 1997a), which promotes group learning and emergence of innovative ideas, making the team more effective and innovative (De Dreu & West, 2001; Jehn, 1995). Task conflict, as Tjosvold, Dann and Wong (1992) put it, also improves resources management and service provision. Rahim (2002) maintains that this type of conflict can be most effectively managed through generation and maintenance of a moderate amount of conflict.

However, an analysis by De Dreu and Weingart (2003) shows negative correlations between task conflict and performance. A later research by De Dreu (2006) also indicates a decrease in “effectiveness boost” effect of task conflict after reaching a certain level. Task conflict leads to lower satisfaction of the teamwork (Kabanoff, 1991; Jehn et al., 1997), and increases team members’ anxiety and desire to quit the group (Jehn, 1995, 1997).

Despite the obvious difference between task and affective conflict, in everyday life they often overlap. Scholars explain this interconnection between task and affective conflict through the reciprocal triggering effects by which the two types of conflict may cause each other between the same individuals (Jehn, 1995; Korsgaard, Schweiger and Sapienza, 2008; Simons and Peterson, 2000). For example, task conflicts can transform into relational conflicts by various forms of aggressive behaviour, such as rude words, tone of voice, inappropriate gestures, et cetera. For example, Jehn (1995) believes that task conflict may trigger relationship conflict. Amason and Sapienza (1997) also share this point of view, they believe that task conflict can evolve into relationship conflict when one party perceives his/her interests are being or about to be interfered by the task issue and perceives that the other party is taking advantage of the situation with a hidden motive.

Affective conflict can also provoke task-related tensions and conflicts between individuals. Tidd et al. (2004) mentioned that task conflict may also be caused by relationship conflict if individuals disagree over task issues simply because they don't like each other.

2.5.3 Conflict over power and resources

Based on the academic literature review, done for the purposes of this research, the researcher would like to put forward a third type of organisation conflict. The nature of this type of conflict cannot be entirely associated with any of the types described above.

One of the strongest desires that human beings possess is the desire for power (authority, control) which gives one the ability to influence the others' behaviour and thereby provide for the satisfaction of his/her own basic needs. Having power/control gives one the feeling of potency about his/her actions and minimises the feeling of helplessness (Northouse, 2011:181). When one feels that his/her powers are limited by the other, interpersonal conflict occurs. In other words, interpersonal conflict takes place when a person's needs for power/control are incompatible with the other's needs for power/control.

Power is a fundamental component in any social process. Coleman (2006:120) contends that all conflicts directly or indirectly concern power. He sees conflict as a means of seeking or maintaining the balance or imbalance of power in relationships. Struggle for power and resources is extremely sharp in an organizational environment. If this kind of competition has a chronic nature, it may lead to harmful consequences (Coleman, 2006:136) such as turning competition into conflict undermining the performance of the team. The other negative aspect of power use (or rather abuse) is that leaders exercising an excessive (coercive) power over their subordinates produce alienation and resistance (Deutsch, 1973) which may also lead to latent conflict within the group.

2.6 AGGRAVATORS OF ORGANISATIONAL CONFLICT

2.6.1 High density of people

Density refers to high concentration of people in a relatively small working space. However, density may not only refer to lack of physical space, where people work, as well as to shortage of work itself, because in order to retain a job, one needs to have its own piece of work every day, to show its usefulness and meaning. Talking about the physical aspect, one has to take into consideration that on average a person spends 8-9 hours a day at the workplace, all jammed into relatively small space (sometime open spaces, divided just by tiny plywood partitions). People of different age, gender, culture, race, social background, people with different working habits and social skills are forced to co-exist. Cowan (1995:26-27) describes the situation at a workplace whereby all individuals, intentionally or not, “bring to the organisation the accumulation of everything that they have learned”: their knowledge, habits, experience, skills, life stances et cetera. Such diversity in a strictly confined space is explosive and easily results in a conflict. Clashes and arguments between members of the organisation, rising frustration and anger are part of everyday routine. And all this is even more fuelled up by stress and constant pressure from the superiors. These processes produce disruptive consequences and create a general climate of tension and distrust.

2.6.2 Hierarchy, rigidness of structures, bureaucracy

Every relatively big organization tends to have quite rigid hierarchical structures which are vigorously defended and reinforced. These structures are based on strict vertical subordination with communication flows only going from top to bottom. In such case horizontal communication channels are not developed enough, problem-solving mechanisms are absent or too complicated to function properly. Power imbalances and misallocations of power are quite common as well. And it happens that, for example, those with conflict resolving skills lack authority to exercise it. Bureaucracy is another consequence of structural inflexibility. It entails poor service performance level, dissatisfaction of employees and external clients.

2.6.3 Interdependence

As it was mentioned in the previous paragraph organisational structures are often rigid and complex. The goals and priorities of one structural unit are tightly interwoven with the goals and interest of the other, making their performance highly interdependent. The degree of interdependence may vary, but it is always present in organisational relations. To cite Northouse (2011:175), there needs to be an element of interdependence between parties for conflict to take place. If individuals could operate independently of each other, there would be no reason for conflict, no conflicting goals or contradicting interests. Interdependence can be regarded as a structural prerequisite of a conflict, however it cannot be a source of conflict by itself, it merely creates an environment in which conflict is more likely to occur and proliferate.

Modern workplace has become a “hotbed” of social issues, stress and psychological problems both for management and employees. In the climate of constant cutthroat competition on the market companies are taking all possible actions to survive in these extreme conditions. Constant pressure on organizations to be cost efficient causes lack of resources, which in turn increases competition among managers, in particular, and employees, in general (Burke, 2006:783). The performance of employee is vigorously monitored and measured making the psychological and often even physical pressure on workers extremely hard to cope with. As Bradshaw points out (2014:12) such an abnormally competitive environment is highly conducive to zero-sum outcomes for organisational conflict.

2.6.4 Organisational change and its management

Poorly managed changes in an organizational environment can become a perfect breeding ground for all sorts of conflict situations. To cite Burke (2006:782), constant and every day more rapid rate of change causes a lag effect, i.e., the organization experiences an unprecedented state of trying to “catch up”.

Human society is a very dynamic organism. The pace of social change in the modern society is remarkable. According to Anstey (2006:3) “all conflict is about change”. But conflict is also about managing the change and conflict is the source of change in itself. Maddi and Khoshaba (2005:8) put forward that nowadays competition is getting more and more

cutthroat across all industries and companies are forced to try all sorts of changes in order to keep up with speed, “to adjust and stay ahead of the pack, companies reorganise, upsize or downsize, centralise or decentralise, outsource, diversify or merge” (id., 2005:8-9). These reorganisations, using Maddi and Khoshaba’s words again, “open a Pandora’s box of employee problems” including constant stress and fear of layoffs, wage freezes or cuts, revised benefit plans et cetera.

2.7 ORGANISATIONAL CONFLICT MANAGEMENT

The postulates of organization theory state that effective conflict management, which may include both fostering and preventing conflict (Brown, 1982), leads to higher performing organizations (Kolb and Putnam, 1992:314). Applied organisational theory views conflict management as vital to the smooth, integrated functioning of an organization. Though the role of conflict management is indisputable, its practical strategies are very much debated about. The basic approach is to differentiate the means through which a conflict is managed:

- through structures and rules (Lawrence and Lorsch, 1967);
- through normative appeals to culture and values (Kunda and Barley, 1988; Schein, 1985);
- by improving negotiation strategies (Bazerman and Neale, 1983; Lax and Sebenius, 1986);
- by rites and rituals (Trice, 1984; Trice and Beyer, 1984).

2.7.1 Conflict management models

The topic of designing an organisational conflict management system has been explored by such scholars as Ury, Brett, and Goldberg (1988), Constantino and Merchant (1996), Roche, Teague and Colvin (2014) and others. Ury et al. (1988) pioneered Dispute Systems Design (DSD), as a method for resolving intractable or frequent conflicts in troubled organizations, businesses, or entire industries. The cornerstone of their method were three heuristics for analysing conflicts and designing new systems, which could deal with these conflicts quickly and efficiently.

The first heuristic involves the relationship between three ways of resolving disputes: by negotiating interests, by adjudicating rights, or by pursuing power options. The second heuristic incorporates six design principles for new dispute-resolution systems, which follow

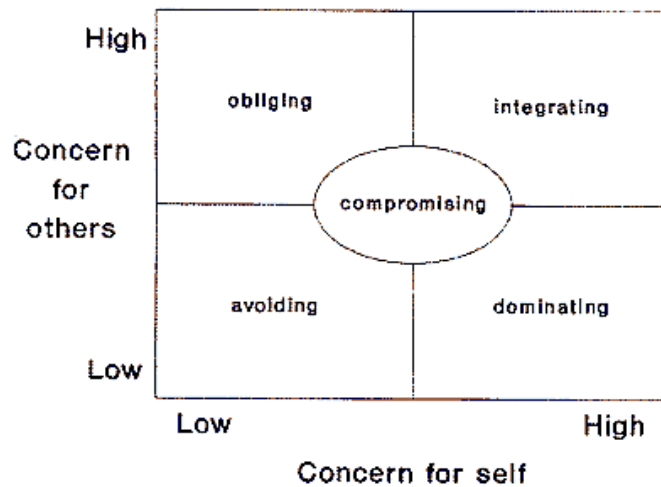
directly from the first heuristic (focus on interests; low-cost rights and power back-ups; build-in loop-backs to negotiation; build in consultation before, feedback-after; arrange procedures in a low-to-high cost sequence; motivation, skills, resources). The third heuristic is a set of four stages for implementing the new dispute-resolution system. The four stages are: (1) diagnosis; (2) design; (3) implementation; (4) exit, evaluation, and diffusion.

Costantino and Merchant (1996) express a doubt regarding the comprehensiveness of the DSD. They claim that it focuses on individual conflicts rather than underlying structural and/or procedural issues: “conflict occurs in any system, and in most systems, specific patterns of conflict will recur, indicating a problem with the system itself”. Thus, Costantino and Merchant insist that resolution strategies should focus on resolving underlying systemic issues rather than their manifestations in a particular conflict.

2.7.2 Conflict management strategies

A conflict management style is defined as a patterned response or behaviour that people use when approaching a conflict (Northouse, 2011:194). One of the most widely recognised models of conflict styles was developed by Kilmann and Thomas (1975, 1977), based on the work of Blake and Mouton (1964). According to this model there are five basic approaches to managing conflict situation in a workplace: (1) avoidance, (2) competition (dominating), (3) accommodation (obliging), (4) compromise, and (5) collaboration (integration). This model describes conflict styles using two dimensions: assertiveness and cooperativeness. Assertiveness means concern for own interests, while cooperativeness means concern for the others. Each conflict style is characterised by how much assertiveness (concern for self) and how much cooperativeness (concern for others) an individual shows when confronting a conflict (Northouse, 2011:194).

Figure 2.3 : Conflict handling styles



Source: Blake and Mouton, 1964

2.7.2.1 Avoidance

Avoidance is uncooperative and unassertive. It is an attempt to ignore the disagreement, to withdraw from the situation and/or stay neutral. This tactic is the quickest and simplest way of handling a conflict. This approach is often applied when the conflict stems from a minor issue and the parties are reluctant to admit the existence of tension, thinking that the issues will resolve on their own with the course of time. The danger of avoidance is that in the end the issue often is left unresolved, no one achieved his/her goals, nor satisfied his/her interests, so there is high risk of the conflict reoccurrence. As Simsa (online) stresses, it might have severe repercussions, because avoidance does not imply a real solution.

2.7.2.2 Accommodation (obliging)

Accommodation is highly cooperative but not assertive at all. It implies giving in to the wishes of the other, sacrificing own interests and goals for the sake of maintaining peace and harmony. This style is suitable when the issue is more important to one party than to the other or if maintaining good relationship is more important for the party than the issue in dispute. Accommodating behaviours include denying or failing to express one's needs, explicitly expressing harmony and cooperation, making yielding or conceding statements, passively

accepting the decisions the other made and putting aside one's own needs to please the other party in a conflict episode (Hocker and Wilmot, 1998).

The negative side of accommodation is that it creates a lose-win strategy. It is a quick way of resolving a conflict, but submission of one side gives the other side false perception of power and fairness which may lead in the future to another violation of the accommodator's rights and interest. Thus, the conflict will persist.

2.7.2.3 Compromise

Compromise tactic implies a certain degree of assertiveness and cooperativeness from both sides. This approach is suitable when parties want to find a mutually acceptable solution partially satisfying both parties in a most time/resources-efficient way. Compromising seems like a healthy tactic when both parties give in a little bit of their interest in order to reach an agreement and keep relationships intact. The advantage of this approach is that it is a face-saving partial agreement and the disadvantages are the remaining dissatisfaction and dissension between the parties. Another drawback of compromise is that it fails to address the real essence of the conflict. The parties agree to an easy solution because they want to save time and relationship. The real scope of contradictions remains hidden and complete resolution is still not reached.

2.7.2.4 Competing (dominating)

Competing involves high level of assertiveness but low level of cooperativeness. It is a win-lose strategy. Competing parties are struggling to achieve their interest at any cost and ignore (not willing to give in at all) the needs of the other party. Northouse (2011:196) observes that "attempts to solve conflict with dominance and control will often result in creating unstable situations and hostile and destructive communication". But on the other hand competition encourages innovative thinking, creativity and stimulates performance by challenging the parties to outdo each other.

2.7.2.5 Collaboration (*integration*)

This management model adopts both assertive and cooperative tactics. Collaboration implies that no interests/needs are sacrificed, no goals are left unachieved. Both parties are actively involved to work out a solution that would suit them completely. Tutzauer and Roloff (1988) assume that the integrating style provides each conflict person with access to the other person's perceptions or incompatible goals, thereby enabling them to find solution that integrates the goals and needs of both parties. However, being the most productive and thorough way of resolving a conflict, collaboration is also the most time and energy consuming approach; it usually engages both parties in extended negotiations, consultations, brainstorming sessions et cetera.

Another approach to differentiating between conflict management models was suggested by Kolb and Putnam (1992). They identified the basic forms of conflict management:

- self-help (force, vengeance);
- avoidance (withdrawing from the relationship);
- 'lumping it' (tolerating the situation without public comment);
- negotiation (search for compromise);
- involvement of third parties as mediators, arbitrators, and/or adjudicators (Black, 1987; Nader and Todd, 1978).

Kolb and Putnam warn (1992:315) against a belief that conflicts like problems can be solved through better decision-making or improved communication (March and Simon, 1958; Kreisberg, 1973). Instead, they argue, that these actions serve to 'mask' the conflict (Kolb, 1989) by allowing work to proceed according to traditional decision-making rules, and by preserving working relationships which might be threatened by more overt forms of disputing (Yngvesson, 1978).

There is a long-lasting academic discussion whether the choice of conflict handling styles is dependent on the individual characteristics (age, gender, education, culture, type of personality et cetera) (Antonioni, 1993; Al-Ajmi, 2007) or rather it is imposed by the situation and context of the conflict itself (Knapp, Putnam and Davis, 1988; Pruitt, 1983;

Thomas, 1979; Rahim, 1983; Callahan et al.,2006). The latter stance regards conflict management styles as something variable according to the circumstances. In certain circumstances one conflict handling style is more appropriate than the other. Rahim (1983) has the same idea and developed his well-known ROCI for three separate forms to measure handling styles of conflicts with bosses, subordinates, or peers respectively. Callanan, Benzing and Perri (2006) in their study confirmed again that individuals can and do choose conflict handling styles that are different from their presumed dominant strategy if they face different conflict situations. Moreover they claim, that individuals are generally capable of reading contextual factors and social cues to select the most situationally appropriate conflict handling strategy. Hence, one can conclude that conflict handling styles are not fixed personality-bound characteristics, but rather flexible tactics that are chosen based on the context and circumstances of the conflict. However, one cannot deny that the prevalent style is defined by the individual characteristics.

2.7.3 Leadership/management models

Leadership models, or leadership theories, are designed in order to explain the actions and rationale of leaders' behaviour (Humphreys and Einstein, 2004). Leadership models can be also referred to as management models. These models are inseparably connected to the conflict management models described above since the conflict management style depends on the general management style.

The basic dichotomy of the leadership models also lies between the two variables: leadership attitude towards the team ("relationship" in conflict management models) and towards the task (or "personal interest" in conflict management models).

According to chronological order the most widely-accepted theories evolved in the following way: Ohio and Michigan State leadership research (1945), McGregor's (1960) Theory X and Theory Y, Blake and Mouton's (1964) Managerial Grid, Fiedler's Contingency theory (1967), Hersey and Blanchard's (1977) situational leadership, Lewin's Participative leadership theory (1978) and the latest Transformational leadership. In the present research the researcher

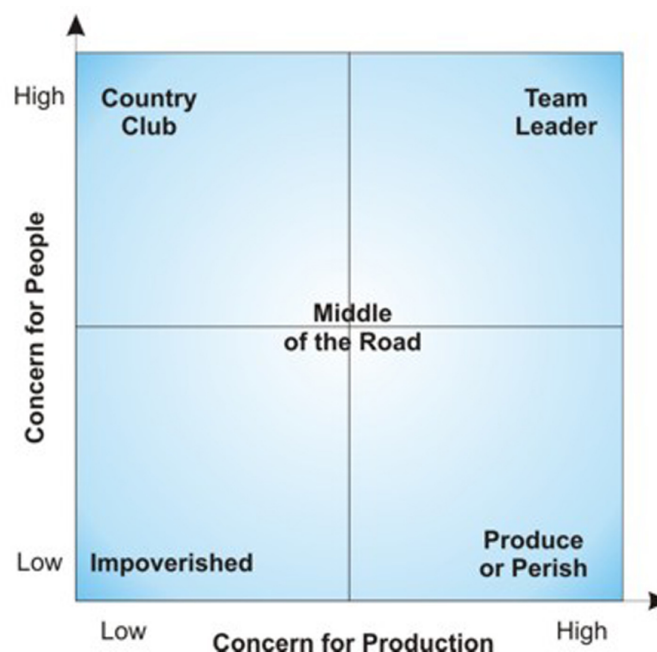
would like to focus only on a fundamental model by Blake and Mouton (see Figure 2.3), because the rest of the theories relate to it in this or that way.

The Ohio State research identified two dimensions of the leader's behaviour: consideration (people-oriented) and initiating structure (task-oriented) (English and Anderson, 2005). Blake and Mouton (1964) fine-tuned the Ohio State theory. They examined the relationship between a leader's concern for people and his/her concern for the task. This model makes it possible to identify leadership behavioural patterns in a 5-quadrant grid approach:

- (a) high concern for people, low concern for task;
- (b) low concern for people, low concern for task;
- (c) high concern for people, high concern for task;
- (d) low concern for people, high concern for task;
- (e) moderate concern for both task and people.

Hence, the matrix (see Figure 2.3) differentiates between five different leadership styles, which are characterised by specific attitudes and assumptions that guide leader's actions such as communication, decision-making and conflict management styles (Werner, 2011:357).

Figure 2.4 : The Blake Mouton Grid



Source: Blake and Mouton (1978)

2.7.3.1 *“Impoverished leader”*

This leadership behaviour is characterised through concern neither for people nor for the production. This type of leadership can be also called a “showcase” leadership. The leader has a minimal influence both on the team and the production and tries to engage as little as possible with the organisational life. In conflict situations he/she usually prefers the avoidance strategy.

2.7.3.2 *“Pater familia”*

This type of leader (also referred to as “Country-club leader”) displays high concern for people and low concern for the job. This type of leader engages a lot with his/her team, encourages them to achieve their goals, attentively listens to their concerns and needs. Positive, conflict-free environment is a priority for such type of leader. However, tranquility comes along with discouragement of conflicting ideas and therefore creativity and innovation.

2.7.3.3 *“Task master”*

This type of leader (also referred to as “Produce or perish” leader) has high concern for production and low concern for people. It is the most authoritarian leadership style which is characterised by downward communication, top-bottom decision-making and imposing (dominating) conflict management strategies.

2.7.3.4 *“Middle of the road leader”*

Following this model the leader shows equally moderate concern for both people and task. Leaders who fall into this category are concerned with maintaining an adequate level of morale and production (Thrash, 2012:5). This style is distinguished by balanced communication and decision-making process. Preferred conflict handling style is compromise.

2.7.3.5 *“Team leader”*

This kind of leader displays the highest level of concern both for people and production. This style is considered to be the most effective and successful (Thrash, 2012; Werner, 2011) in terms of career building. This approach prioritises teamwork and cooperation, initiative, creative thinking. The communication is freely flowing in multiple directions. The conflict is usually handled through collaboration and open discussion.

The Blake and Mouton grid gives a very structured and logical description of the different leadership styles. However, it should be borne in mind that any human behaviour, and especially a leader's one, is a complex process and is affected by various factors. Effective leaders are able to adjust their dominant style and apply strategies from other styles according to the conditions of the situation at hand.

2.8 COMMUNICATION AND TECHNOLOGIES

Communication is at the heart of every social process. It can be the source of conflict, or its aggravator or it can also be (and often is) a key to resolution. The purpose of communication, as Fisher and Ury (1981:33) put it, "reaching a joint agreement". Attaining this goal might be extremely difficult in a conflict situation, because there are several communication risks that may deteriorate the problem and subsequently give rise to a conflict:

2.8.1 Lack of communication

People are poor communicators by nature, but in a state of stress, agitation, emotional arousal individual's communication skills become even poorer. Parties in a conflict may simply refuse to communicate with each other at all. The impairment of communication channels is a definite sign of conflict escalation. The communication between the parties is so weak that they no longer understand the position of the other party and therefore are no longer able to move towards any mutually acceptable agreement. The hostile attitudes start growing within the group without any vent. The communication within the group on the contrary intensifies. As Fisher and Ury (1981:33-34) argue, the party tries primarily to impress its own constituency or talk the third parties into taking sides, which is also a clear sign of further conflict escalation - polarisation of community, formation of outgroup prejudices.

2.8.2 Communicational “overflow”

It means that communication is too intensive and parties, being in a state of anger, frustration, may lose control over their emotions and words. That’s why when anger and misperceptions are high, some messages are better left unheard.

2.8.3 “One-way” communication

Even if parties are talking to each other, they may not be listening to each other. They might do it on purpose meaning to show that they do not accept or care about other party’s demands, or unintentionally, that is when a party is psychologically incapable of hearing. In the heat of an argument the party is not capable to concentrate on anything else apart from its own concerns and demands and how to present its next argument and defeat the other party. This phenomenon can be described as “the dialog of the Deaf”.

2.8.4 Miscommunication

Often even if parties talk and listen to each other they may receive a completely different message from what has been initially said. The cause may lie in the different languages they speak or in different cultures they represent. The code that the conflict parties use to encode their messages are culturally distinctive (Ellis and Maoz, 2004:225). An idea expressed by one party may be completely misunderstood by other party due to a different meaning attributed to those very same words in the other party’s culture. There is a saying that “meanings are in people, not in words”, Ellis and Maoz (2004:227) explain that it means “true understanding of communication depends on the people speaking and the code they use”. There are various factors that influence the process of sending a message: language codes, tone of voice, body language, previous interaction and experience with the other party or its culture, external environment and various other particular circumstances that were perceived by the receiver while receiving the message.

2.8.5 Communication technologies and conflict

In the modern globalised world, the speed of communication and information consumption is extremely fast. Malone's (2002) puts forward a tenet that the cost of communication has a

dramatic impact on the development of organisation's forms and processes throughout the history. Due to the advances in information technologies in the 20th - beginning of 21st century, the process of communication has become more diverse and complex, whereas the main function of communication as remained unchanged: transmit meaning. If communication fails to perform its main function or if while performing its function it distorts the meaning and creates misunderstanding, then conflict situations arise. In an organizational environment (due to different communication technologies, high concentration of resources, mix of cultures, generations and ages, interdependence of functions and positions et cetera) communication is particularly prone to distortions, which may happen at the level of a sender as well as a receiver (Werner at al., 2011:205). According to Kelly (2000:92-101), breakdowns happen when the sender fails to influence the receiver in a way that he/she was supposed to and vice versa.

An important aspect of modern communication as a potential source of conflict which has to be taken into consideration is the increasing use (abuse) of electronic media of communication, particularly e-mail, which, according to Burke (2006:784), causes (a) less face-to-face contact (losing the benefit of nonverbal cues) and (b) more "freedom" to communicate in a confrontative, potentially hostile manner.

2.9 ORGANISATIONAL CHANGE AND LEARNING

Change is inseparably associated with learning and adaptation to something new. How prone are human beings to learning and changing. Some sociologists believe (Hall, 1977) that human beings are "learning organisms par excellence and the drive to learn is as strong as the sexual drive—it begins earlier and lasts longer", Deming supports this statement by saying that "people are born with intrinsic motivation, self-esteem, dignity, curiosity to learn, joy in learning".

Kurt Lewin and his disciple Edgar Schein believed that social change, whether at the individual or group level, was a complex and intense psychological process that involved painful unlearning and difficult relearning. Thus, it is hard to say unequivocally how natural change is for human beings and how big human psychological and physical capacities for

“accommodating” change and learning are. The intensity/depth of change and its management is a crucial factor in defining the success of the process.

Edgar Schein devoted a significant amount of his academic efforts to the study of organisational change. Schein (2009) considered Lewin’s (1947) basic change model of unfreezing, changing, and refreezing to be a theoretical foundation upon which change theory could be built. The central tenets of Schein’s theory:

- in an organisational environment there are two types of personalities: collaborators and resisters;
- change begins with upsetting the balance of existing things and therefore it produces anxiety and fear of the unknown; initial resistance is natural and can be overcome by making the individual feel psychologically safe;
- motivation or at least non-resistance to change arises from the sense of psychological safety, i.e. when an individual realises that new meanings and concepts are safe and feasible to learn;
- three steps of change process: 1) change in the “old” meaning of a concept, 2) change in perception and evaluation of a certain thing or a process, 3) emergence of new meaning;
- the change process unfolds gradually within the group, starting from the most “change adaptive” individuals and other, “less adaptive” following them, relying on their perceptions and behaviour.
- the change can be only imposed if the individual that might be affected by it cannot freely change his position in the organisation and get out of the change impact zone;
- the new meanings and concepts will only “take root” in the organisational culture if they are socially and personally reinforced, confirmed;
- there is a distinction between “new learning” and “unlearning” which is intrinsically more difficult and usually painful. Usually change requires both unlearning and then learning something new. Unlearning is the most problematic phase because it requires to reject something that has become a part of group’s identity and basic assumptions.

Argyris and Schön (1996) defined learning as "detection and correction of errors" and discussed two types of organizational learning: single-loop and double-loop learning (Argyris

et al., 1985; Bartunek, 1984). The difference between these two types lies in the depth of changes undertaken: simple changes of behaviour and processes or changes of the underlying assumptions and mindsets. Basic assumptions, as Argyris calls them as “theories-in-use”, are basic guidelines of human behaviour and reflect to the way one perceives the world around, what judgements one makes and the way treats the people around (Argyris, 1976; Argyris and Schön, 1974). They could also be defined as basic human values and attitudes, which are very difficult to change because such change would require reexamination of existing assumptions and hence their destabilisation and subsequently the destabilisation of the whole cognitive balance, which leads to the injection of high dose of anxiety into the human system.

The basic assumptions that dominate in the group/organisational culture are extremely important to understand in order to manage the group. At different stages of a group formation different sets of assumptions are in operation. For example, at the stage of a group building, cohesion assumptions are the strongest. Schein (2004:77) describes how this assumption works:

“absence of interpersonal conflict, a tendency to bend over backward to be nice to each other, emotional expressions of affection, a mood of euphoria, and group solidarity in the face of any challenge. Symptoms of conflict or lack of harmony are ignored or actively denied. Hostility is suppressed or, if it occurs, punished severely. An image of solidarity must be presented at all costs.”

However these assumptions do not dominate eternally, sooner or later they get challenged by such events as, to cite Schein (2004:79):

- *the subtle disagreements and conflicts that occur in the attempts to take joint action,*
- *the noticeable avoidance of confrontation,*
- *the overt denial of the fact that some members may not like each other, and*
- *the occasional eruptions of negative feelings toward other members.*

Other set of assumptions defines group’s attitude to change. It make a huge difference how learning and development was achieved. There are two main ways:

- a) through success and positive experience;

b) because of the fear of failure, as an attempt to avoid previous negative experience.

If the way a) was taken, later on the changes would be faced with the question “Why we need to change if the current situation is quite positive?”. If the way b) was taken, any change would be treated with fear that the things could go back to hurtful and uncomfortable.

Basic assumptions also help to understand what can be a cause of conflict in the organisation.

For example:

- 1) assumptions about mission and strategy,
- 2) assumptions about goals derived from the mission,
- 3) assumptions about means to achieve goals,
- 4) assumptions about the main performance indicators,
- 5) assumptions about “error correction” strategies and changes.

Organizational learning as a by-product of organisational change is one of the most significant organisational processes. Companies invest significant financial and human resources in it because the pace of change in the contemporary business environment demands them to. The significance of organizational learning was highlighted by Argyris and Schon (1996), and Schein (1993). Luthans, Rubach, and Marsnik (1995:30) concluded from their review of organizational learning literature that "the presence of tension and conflict seem to be essential characteristics of the learning organization". Therefore conflict management strategies in such organisations should be designed to enhance organizational learning (Luthans et al., 1995; Tompkins, 1995) and not to obstruct it. Rahim (2002) is convinced that effective conflict management strategies should necessarily involve double-loop learning. It is expected that organizational learning will lead to long-term effectiveness. Hence, to guarantee itself a prosperous future in today's knowledge/information-based business world, the management should turn the fears of change into the drive to learn.

2.10 ORGANISATIONAL LEADERSHIP

2.10.1 The notion of leadership

Leadership can be defined as a process of influencing people to act towards a common goal of a certain group (Werner, 2011:535, Northouse, 2007). The definition may seem quite simple, however it contains very important information needed to understand the notion of a leader. First of all, one must comprehend that leadership is a process, it is not a state, status or condition. It is a complex process that penetrates every aspect of organisational life. Secondly, leadership means influencing others not just through direct orders or instructions, the influence of a leader is exerted through all layers of organisational culture.

2.10.2 The role of a leader in an organisation

Leaders embed and transmit organisational culture. To understand how it works, one must define what organisational culture is. Organisational culture is a set of basic assumptions shared by all members of an organisation which “manifests itself at the level of observable artefacts and shared espoused beliefs and values” (Schein, 2004:36). The influence of a leader comes from understanding those assumptions, how they are learned, how they function and how they can be changed. Schein (2004:81,87) distinguishes two levels of mechanisms through which leaders cultivate and transmit their beliefs, values and assumptions:

- ***primary (embedding) mechanisms***, for example, allocation of resources, allocation of rewards and bonuses, promoting, selecting, recruiting, crisis management, performance measurement system, role modelling, coaching et cetera. To cite Werner (2011:356), “the leader serves as a role model for his/her followers and encourages similar values in them.”
- ***secondary (reinforcement) mechanisms***, for example, organisational design and structures, procedures and policies, rites and traditions, location of the office and its design, formal statements about organizational philosophy, mission, key strategic objectives. At an early stage of organisational life cycle, these mechanisms play mostly a supportive role, but when the organisation expands and matures, they become “primary maintenance mechanisms, what are also known as institutionalisation or bureaucratisation” (Schein, 2004:270).

Leaders perform a key role in making these instruments work, intentionally or not. Everything they do and communicate becomes a message to the employees. All members of the organisation receive these signals (messages) and form their assumptions, values and beliefs based on them. Schein (2004:271) points out that often change programmes do not succeed exactly because those who initiate the change fail to use the entire set of mechanisms. Thus, one can also deduct from the statement above, that when a manager decides to change something within his/her team and uses all of these mechanisms, the manager becomes a leader.

It is very important to grasp the difference between the concept of “management” and “leadership”. Though these two notions are interconnected, they carry different meaning. Landsberg (2007:122) gives a very accurate definition of the difference between a leader and a manager: an effective leader anticipates the change and “prepares the ground” for it using role modelling, communicating his/her visionary ideas to the employees. A manager, instead, “implements the change, creates momentum rather than inspiration and relies on positional influence”. However, it is hard to imagine an effective leader who is not a manager and vice versa. Leadership and management skills are essential and very often overlap. Kotter (in Kreitner et. al., 2001:552) declares that successful organisational change is the result of 70 to 90 percent leadership and 10 to 30 percent management.

2.10.3 Leadership competencies

Though there is no standard formula for a successful leadership, no precise set of quality and skills in order to become a true leader (not manager!), scholars and practitioners agree that in order to be followed, one should possess and/or acquire certain skills and competencies from the categories indicated below.

For instance, Kets de Vries (2005:16) articulates three main areas of competencies intrinsic to effective leadership:

2.10.3.1 Personal competencies

Management literature highlights such qualities as: the ability to control one’s emotions (Hawes and Kealey, 1981), self-awareness (Kealey, 1989), the ability to deal with stress

(Dean and Popp, 1990; Stenning and Hammer, 1992), and the display of sensitivity to the feelings and needs of others (Stenning and Hammer, 1992; Tung, 1998). Salovey and Mayer (1990) developed a concept of "emotional intelligence" which was later popularised by David Goleman (1995). They (1990:189) defined emotional intelligence as:

“the subset of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions”.

Emotional intelligence is a crucial skill for leaders because it allows them to be in control of their own emotions and sharply perceive the emotions of others, and thus enables them to stay emotionally in tune with the diverse members and stakeholders of the organisation. As Pless and Maak (2008:19) observe that such pillars of emotional intelligence as empathy, compassion and consideration help neutralise tensions (e.g. those stemming from cultural differences or from conflicting values and interests among stakeholders) in conflict situation.

2.10.3.2 Social competencies

Social competencies include, for instance, willingness and ability to connect with others, ability to maintain relationships, ability to initiate conversation and to communicate competently, to enter into meaningful dialogue and to deal with misunderstandings (Hawes and Kealey, 1981; Abe and Wiseman, 1983; Stenning and Hammer, 1992; Dean and Popp, 1990; Cui and van den Berg, 1991; Cui and Awa, 1992; Cassiday, 2005). Bless and Maak (2008:17) add that interpersonal skills are part of general concept of social intelligence and consist of the two partially interrelated components: powers of self-assertion in order to protect one’s own interests and powers to build and maintain positive relationships with others.

2.10.3.3 Cognitive competencies

Some researchers (Pless and Maak, 2008:16), for instance, argue that these cognitive abilities are necessary to comprehend and cope with the social responsibilities of modern business community. They help leaders to better understand cultural differences, to identify and evaluate the demands of different communities, and they also help to facilitate ethical

decision-making processes et cetera. Earley and Ang (2003:28) insist that cognitive abilities are a prerequisite for abstract reasoning, problem solving, decision-making, critical thinking and learning.

2.10.3.4 Leadership ethics

Business ethicists also identify an ethical side of leadership and define a concept of ethical (or moral) leadership (Ciulla, 1998, 2006; Paine, 2003). McCann and Holt (2009:213) highlighted two sides of ethical leadership: the moral person and the moral manager. The moral person is a leader who displays moral behaviour and the moral manager is a leader who also makes others follow his/her example. Pless and Maak (2005) suggest that these ethical abilities can be tied up to a broader concept of ethical intelligence, composed of three dimensions: moral awareness, reflective and (self-)critical thinking and moral imagination.

2.10.3.5 Cross-cultural competencies

Global leadership researchers add a cross-cultural perspective to the leadership competencies (Dickson et al., 2001; House et al., 2004). Cross-cultural abilities constitute another part of the “modern intelligence” package - so-called “cultural intelligence”. The concept is defined by Earley and Ang (2003:9) as a “person's capability for successful adaptation to new cultural settings”. Leaders’ cross-cultural skills should include sensitivity to cultural differences (Burchall et al., 1996; Graf, 2004), ability to cross-cultural communication (O'Hara-Devereau and Johansen, 1994, Thomas, 2006), conflict management and negotiation (Adler, 2002; Ury, 2002).

Culture is a lens through which people’s perceptions, ideas and actions are refracted. Culture is therefore a major determinant of party’s behaviour because such behaviour is based on culturally derived interpretations of the self and other (Bercovitch and Foulkes, 2012:41). In terms of conflict management, the “cultural lens” not only affects the parties’ behaviour, but it has an impact on the way conflict is handled and how a solution can be reached. Bercovitch and Foulkes (2012:41) allege that culture has been proven to influence each of the fundamental components of the process of conflict management. Choosing between different conflict management strategies one should assess three basic factors: a) the environment

where the conflict takes place b) the parties to a conflict c) the personality of the potential mediator (Wall et al., 2001: 377). And culture is definitely the most powerful among all environmental factors. Wall et al. (2001:377) refers, for example, to mediators from Eastern cultures, who have a greater tendency to employ directive strategies such as issuing threats, because in many cases their culture grants them the power and status to do so. Whereas, Western mediators are less likely to make use of threats and demands because their culture does not empower them in the same manner (Wall et al., 2001: 377).

The same analogy could be drawn also to the leadership styles. Leadership functions imply constant conflict management activities, therefore a leader needs to possess a thorough knowledge and understanding of the cultural aspects of the issues in dispute and the disputants in particular in order to maximise his/her chances for successful resolution. Some scholars call this ability to understand and wisely implement cultural knowledge “intercultural competence”. Ting-Toomey (2014) refers to intercultural competence as “the optimal integration of culture-sensitive knowledge, mindfulness, and flexible communication skills in managing vulnerable identity-based conflict situations appropriately, effectively, and adaptively”. Bhawuk and Brislin (1992:414) call it “intercultural sensitivity” - an ability to perceive the importance of cultural differences and accept the diversity of viewpoints, high level of cross-cultural adjustment, task effectiveness during overseas assignments, and the development and maintenance of good interpersonal relationships with culturally diverse individuals.

Pless and Maak (2008:20) offer one more convincing argument in favour of cultural skills, which they deem essential for a leader to interact effectively with a diverse followership and enable an “inclusive stakeholders’ dialogue, that is, a dialogue across cultures, values and interests, balancing the different interests and reconciling value conflicts should they occur”.

2.10.4 Leadership and organisational change

Organisations resemble living organisms: they are born, they mature, grow old and die. Schoemaker (2002:30) argues that there are very few companies that have ever lasted over 100 years. The initial growth may seem to last and but sooner or later the survival curve

flattens out, and the tendency to fail in the face of long-term change appears to become the rule rather than the exception (Hannan and Freeman, 1989; Foster and Kaplan, 2001).

On the one hand, there are certain objective factors, or external barriers, that prevent constant growth and may lead to the decline of an organisation. For example: laws, state monopolies, price regulation, economic crises, wars et cetera. These forces cannot be influenced by the company itself. On the other hand, there are also internal barriers that impair organisational success. The internal limitations can be overcome through consistent and well-implemented organisational changes. The challenge to carry out these changes is the ultimate challenge of any organisation which wishes to survive in the modern environment. The way an organisation manages change is best described through the concepts of learning organization and performance organization (Hurst, 1995). These concepts should not be regarded as two separate organisational styles, but rather as organisational philosophies that can co-exist or switch. If one of the philosophies prevails for too long, the organisation might suffer. Senge (1990) believes that all organisations are born as learning organizations:

“They are experimental and innovative; employees share information and work together; risk-taking is rewarded. However, once the firm discovers how to earn profits, it transforms into a performance or harvesting culture, striving for reliable performance.”

The basic differences between the two organisational cultures are indicated in the Table 2.1.

Table 2.1 : Main features of learning and performance organisations

Performance culture	Learning culture
internally oriented	inquisitive and externally focused
focused on quantifiable results	experimental, risk-taking and innovative
rewards consistency	shares information,
intolerance of ambiguity and deviations	rewards risk-taking and non-standard approaches
rule and procedure oriented	relies on cross functional teams, informal, flexible

Of course, these distinctions do not imply that one type of organisation is inherently better or worse than the other one. But it means that different characteristics of each type have different impact on the organisation depending on the stage it is in. For example, at an early stage any organisation is usually a learning one - “outward looking”, creative, flexible, risk-taking. Later on, when an organisation grows bigger, it becomes more “inward looking”. The focus shifts to the internal rules and regulations, to numbers and performance indicators and so on. Upholding a large organisation, which includes stakeholders, management, vast net of branches and affiliated companies, trade unions, regulators et cetera, is impossible without stiff organisational structures and legitimacy. All actions must be documented and justified (Schoemaker, 2002). As a result a decision-making process gets more complex and rigid discouraging managers and employees from making their own decisions and taking responsibility. They become content with the status quo and feel reluctant to change anything. In the academic literature this process is called “organisational sclerosis” (Schoemaker, 2002).

However, it would be wrong to assume that the formalisation of the organisational structure and procedures has only downsides. Schein (2004:265) reasons that the systems and procedures perform a very important function: they “make life predictable and thereby reduce ambiguity and anxiety”. Systems and procedures maintain organisational culture and help transmit the messages (values, attitudes and basic assumptions) that the leader wants to communicate to his/her employees.

Returning to the concept of organisational sclerosis, it is important to understand what the symptoms and complications of this “illness” are. It is the performance organisations that tend to develop this “unhealthy” condition. They attribute too much value to the sense of stability, predictability and status quo, and thus become more inert, rigid, slow to respond to quickly changing environments. And it is here where the main difference between performance and learning culture lies.

Change is inseparably associated with learning and adaptation to something new. Organisations that are more capable of change and learning are more likely to succeed in the

long run. The most significant challenge that business world is facing nowadays is the transformation of the basic business principles and values. Initiative, innovative and creative thinking are the key skills required to succeed in the market nowadays. And these are the skills that leaders must possess and through their leadership mechanisms cultivate and develop in their teams. Buzan (2002:24) observes that there is a growing trend in business community to change traditional leaders¹ with more unconventional and innovative thinking and risk-taking ones. Busan continues:

“It is no coincidence that the leading companies are those who spend the highest proportion of their income on developing their employees, and it is similarly no coincidence that the leaders among these leaders are those who are "front-ending" such learning: teaching their employees to think, create, remember, concentrate, plan, and communicate before they embark on any other personnel development.”

Hence, the role of a leader is once again underlined. He/she is a mechanism that has to ensure that new knowledge is effectively absorbed and put in practice by the employees to the benefit of the organisation.

Another aspect where the performance organization, which needs to shield its core activities from disruption, is in conflict with the learning organization, which watches out for bottleneck problems and searches for new ideas and improvement opportunities, is the decision-making process. Shoemaker argues (2002:34), that in performance organisations decision-making often reduces to a sort of a guessing game as to what top management wanted to say. Employees feel reluctant to express their ideas out loud and prefer to stick to what is considered politically "correct" or acceptable. Scholars and practitioners call this type of decision-making “group think” (Janis, 1982; de Vries and Miller, 1987). “Group think” is one of the wide-spread dysfunctions of team decision-making. To change this behaviour, a strong leader is required. He/she should “encourage diversity of views and the public challenging of accepted wisdom” (Schoemaker, 2002:35). And again, a leader must use his/

¹ the term “traditional leader” implies the concept of leadership based on notions of control and power supported by hierarchy, stiff vertical and horizontal integration. This term has explicit Western cultural connotation.

her tools through which he/she embeds organisational culture and set a model of constructive organisational behaviour which is to be replicated and reciprocated by the team.

It is also important for the leader to be able to openly communicate and discuss mistakes and bad decisions made in the past no matter how difficult and uncomfortable it may be. The instrument of “process feedback” is very efficient in this case, because if the desired outcome is not achieved it means that somewhere along the decision-making path there was an obstacle and only process feedback (not outcome feedback) can help detect it.

“Learning by doing” is another basic principle of a learning (adaptive) culture which is in conflict with the performance philosophy. To exemplify this statement, one can imagine a company that needs to navigate through a tough period. One way - it can focus on optimising its performance, focus on its strong products and thus secure its short-term results. Another way, to maximise its long-term survival chances, the organisation must continue to search for new products and niches through learning, challenging the status quo and experimenting in the new field. Practically, however, the best outcomes are more likely to be produced when both approaches interact and compensate for each other’s weaknesses.

A success business strategy requires a leader capable of “careful balancing act between the harvesting mode of the performance organization and the quest for experimentation in the learning organization” (March,1971). Every organisation has to find its own balance of cultures taking into consideration various external and internal factors, such as market situation, level of competitiveness, stage of technological evolution and potential for further advances, internal climate and readiness of resources et cetera. Nonetheless, as the pace of change in the world increases every day, learning (or adaptive) skills of any organisation (no matter commercial or social one) become the survival factor.

Another critical issue, where leader’s strategic viewpoint is crucial, is how the company reacts to external threats (clashes with competitors, new regulations, state, financial institutions, economic crises et cetera). The most common way is to cut down costs through redundancies, outsourcing, downsizing et cetera. The rationale behind overhead cost

reduction is simple: shed extra-weight, be more agile and flexible, more cost-efficient et cetera. These measures are useful to a certain degree, like a first aid kit they can help stop the “bleeding”, but the initial cause of the “bleeding” remains unattended. Vicere (2002:68) stresses that downsizing may bring certain short-term improvements, but they are not sustainable in the long term, and the underlying problems will inevitably reveal themselves later again. Organisations must not only seek to treat the “open wounds” but also to treat the underlying causes of those “wounds”.

Another downside of the cost-cutting measures is also a negative psychological climate spreading in the organisation. Employees are suffering from a constant fear of layoffs, lack of loyalty and commitment. Moreover, the physical and mental pressure on the employees is increasing, while it is often the case that the personnel was downsized but the functions remained, so that fewer people are supposed to do the same amount of work. As in the end the goal of performance improvement seems further and further away from reach, while stress, interpersonal conflicts, confusion are dramatically increasing.

In the example above, an adaptive learning organisation, even under pressure, tries to improve its performance. And it does so not only through optimising current operations, but also through re-thinking and re-engineering the whole (or parts) business process in search for potential gaps and/or bottlenecks. This process is extremely tough to carry out in a performance-oriented organisation because it contradicts the existing cultural assumptions and models. But in the end in order to benefit from optimisations and downsizing, the organisation must be able to look beyond its own “walls” and be sensitive to new signals from the outside world, in other words, to keep learning and adjusting its focus on new targets.

The struggle on the business arena described above obviously represents a primary challenge to the leadership. The first challenge for any organisation is to find the right leader and then for this leader to build an effective team. However, finding top-level individuals with brilliant resumes is not enough. They need to have the sense of belonging to the team, commitment and shared goals that would inspire them to perform at the highest level of their capacity. For

the leader to be effective, he/she needs to create such an environment where his/her team can fulfil its potential. The basic features of such environment are:

- creative “outside-the-box” thinking and experiment is encouraged;
- task and projects are assigned according to skills and competencies;
- fair and regular process and result feedback is provided;
- clear rewarding system;
- decision-making process is transparent and flexible.

An obvious benefit of creating such relationship in the leadership team is that this positive model of work is translated down from the top management to the middle management and then down to ordinary employees, creating in this way an organisational culture.

When a required psychological climate is provided and the team is ready to perform, here is another challenge that the leader has to face: to build a shared vision, a path to be followed by the rest of the members of the organisation. Werner (2011:354) believes that leaders must be able to navigate and manoeuvre the organisational resources towards to the company’s strategic objectives. Armitage et al. (2006:42) points out another crucial leadership skill - “to form alliances and partnerships with other leaders as well as with internal and external customers and suppliers”. This skill is especially critical in the face of the intense competition taking place in every market on all levels.

2.11 TEAMWORK IN ORGANISATION

It is widely acknowledged that competition and conflict are built into human “operation system”. Park and Burgess (1921) developed the notion of the ecological cycle of intergroup “contact, competition, conflict, accommodation and assimilation” (Kinloch and Mohan, 2005:17). They view human competition for resources as universal and conflict as generally inevitable.

In the organisational environment, the distinction between competition and conflict can be very subtle. Conflict is often mistaken for extreme form of competition. Competition is a main form of social struggle, the nature of competition is productive. Competition drives

improvement, it motivates people to develop and grow. In modern society competition is one of the most praised components of corporate culture. But it is also alleged that competition is a dissociate form of social process (Pujari, online). Competition takes place whenever there is an insufficient supply of anything that humans desire. Most commonly, people compete for power, money, resources, social recognition, fame, status et cetera. Scarcity of resource (of all kinds) is in a sense an inevitable condition of human life, competition of some sort or the other is found at all levels of social structure.

The main difference between competition and conflict is that competitors strive to succeed, to do better, to show better (more competitive) results. But when a competitor tries to denigrate the other, to destroy him/her or undermine his/her interests- then competition takes its “lethal” form and in fact turns into a conflict. This “lethal” form of competition ruins cooperative relationships, triggering vicious circle of retaliatory tactics and conflict escalation.

Cooperation is a considered to be an opposite of conflict. Cooperation means that parties (individuals, groups et cetera) are working together in harmony for the benefit of both managing to combine their personal and collective goals. However, according to Coser (1956:31), no group can be entirely cooperative and harmonious, otherwise it would sooner or later find itself stagnating. Coser (1956) posits that groups require both harmony and disharmony, association and disassociation.

Teamwork is essentially based on the concept of cooperation, which means working together in order to achieve group’s goals or mutually acceptable solution to a problem. Competition, in contrast, is aimed at working against the other party and seeking solutions that satisfy one's own goals without taking the other's goals into consideration. Morton Deutsch was one of the most prominent figures among those who brought situational nature of conflict to the forefront of empirical analysis. Kurt Lewin’s disciple and colleague, he continued Lewin’s research on interdependencies and interconnections between members of groups as the most important characteristics of a group. During his early career Deutsch’s research was focused on the influence of competition and cooperation on group processes (Deutsch,

1985:113-116). The result of his theoretical and empirical work was his book “Theory of Cooperation and Competition” (TCC), first published in 1949. His theory is based on two fundamental ideas: interdependence of goals (cooperative versus competitive) and types of actions taken (effective versus bungling) (Deutsch, 2006:24).

Deutsch (2006:24) distinguishes between two main types of goal interdependence: positive, where the goals are linked in such a way that the amount or probability of a person’s goal attainment is positively correlated with the amount or probability of another obtaining his goal; and negative, where the goals are linked in such a way that the amount or probability of goal attainment is negatively correlated with the amount or probability of the other’s goal attainment. He also distinguishes between two basic types of action taken by an individual: “effective actions,” which improve the actor’s chances of obtaining a goal, and “bungling actions,” which worsen the actor’s chances of obtaining the goal. Further on, Deutsch (1985:66) mixes different types of goal interdependence and individual actions in order to formulate different behavioural model and their impacts on socio-psychological processes.

The key element of TCC is the law of social relations, according to which “characteristic processes and effects elicited by a given type of social relationship also tend to elicit that type of social relationship” (Deutsch, 1985:69). Putting it in more colloquial language, what Deutsch’s law tries to convey, is a “mirror effect” of social interaction, the attitudes and messages (both verbal and non-verbal) people transmit to the communication partner(s) will be reciprocated by inducing a similar reaction. In Deutsch’s TCC the causes of conflict lie in the objective collision of interests/goals. His theory was widely accepted and acknowledged for its contemporary vision and approaches as well as for his immense empirical contribution.

De Dreu (2001:311) points out that at a more micro-level of analysis it has proven useful to distinguish three different forms of cooperation: problem-solving in which parties seek a mutually beneficial solution; yielding, in which one party makes unilateral concessions and gives in to the other; and compromising, in which parties seek to solve the conflict by splitting the difference (De Dreu et al., 2000; Pruitt and Rubin, 1986; Van de Vliert and Euwema, 1994).

Though cooperation is considered a very effective strategy, in real life many collaboration initiatives fail to deliver the value expected (Labianca, Brass, and Gray 1998; Miles and Snow 1992; Shenkar and Yan 2002). The first and main reason is human resistance. One may wonder, why people resist such a positive interaction? Scholars and practitioners (Ashforth and Mael 1989; Brewer 1993; Huxham and Vangan 2005) point out several reasons:

- absence of explicit personal value (benefits);
- different goals with those whom they are asked to collaborate with;
- belief that the cost in time will outweigh benefits;
- negative past experiences;
- lack of trust between team-members;
- corporate culture that does not reward cooperation;
- in modern environment there is an additional complication introduced by geographical and cultural distance between team-members.

Personal cognitive and psychosocial factors may present a significant barrier to effective collaboration. If employee is not sufficiently motivated to collaborate or does not trust potential collaborators, he/she will feel reluctant or even resistant to collaborating, perceiving collaborative knowledge sharing as a threat (Ashforth and Mael 1989; Brewer 1993). A person's value system can also shape their goals and objectives for collaborative endeavours (Cherrington, 1989). At organisational level such attitudes lead to the formation of competitive and non-collaborative group culture (Fulk, Schmitz, and Schwarz 1992; Locke and Schweiger, 1979). Factors such as group diversity (Van Knippenberg, De Dreu, and Homan 2004; Levine and Moreland 2004) and collective identity (Hardy, Lawrence, and Grant 2005) are also important factors in the success or failure of collaborative efforts.

Cross-cultural teams or teams working at different geographical locations face one more challenge: integrating and interpreting information from different sources and systems (Cohen and Levinthal 1990). This process requires additional awareness about applicability of this or that knowledge in a particular context (De Vries, Roe, and Taillieu 1998). In a culturally diverse team this might become a challenging task because team members may

have different understandings regarding the meaning of particular words or phrases (Dougherty 1992) which is rooted deep down on the level of tacit cultural knowledge (Hansen 1999). If misunderstandings or misinterpretations of the team task happen at this level, the collaboration process is likely to fail. Another challenge for decentralised groups is workgroup dynamic (Hogg and Abrams 1993; Poole, Holmes, and DeSanctis 1993).

To sum up, when teams manage conflicts through collaborating, team effectiveness is enhanced; whereas contending drops team effectiveness (Tjosvold, 1997, 1998). Laboratory experiments on negotiation emphasised the importance of pro-social (“towards people”) motives and related collaborating behaviour as a way to solve conflicts about opposing interests (e.g., De Dreu et al., 1998; Weingart et al., 1993; De Dreu et al., 2000; Deutsch, 1973; Pruitt and Carnevale, 1993). Field research stresses the importance of cooperative goals and “constructive controversy” - the open-minded discussion about opposing ideas, feelings and opinions (e.g., Tjosvold and Deemer, 1980; Tjosvold, 1997). On the whole, these studies conclude that collaborating in conflict situations increases individual and team effectiveness, as exemplified by greater satisfaction and feelings of self-efficacy among conflict parties, more mutually beneficial solutions, reduced likelihood of conflict relapse, and better goal achievement (Pruitt and Rubin, 1986; Tjosvold, 1997).

However, it would be too simplistic to believe that the solution to organisational conflicts lies in collaboration. Various studies have proven that the type of conflict and its amount play a significant role in the equation for choosing a conflict handling tactics. Applied behavioural scientists have developed organizational development strategies and techniques for improving organizational effectiveness (Beer and Walton, 1987; Burke, 1994; French, Bell and Zawacki, 1989; Golembiewski, 1998), which, according to Rahim (2002), could be applied to conflict management. French and Bell (1999:26) defined organization development as a:

“long-term effort, led and supported by top management, to improve an organisation's visioning, empowerment, learning, and problem-solving processes, through an ongoing, collaborative management of organisation culture - with special emphasis on the culture of intact work teams and other team

configurations - using the consultant-facilitator role and the theory and technology of applied behavioural science, including action research”.

2.12 CONCLUSION

With the aim of providing a conceptual framework for this study which explores the relations between organisational change and conflict, this Chapter has outlined the field of organisational change management and the concept of work and workplace conflict. It has discussed the different terminology used and explored the features of the main conflict management strategies in the organisational environment. The following Chapter provides this study with a presentation of research design and methodology.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

In this Chapter the researcher draws a methodological outline of the current research project which includes the explanation of the research paradigm as a philosophical basis for research design and methodology, the sampling choice, the data collection process and its instruments and the data analysis. The questions of reliability and validity in qualitative research, together with ethical considerations, will be also discussed in the present Chapter.

3.2 RESERCH PARADIGM

At this stage, it is appropriate to define what research is. Basically research is a process by which new knowledge can be acquired, a process of “intellectual discovery” (Ryan et al., 2002:7). The word “can” is used specifically to underline that research is not the only method of acquiring knowledge. Thousands of years ago our primitive ancestors acquired much of their knowledge unconsciously, through observation of natural phenomenon and each other. But even today much of what people know about the world around them comes from such subconsciously functioning mechanisms as language, culture, up-bringing et cetera.

However, in order to generate scientific knowledge, simple routine observation or subconsciously embedded mechanisms are not enough. Scientific knowledge requires systematic collection of data, classification, analysis and interpretation, testing, measuring et cetera. Scientific knowledge is concerned with learning the concepts and applying those concepts to particulars, rather than just learning a vast amount of information (Hunt and Colander, 2015:1). Thus, research is a way to generate such knowledge. It is characterised by systematic, socially approved methods. The aim of research is to understand, describe, predict, or control a certain social phenomenon or a complex of phenomena (Mertens, 2010:2). Though, there is little disagreement about the aims of scientific research, there is still considerable debate about what there is to know and the actual sources of knowledge itself (Ryan et al., 2002:8). These two basic questions permeate the existing scientific debates about

the causes of “Scientific revolutions” which Kuhn (1962) called an “epistemological paradigm shift”.

According to Guba and Lincoln (1994:107) a “paradigm is basic belief systems based on ontological, epistemological and methodological assumptions”. They (id., 1994) argue that there is no way to prove that one paradigm is superior to the others, which is why they are debated. The paradigms are so closely interrelated in the research so that opting for one assumption limits the possible choice of others (but does not exclude).

The first part of the puzzle lies within the sphere of interest of ontology, a branch of philosophy which seeks to explain what is real, what exists and subsequently what can be known. The second part of the debate takes place in the arena of epistemological “battles”. The central problem of epistemology is to decide how human beings can acquire knowledge which Plato and his followers have defined as “justified true belief” (Ryan et al., 2002:11). This definition of knowledge creates three substantive issues: the nature of belief, the basis of truth and the problem of proof.

Three main epistemological traditions of social science are objectivism (also called positivism), subjectivism, and constructivism. These epistemologies represent fundamental understandings of knowledge at its most basic level. Objectivism operates on the understanding that research can lead people to “know and to verify an objective truth” (Bradshaw, 2007:10). The objectivist approach, is based on realist ontology and considers knowledge as existing separately from social world, or in other words context-free. Objectivists believe that knowledge is therefore discovered rather than created by individuals.

Diametrically opposed to objectivism, subjectivism asserts “infinite interpretations of events, none of them superior to another” (Kayrooz and Trevitt, 2005: 115, 116). Constructivism is a philosophical paradigm, based on a relativist (as opposed to a realist) ontology, and a subjectivist (as opposed to an objectivist) epistemology (Guba and Lincoln, 1989). Hence, constructivism claims that there is objective reality but it is perceived through the lens of individual’s concepts, beliefs, feelings and attitudes. It is interesting to reference a description of Schwandt's (1998:237) idea of “everyday” constructivist thinking in this way:

In a fairly unremarkable sense, we are all constructivists if we believe that the mind is active in the construction of knowledge. Most of us would agree that knowing is not passive—a simple imprinting of sense data on the mind—but active; mind does something with those impressions, at the very least forms abstractions or concepts. In this sense, constructivism means that human beings do not find or discover knowledge so much as construct or make it.

In terms of this study, the research philosophy adopted by the researcher is based on the ontological paradigm of social relativism and epistemological tradition of constructivism. According to constructivist epistemology, our knowledge is invariably mediated by our own experience and understanding (Bradshaw, 2007:10). This tradition occupies a middle stance between objectivism and subjectivism (Kayrooz and Trevitt, 2005:115)

The researcher needs to underline that the choice of the basic ontological and epistemological assumptions upon which the research is to be built does not imply that the researcher confines herself within this particular worldview, but solely indicates that this particular theoretical perspective is the most suitable for the objectives of the current research. The chosen philosophical perspective also predefined the choice of research design and methodological approach.

3.3 RESEARCH PROBLEM

Any new idea, knowledge or theory is born out of human curiosity and thirst for exploring new “grounds” and phenomena. In the case of the current study, the research idea was born in the course of the researcher’s work as a group leader in a large multinational company. Following the philosophy of a qualitative research (Rossman, 1995), the researcher strives to

- understand the processes she was witnessing in the course of her everyday job;
- describe all aspects of their interaction with each other;
- understand the underlying principles and theories at work;
- to explain the yet unspecified factors and issues.

In formulating the research problem the researcher moved from an overall interest zone to narrower and more specific issues in focus. As Merriam (2002:12) puts it: “[the researcher] has to translate his/her general curiosity into a problem that can be addresses through research”.

As stated in Chapter One, the main research aim of this study is to explore how organisational conflict is affected by change (and vice versa) in order to work out a set of recommendations, which will shall take the form of practical intervention strategies to improve organisational effectiveness by mitigating the dysfunctions of a conflict and adjusting participants' styles of handling interpersonal conflict. The objectives and the aims of the study directly impacted the development of the research design.

3.4 RESEARCH DESIGN

The unfolding of a research design is a process of selecting the right methods and approaches for the study in order to get the most reliable results (de Vaus, 2001, Hancock and Algozzine, 2006). In other words, the function of a research design is to ensure that the results obtained enable the researcher to answer the initial questions as unambiguously as possible. Creating an adequate research design gives a researcher an understanding of what type of research material is needed to obtain valid answers. In social research the issues of sampling, methods of data collection (for example, questionnaire, observation, interviews, document analysis), and design of questions are all secondary to the question above: what evidence is needed for the objectives of the research to be achieved?

Research design is not a roadmap, not a work plan, but rather a research philosophy. As Yin (1989:29) puts it, “research design deals with a logical problem and not a logistical one”. Research is not just about collecting data that are consistent with a particular research hypothesis, it should be able to provide a researcher with an alternative explanation which can empirically compete with the main one, in other words, a researcher shall also look for a second best explanation that has potential to disprove the first one. A careful and well thought-out design guides and focuses the research (Collis and Hussey, 2003:113).

Research design should not be confused with research methodology. Research design is not related to any particular method of collecting data or any particular type of data. Any research design can, in principle, use any type of data collection method and can use either quantitative or qualitative data. Research design refers to the structure of an enquiry.

3.5 RESEARCH METHODOLOGY

Research methodology deals with the choice of data collection techniques that will fit into the given research design. Babbie and Mouton (2001:xxvii) define research methodology as a choice of various methods, techniques and procedures that a researcher uses in the course of his/her study. In designing this research, the researcher chose qualitative approach as the one that is best suited to reach the study's objectives. The rationale behind this decision can be explained through a brief theoretical excursion into the notion of qualitative research and its features.

According to Reid (1987), in studies of social processes of complex human systems such as families, organisations, and communities, a qualitative methodology may be the most appropriate research strategy. The research strategy is a general set of principles defining how a researcher intends to answer the research question (Saunders et al., 2009:136). Research strategy takes into account the purposes of the research, the accessibility of data, and constraints that may affect the process of the research. The research strategy is always related to the ontology and epistemology of the study as mentioned in the section 3.2.

Qualitative research, broadly defined, means "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" (Strauss and Corbin, 1990:17). Qualitative researchers are interested in understanding the meaning people have constructed, that is, how people make sense of their world and the experiences they have in the world (Merriam, 2002:3).

Qualitative research aims at obtaining a different kind of knowledge to quantitative analysis. Where quantitative researchers seek causal determination, prediction, and generalisation of

findings, qualitative researchers seek instead explanation, understanding, and extrapolation to similar situations (Hoepfl, 1997). Merriam (2002:4) contrasted the two approaches:

“The reality is not fixed, single, agreed upon or measurable phenomenon that is assumed to be in positivist, quantitative research. Instead, there are multiple constructions and interpretations of reality that are in flux and that can change over time. Qualitative researchers are interested in understanding what those interpretations are in a particular point in time and in a particular context”.

Qualitative approaches have the advantages of flexibility, in-depth analysis, and the potential to observe a variety of aspects of a social situation (Babbie, 1986). A qualitative approach has a focus on natural settings; an interest in meanings, perspectives and understandings; an emphasis on process; a concern with inductive analysis and grounded theory (Wood, 2006).

Another characteristic of qualitative research is that a researcher is the basic instrument of data collection and analysis which inevitably causes biases that might impact the study (Merriam, 2002:5). However, this potential risk can be minimised by identifying these biases and controlling their impact on the study.

Qualitative researchers typically rely on the following methods for gathering information: participant observation, non-participant observation, field notes, reflexive journals, structured interview, semi-structured interview, unstructured interview, open-ended questionnaires, and analysis of documents and materials (Marshall and Rossman, 1998). In the present treatise the researcher utilised semi-structured interviews as a main source of data and questionnaires as an auxiliary source in order to support the interview-based data with additional evidence and in the end to enrich the analysis.

How a researcher approaches qualitative research depends on a variety of factors, such as: researcher’s personality and background, profession, financial situation, political views et cetera (Guest, Namey, Mitchell, 2013:1). It is obvious that there can be no discrimination against this or that kind of research, however some approaches seem more suitable for certain

types of qualitative research than others. One of the divides can be drawn between pure and applied research.

The present study is designed as applied research because the researcher “strives to improve the understanding of a problem, with the intent of contributing to the solution of that problem” (Bickman and Rog, 2009:x). Applied research can, and often does, generate new knowledge and contribute to a theory, but its primary focus is on collecting and generating data in order to explore how the understanding of real-world problems can be enhanced (Guest et al., 2012).

The present study uses a combination of descriptive and exploratory types of research in order to reach the research objectives as efficiently as possible. The descriptive part of the research is the foundation of the exploratory part.

3.6 LIMITATIONS AND STRENGTHS OF QUALITATIVE RESEARCH

The basic aim of qualitative research is to interpret social reality through the lens of subjective viewpoints of the sample population within the context of their constructed reality. This characteristic of the qualitative research makes it very context-dependent and thus less generalisable to other contexts. But in this case how can one assess the quality of the research? The criteria applied in quantitative research such as reliability, interval validity, generalisability and credibility cannot be used in the same way. According to Patton (1996), qualitative researchers are willing to sacrifice validity and reliability of methods to be able to inquire into the minds of subjects; they are also willing to trade off generalisability of findings in order to understand and interpret the actual phenomenon taking place here and now. As mentioned in section 3.5. the key distinction between the qualitative and quantitative methods is that the first one does not seek statistical significance and thus, any extrapolation of qualitative data to larger population will lack statistical rigour. However, the researcher is convinced that the lack of statistical accuracy and reliability is compensated by a number of other qualities that only qualitative research can ensure. For example, Lincoln and Guba (1985) formulate a set of criteria that can be applied to assess the quality of qualitative research:

3.6.1 Generalisability / Transferability

Transferability refers to the extent to which the findings of qualitative research can be generalised to other cases and contexts (Bhattacharjee, 2012:110). This term corresponds to the notion of external validity in quantitative research. Generalisability implies that the results of the study can be extrapolated to the whole population from which the sample was taken. Hence, the ability to generalise results depends on the representativeness of the sample and usually is measured in statistical terms. It is argued that in qualitative research the ability to claim a representative sample is often diminished, and statistical generalisation is impossible (Guest, Namey, Mitchell, 2013:25). In contrast to quantitative research, where sampling seeks to demonstrate representativeness of findings through random selection of subjects, qualitative sampling techniques are concerned with seeking information from specific groups and subgroups in the population (Hancock, 2002). However, the terms “specific” group or “unique” context do not exclude the possibility that similar characteristics of a context or similar group do not exist anywhere else in space and time. This is the very reason why a qualitative researcher seeks to provide rich, detailed descriptions of the research context (“thick description”) and thoroughly describe the processes, the structures, the external and internal environment, the assumptions and hypotheses formulated during data collection and analysis, so that a reader can independently assess whether and to what extent these findings could be transferred to his/her context (Bhattacharjee, 2012:111). So, transferability can be metaphorically described as a “joint venture” of the researcher and the reader.

Though, the results of this study may not be generalisable to a larger population because the sample group is small and the subjects are not chosen randomly, the researcher, nonetheless, believes that in qualitative research generalisations and inductive conclusions are possible, otherwise it would make little sense exploring a particular social phenomenon or relationships without being able to apply the findings on a greater plane. The mechanism of generalisation could be justified as follows: the research questions seek insight into a specific subgroup of the population, therefore the samples in qualitative research have some special features in common (Curtis, Gesler, Smith and Washburn, 2000) which make the subgroup

“special” or different from the general population and that particularity (special features or experience) is the focus of the research (Hancock, 2002:3). Thus, generalisations of the findings to the level of this particular subgroup are not just possible but aimed for. The researcher assumes that the chosen focus of the research and the applied sample frame allows her to make generalisations to a wider social plane such as a member (group of members) of an organisation of a given size, internationalisation and hierarchy.

3.6.2 Objectivity / Confirmability

As Bhattacharjee (2012:111) puts it, confirmability refers to the extent to which the findings reported in interpretive research can be independently confirmed by others (typically, participants). Since in constructivist research reality is built through subjective interpretations, the objectivity can be proved in terms of “intersubjectivity”, i.e. if the study’s participants agree with the inferences derived by the researcher (id.).

Upon the completion and examination of the present treatise the researcher intends to circulate it among the actual participants of the study and their colleagues in order to get an evaluation of the objectivity of her inferences and their practical relevance.

3.6.3 Internal validity / Credibility

To gauge the internal validity of the study the researcher has to answer three basic questions:

3.6.3.1 Are the role and the bias of the researcher clearly identified?

The researcher claimed that her role in the research cannot significantly affect the data neither by her individual traits (age, gender, race, marital status, professional status) nor by use of leading questions, expressing own opinions or judgements. The researcher, however, admits that she is a member of the same organisation from which the research sample was drawn. In researcher’s opinion this fact did not prejudice the course of the research or the findings, but on the contrary provided her with additional “insider” resources and knowledge with regard to the researched topic and helped to get more detailed and richer data from the participants by using long-established professional relationships.

3.6.3.2 Is the context clearly described?

To evaluate the credibility of the data collected during the research, it is necessary to examine how accurately the context and the participants of the research are described.

In terms of this study, the researcher believes that the context and the participants were meaningfully analysed and described. No context bias was detected.

3.6.3.3 How reliable are the methods of the research?

In order to establish the reliability of the methods it is necessary to establish the appropriateness of the methods used to the research objectives: do they fit into the research design and how effective are they for answering the research questions? Bearing this in mind the researcher planned to use several tools of data collection, it allows for the data to be compared and eventually corroborated or not. This process is called “triangulation” and will be more specifically described in the section 3.8.

According to Bhattacharjee (2012:111) there are other means of improving credibility of methods: providing evidence of the researcher’s extended engagement in the field, and by maintaining meticulous data management and analytic procedures, such as verbatim transcription of interviews, accurate records of contacts and interviews, and clear notes on theoretical and methodological decisions, which can allow an independent audit of data collection and analysis if needed.

3.6.4 Reliability / Dependability

This criterion can be evaluated only through the replication of the initial findings by a different researcher doing a similar research and using a similar sampling frame. Alternatively reliability can also be tested by the same researcher by repeating the same study.

3.7 SAMPLING

The next stage of qualitative research design is selecting a setting from which to gather data. In selecting a setting for a sampling, Morse and Field (1996) recommend the use of the principle of maximisation. It means that a location should be determined where the topic of study manifests itself most strongly. The basic principle of the qualitative research dictates

that the phenomenon shall be observed as deeply and closely as possible, even better - from participant's perspective. Thus, the sample should give the best possible opportunity to do so. Such approach is called purposive sampling. Patton (1990:169) underlines the importance of selecting information-rich samples (or cases) for a deep study, because they allow one to get the maximum essential information about the research problem.

The most appropriate setting for this study is an organisation that fits the following criteria:

Table 3.1 : Criteria for the choice of the research setting

Criteria		The features of the chosen setting
1	Size of the company (the number of personnel should be big enough to be able to get a desired complexity of organisational structures needed to investigate the research questions)	over 10 000 employees
2	Horizontal and vertical complexity of organisational structures - see point 1)	complex matrix organisational structure based on two axes: type of business and geographical region
3	Multicultural representation (to give a cross-cultural perspective to the study)	the Company is represented in over 20 countries all around the world
4	Accessibility	the researcher is an employee at the chosen Company
5	Condition of being in an ongoing change process	condition met

A purposive non-probability sampling is utilised in this study. A non-probability approach is more suitable for in-depth qualitative analysis in which the aim is to comprehend a complex social phenomenon (Marshall 1996; Small 2009). In qualitative research, the sample is small and not chosen randomly (Patton, 1996), in other words, intentionally selected according to the needs of the research, commonly referred to as 'purposive sampling' or 'purposeful

selection'. Coyne (1997) justifies such subjective selection by stating that the cases are specifically selected because they can give sufficient insight into the issues that are important to the research. Sampling strategies in qualitative research typically aim to ensure a wide range of perspectives and experiences, rather than to replicate their frequency in the wider population (Ziebland and McPherson, 2006). According to qualitative research principles, the samples are usually small and selected with care so that they can provide as much information as possible (Hancock and Algozzine, 2006:39). As Boeije (20012:36) clarifies, samples are not always predetermined, and selection may be sequential, interleaved with data collection and analysis.

The sampling frame, that is the rules defining the population, includes the members of the company who :

- a) are members of a team (a department)
- b) are team leaders
- c) are heads of a function (a group of teams)
- d) work at the head office
- e) work at a regional branch
- f) work in a country A
- g) work in a country B

The researcher sets out to interview not less than 25 employees from a selected company and circulate a questionnaire among not less than 50 employees of the same company. The estimated population of the research shall not be below 75 people.

The researcher does not intend to select specific individuals, but chose those members of the organisation who fit the sampling criteria, are accessible and willing to participate. The size of the research population is justified by the overall scope of the research project, its feasibility and timeframe, availability of target persons and their accessibility. The researcher also used a snowballing technique in order to engage more people in the research. Some of the interviewees were willing to “advertise” the research and invited their supervisors and/or colleagues to participate.

3.8 DATA COLLECTION

This section describes how all the relevant facts for this study are to be collected. Within the constructivist research paradigm the researcher and the object of research are interlocked in an interactive process, one influencing the other (Mertens, 2010:19). Following the paradigm the researcher chose a more personal, interactive mode of data collection.

The data are collected by means of:

- a) semi-structured interviews
- b) questionnaires

An example of a triangulation approach is combining interviews and questionnaires. The interviews enable the researcher to probe deeper into the research problems and questionnaires allow the researcher to obtain the basic research-specific information to corroborate the data obtained by other instruments.

Triangulation is a technique of enhancing research reliability by means of applying multiple research methods (Bradshaw, 2007:15). According to Babbie (2002:107), in ideal circumstances, a research project should always bring more than a single research method to bear on a topic. Researcher uses more than one method (often a qualitative one with a quantitative one, or different methods within one approach) in order to ‘triangulate’ the outcomes of measurements and observations (Todd et al., 2004). With the inclusion of questionnaires, triangulation is ensured, and by using it the strength of one procedure compensates for the weakness of another (De Vos et al. 2005:314).

The study also utilises a data collection approach based on the secondary data. An extensive and critical analysis of literature was conducted, which addresses the main features of organisational conflict and change management, the theories regarding the correlation between conflict and organisational effectiveness. Secondary data analysis encompasses information from scholarly journals, academic books and internet resources on the above-mentioned subjects.

3.8.1 Interviews

Interviews are used as a primary method of data collection. Interviews as part of qualitative research are often called “conversation with a purpose” (Ritchie and Lewis, 2003:138-169). Interviews of individuals or groups allow the researcher to attain rich, personalised information (Mason, 2002). Qualitative interviewing utilises open-ended questions that allow for individual variations. Patton (1990) distinguishes three types of interviews:

- 1) informal or conversational interviews, when a researcher has only an area to explore but no specific questions are prepared in advance;
- 2) standardised interviews, when questions are predetermined and strictly followed;
- 3) semi-structured interviews, a compromise between two types mentioned above.

For the purposes of this study semi-structured interviews are conducted. A list of preliminary questions or general topics that the interviewer wants to probe into during each interview is prepared. The interview guide is constructed to ensure that the same interview scenario is followed. The interview guide contains a set of possible appropriate open-ended questions that the researcher could ask each interviewee (Hancock and Algozzine, 2006:39) and aggregated into several interconnected areas of interest. These questions are formulated in a way so that a researcher can gain maximum insights into the study’s primary research questions.

Table 3.2 : Examples of the interview topics and questions

Area of inquiry	Sample questions
Organisational changes	<ul style="list-style-type: none"> • What is change in your opinion? • How would you evaluate the speed of change in the organisation? • How do you cope with it?
Conflict and teamwork	<ul style="list-style-type: none"> • How often do you witness other colleagues having a work dispute? Can you describe the impact of a work dispute on the team performance, if any? • Have you recently been involved in a conflict situation in your workplace? What, in your opinion, was the cause of that conflict? How did you try to manage it?

Area of inquiry	Sample questions
New technologies	<ul style="list-style-type: none"> • How have new technologies implemented (being implemented) in the organisation impacted your work?
Cultural diversity at the workplace	<ul style="list-style-type: none"> • Have you ever experienced difficulties/conflicts in communication with foreign colleagues?

The researcher opted for semi-structured interviews because they possess several features that are highly valuable in terms of this study. First, they combine structure with flexibility. Structure helps to avoid unnecessary digressions off the topic and wasting participant's and researcher's time; whereas flexibility gives a chance to change the track of the conversation if the researcher believes she can get more relevant data by exploring a different topic. Secondly, during semi-structured interviews the interviewer is free to probe and explore within these predetermined enquiry areas. Following the flexible nature of qualitative research, an interview guide can be modified over time and progress of the study in order to focus attention on areas of particular importance, or to exclude questions that have proven to be non-informative for the purposes of the research (Lofland and Lofland, 1984).

In addition to asking questions determined in the interview guide, the interviewer is free to ask follow-up questions designed to dig deeper into the matter of discussion or to follow a line of enquiry introduced by the interviewee. If the interviewee has difficulty answering a question or provides only a brief response, the interviewer can use cues or prompts to encourage the interviewee to consider the question further. The tactics described above reflect the generative character of face-to-face interviews. The new knowledge and ideas might be created during the interview process because the questions are prompting the participants to see new facets of a routine phenomenon. To encourage this process the interviewer might ask the interviewee to suggest new ideas and interpretations, to think of possible solutions for problems revealed during the discussion.

The success of the interviews depends not only on a thoroughly prepared interview guide, but also on the qualities and skills of the interviewer herself. The researcher ensured an adequate level of preparation for the interviews: appointments, logistics, equipment, punctuality.

Before the start of an interview, the researcher tried to create a favourable atmosphere, a good rapport with an interviewee by establishing her image as both a confident researcher and an empathetic interlocutor.

The interviews varied slightly in the set of questions according to the type of the interviewee:

A. Interview with team members

B. Interview with team leaders (managers)

The final version of the interview guide used during the interviewing process is provided as Annexures B-C.

Before starting the interview the researcher obtained the consent of the interviewee to proceed with the interview and clarified issues of anonymity and confidentiality of the information received during the interview. Afterwards the researcher specified to the interviewee the purpose of the interview, the approximate amount of time needed for the interview and how and when the interviewee could receive the results of the research in which he/she was participating. The average time of an interview was approximately 30 min. The interviewees were accessed individually at their workplaces or via online video-conferencing facilities (such as Microsoft Lync, Skype, FaceTime). The language of the interview was either English or Russian depending on the nationality of the interviewee (Russian or non-Russian).

The recording was done both by taking notes and with the help of a digital speech recorder if the interviewee did not express any objection prior to the interview. After the interview, the researcher went through the notes and if necessary transcribed some parts of it to avoid distortion and memory gaps afterwards.

3.8.2 Post-interview analysis

3.8.2.1 General observations

The researcher believes that the interview, being a very powerful tool for investigation, can contribute to the research not only through immediate responses of the subjects but also through giving additional information behind the simple question-answer mode. For instance,

the researcher tried to interpret the factors influencing the duration and richness of the interview, the reactions of the interviewees and their attitude to the procedure.

The interview procedure in itself is not something habitual in everyday life, that is why it may put interviewees out of their comfort zone. The topic of research also adds to the feeling of discomfort. However, such conditions are interesting from the point of research and gives opportunity to look behind actual responses and observe how the interviewees manage the “stressful” situation and inner conflicts it provoked.

The average duration of the interview was about 30 minutes. The shortest interview lasted 17 minutes and the longest one - 55 minutes. The total number of hours of recorded interviews is 15 hours. However, the researcher discovered that the duration of the interview is not always directly proportionate to the richness of the data obtained from it. The researcher assumes that the following factors influenced interview’s richness:

1) The skills of the interviewer. The process of conducting an interview requires considerable theoretic knowledge as well as practical experience. The smoothness, richness and efficiency of the interview greatly depend on the proficiency level of the interviewer. By efficiency the researcher understands the ratio between time consumed / data obtained / level of satisfaction of both the interviewer and the interviewee.

2) The personality type of the interviewee. The interview with more introvert people on average lasted less, delivered less personal experience information, however gave more structured results in terms of real-life data and professional perspective.

3) The attitude of the interviewee to the topic and purpose of the research. The participants could be divided into several subgroups:

- Some interviewees were very eager to share their knowledge and information and also to get new knowledge from the researcher. They specifically asked for the results of the research to be made available for them.

- The others had a more formal approach to the interview answering the questions accurately, but feeling reluctant to go deeper into the topics.
- Some viewed the interview as a possibility to talk about themselves, to share their concerns and worries.

4) The level of interviewees' experience in multinational companies. This factor had a direct impact on the richness of data. There were only 2 interviewees that had just several months of experience. However, the researcher believes that in her qualitative research even the data obtained from them could not be disregarded and is useful for it can represent a contrast material to the other data.

5) the level of interviewees' exposure to multicultural environment. The answers to questions regarding cultural aspects of conflict management were significantly dependant on this variable.

In non-probability sampling like the one done for this research it is important to do an analysis of the potential interviewees and adjust the set of questions and probes according to the subjects' characteristics. The objective characteristics that have to be taken into account are age, experience, company positions. The subjective characteristics are the personality type, the interest in the topic of research, personal relationships between the interviewer and the interviewee which defines the level of openness and trust during the interview. The researcher, however admits, that it is not always possible to assess the subjective factors since the interviewer and interviewee may not be well acquainted before the meeting especially when using the "snowballing" technique.

3.8.2.2. Observations regarding techniques

The researcher would like to use the experience obtained during the interview sessions and to point out some issues that have to be taken into consideration when conducting an interview:

- Before starting the interview sessions, it is helpful to do "a rehearsal" and then "a pilot" interview. The rehearsal is done by the interviewer alone and consists in pronouncing all

the questions out loud, thinking about logical connections between the questions and the blocks of questions. The rehearsal can help detect inconsistencies and ambiguities and make the speech more fluent and comprehensible. This is particularly important when conducting interview in a foreign language. The translation of the interview from one language into another should be done in advance. The interviewer should think in advance about the proper introduction and conclusion speech, because it is not enough just to read the text from the written forms. It sounds too formal and does not help to create the necessary trusting climate. The rehearsal will also help the interviewer to build more confidence in the process. The “piloting” is done with an actual person but the results of the “pilot” interview will not be analysed as part of the research. Piloting is very useful for the real-life testing of the questions, their logical connectedness, clarity and the timing of the interview;

- Not to hesitate when asking questions or probing, to sound more self-confident. It helps the interviewee to feel more confident and open as well;
- To be consistent and avoid changing the logical flow of the interview;
- To avoid unnecessary paraphrasing, which creates the sense of ambivalence and ambiguity. Hesitation, searching for “a right word” together with excessive paraphrasing confuses the listener and can even make him/her forget the initial question;
- To be ready to explain some of the terms and definitions should the interviewee need so. The explanations should be clear and consistent;
- To listen carefully to the interviewee, not to let the question be longer than the expected answer;
- To avoid interrupting even if the interviewer feels that the interviewee has lost the thread of the conversation or changed the subject intentionally;

- To be attentive to verbal and non-verbal cues: intonation, posture, mood and so on;
- To avoid asking for categorical judgements or statement. For example, “Do you think that this is wrong to do...?”, “Do you agree that this is bad...?”. The questions should leave more space for discussion and critical evaluation of different options. The questions should rather starts with “how”, “why” or “what”;
- To avoid using emotionally strong words and negative evaluations, for example, “pain”, “damage”, “dangerous”, “blame”, “fault” et cetera;
- To give feedbacks, to sum up ideas in order to check a) the accuracy of the decoded message; b) the consistency of the answer in order to detect misunderstandings to clarify or find data gaps to probe into;
- Not to express interviewer’s personal opinion or judgement;
- To be patient. If the interviewee does not start answering the question immediately after the interviewer finished the question, it does not necessarily mean that he/she does not know what to say or did not understand the question. It happens that he/she might need some time to think. The interviewer should avoid hastening them or prompting an answer in any way (for example, by asking fishing questions).
- In the end of an interview it is very important to express appreciation of the interviewee’s participation in the research.

3.8.3 Questionnaires

The questionnaire is generally considered to be a tool of quantitative research. However, questionnaires were used in this study in order to collect information from a wider sample than can be reached by personal interviews. Though the information collected from a questionnaire is limited, it can still be very useful for exploring certain opinions or facts generally without going into interpretation and details. Thus, the questions in a questionnaire

are formulated in a simple unambiguous way in order to avoid misinterpretations. Interaction among techniques in this way is typical of qualitative research (Woods, 2006).

A questionnaire contains six open-ended questions. The open-ended questions require responses which are to be analysed qualitatively. The dissemination of questionnaires took place via email as a part of an annual feedback data collection from the organisational units that are “internal customers” of the unit where the researcher is currently employed. The researcher suggested to the company management to use part of her data collection procedures for obtaining structured and comprehensive feedback regarding the quality of cooperation between organisational units and potentialities for improvement.

3.9 ANALYSIS OF DATA

The culmination of the researcher’s efforts is the analysis of the findings. Bogdan and Biklen (1982:145) define qualitative data analysis as “working with data, organising it, breaking it into manageable units, synthesising it, searching for patterns, discovering what is important and what is to be learned”. The findings obtained during field work are “summarised and interpreted” in order to address the research questions under investigation (Hancock and Algozzine, 2006:52).

There are two major approaches of data analysis: deductive and inductive. The deductive approach implies that a researcher uses existing theories to develop hypotheses, whereas the inductive approach means collecting primary data and developing theory as a result of the data analysis (Saunders et al., 2009:124, Patton, 1990). So in other words, the deductive research moves from theory to data, while in the inductive research, theory follows data (Saunders et al., 2009:126). Since the primary goal of the qualitative research is to generate new knowledge and/or deepen the existing one, the typical method of data generation is induction. The researcher “builds toward a theory from observations and intuitive understandings gleaned from being in the field” (Merriam, 2002:6). The typical qualitative findings are topics, concepts, categories, tentative hypotheses, typologies or in some cases substantive theory. As Hoepfl (1997) warns, for the inductive approach the main challenge is to place the raw data into logical, meaningful categories; to examine them in a holistic

fashion; and to find a way to communicate these interpretations to the others in a comprehensible way. This research is based on a mixed type of analysis, which means that the critical topics emerge both out of the raw data and from the analysis of the existing theories.

In qualitative research, analysis frequently takes place at the same time as data accumulation. Hancock (2002:6) calls simultaneous collection and analysis of data “a constant comparative analysis”. Simultaneous data collection, as Merriam (2002:14) observes,

“allows the researcher to make adjustments along the way, even at a point of redirecting data collection, and to “test” emerging concepts, themes and categories against subsequent data”

The researcher considers this technique as useful, because it might prevent undesired results and wasted time and effort going around gathering information without examining it from time to time to see if any major themes or patterns are emerging. If there are some major topics shaping, they may direct or re-direct future data gathering in the process known as “progressive focusing” (Woods, 2006). Lacey (1976) described it as an “escalation of insights”. This is the reason why an initial interview guide for semi-structured interviews has transformed in the course of the actual interviews.

The methodological approach to data collection and analysis utilised in the study is a “grounded theory” approach. In their classic text “Discovery of Grounded Theory”, Glaser and Strauss (1967) assert that the primary goal of qualitative research is the generation of theory, rather than theory testing or mere description. Grounded theory promotes exploratory research with description and verification as secondary concerns (Merriam, 2002:7). According to this view, theory is not a “perfected product” but an “ever-developing entity” or process (Glaser and Strauss, 1967:32).

Glaser and Strauss claim that one of the requisite properties of grounded theory is that it should be “sufficiently general to be applicable to a multitude of diverse situations within the substantive area” (id., 1967:237). The main feature of this methodology is the development of a new theory through the collection and analysis of data about a phenomenon. Hence, the

phenomenological aspect of analysis is combined with attempts to explain existing and to develop new theories. Among other distinctive characteristics of the grounded theory approach are: emergence of the basic concepts from the data (“start from scratch” approach), theoretical sampling, data collection and analysis proceed in parallel, and the constant comparative method.

The analysis begins with “primary analysis” - an identification of the core issues, comparison points or inconsistencies, emerging from the raw data, a process sometimes referred to as "open coding" (Strauss and Corbin, 1990). Woods (2006) notes, that probably many of these first attempts at speculative analysis will be discarded later on, but some ideas might take shape as further data collection and analysis goes on. Later on, when more data is collected and primary analysis is done, a second stage takes place - “category and concept formation”. According to Hoepfl (1997), at this stage the goal is to create descriptive, multi-dimensional categories which form a preliminary framework for analysis. These categories may be gradually modified or replaced during the subsequent stages of analysis. Discourse analysis is utilised as an auxiliary tool while working with the primary data. Discourse analysis is linguistically focused, it helps to perceive the meaning of the verbal data obtained (recorded) during interviews, observations and answers on the open-ended questions in the questionnaires.

At the next stage the researcher re-examines the categories and identifies the relationship between them, a process Strauss and Corbin (1990) called "axial coding". The separate concepts and categories discovered during “open coding” are strung like beads following a certain logical pattern. At this stage a “bigger picture” starts to take shape. Before all beads could fit on one string and form a good-looking sequence, the researcher definitely has to do and undo the whole piece several times: reading and re-reading notes and transcripts, and experimenting with a number of formulations. Woods (2006) recommends summarising data in some way, tabulating them on a chart, or constructing figures, or sketching diagrams. These processes could be also compared to a distillation: cleaning the research material from impurities and letting substances with different density accumulate at different levels.

The purpose of coding is not merely descriptive but also exploratory. The researcher tries to acquire new knowledge about a specific phenomenon under investigation. Hoepfl (1997) points out that the causal events contributing to the research subject, descriptive details of the phenomenon itself and its ramifications must all be identified and explored. At this stage the researcher shall attempt to create a conceptual model ensuring she has enough research material to substantiate it.

3.10 RESEARCH ETHICS

Due to the subjective nature of data collection, interpretation, and analysis in qualitative research, there are obviously more ethical dilemmas and concerns with confidentiality associated with this method than with quantitative research. Ethical considerations are a specific set of basic ethical principles (Burnham et al, 2004:253) that guides the researcher and her work. Soltis (1989:129) claims that a researcher should respect the “non-negotiable” values of “honesty, fairness, respect for persons and beneficence”.

Bryman and Bell (2007:132) and Saunders et al. (2009:85) identify three main ethical issues that have to be taken into consideration:

- 1) harm, which means the researcher should avoid causing any type of embarrassment or harm to those involved in the study;
- 2) privacy, which implies confidentiality of the data and the anonymity of the participants;
- 3) fraud, which refers to avoiding any type of manipulation of data or deceiving the participants.

The researcher committed herself to conducting her research in accordance with the ethical and professional guidelines. Before launching the data collection stage the researcher ensured that the human subjects of analysis participate in it on a voluntary basis, that the rights, welfare, identity and interests of the human subjects are protected.

The voluntary basis of research was ensured through signing of an informed consent form by the participant. The term “informed” means that the researcher fully explained to the participant the nature of the study, the risks, benefits and alternatives, with an opportunity to

ask questions. Informed consent of participants is ethically and legally required for most research involving human subjects (de Vos et al, 2005:59-60).

The researcher ensured that the information obtained during the research is used exclusively for the purposes of her study. The research materials are stored in a password-protected folder on her private computer. Consequently, identity of the participants is protected through the use of codes and/or pseudonyms.

3.11 CONCLUSION

The current research is based on principles of qualitative research, which means that the researcher tries to understand and interpret the phenomenon from the participant’s perspective using predominantly (but not exclusively) “inductive investigative strategy” (Merriam, 2002:6) and a descriptive approach, providing rich descriptions of the context, participants, activities. To substantiate the findings the researcher uses all types of quotes and excerpts from interview and questionnaires, field notes from the observations and everyday communication. The objectives and the aims of the study contributed largely to the choice of the research design.

The present study uses a combination of descriptive and exploratory types of research to reach the research objectives as efficiently as possible. The methodological approach to data collection and analysis utilised in the study is a “grounded theory” approach. A purposive non-probability sampling is utilised. The main instruments of data collection are semi-structured interviews and questionnaires.

Table 3.3 : Research design summary

Criteria	Description
Research paradigm	Constructivism
Research methodology	Qualitative
Research approach	Grounded theory
Type of research	Applied, exploratory

Criteria	Description
Sampling	Non-probability, purposive with snowballing effect
Data collection instruments	Semi-structured interviews Open-ended questionnaires

The following Chapter will present the results and discussion of the findings drawing on the data obtained from the empirical part of the research.

CHAPTER FOUR
PRESENTATION AND DISCUSSION OF THE FINDINGS

4.1 INTRODUCTION

The aim of this chapter is to present, analyse and inductively elaborate on the data obtained during the empirical research and to formulate a number of hypotheses and theories upon which the recommendations and conclusions will be based in the following chapter of the treatise.

4.1.1 The profile of the research population

The profile of the interviewees can be described in the following ways:

Table 4.1 : Interview population profile based on the age and position of the interviewees

	Young age (up to 30)	Middle age	Total
Top manager	0	3	3
Middle manager	0	6	6
Employee	6	13	19
Total	6	22	28

Table 4.2 : Interview population profile based on their experience in the company:

	Less than 1 year	1-5 years	Over 5 years
Interviewees	5	8	15

Table 4.3 : Interview population profile based on their nationality:

	Russian	Non-Russian
Interviewees	21	7

Among the non-Russian group there were Romanian, Chilean, Spanish, Italian and Slovak respondents.

Table 4.4 : Interview population profile based on gender

	Male	Female
Interviewees	14	14

Table 4.5 : Interview population profile based on their location

	Working in their native cultural environment	Working in a foreign cultural environment (“expats”)
Interviewees	23	5

Table 4.6 : Interview population profile based on the global/local character of the organisational structure they work in

	Global	Local
Interviewees	22	6

Table 4.7 : Interview population profile based on the level of exposure to multicultural environment

	Not exposed	Moderately exposed	Exposed on every day basis
Interviewees	2	3	23

Table 4.8 : Interview population profile based on the business area they work in

Business area	Interviewees
Procurement	15
Supplier relations	1
Engineering	2

Business area	Interviewees
HR	1
Systems and processes	5
Project management	2
Business development	2

The profile of the questionnaire respondents can be described in the following ways:

Table 4.9 : Questionnaire population profile based on the business areas they work in

Business area	Interviewees
Engineering functions (core business)	50
Non-engineering functions (non-core functions)	10
Total	60

Table 4.10 : Questionnaire population profile based on the age and position of the respondents

	Young age (up to 30)	Middle age	Pre-retirement age	Total
Middle managers	3	4	5	12
Employees	10	30	8	48
Total	13	34	13	60

All questionnaire respondents are Russians and work in the Russian branch of the company.

The data with regard to the research population will be analysed qualitatively. The researcher intends to draw no quantitative conclusions or generalisations.

4.1.2 The emergence of the themes and sub-themes

Based on the principles of the grounded theory approach the researcher uses inductive methods of data analysis which help to crystallise hypotheses and theories from the raw data. During the analysis a number of themes and sub-themes emerged from the questions that were asked during the interview sessions. The main themes and sub-themes are:

4.1.2.1 Attitudes and perceptions of change processes

The theme was elicited through the following questions of the interview:

- What is change in your opinion?
- How would you evaluate the speed of change in the organisation?
- How do you cope with it?
- How do your colleagues cope with the changes from your point of view?
- What is needed to cope with changes efficiently?

The sub-themes that evolved from the main theme:

- The nature of change, types of changes;
- The attitudes to change, the causes of diverging attitudes toward change process;
- The factors influencing the attitude to change;
- The perception of change and its intensity;
- The elements of well-managed change process;
- The role of leader in change management;
- The role of communication in change management;
- Individual characteristics essential for effective change management;
- “Change fatigue” vs “change habituation”;
- The interconnection between change and conflict

4.1.2.2 Workplace conflict, its aggravators, causes and management mechanisms

The theme was elicited through the following questions of the interview:

- What, in your opinion, are the challenges facing you and your team-mates today?
- How often do you find yourself in disagreement/tension with other colleagues / your supervisor?
- How often do you witness other colleagues having a work dispute?

- Can you describe the impact of a work dispute on the team performance, if any?
- Have you recently been involved in a conflict situation in your workplace? What, in your opinion, was the cause of that conflict? How did you try to manage it?
- According to your experience what are the behaviours that cause conflict in a workplace?
- Have you ever tried to act as a mediator in a conflict situation between your colleagues? What tactic have you used?
- Have you ever experienced positive effects of a workplace conflict?
- What qualities and skills, in your opinion, are needed to manage conflicts effectively?

The sub-themes that evolved from the main theme:

- The meaning of work and factors influencing the attitude to work;
- Causes of workplace conflicts
- Task conflict and relationship conflict;
- Conflict aggravators;
- Conflict between organisational subcultures;
- Constructive and destructive conflict;
- Behaviours and personal characteristics that cause conflicts in a workplace;
- Skills and competencies necessary for effective conflict management;
- Conflict management strategies;
- Conflict prevention;
- The concept of “human moment” and the role of interpersonal communication.

4.1.2.3 Teamwork and team effectiveness

The theme was elicited through the following questions of the questionnaire:

- How would you evaluate a general level of cooperation between teams? Please name the aspects that you are satisfied with and/or not satisfied with.
- What, in your opinion, are the reasons of team’s failure to perform its duties and provide quality services?
- What, in your opinion, negatively affects or could affect your cooperation with other teams?
- What could be done to improve the cooperation between teams?

The sub-themes that evolved from the main theme:

- Effects of a conflict on the team;
- Team values and characteristics;
- Factors affecting teamwork;
- Role of a leader.

4.1.2.4 The impact of implementation of new IT systems and technologies

The theme was elicited through the following questions of the interview:

- How have new technologies/systems implemented (being implemented) in the organisation impacted your work?

The sub-themes that evolved from the main theme:

- the impact of new technologies on conflict and cooperation within the team and between teams;
- the risks of implementing new technologies and the ways to minimise them (from the perspective of organisational behaviour).

4.1.2.5 Cultural diversity in a workplace

The theme was elicited through the following questions of the interview:

- Have you ever experienced difficulties/conflicts in communication with foreign colleagues?
If yes, how do you manage them?

The sub-themes that evolved from the main theme:

- difficulties and benefits of cross-cultural communication;
- strategies to manage cross-cultural conflicts in a workplace.

The themes will be interpreted and elaborated on by the researcher through the lens of the theoretical knowledge acquired during the literature review, empirical data collected throughout the research and practical experience obtained during the five years of work experience. To make the process of analysis as transparent and unbiased as possible and to

substantiate the findings the researcher intends to saturate the narrative of the Chapter with the direct quotes by the participants.

In order to avoid misinterpretations, the researcher would like to clarify several terms that either have a slightly different meaning in the current Chapter as compared to other Chapters, or these are not defined in Chapter Two due to their specificity.

- The term “leader” will be extensively used in the present chapter. By “leader” in the this context the researcher means a broad notion which combines both leadership and management characteristics. The “leader” in the present Chapter may denote a chief executive, a head of a department, a team leader, a project leader or a group of organisational leaders that initiates a change process. Thus, a common denominator is the power to initiate a change process and to manage it;
- The terms “company” and “organisation” will be used interchangeably;
- For the purposes of this qualitative research, the speed of change will be considered as an individual’s subjective perception of speed calculated according to the following formula: speed of change = the quantity of change initiatives with comparable intensity and scope / (“divided by”) a certain period of time during which they are carried out (for instance, a year);
- Global process - a process taking place simultaneously in different geographical areas and business structures of the company;
- Matrix organisational structure - an organisational structure which is based on a two-dimensional division of the company: geographical and functional.

4.2 PRESENTATION OF THE FINDINGS

4.2.1 Interview-based findings

4.2.1.1 Attitude and perception of organisational changes

The outcomes of the conducted interviews showed that on average the pace of organisational changes is considered fast but manageable. The majority of the interviewees expressed confidence that they managed to cope with the changes occurring in the organisation. However, most of them also noted that not all of their colleagues are as effective in adapting

to changes as they are. The reasons that they named will be discussed in the subsection 4.2.1.1.3.

At the same time the respondents admitted that though the changes occurring in the company are sizeable, the execution of the changes could be improved. Currently in the majority of cases the changes are carried out “chaotically, without adequate communication and therefore are viewed with a fair amount of distrust or even resistance”.

The examples of the changes that the respondents referred to:

- change of the global organisational model;
- changes in the local organisational structures;
- changes in the processes and systems;
- introduction of new processes and systems;
- HR related changes;
- new organisational policies and procedures.

Employees who work in the area of business development and also those occupying managerial positions believe that the speed² of change could be even greater because the speed of today’s business and market competition is “incredibly high” and therefore demands comparable manoeuvrability of the whole organisation: “In order to be successful in the market, we need to be faster than our competitors”. So, in order to survive in the competition in today’s business environment “the companies need not only to match the dynamics of the market they are in, but to stay a step or two ahead of it”. In one of the recent TV-commercials BMW presents its new motto to the viewers: “The best way to predict the future is to create it.”

New business ideas, technologies and markets emerge everyday and in order to get the best out of the opportunities the organisation encounters, all functions of the company have to be able to work together, change together and learn together. Some of the interviewees mentioned that there are “specific divisions of the company that are intrinsically more

² the word “speed” and “pace” are used synonymously

conservative and performance oriented”. For instance, the “technical division” which is responsible for the undisturbed operation of the machinery and company’s production capacities, is one example of conservative organisational subculture. Their subculture is very risk-averse, rigid and intolerant of ambiguities. They tend to embrace the changes at a much lower speed and require additional guarantees that the change they are to implement is not going to negatively affect production. The conflict between organisational subcultures will be more closely analysed in section 4.5 of the present study.

Some of the participants admitted that they are aware of the differences in the change adaptation capabilities and in their work they tend to adjust their speed to stay in tune with their colleagues from other divisions of the company, because if they “go over the speed limit” they would only encounter more resistance: “the higher the speed of change is, the stronger the resistance gets”. So, the resistance is directly proportionate to the speed of change.

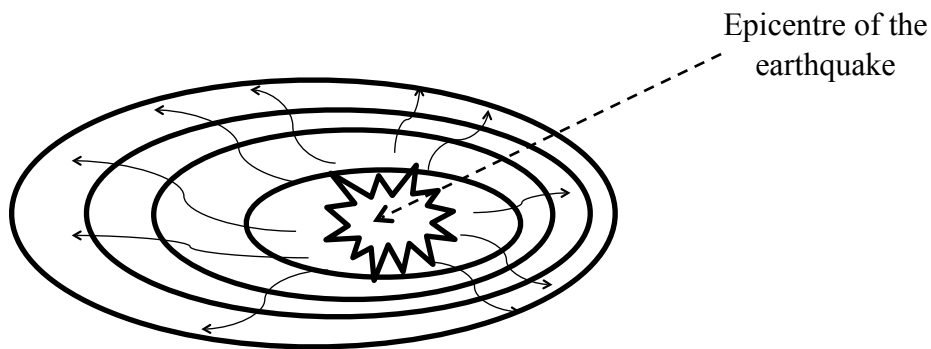
The interviewees with managerial background expressed an idea of the cyclical nature of change. They are convinced that change is the foundation of organisational development, it is an essential element of organisational life. They expressed the belief that organisations develop in cycles of 4-5 years. Every 4-5 years there comes a time for major transformations, optimisations, re-structuring et cetera. Most of the business strategies are being re-evaluated and adjusted according to the new realities. Usually these new realities are revealed through the new vision which, in turn, stems from the new leadership of the organisation. So, it can be induced that major organisational changes are usually connected with the changes in top-management (i.e. leadership) level of the company.

The participants mentioned, that change is typically carried out in three steps:

- preparation (takes between six months and a year)
- launching (usually happens within a short period of time)
- fine-tuning (it takes the rest of the cycle time - 3-4 years). One of the participants suggested, that “total duration of a change cycle is more or less equal to a leader’s mandate”.

According to this perspective, the ideas of change conceived at the top-management level are “cascaded down the organisational pyramid”. Thus, all the changes at the operational level, no matter how routine and trivial they may seem, are the reflections of the major changes initiated at the top. This process can be compared to an “earthquake”: the biggest seismic shock happens at the seismic centre, but its repercussions spread in an undulatory manner and could be felt all around the epicentre with the intensity of shocks varying depending on the remoteness from the centre. This is depicted in the figure below.

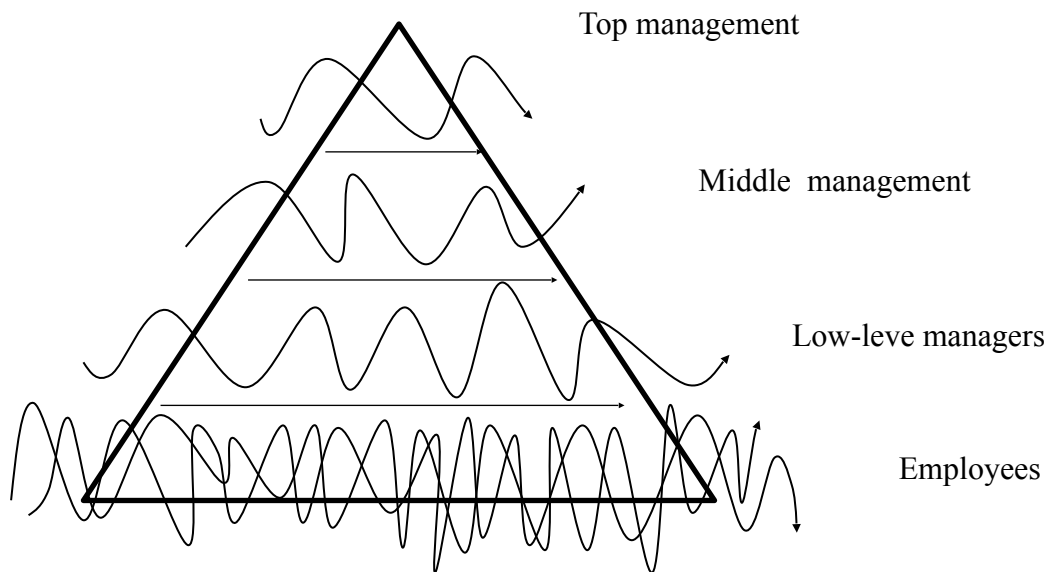
Figure 4.1 : “Earthquake effect” of change



According to this view the success of a change process greatly depends on the personality of a leader, his/her will and determination, his/her ability to communicate the objectives and rationale clearly enough for his/her team to be able to transfer it down to their respective teams preserving the integrity of the initial message.

In contrast to the management representatives, ordinary employees did not indicate any cyclical character of change processes, but a progressive acceleration in comparison to the pace of 5-10 or more years ago. This difference in perceptions speaks to an obvious difference of perspectives. It is more likely that a high-level manager primarily focuses on the activities of his/her superiors, and the signals that they send him/her. Instead, for middle/lower-level employees those signals are not so evident and most of the time they only perceive the “low-frequency signals” from their direct supervisors which are weaker but more frequent (see Figure 4.2).

Figure 4.2 : “Low/high frequency waves” of changes



The middle/low-level employees often admitted to perceive change as something routine, “an organisational habit”. This is why it arouses neither great enthusiasm nor resistance. It becomes a norm. This attitude to change is at best unproductive and at worst counterproductive. It might create an unfavourable psychological climate in the company and lead to apathy, indifference, lack of true commitment.

A group of interviewees expressed concern with regard to the third party being affected by the changes taking place in the company (or in the division of the company). The third party could be both external clients or internal divisions which directly interact with the one that is undergoing a change. They fear that the pace of changes is unreasonably fast, not giving enough time for the recipients to “absorb” one change and already launching another one. However, they also admitted that it is important “to find the balance between the overwhelming changes and the lack of development”.

It was noted by the participants that when implementing a change it is important not “to skip steps”. This argument can be interpreted through the Lewin’s change model of unfreezing, changing, and refreezing. According to this model, an organization prepares for change, implements the change, and then strives to regain stability as soon as possible (Lewin 1952, Kwon and Zmud, 1987). The scenario can be twofold:

a) “unfreezing” stage was missed and the change is imposed when the previous pattern of behaviour is still stable. As Schein (2009) observes, human behaviour is based on “quasi-stationary equilibria” supported by a large force field of driving and restraining forces. According to Schein's interpretation of Lewin's theory:

*For change to occur, this force field had to be altered under complex psychological conditions because just adding a driving force toward change often produced an immediate counterforce to maintain the equilibrium;*³

This counterforce is resistance. Thus, unfreezing implies removing or relaxing of the restraining forces. But, as Schein (2009) observes, unfortunately restraining forces are hard to reduce because “they are often personal psychological defences or group norms embedded in the organizational or community culture”.

b) “refreezing” step was skipped and the new process was not properly assimilated into the organisational culture.

The “missing step” situation is particularly dangerous because it creates confusion and the feeling of instability. As observed by the interviewees, the negative consequences may develop in two ways:

- The two processes, old and new, begin to overlap, i.e. the old one was not completely put out of practice while the new one was introduced but not completely confirmed (“refreezed”). In this case the rules and norms of the two processes may conflict with each other, thus creating a disorder in actions, confusion, lack of coordination. Such conditions are an ideal breeding ground for intergroup/interpersonal conflicts between the teams or within one team.

³ In this sense Lewin's theory seems very naturalistic and can be traced to Newton's first and third laws of motion:

First law: When viewed in an inertial reference frame, an object either remains at rest or continues to move at a constant velocity, unless acted upon by an external force.

Third law: When one body exerts a force on a second body, the second body simultaneously exerts a force equal in magnitude and opposite in direction on the first body. This law is sometimes referred to as the action-reaction law. (Wikipedia, Newton's Laws of Motion)

- The change process was not completely carried through. It means that some parts of the process (for instance, roles, functionalities, controls, KPI⁴ system et cetera) were not adjusted to fit into the new process and thus, there are process gaps that are the potential causes of various misinterpretations of rules and procedures, mismanagement of resources and conflict situations. The mismanagement of resources implies that the tasks and responsibilities are not clearly defined and distributed. To quote one of the interviewees: “everybody is doing everything, however, no one is responsible for anything” or “all available resources were used for managing the side-effects of change”.

A group of interviewees, however, seemed to show a positive attitude to change and focus on its constructive aspects, such as opportunities to learn, to grow, to improve, to expand one’s own set of skills and professional (and maybe even personal) network. They pointed out that some changes might be crucial for the general survival of the company and those employees, who are committed to the company, would therefore welcome such changes.

4.2.1.1.1 Prerequisites of successful change implementation

The majority of the interviewees placed significant stress on the preparation phase of any change initiative. Based on their arguments and experiences, the researcher formulated the following questions that should be carefully considered by the leader prior to initiating a change:

- *Why does the company (or a particular division of a company) need to change a certain process?*

The leader must have a clear understanding why the change is necessary, what problems it shall serve to solve. The majority of the interviewees warned against “change for the sake of change”. They believe that it is extremely important to avoid changes that only “treat the symptoms” and do not tackle the initial cause of the problem. Otherwise, the change process will turn into a never-ending “sowing patches on a threadbare suit”. One change leads to another and so the vicious circle of superficial changes begins to take over the organisation, consuming its resources and in the end leading to a crisis and even potential breakdown of the

⁴ KPI - key performance indicator

organisation. In order to avoid it, the leader should conduct (with the help of his/her team) a thorough investigation with regard to the nature and origins of the problem. The change strategy and objectives should be developed based on the results of the above-mentioned analysis.

- *What are the risks of not changing a certain process?*

To justify the change, to explain to the employees why they need to cooperate and invest their efforts, the leader shall specify what the risks of not implementing the change for the company/for them/for the customers are.

- *What does the leader want the company and employees to achieve as a result?*

The leader must have a clear picture of the outcomes in mind so that he/she is able to translate his/her ideas to his/her team and thus bring them on board.

The interviewees agreed that the motivation for change that the leader must convey should be primarily community/employee/customer oriented and not just company-oriented.

To give an example: instead of saying “The company needs to change Y because it will eventually improve Y”, the leader can put it in a more motivating and appealing fashion “We/our company needs to achieve X in order to improve Y” or “Our customers need Y, that is why have to change X” or “In order to stand up to the competition and provide our customers better services, we need to change X”.

- *Do the benefits of change outweigh its costs?*

Some of the participants strongly underlined and the others clearly alluded to the significance of this question. The leader, they argue, must evaluate the burden of change process and how it might potentially impact the production and the personnel.

Certainly any change represents additional pressure for the whole organisation. It may affect the operations, slow down the production process by taking away its resources (both material and human) and engaging them in change implementation. Moreover, change implies additional physical and psychological pressure on the employees. During the interview it was mentioned several times, that “change for the sake of change” is a dysfunctional practice. It

leads to the general feeling of apathy, “change fatigue”, dissatisfaction with work and work environment.

Before initiating a change the leader must ascertain that the potential benefits are significantly greater than the consequences of the disruption caused by the change. If he/she believes it to be so, then he/she can instil confidence in his/her followers and thus make them truly commit and own the results.

- *Does the company possess necessary resources (both material and human) to carry out the change?*

Based on the stories of the interviewees' experiences, the researcher induces that the leaders must evaluate if the company at a given moment in time possesses adequate resources to manage the proposed change, i.e. to check the feasibility of the initiative.

- *How can the leader create and/or maintain the motivation level of the employees that would be involved in and/or impacted by the change process and/or its results?*

The question of motivation implies several sub-questions:

- are the employees motivated / stimulated enough at current stage (pre-change)?
- how change might affect their motivation? positively or negatively?
- what is needed to create and maintain necessary motivation for the change?
- and most importantly - what kind of motivation is needed?

Motivation is an extremely broad notion and has a direct correlation with the change management and conflict processes.

- *How should the global and local aspects of change be taken into consideration?*

This question refers to the issue of how changes on the global level may influence the local-level activities. This question is especially relevant for international companies with complex geographical network. The leader should be aware of the multinational and multicultural character of the company. While designing a change he/she should analyse how deep the planned change will be and how it may get in conflict with local realities.

It was stressed by the participants that the level of adaptability to change depends on the company size and structure. For a global company with matrix organisation structure any change of a global process consumes significant time and resources. The size and structure of the company define its controllability and manoeuvrability. And sometimes these two notions result mutually excluding. The leader should be aware that the change designed exclusively for a global process might not work the same way on the local level due to various reasons, just to name a few:

- legislative constraints
- culture (both national and business)
- language barrier
- specificity of the business
- lack of resources
- insufficient cultural intelligence of the change designer and implementor

Therefore, when designing a change, it is necessary to take into account the effects of global initiatives on the local level and try to keep them in tune. The influence of a local change on the global process is less obvious, however possible and should be sought to minimise.

Another critical issue arising from “global vs. local” dilemma is a “copy-paste” approach used during implementation of a change initiative in different countries which means that the same change scenario is used for every country without regard to its objective limitations and/or capabilities.

4.2.1.1.2 Change implementation strategy

The critical consideration of the questions above helps to get an objective assessment of the proposed change initiative. If in the end there is a positive equation, the preparation stage continues with creating a team of “change designers” whose main responsibility is to create a *viable plan of implementation*. Based strictly on the interviews data the researcher is able to point out the following steps:

- to collect and analyse the maximum of input data (both based on the answers above and additional information; for example, detailed risk assessment, assessment of “brownfield” or “greenfield” environment for the change initiative, current market

environment, political and economic situation, historic data, statistics, information about similar projects carried out by competitors et cetera.);

- to generate ideas based on the input data (brainstorming, round-tables, surveys, polls et cetera);
- to create a “prototype” change model and do a “lab test”;
- to do the trouble-shooting, to identify bottlenecks and eliminate them. As mentioned by some respondents, this step is extremely important and to ensure best results it should be carried out at multiple levels: top- and middle-level management and lower-level management and employees. The way it can be done may vary from direct round-table discussions to conducting surveys, workshops, focus group discussions et cetera;
- to create a pilot project, i.e. to conduct a “field test”;
- to create a training programme for the employees if the change requires significant new learning;
- to conduct a training;
- to foresee changes in the motivation/reward policy of the company (if necessary);
- to try to forecast next step changes and/or changes in adjacent areas.

4.2.1.1.3 Factors influencing the perception of change

During the interviews one of the central issues that the researcher was trying to look into was the factors that influence the perception of change, its acceptance and adaptation. The interviewees mentioned both explicitly and implicitly the following aspects:

Motivational aspects

a) The attitude to change depends on the individual’s basic assumptions and values, such as: the meaning and value of work. Employees may have a different understanding of their own place in the organisation and the organisation in their life. Some may feel part of the company, feel ownership in the processes occurring in the company and their results. Some, on the contrary, only perceive themselves as just a “paid workforce,” “selling their labour,” and the organisation as a mere source of income. Neither of these approaches can be labelled as right or wrong. They are reflections of subjective individual values and needs. However, certainly the first approach implies higher degree of loyalty, commitment and attachment on

the part of the employee. The second category of employees attributes more value to stability and sense of security at the workplace, hence the change for them is always a risk, a disruption of a habitual course of work.

b) The way the underlying purposes of the change are defined and communicated. The change is more likely to be welcomed and accepted if it appeals to the right sources of meaning and motivation. Studies (Keller and Aiken, 2009) have shown that there are *five basic sources of meaning* for employees:

- 1) Impact on society (for example, provide better services or better quality product for local communities, develop local communities, help improve environmental situation et cetera.);
- 2) Impact on the customer (for example, provide faster and more efficient services);
- 3) Impact on the team (for example, help the team to improve its performance, avoid conflicts et cetera.);
- 4) Impact on the company (for example, stay ahead of the competition, to increase performance indicators, to increase profitability and reduce costs et cetera.)
- 5) Impact on “self” (for example, personal development, career growth, new useful knowledge, financial bonus, non-pecuniary rewards et cetera.).

The participants strongly agreed that it is crucial for a leader to understand that his/her primary motivation (which is usually “impact on the company”) is not always (and most often not at all) the primary source of motivation for his/her employees. To achieve a strong motivation for change and face less resistance from the employees, the leader should think of an even distribution of “meaning” across all the motivational sources when communicating the change to the employees.

c) When assessing their own and their colleagues’ change management skills many respondents referred to the broad concept of personal effectiveness, which includes self-awareness, self-confidence, self-management and employability, self-efficacy, the idea of personal value. Those employees who deem themselves more “effective” claim to be more change-perceptive, change-open and hence less resistant. Following this logic, those who are

considered less “effective” are more passive, indifferent and in worst cases even resistant to changes. The concept of self-value and employability refers to the understanding of one’s own value on the labour market. To cite one of the respondents: “the value of an employee (manager or an executive) is a sum of his/her previous experiences, projects, activities”. These “previous experiences, projects, activities” are the very source of all professional skills and abilities that an individual can “trade” on the labour market. From this perspective change is regarded as a source of new skills and expertise.

Communicational aspects

All of the interviewees greatly stressed the role of communication and suggested several areas of improvement, namely:

a) Efficient functioning of communication channels. As related by one of the interviewees, if communication channels are blocked up, it might even happen that “an employee gets reprimanded for doing/not doing something, for not following the rules, when he /she was not even aware of these rules”, in other words these rules were not properly communicated to the employees. Some participants expressed an opinion that in order to avoid such potentially conflict situations, the company has to make its communication channels “cleaner”, more “visible”, more informative and recipient-friendly. They suggested that it can be achieved through such means as, for example, company information boards, newsletters, magazines and IT applications.

b) Communication as "a two-way street". Every single interviewee emphasised that the first and main function of communication within the company is to prepare the ground for the future change implementation process, to explain “all the why’s and how’s in order to bring everyone on board”, in other words to make employees feel that they also participate in the decision-making process and “not just being presented with a fait accompli”. Thus, they would feel that they share the “ownership” of the decision and its results. The interviewees expressed strong support of such approach and gave examples from their work experience when it had been successfully applied.

It is in one's human nature to value one's own decisions and choices higher than any other imposed decisions or choices no matter how rational and sensible they might be (see, for example, the study by Langer, 1982; Hemp, Palmisano, Stewart, 2004). And therefore, when a decision is valued higher, the commitment is higher as well. How to provide for such involvement of the employees? The interviewees underlined the will of the leader to make communication a two-way process. The leader must send a message to the employees and also be ready to accept the feedback. The feedback can be received for instance through personnel surveys, discussions within focus groups et cetera.

c) Important elements of messages communicated by the leader. The interviewees believe that the message, transmitted by the leader, must contain the following elements:

- explanation of the rationale and the “added value” of the change;
- feasible implementation strategies;
- stress on the interdependence and collaboration of all levels of the organisational structure for a successful implementation of the change initiative.

d) Leader's approach to communication. As mentioned by some interviewees, the message that is communicated by the leader may have two basic underlying implications: deficit-based or constructionist-based. Deficit-based messages imply that there is a problem and the proposed change initiative is meant to solve it. The logic of the constructionist-based approach is reverse: it shows an opportunity for improvement and creates an image of the possible gains or a feeling of anticipation of positive results and thus stimulates the acceptance of the change initiative. Both approaches have their advantages and downsides. The strong side of the deficit-based approach is its obvious logic and rationality: a problem detected, its causes identified, solutions found. The downside is that the abuse of deficit-based tactics can lead to “change fatigue” or even resistance. If the leader only highlights the faults, the team begins to lose self-confidence, to feel guilty and apathetic. The advantage of the constructionist-based communication is its focus on positive impulses. Keller and Aiken (2009) claim that “in human systems a focus on “what is right” can achieve improved results, while defect-based change approach is well-suited for technical systems.” The participants of the present research felt more strongly inclined towards the constructionist-based approach,

however not rejecting a deficit-based one since “it might be appropriate for certain situations”.

Personal aspects

a) Previous experience. If the employee’s experience shows that usually in the past the changes were not well planned, “were not effective and eventually died as unworkable”, it is hard to expect that he/she will embrace new change initiatives with enthusiasm.

b) Age. Some interviewees argued that age impacts the attitude to change. The age variation was suggested as follows:

- young employees (20-35) - more ambitious, using change as opportunities to promote themselves, to climb up the career ladder faster;
- middle aged employees (35-55) - more realistic perception of change;
- “elderly” employees (55-retirement) - more inert, less flexible, suspicious of change, fear of getting laid off before reaching retirement age.

Environmental aspects

a) Cultural dimensions. Both national and business culture of the country where the change is introduced can influence the process of implementation and assimilation of the new processes.

b) The legislative framework of the country where the change is introduced. It was noted that in some countries the labour legislation framework stipulates less protection for the employees and therefore “they may have more fear toward the changes”. However, on the contrary when the national labour legislation is very protectionist, the employees tend “to feel too safe and not enough motivated to change the habitual course of things”.

Leadership aspects

Leadership style. Some interviewees mentioned that the perception of change may depend on the leader’s management style. They differentiated between two models: a more aggressive, imposing, and controlling style and a persuasive style, which gives employees greater

freedom of choice and actions. The latter model also implies a more “inclusive” organisational policies, which stipulate a greater level of the employee’s participation in some stages of the decision-making process. This model also encourages creative thinking, open discussion and constructive conflict. This take on leadership styles directly corresponds to the McGregor’s theory X and theory Y.

b) The position of the leader. The interviewees admitted that they felt more secure if they knew that their leader had a strong position in the company. If they believe in the power of their leader and know that he/she will spearhead the change process, they feel more confident in its success and secure about their own place in the new process, and hence they are more open to change, innovation and embracing new ideas and expressing their own.

4.2.1.2 Conflict and teamwork

After discussing the perceptions of change and its effects on the organisation as a whole and teams in particular, the interviewer moved the flow of conversation to the topic of conflict and its impact on teamwork.

The first question was aimed at uncovering other difficulties (besides change processes) and challenges that the respondents are facing at present. However, it is worth noticing that the allusions to the “change factor” were expressed during the overall course of the interview. The respondents pointed out to the following existing and potential challenges and pressure points, that are or could be aggravators or even sources of conflict within the organisation. These factors describe the existing organisational environment and its members.

4.2.1.2.1 Conflict aggravators within a team

Size of a group

The interviewees underlined that the smaller the group is, the easier it is to manage conflicts inside of it. In fact, they noted, conflicts (and especially affective ones) are a rare occasion in a small group. Within a small group (up to 4 people), according to the respondents’ views, it

is more natural to establish rapport⁵ and good professional understanding of each other, for a leader it is easier to distribute tasks and control their execution. Subsequently the bigger the team is, the more difficult it is to keep the cohesion strong and the relationship conflict-free. A big team automatically means a big diversity of personalities. It's a crucial task of a leader to be able to adequately manage these personalities and make them cooperate effectively. The interviewees highlighted that in a team there is typically a portfolio of very different and often conflicting personalities that need to be skilfully harnessed to be able to work as a team and not as individuals.

Procedural (regulatory) complexity

Procedural complexity within a team creates confusion and misunderstandings. Team members may have different interpretation of the same process due to the ambiguities in the written regulations.

Interdependence

Interdependence is a key attribute of a team. Teamwork is unimaginable without all the parts of it supporting each other. When some units in chain are broken, the chain becomes non-functioning, the so-called problem of “interlocking” processes.

Communication

Unanimously all the respondents claimed that communication plays a decisive role in all the organisational processes. It was described as a conflict factor and as a conflict remedy. In terms of this subsection communication is discussed as an aggravating factor or even a direct source of conflict within the group.

Time and resources

Team environment where there are scarce resources and pressing timeframes is “breeding ground” for conflict situations.

⁵ Rapport - a close and harmonious relationship in which the people or groups concerned understand each other's feelings or ideas and communicate well (Oxford dictionary, online)

Absence of team loyalty / team identity

Some respondents cautioned about conflicts in teams where members are not sharing the team identity and motivation. They build up a so-called “wall” between them and the team.

Leader’s behaviour and role-modelling

This factor can both an aggravator and a mitigator. Positive role-model can minimise conflict and increase effectiveness. However, leader’s behaviour can also create conflict-prone climate. One of the examples was a situation when a leader does not treat all members equally and particularly favours some of the team-members.

Dictatorial leadership style

As the respondents explained, leaders with imposing approach “don’t ask why, just do it” and downward communication style often have to deal with the side-effects of such authoritative behaviour, such as unfavourable team climate, inner tensions or even overt conflicts between team members or between the team leader and his/her followers: “Leaders can be too imposing. Instead of asking for ideas, they just drop down a ready-made decision”

Understaffing and overloading

Several interviewees complained to the extreme workload as a potential source/aggravator of conflicts. Workload leads to high levels of stress and stress leads to irritability, sharp perceptiveness to disturbances. In such state some people are unable to fully control there emotions and behaviour.

Uncertainties with regard to HR⁶ management policies and redundancies

Respondents admitted that feelings of job insecurity could also be a source of tension and if it builds up it can spill over and fuel intragroup conflicts. Job insecurity means that the team members are not sure that their position in the company is safe and therefore they begin to consider their team members as rivals in the competition for resources.

⁶ Human Resources

4.2.1.2.2 Conflict aggravators between teams

Complexity of organisational structures

Majority of the respondents expressed concern with regard to the intricacies of the organisational structure which “is getting more and more sophisticated”. Matrix organisational structure results in multiple level of control and subordination. Together with a lack of coordination between them it might lead to mismanagement of human and material resources which, in its turn, as exemplified by the interviewees, manifests itself in the following situations:

- a) some employees (groups of employees) are overloaded, while the others are underloaded;
- b) employees receive tasks similar in nature but with different requirements in terms of deadlines, presentation and form. The efforts and time consumed by the execution of two tasks instead of one could be used more efficiently;
- c) employees receive conflicting goals and assignments from their superiors. Such situations require additional efforts in order to balance the contradicting requests, to mediate between different positions and interests. As an example one of the respondents referred to situation when he/she has to reconcile the demands of global and local level of the company;
- d) employees have diverging performance measurement scales and targets;
- e) additional resources are required just for coordination of activities/agendas of different organisational units/groups;
- f) “overlapping” of functions, no clear separation of duties and responsibilities;
- g) respondents confessed that due to changes of the organisational structure they feel separated from their peers in other departments: “there is a gap between us”, “we were divided into two confronting camps” ;

The complexity of the organisational structure also impacts the communication flow and the decision-making process. Complex structure inevitably leads to excessive bureaucratisation of the processes.

Procedural complexity

Due to procedural complexity within one organisational unit, the other units interacting with it may be unaware of some particular rules or requirements that are in place. Thus, they do not follow these rules and end up in a conflict situation. Another situation described by the interviewees is when there is a gap in the regulations which creates confusion and misunderstandings. Alternatively it was mentioned that it is often the case that different units have different interpretation of the same provisions and therefore they have different expectations of each other's behaviour and the results of their interaction.

Interdependence

Interdependence is always present in any organisation. This is a key principle of business. However, tight interdependence of functions in large international companies is a direct product of the high structural complexity and its weak spot. As the respondents mentioned, a failure in one team might lead to a hold-up in the whole process.

Communication

The issue of intracompany communication is twofold. On the one hand, this factor is interlinked with the two mentioned above. The communication channels do not function properly if there are "two many separate lines tapping into them and distorting the message". On the other hand, communication also implies a certain of the communication skills of the participants involved. Even if the communication channels are not obstructed, the quality of communication can be poor because:

- a) there is intentional miscommunication ("hidden agendas", "divergent agendas");
- b) there is unwillingness to communicate by both sides;
- c) when one side is not willing to listen;
- d) lack of face-to-face communication, all communication is done via emails, phone calls et cetera;
- e) when teams possess different information or are given the same information but in different scope (detailing).

Time and resources (diverging goals)

These are external factors, which put additional pressure on the teams working in one organisation. To illustrate this kind of situation the respondents referred to different time / resources pressures on one structure from the side of the market and/or top management in comparison to another structure. As an example, one of the respondents referred to the work of the BD⁷ unit and Engineering unit. BD intrinsically aims at obtaining quick results, making market-fast decisions. Engineering, instead, requires more time and resources to process information and produce business-impacting decisions. If these two functions have to interact, it might result in conflict situations. A similar conflict-prone environment can be found between Marketing and Production, or Sales and Production, or Procurement and Production.

In terms of resources, the conflict situation, as depicted by the interviewees, can emerge in the following cases:

- 1) new emerging areas of business which put extra pressure on the existing functions;
- 2) new business processes emerge and different functions compete to establish their control over them and thus acquire more resources (also could be interpreted as the competition for power);
- 3) some business process get out-dated and gradually eliminated (“optimised”). The functions which are/used to be responsible for this process feel threatened because their resources (in this case actual “work”) are at risk. They feel “marginalised”, “left out”, “frustrated”.

Leadership style

Over-dominant (over-protectionist) style of leadership of one team may create tension with other teams. However, it was observed that in certain cases a reasonable authoritativeness (but not over-dominance) in dealing with other organisational units helps a team leader to achieve better results, to minimise resistance and protect his/her team. The phrase “certain cases” implies:

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- a) in order to control the amount of tasks coming from other organisational units, to keep it within reasonable limits;
- b) when the other unit is acting in a disorganised manner in order to establish an effective working relationship with that team;
- c) in order to strengthen his/her team's image and position;
- d) when dealing with a team that has a weak leader or no leader at all (just a functional manager);
- e) in order to introduce a new process (a "best practice") that could improve interaction but the other team puts up resistance.

Relations between leaders

One of the interviewees suggested an interesting analogy between "leader - team-members" and "parent - children" relations. The children tend to copy parents' behaviour, therefore if two adults (parents) are not getting along well, their children will also be "fighting". In organisational environment it means that if there is a misunderstanding and/or a conflict on the leadership level, "the employees on the lower levels of organisational pyramid will feel allowed to replicate such attitudes and behaviour". And vice versa. If leaders get along well, have good understanding and respect towards each other, there is more chance that their respective teams will work efficiently together. So, leaders can translate both positive and negative role models.

Different level of motivation and commitment

A factor which is very closely connected to leader's role model is the teams' different level of motivation, commitment and loyalty to company's goals. This level is defined by a number of factors such as leadership model, internal communication, team's subculture et cetera.

Groups' subculture

Every organisational unit within the company has its own subculture which may be different from other unit's subculture in terms of attitude to deadlines, formality of communication, work habits, ability to change (conservativeness) et cetera. Moreover, within every culture

there exists a set of stereotypes and biases against other cultures. If not challenged, they grow strong and in case of tensions between teams may add "fuel into the fire"

External economic and political factors

Some respondents mentioned an unstable economic and political situation as a cause of worsening market conditions and therefore, they assume, there are more tensions arising within the company itself and during interaction with external customers and/or clients.

Lack of trust

This factor is common for conflicts both within a team and between them. The respondents were unanimous about this issue: "Collaboration in a team depends on trust and unity of minds". "Trust is a bedrock of collaboration", "distrust is born when deeds and words do not match", "when people (teams) have hidden agendas".

4.2.1.2.3 Conflict causes within a team

The factors described above are largely interpreted as conflict aggravators or conflict-prone conditions, however in certain situations they can be considered as direct conflict causes. Next questions prompted the interviewees to talk about direct conflict causes. Some of the conflict causes correlate with factors mentioned above.

Different views, attitudes with regard to goals and tasks

To quote one of the respondents: "Conflicts within a group are mostly generated by difference in views regarding strategies and goals".

Clashes between "old team" and "newcomers"

Lack of clear and comprehensive definitions of the tasks, responsibilities and roles

Many interviewees referred to this issue as one of the main causes of conflict. If the leader does not provide a clear framework of roles, responsibilities and performance measurement

scales, then the members may do it themselves and their interpretations of each others' role and responsibilities may vary greatly. Their interpretations may either:

a) overlap (when two or more employees feel responsible for the same task and therefore might have conflict with regard to the ways of how to perform it, or they don't want to share this task at all, various scenarios are possible)

or

b) not match at all and therefore there are gaps in the process and certain tasks are left out completely.

Personality differences

Different attitudes to work, different value of work. Different scale of priorities (professional vs. personal issues) are critical if people work closely together. If one member puts his/her private goals (or personal comfort) higher than the team goals, there will inevitably be a conflict. Interdependence in teamwork is very important. If it is disrespected the team is bound to have conflicts.

Team members may also have different social background, education, professional experience, economic status, political views, personal habits et cetera (all of the named above can be broadly called "culture"). These aspects may become sources of interpersonal conflicts. For example: gossiping, lack of social etiquette, disregard of communal rules of behaviour or dress-code, (excessive) familiarity, sharply divergent political views.

It was also mentioned during the interviews that personal clashes between employees may be triggered by such feelings as mistrust or envy (both personal and professional), or by attempts to assert oneself at other's expense, arrogant, hypocrite behaviour.

Excessive competitiveness

The respondents expressed contrasting opinions with regard to competition in a team. Some seemed inclined toward the idea of competition as a positive type of conflict, a stimulus of efficient performance. To quote one of the most ardent proponent of constructive conflict:

“Conflict is not equal to competition, but to collaboration. You cannot collaborate if you don’t have conflict”.

Other interviewees evaluated conflict with more caution, saying that “it might be a good thing, but it needs to be used in moderate dosage, because excessive competition within a team creates stress, exhaustion, those who perform less get discouraged and demotivated to keep up with the competition”, and “the top-performers get too conceited and forget that collaboration is an essential element of teamwork”. Some interviewees were flatly opposed to competition within a team in general: “Competition is good with other teams, not within one team”.

4.2.1.2.4 Conflict causes between teams

Different priorities, objectives, interests

“Goals set at the very top level are poorly translated to lower levels. It creates confusion, misunderstandings and conflicts”

“We have different goals, tasks and targets set out by our bosses”

“Imbalance of interests” of different organisational functions. For example, BD and Engineering: one need quick output, the others - more time to process incoming requests.

“Lack of understanding between global and local functions in terms of vision, goals, and strategies to achieve those goals”

“Global priorities take over local and thus create conflict (tensions) between organisational levels, lack of commitment to global initiatives from the local level, they try to stick to the local approaches which they are used to”.

Different goals set by KPIs (formal goals)

Different expectations with regard to each other’s role and the outcomes of the interaction.

Lack of clear and comprehensive definitions of the tasks, responsibilities, roles

The situation which takes place in a team applies to the conflict between teams as well.

This problem was also described in subsection 4.2.1.2.2 as a result of complex organisational structure.

Cultural differences

The interviewees expressed a unanimous opinion that within a multinational organisation the issue of cultural clashes is relevant. They named “language” as a main source of misunderstandings and potential conflicts. Those interviewees who possess knowledge of foreign languages (or even the experience of living abroad) claimed to have no particular difficulties in interaction with foreign colleagues. The role of cultural diversity will be more closely discussed in the subchapter 4.2.1.4.

Competition for power, recognition and resources

Some of the interviewees expressed deep concern about the feeling of a latent confrontation (competition) between different departments. They confessed that due to changes of the organisational structure they feel psychologically separated from their peers in other department: “there is a gap between us”, “we were divided into two confronting camps” .

In interviewee’s words, it leads to:

- everyone wants to prove their own “significant role” disregarding the needs of other teams and the company in general;
- “unhealthy” competition, resistance to cooperation, narrow-mindedness, “our way is the only right way”, “we do it better”
- to get recognition and power, sometimes even at the expense of others;
- alienation, pressing psychological climate;

Communication issues

Communication problems were unanimously labelled as the main factor in conflict management.

Lack of communication, in particular a face-to-face communication, was deemed to be one of the reasons of conflicts.

Miscommunication is another source of conflict. It can be intentional (hidden agendas, lack of trust, unhealthy competition et cetera) or unintentional (malfunctioning of communication channels, excessive use of electronic communication, cultural biases et cetera).

Lack of adequate communication skills: “the majority of conflicts arise because of insufficient communication skills, if people could properly talk to each other and listen to each other, they would always find a solution through dialogue”.

4.2.1.2.5 Role of conflict in a team: functional vs. dysfunctional conflict

Many respondents admitted that “conflict is a natural element of work in a team and with other teams”, “conflict is vital in a team”. Some of the interviewees drew the researcher’s attention to the fact that conflict has a different role at different stages of the team lifecycle. At the initial stage of team formation conflicts are rare, otherwise the team will not be formed. At the next stage conflict is necessary “to establish norms and rules of working together”. These rules refer to communication, work in stressful conditions, respect to commitments and deadlines et cetera. As one of the participants put it: “conflict helps to establish boundaries of where “right” ends and “wrong” begins”, in other words “to find the limits of tolerance and weak spots of the team-mates”.

One of the respondents wisely noted that constructiveness of the conflict also depends on the resources involved in it: if the conflict consumes too many resources, it damages the business no matter how positive the outcomes might be. During the interviews it was pointed out in various forms that conflict can become constructive if certain conditions are met:

- it is contained within professional boundaries, no emotions involved, “controlled conflict”;
- people involved in conflict possess enough open-mindedness and rationality to see the potential benefits of solution;
- “people are open, willing to listen, and not hiding any personal agendas”;
- “there's at least a minimal level of trust”.

Some other **positive effects** of conflict were mentioned:

- Conflict helps to generate new ideas, to increase creativity: “If there’s a difference of ideas, there is a potential for a better result, more value”, “a source of enrichment, saturation of ideas”. “Conflict is one of the ways to combine minds”. One of the participants noted that

“different ideas, ways of thinking should not be treated as a source of conflict, but as a source of innovation, creative solutions”;

- Conflict helps to get feedback about one's idea “ to challenge one's idea, way of thinking". Negative feedback may be constructive or not, but in the end it will make the owner of the idea think it over once again and maybe eventually improve the initial idea. So, “conflict may increase the value of the idea”;
- To quote one of the most ardent proponent of constructive conflict: “conflict is not equal to competition, but to collaboration. You cannot effectively collaborate if you don't have a conflict”;
- “Conflict is a contradiction that came out to the surface. It is needed to uncover hidden problems, which obstruct mutual understanding and each other's development. Silence is dangerous. Conflict is a driver of improvement, of change”. Other interviewees supported this argument by saying that “festering conflict is dangerous, it consumes productive energy. Conflict is needed to open up that wound, to let out destructive energy, emotions, people need to speak out about concerns, disagreements, fears et cetera”; “Conflict is necessary to uncover needs and latent problems”;
- “Conflict is needed to detect weaknesses, “bottlenecks” in the process”. “Conflict as a consequence of a problem” and “conflict as a signal of a problem”;
- “Conflict as a business model". Participants mentioned that in some companies productive conflict is a part of the business model, because it helps to be flexible, adaptive to changes, “to constantly challenge the status quo” in order to achieve better results. However, it was stressed that “using conflict as a driver, a source of adrenaline should be prudently managed, otherwise it will lead to undesired consequences”. One of the participants remarked that to a certain extent “the company may be interested in a conflict, the goals set out by the leadership for different functions bear contradictions in themselves”;

- Conflict can be regarded as an opportunity to learn about new ideas, approaches, processes, about other colleagues, cultures, and also about oneself.

4.2.1.2.6 Conflict-prone behaviours and personality characteristics

The interviewees were asked a specific question related to what kind of behavioural models they deem as conflict-prone. Sometimes the question was rephrased as: “what are, in your opinion the do's and don't's of organisational/group behaviour? How one should behave in order to prevent conflict situations?”. The interpretations of this question varied. Some respondents talked about actual behavioural patterns, some started to elaborate on the tactics of conflict management. The researcher tried to analyse the resulting statements and distil from them a list of “top-rated” conflict-prone activities, behaviours and personality characteristics:

- Stubbornness, narrow-mindedness, unwillingness to listen to other points of view, rigidness, “box-mindedness” ;
- Professional arrogance, “I know everything better”-type of attitude”, “persons who convinced that their way is the best”; from a leader's perspective this behaviour could be called dictatorial, imposing, categorical, “when the leader does not even consider other's opinions”;
- Categorical refusals, as some of the respondents mentioned, “a flat no-answer is a sure way to provoke a dispute”;
- Self-centredness, personal interests are put above team-interests. Several situations were described: a) some people regards work solely as a “burdensome necessity to earn one's living”, "they do their job just to get paid and their personal benefit and comfort is their highest priority”; b) team-mates attribute different value to work interests and personal interests. Personal interests always come first even if the team will suffer;

- Extreme competitiveness and inability to collaborate: “unwillingness to work in a team”, “personal ambition comes first”, “one man team” situation, very ambitious individuals, “top performers” who do everything to achieve the goal but without considering the needs of his/her team or other teams. A vivid analogy was provided by one of the respondents: “these people are like caterpillars, they dig a trench, they overcome all obstacles, the job is done, but there is a huge hole in the wall remaining behind them, the relationships are destroyed, a kind of “scorched-earth policy”;
- Lack of professional and personal integrity, inconsistent behaviour and words, hypocrisy, unethical behaviour ;
- Impulsiveness, inability to control one's emotions;
- Prejudices and stereotypes;
- Little experience in corporate culture/environment, desire to assert-oneself at the expense of others;
- Lack of social skills and business etiquette.

4.2.1.2.7 Conflict management techniques

The interviewer's next questions specifically addressed the variety of conflict management tools that the participants usually use or witnessed their colleagues to use. The initial questions prompted the respondents to remember their experience as a mediator or, if they cannot, remember somebody else trying to manage a conflict situation from within or from outside. The answers varied based on the experience of the interviewee and his/her ability to articulate precise strategies on the spot. Some of them confessed that they act rather intuitively in conflict situation based on their current judgements of the situation and the opponent. However, in the researcher's opinion, such behaviour could also be classified as a conflict management strategy.

Some of the participants regarded themselves as very strong “conflict-avoiders” and thus found it difficult to come up with any active conflict management strategy apart from “do not interfere if two colleagues are in conflict, you can only make it worse”, “do not interfere until there is no other way”, “interfere only to put the fire out, to prevent escalation, they should find solution on their own”; “step back and let a dangerous situation go away by itself”, “to play possum”.

Some of the participants believed to have good skills of conflict prevention and like “conflict-avoiders” they found it problematic to think of actual conflict management tools. What they referred to will be summarised and described in the subsection 4.2.1.2.8 of the present Chapter.

Those interviewees who have conflict management experience observed that *the choice of the strategy depends on the several interdependent factors*:

- “the knowledge of the opponent”, which implies the knowledge of the other side of the conflict, its leader and his/her leadership style, the context of the situation, the relevance of the issues in dispute to the other side, “the boiling point” of the other side - tactics that will escalate the conflict and provoke even more hostility;
- “the relationship with the other party”, which implies how well the parties know each other, how much they interact and how valued the relationship between them is;
- “the power delegated by the superiors”, which means to what extent one side can use imposing tactics on the other side;
- “the own power and status and leadership model”; if a leader is mediating a conflict within his/her team and he/she has enough trust and credibility, he/she can use imposing tactics and take a decision independently; the status and power of the leader within a company also plays a role when there is a conflict between his/her team and another team.

- “the stage of the conflict”, the earlier the stage is, the less intrusive (the lighter) the intervention should be (let speak out, listen, help generate ideas). At a later stage of a conflict, more powerful measures are needed.
- "the nature of the conflict"; the interviewees clearly distinguished between “professional conflict” ("conflict of tasks" in academic terminology) and interpersonal conflicts. In case of professional conflicts, the choice of tactics is wider, the possibilities for turning a conflict into a constructive exchange of ideas are higher. In the case of interpersonal conflicts the options are much more limited:
 - a) to be able “to accept the other person”, “to put a psychological wall between each other and not let the situation escalate and influence the professional side”;
 - b) to find another place of work (for a leader - to separate the people involved in an interpersonal conflict, to put them in different teams, to minimise their interaction);
 - c) to try one of the tactics described below, but bearing in mind that personal values, attitudes and interests are non-negotiable, a simple compromise is impossible, the issue has to be resolved on a level of underlying contradictions.

Another important participants’ observation referred to the fact that it is “very difficult to stay neutral” “unbiased” when one has to mediate a conflict between colleagues. The interviewees believe, that “it is in our human nature to take a side and empathise with it, we cannot completely distance ourselves from the problem". But in a workplace situation one has to think about business needs first and try to stay as neutral as possible.

Some of the respondents stressed the primary role of a leader in mediating conflicts in his/her team and controlling the level of “productive conflict”. The leader can manage this task by being a positive role model and also through his/her reputation and status, so that in any conflict situation the parties can come to him/her and he/she will take the right decision and responsibility for it.

The majority of the participants agreed that mediating a conflict is a very challenging task, it requires a lot of energy and skills, but it is a useful experience. A mediator has to be open-minded, creative, flexible, empathetic (but as unbiased as possible) and tolerant.

Most “popular” conflict management strategies:

- when in a role of a mediator - “to listen to the other side”, “to let both sides speak out and listen to each other”; “to create conditions for healthy communication”; “to encourage face-to-face communication” and “prevent dangerous exchange of emails with no content but emotions”;
- when in a role of a mediator - “to talk with each side through its issues separately in order to understand their positions”;
- to uncover the causes, “to understand the underlying needs and interest”, “to help to articulate those needs, which is the most difficult part for parties in conflict”. “When one party understands the needs of the other party, it is easier to look for a mutually acceptable solution”, “to find ways to address the underlying issues”; “to see interests behind positions”. To uncover the underlying issues “one has to ask more questions, to probe into, to dig deeper”;
- to make clear to both sides that they have a common goal (it is presumed when people work in one team or organisation). One of the interviewees shared his argument when his colleagues were in conflict: “We are working towards the same objective, let’s see what you can do, what the other can do and what we can do together”;
- to provide clear explanations of your actions or requests, “to appeal to rational reasons, not just somebody else's decision”;
- to separate personal from professional (“people from the problem”), “to stick to constructive part, not emotional”. As one of the interviewees shared his experience in learning how to give negative feedback: “as human beings we always tend to connect

somebody's professional evaluation of us as a judgement of our personality. It requires additional skills to be able to give negative feedback in a way that the recipient would not feel personally offended. You need to focus on what could be done better, instead of what was done wrong, and provide rich examples. Such skills are also useful for conflict management”;

- to show potential benefits of the resolution, “to show the carrot” (“Mutually enticing opportunities”, see Zartman, 1989);
- to help parties calm down, take a step back, and “maybe see a solution that is just in front of their eyes but they are not able to see it because of their emotions”;
- “to look for mutually acceptable solutions, for compromise”, “different angles”, “alternatives”;
- in case of a mediator or a leader - “it is necessary to ensure that both sides have the same information”;
- “to ask for advice or help from colleagues, supervisor”;
- “to remember previous experiences and use "the lessons learned”.

4.2.1.2.8 Conflict prevention strategies

In the interview guide there were no questions directly tackling the topic of conflict prevention, however in the course of the conversations through probing and follow-up questions the interviewer managed to get several interesting ideas relating to conflict preventive actions and strategies:

- to clearly define goals and tasks. Unclearly defined tasks, goals and responsibilities could aggravate the situation or result in direct conflicts between team-members and/or between

teams, thus preventive measures should include “an agreement upon “rules of the game” in advance”;

- to manage personalities, to classify team-players, resisters and individualists. The majority of interviewees mentioned that to be an effective conflict manager, one has to be able "to read personalities", “to be aware of the psychological differences”. One of the interviewees suggested based on his personal experience, that a leader should classify his/her team-members according to the following criteria:

- experience;
- adaptiveness to change;
- psychological profile;
- type of mindset.

So, the leader has to assign the roles and distribute tasks to the team-members according to their profiles based on above-mentioned criteria. In this way he/she can minimise the risks of conflicts, however, as a respondent noted, “it is not possible to eliminate 100% of conflict”;

- to anticipate problems, to do trouble-shooting on a regular basis;
- to conduct regular 360° feedback sessions;
- effective delegation and supervision process, as a part of leader's responsibilities;
- to introduce clear procedures and regulations;
- to enhance cohesion in a team. There were several approaches mentioned:
 - Many respondents mentioned the importance of good personal relationship between team-members: team-building activities, “a beer after work” - these kinds of “out of office interactions” help to make interpersonal links stronger, “to shorten the distance” between the team-members and build mutual trust and understanding; “a leader can create and uphold a certain level of intimacy in a team, a feeling of a “second family” ;

- to equally share information;
 - to treat all team-members equally, neither publicly favour nor criticise anyone;
 - to create balanced and transparent rewarding system (both pecuniary and non-pecuniary).
- for a leader - to encourage (for example, through role-modelling) empathetic approaches to team-members as well as peers from other teams: “to look at the problem through other's eyes”, "to try to walk in their shoes”;
 - avoid categorical answers when interacting with others, "do not say "no" at once, use "unlikely" “maybe not possible" et cetera.”;
 - to admit mistakes and openly discuss them.

4.2.1.2.9 Skills and competencies needed for effective conflict management

The majority of the respondents agreed that the skills listed below are crucial in work environment and outside of it. They believe that these skills have to be trained, improved and constantly practiced:

- “ability to distinguish between different types of personalities”;
- ability to control own emotions, “emotional intelligence”;
- “ability to separate personal issues/interests from professional”;
- “negotiation and communication skills” with emphasis on listening skills;
- tolerance, respect for diversity of opinions and cultures;
- helpfulness: “we need to help each other, it is a basic principle of collaboration; if you know well a certain process, and your colleague doesn't know it so well and asks for help,

you should help and explain and teach, because it takes you 5 minutes to do it, but for him/her it will take an hour to find an answer. In this way both the people and the company will benefit: you get appreciation, gratitude and improve relationship, he/she saves time and solves his/her problem, the company - the process will not be slowed down”;

- business intelligence: “understanding of business goals, values, ability to see “bigger picture”, “ability to sacrifice one’s own short-term interests, for the long-term company goals”.

4.2.1.3 IT technologies and systems

The interview continued with the questions regarding the influence of new IT systems implemented and/or being implemented in the company at present. The researcher would like to underline the phrase “being implemented” used in continuous tense because as observed by the participants the implementation stage of a new system is a very complicated process and may take months and even years before finally being declared “implemented”. This particularity is deemed to be caused by the size and global character of the company.

The interviewees also drew examples from their experience in other multinational companies and said that the introduction of a new IT system or the change of an existing one is “usually a painful, time- and resources-consuming process”. Companies invest enormous resources (both material and intellectual) in the constant upgrade of existing systems and the introduction of new and more advanced ones. These activities are undertaken for the sake of improvement and optimisation of business processes which, in its turn, is driven by the competition. To be competitive the company needs to be cost-efficient, perceptive to new trends and market demands. IT systems also perform an integrative role helping to coordinate the multitude of functions and processes. The more transparent and smooth the systems’ functioning is, the more effective the company’s operations are.

The reason the researcher asked this question is that in the companies of similar size as the one where the research was conducted, the IT systems permeate every business process, they are the main work tool and basic means of interaction and control: “Systems and technologies

are just instruments, “in the past we had a shovel as a means of work, now - computer, there is no difference”. And therefore they can be a potential source of conflict, not always its direct cause but very often a “breeding ground” of misunderstandings, miscommunications, frustration, stress et cetera. The researcher wanted to understand how IT tools influence the everyday life of the ordinary employees, how managers and top-managers view their role and what the key problems and possible solutions are. Summarised views of the participants are presented in the tables below.

Table 4.11 : Employees’ views regarding benefits and risks of new technologies

Benefits	Risks / problems
<p>When the systems are created and implemented taking into consideration the needs of the users, “tailor-made”, they improve the processes;</p> <p>New technologies help to speed up everyday activities when you know how to use them.</p> <p>Improve communication with colleagues from different branches;</p> <p>Give possibility to be more flexible and maintain comfortable work-life balance though possibility to work “from home” when necessary.</p>	<p>Global IT systems are very sophisticated and difficult to manage locally. Usually they do not take into consideration the specificities of the countries, which complicates and slows down the processes, creates frustration, additional workload and stress;</p> <p>The implementation is not always carried out consistently, which creates gaps in the process flow and thus, possible conflict areas;</p> <p>Complicates the processes, increases workload;</p> <p>Information is spread between multiple databases, it is difficult to match data, to get compatible outcomes. It slows down the process, increases workload and stress;</p> <p>It is difficult to adapt, to change habits. It also creates frustration or even causes conflict when two people in a team have different levels of skills and learning capabilities.</p>

Table 4.12 : Middle-level managers’ views regarding new technologies

Benefits	Risks / problems
<p>New systems helped to increase the productivity;</p> <p>Systems help when people are properly trained to use them;</p> <p>New communication systems improve interaction with colleagues from distant locations.</p> <p>In the end systems simplify some processes.</p>	<p>Introduction of a new system is always “painful”, in a big multinational company introduction of a global integrated system is never smooth, all processes and systems need “green run period”;</p> <p>Poorly adapted to local needs;</p> <p>We work for systems, not systems for us; We are forced to adjust to a new system, and not the system adjusts to our needs, which should be the right way;</p> <p>People implementing the system do not fully understand the processes that they are trying to change, it’s like “working in the dark”;</p> <p>Increase workload and routine activities, decrease productive time;</p> <p>Systems at “base user” level can frustrate, demotivates, spoil the pleasure of work;</p> <p>The start-up level is the most important, when errors are done at initial phase, the implementation is not consistent and well thought through, the end-users receive a “raw system” with various “baby illnesses”, they get frustrated, sceptical, resistant, unwilling to wait for future benefits.</p>

Table 4.13 : Top managers’ views regarding benefits and risks of new technologies

Benefits	Risks / problems
<p>Less paper, less bureaucratisation, more digital information, faster processes;</p> <p>Systems help to distribute knowledge and information;</p> <p>Possibility to interact with colleagues all over the world, share knowledge, experiences.</p>	<p>The volumes of informations processed by employees have dramatically increased, as well as the speed of the information flow.</p>

The majority of the respondents expressed an opinion that an innovation or any change of the habitual process may generate resistance and fear at first due to several reasons:

- lack of information about the new system, its purpose, its advantages and the benefits it can bring;
- lack of informations about the process of implementation (who is responsible, how long it will take, how the training will be done et cetera.);
- personal narrow-mindedness, resistance to change;
- age (the researcher must emphasise that this factor was mentioned by some participants but rejected by others, thus age is a very case specific factor).

The respondents also paid attention to the necessity of adequate preparation and testing period before the launch of any new big-scale IT solution. The end-users need to receive proper training. The system implementors (so-called “process owners”) have to be ready to address technical difficulties, to constantly react to feedback from users and improve the system, to have well-trained and easily accessible support personnel.

4.2.1.4 Cultural diversity

The last block of questions in the interview guide concerned the issues of intercultural communication and cultural diversity at the workplace. In an environment of a large

multinational company the issues of cultural clashes and cultural awareness are of particular relevance. They can be either direct conflict causes or sources of motivation and learning. The researcher attempted to explore employees' attitudes and experience with regard to the above mentioned topics.

The interviewees mentioned the following benefits and difficulties that they had encountered in the course of their interaction with the foreign colleagues:

Table 4.14 : Difficulties and benefits of cross-cultural communication

Difficulties / risks	Benefits
<p>Language barrier (both verbal and non-verbal) was rated as number one difficulty by the vast majority of participants: “difficult to feel the nuances, emotions, underlying context” “source of misunderstandings”</p>	<p>“An opportunity to learn and improve your ways of working, to share best practices, to exchange experiences”;</p> <p>“an opportunity for self-improvement” - in this case the respondent referred to learning a new attitude towards work from another culture - “a more positive, more relaxed, more joyful attitude” “an attitude which puts relationship on top of the value pyramid which promotes healthy work-life balance”;</p> <p>“An opportunity to acquire new knowledge, new experience”</p>
<p>“Different attitude to work”, “different work habits” require adaptation, tolerance, adjustment of one’s own ways of work.</p>	<p>“Opportunity to meet new people, to travel”</p>
<p>“Working with people from other culture requires more effort, concentration, care; you need to understand who is in front of you and to explain to him/her who you are”</p>	<p>Source of additional motivation “Intercultural interaction makes the work more interesting, more enriching, satisfying”</p>

During the course of the conversation the interviewees were willing to share their views and recommendations regarding the way to avoid intercultural conflicts and “awkward situations” in a work-related environment. The results are grouped into three blocks (personal skills, strategies and company-level measures) and summarised in the table below.

4.2.1.4.1 Personal skills for cross-cultural communication and conflict management

Development of “**cultural intelligence**”:

- to be aware of the cultural differences;
- to know basic cultural dimensions, history;
- to learn foreign languages (“language gives the key to open a new culture”);
- to get rid of stereotypes and anecdotal way of thinking.

One of the respondent argued: “Ignorance causes frustration and conflicts, if people new more about each other, they would be more tolerant”; “Ability to develop cultural sensitivity, cultural intelligence largely depends on one’s individual motivation”.

4.2.1.4.2 Techniques of cross-cultural communication and conflict management

- “to listen attentively and to communicate messages clearly in order to avoid others building their own interpretations around your messages”
- “to be aware that what you say and what others hear may differ”
- “to prioritise face-to-face interaction”;
- “in case of a “dangerous” situation (potentially leading to conflict) avoid emails and try to establish face-to-face dialogue”
- “to identify common grounds, possible synergies and communicate them to the counterpart”
- “to apply principles of non-violent communication in corporate environment as well sin personal”

- “to remind yourself and the others that you work in one team”
- to be empathetic, “it’s important to be trained also to understand how others see your culture”
- in case of working abroad as an expat it is necessary “to be humble and to absorb other culture, not to impose your own”
- to develop a certain level of “intimacy”, “friendly relations”, to take a chance “to get to know each other better, outside of work setting”
- Most of the respondents who have regular contact with foreign colleagues expressed to the interviewer their conviction that it is important to “see and communicate with people not cultures”, “culture is only perceived at a group level, not at individual”. They stress that all people differ by nature: “We all have different background, education, family traditions, social status, political views; this is what makes each individual different, unique, not some “metaphysical notion of culture”.

4.2.1.4.3 Company-level measures for cross-cultural conflict management

To invest in development of intercultural skill of the employees (one of the respondents observes that since this is a costly investment, “it should be primarily focus in the younger generation of employees, besides, elderly people are less receptive to such knowledge”);

“To create more opportunities for face-to-face contact, create international working groups, “best practice”-sharing projects et cetera.”

4.2.2 Questionnaire-based findings

The focus of the survey was to evaluate the general level of satisfaction with the cooperation between the team A and teams B-Z within the company. Team A is a service function providing services to all the rest of the company. Hence, team A could be called a “service

provider” and team B-Z “clients”. The services provided by team A are crucial to maintaining the overall production of the company. Besides the general evaluation, the questions in the questionnaire were aimed at understanding the strengths of collaboration and the problems that still exist and prevent effective teamwork. Negative feedbacks and problems revealed through the survey could be regarded as existing or potential causes of conflict within the organisation. Positive feedback and recommendations for improvement should be interpreted as behaviour directly contributing to effective teamwork and collaboration.

Q1: How would you evaluate a general level of cooperation between teams?

About 80% of the respondents evaluated the overall level of cooperation as “very good” or “good”.The answers of the respondents could be grouped into positive and negative feedbacks. It is worth noting that the positive feedbacks in some cases are directly contrasted by negative feedbacks. For example, competence was counter balanced by incompetence. This fact implies that all the answers should be treated as purely subjective, interpretative, contextual evaluations serving the unique purpose of qualitative research: interpreting, comparing, analysing, inducing hypotheses, elaborating solutions and action plans.

Table 4.15 : Positive feedback (questionnaire)

Positive feedback	Interpretation
Efficiency (in terms of quick problem solving, fast service delivery) and quality of services	For a client the most important characteristic of a service is its timeliness and quality. In light of this survey it can be concluded that most of the respondents feel satisfied with the speed and quality of the services provided. This aspect was qualified by the respondents as one of the KPIs of the team A.
Helpfulness in solving problems, empathy, willingness to cooperate, openness to communication, client-oriented approach	The idea of helpfulness can be traced through the whole feedback received by means of this survey, Clients highly value the readiness to help, empathetic approach to their problems, openness, consideration of other teams’ need and interest.

Additionally in the survey there was a question: “What kind of help you receive from the team A?” These question helps to understand how client evaluate “help and cooperation”.

The majority of the respondents noted that the help they receive is enough for routine and ad hoc tasks. However only 5 % of the respondents admitted that team A works proactively and helps to anticipate problems and conflicts.

Thus, the researcher concludes that teamwork values are:

- efficient everyday interaction during routine tasks;
- ability to help solve non-standard problems (ad hoc tasks);
- being proactive and anticipate conflict situations, to do troubleshooting.

Table 4.16 : Negative feedback (questionnaire)

Negative feedback	Interpretation
Lack of efficiency	Untimely responses to requests of the clients, poor quality of services;
Non-transparent, complicated processes and procedures	The procedures and regulation are not transparent or too complicated, which means that the client is not able to comprehend the process it is involved in from beginning to end. Such situations provoke misunderstanding and frustration on the side of the client. The issue of procedural complexity was described in subsection in 4.2.1.2.1 - 4.2.1.2.2.
Lack of coordination	Both feedbacks could be connected to the issue of interdependence. Teamwork is constant exchange of inputs and outputs. If at one stage the in/output is not reliable, it may block / damage the whole process. Coordination is needed to match expectations and results of the in/outputs.
Incompetence	
“Hard to reach in person”, “always busy”	Lack of face-to-face interaction is a source of misunderstandings, misinterpretations of information and eventually conflict. This is another aspect which is valued in teamwork: direct interpersonal contact and accessibility.
Necessity to control in order to get result	These feedbacks show low level of trust and confidence between the teams. They are not sure how the other performs and whether they can rely on it. Thus, reliability, transparent processes and decision-making is one more value of teamwork.
Lack of knowledge of local specificities	

Q2: What, in your opinion, are the reasons of team A’s failure to perform its duties and provide quality services?

20% of respondents confirmed that such situations happened in the past. The reasons they named:

Table 4.17 : Reasons of failure to perform (questionnaire)

Answers	Interpretation
Unwillingness to get involved in a time-consuming problem;	The importance of helpfulness was described the table above.
Big workload;	Unbalanced workload or poorly distributed tasks are a side-effect of different organisational problems which are out of scope of the present study. However, some of them might be connected the issues in scope: <ul style="list-style-type: none"> • poor cooperation between organisational units (a sign of existing vicious circle of inefficiencies); • unresolved conflicts; • complicated procedures; • complicated and unreliable IT systems.
Lack of communication;	The issue of communication was discussed in subsection in 4.2.1.2.1 - 4.2.1.2.2.
Lack of knowledge of the systems, “they could not support us in technical issues”;	This complaint refers to the complexity of the existing IT systems, which results in one team not able to help the other due to technical problems, the imperfections of the systems.
“We didn’t keep the issue under control”;	discussed in Table 4.16
Inefficient procedures and regulations.	discussed in Table 4.16

Q3: What could you name as the most positive changes in the work of team A in the last year that impacted your cooperation with it?

Table 4.18 : Positive changes (questionnaire)

Answer	Interpretation
Introducing of new innovative methods of work;	Innovativeness, pro-activeness, creative-thinking is valued
Client orientation, simplification of processes;	discussed in Table 4.15
“They take more responsibilities and roles”	Apart from an obvious implication of taking more work and taking some tasks off the clients, the researcher believes that this answer means also that clients want to see a strong and reliable team-player who can take responsibility and not just perform standard tasks. It helps to build trust and confidence.
Interaction with other teams through training and communication sessions, weekly meetings et cetera.	More direct interaction with the client, communication, sharing information, involving in critical discussions and decision-making. This aspect was qualified by the respondents as another important KPIs of the team A. These activities directly contribute to the alignment of organisational subcultures.
Efficiency in providing information	Information is one of the most valuable resources in any organisation. Ability to manage information flows is a highly important quality for the whole organisation. If team A is performing this function efficiently, it means that it prevents a significant part of conflict situations in the company.
Increased speed of service delivery	discussed in Table 4.15-4.16

Q4: What, in your opinion, could negatively affect your cooperation with team A?

Table 4.19 : Negative impacts (questionnaire)

Answers	Interpretation
Lack of feedback, not sharing full information	the value of communication and sharing information; discussed in Table 4.18
One-sided vision	ability to empathise; to embrace other side's standpoint, necessity to align with a different occupational culture
Conflict of interests, ideas	perceived conflict of interest, but in fact both sides have to realise that they work in one team and have common goals; the conflict between different organisational subcultures
Unrealistic demands and expectations	disregard of interdependence of functions

Q5-6: What could be done to improve the cooperation between teams?

By team A:

- to communicate about the changes;
- to share more information;
- to simplify procedures and regulations, to provide them with examples and detailed manuals;
- to increase control over task execution.

By “your team” (this question gives an opportunity to see retrospective criticism):

- to share information;
- to learn more about the work of team A (this answer can be interpreted as lack of ability to empathise; necessity to align with a different occupational culture);
- to perform its own duties properly.

4.3 DISCUSSION OF THE FINDINGS

In this subchapter the researcher would like to discuss more deeply some of the topics that emerged during the data collection stage of the research.

4.3.1 The interconnection between change and conflict

Conflict and change are intrinsically interconnected. Supported by the findings of the present study the researcher can state that there are two separate processes that take place in organisations:

- a) implementation of a change initiative and/or its consequences cause a conflict situation;
- b) a conflict results in a change, because in this case conflict is a symptom of a problem, “bottleneck” that has to be solved by changing a certain process or a state of things;

It is appropriate to note here that in both cases under certain negative conditions the causal sequence may lock itself in a vicious circle, when conflict causes change which causes more conflict and so on until an organisation exhausts all of its resources and breaks down.

4.3.2 “Change habituation” and “change fatigue”

Based on the data collected during the interviews it can be concluded that the speed and magnitude of change is a subjective characteristic. People with longer experience in the company have shown signs of “change habituation” - a perception of change as an inevitable part of organisational life. Those who have experienced some major organisational changes and their consequences (for example, like the change of a majority shareholder or of the company’s owner), feel that all other changes are minor and not significantly impacting their work.

At this point, it is important to understand the difference between two phenomena: “change habituation” and “change fatigue”. “Change habituation” results in perceiving change as neither negative nor positive. Its downside is low enthusiasm in implementing change, reluctance to improve the state of things, the motto of such employees is “go with the flow”. “Change fatigue” manifests itself in apathy, absence of enthusiasm and passive/active resistance to any change, the motto of such type of employees is “do whatever you want, just give me my pay check”.

The two phenomena described above drove the researcher to probe into the issue of fragile balance between on-going organisational changes, constant drive for improvement, and “change habituation” mutating into “change fatigue” and conflicts. It was put forward by some of the respondents that in order to adopt a new process it is necessary to have it in place for at least a year. If processes and procedures change more often than once a year, there is not enough time for a full change cycle (see Lewin’s “unfreeze-refreeze” model) and therefore the employees do not assimilate these changes, they start to accumulate fatigue and frustration. The desired improvement is stalled. Some of the interviewees referred to those employees as “victims of change”. They get locked in the demotivating cycle of constant changes.

4.3.3 Conflict between organisational subcultures

One of the most renowned theorists and practitioners in the field of organisational behaviour, Edgar Schein, distinguished three types of organisational subcultures, or occupational communities: operators, engineers and executives. He claimed (1996:9): “three communities do not really understand each other very well; a lack of alignment between them can hinder learning in an organisation.” By “learning” Schein essentially meant adaptation to change, flexibility, innovativeness. According to Schein’s argument, in an organisation three major occupational cultures are not aligned and tend to work at cross-purposes. Indeed the participants (both of interviews and survey) noted that some departments of the company have different goals and priorities. However, the difference is only perceived. It means that the difference is “real” because the people who belong to that culture willingly construct their reality in this or that way.

The conflict between cultures that influences organisational teamwork stems from the opposing attitudes toward change, different perception of time (in terms of speed of performance, respect of deadlines et cetera) and separation of duties. The company starts to realise that intercultural conflict cannot be managed only through good intentions, transparent decision-making and a few management incentives. Integration of different occupational

subcultures requires understanding of those subcultures and designing of cross-functional processes that would allow communication and collaboration across subcultural boundaries.

In order to manage this kind of organisational conflict, it is essential to understand what organisational (sub)culture consists of. According to Schein (1996:11) culture consists of three basic layers:

- the deepest one is underlying implicit assumptions, embedded on the “subconscious” level of a group;
- espoused values and beliefs;
- everyday behaviour which is influenced by both levels mention above and a situational factor. This factor makes overt behaviour a bad indicator of real culture, since situational contingencies often distort the behaviour of a group and the perception of it by others.

To detect a conflict on the level of underlying assumptions is a time-consuming exercise, because it is necessary to interact with a culture for a certain period of time to be able to detect its tacit assumptions.

In his work Schein (1996) draws an example of a basic value conflict related to the meaning of “teamwork” and “cooperation”. During the present study the researcher discovered an almost identical situation in the company where the sample was taken. The principle of cooperation and teamwork is highly extolled, however the goal-setting and rewards systems are based on an assumption of individual objectives and accountability. Individuality is distinguished by the fact that every employee and manager develops his/her own goals which are formally agreed with his/her direct superior. The cross-functional goals are not properly coordinated and as a result it happens that the targets are not aligned or, in worst case scenario, contradict each other. The contradiction is even more exacerbated by the presence of a tacit competition among some of the functions. This atmosphere can be described as a sort of organisational “darwinism” - the law of “survival of the fittest” in action at the intraorganisational level (for example see studies by Ilies, Arvey, & Bouchard, 2006, or Nicholson and White, 2006) .

It is important to bear in mind that culture has a quality of replicating itself from one “generation” of employees to another, thus, if a certain occupational community has its values and beliefs reinforced through organisational mechanisms for a certain period of time, it will be very difficult to change them and align to other community's values and beliefs. In order to espouse this statement, the researcher would like to quote Schein (1996:12) again:

“Cultures arise within organisations based on their own histories and experiences. Starting with the founders, those members of organisation who have shared in its successful growth have developed assumptions about the world and how to succeeding it and have taught those assumptions to new members of the organisation.”

For a multinational company that has grown through mergers and acquisitions of companies all around the world, the issue of organisational subcultures is very pertinent. The subcultures develop in two dimensions: functional areas (engineering, finance, business development, maintenance service et cetera.) and geographical areas (for example, Europe, Asia, Latin America et cetera). All dimensions have their own deep-rooted basic needs and beliefs about how the business should be done, their own “espoused values” and obviously typical behaviour. All these elements of culture are not always synchronised, which is justified by the fact that they have been conceived and developed in very different environments. Therefore, the conflicts between them are inevitable.

4.3.4 Personality characteristics and skills essential for effective conflict and change management

In the course of the data collection the researcher paid particular attention to the qualities that respondents explicitly or implicitly pointed out as critical for effective adaptation to changes and conflict management. It is worth mentioning that some of the qualities/values that are indicated below were revealed not only through the interview narratives or open-ended questions in the questionnaire, but also by means of direct observation of the interviewees who, in most cases, represented those qualities and values which they were talking about.

It can be inferred from the research findings that adaptability to change is not an innate characteristic, it is a skill which can be and should be trained. Adaptability includes intellectual flexibility, or in other words open-mindedness, curiosity and willingness to learn.

Effective conflict management implies a dual strategy:

- Preventing destructive conflict. The strategies thereof were discussed in subsection 4.2.1.2.8
- Maintaining a healthy level of constructive conflict, which requires such qualities and skills as ability to communicate effectively, empathy, helpfulness, self-awareness. These skills constitute the essence of the notion of emotional intelligence which was coined in the late 90s by an American psychologist David Goleman and now is increasingly expanding its influence on the field of organisational behaviour.

4.3.5 The underlying values of effective teamwork

The skills mentioned in subsection 4.3.4 are not only critical for change and conflict management, but they are also embedded into the concept of teamwork. Teamwork is impossible in an organisation (or a group of people) torn apart by internal conflicts. However, conflict-free environment is not the only prerequisite of effective teamwork. Among other important conditions:

- Reciprocity and helpfulness;
- Ability to anticipate each other's needs, pro-activeness;
- Reliability, trust and loyalty;
- Transparency of processes and decision-making;
- Openness to communication and exchange of information;
- Good interpersonal relationship.

4.3.6. The role of leadership in change and conflict management

There is one overarching topic that could be traced throughout the whole data collection process. This is the topic of leadership. Scholars and practitioners in the field of organisational behaviour have written innumerable amount of books and articles debating about the role of leadership in an organisation. The present study is not aimed at discussing

this broad topic at full extent, however certain ideas have shaped during the empirical part of the research, which the researcher considers important to mention.

The word “leader” essentially means “to direct, to guide”, to motivate people to move forward following leader’s example. However, motivation can be different. During the present research, the notion of motivation was used in a specific context of change motivation.

To be able to manage changes a leader should be aware of his/her followers’ primary source of motivation. The followers are those who will have to carry the burden of change implementation, this is why they need to be properly involved. As discussed earlier in this study the motivational sources of employees lie within five main areas: “me personally”, community, society, customers and company. To achieve necessary level motivation for the change, the leader, when communicating the change, should try to evenly split “the weight of change” across all the motivational sources.

The leader is the one who lays foundation of the future change project. He/she must clearly explain to his/her followers “all the why’s and how’s in order to bring everyone on board”, in other words to make the employees feel that they also participate in decision-making process and “not just being presented with a fait accompli”. Thus, they will feel that they share the “ownership” of the decision and its results.

Schein (1996:11) refers to the numerous studies done by his colleagues in the field of organisational psychology (Lewin, Argyris, McGregor, Likert) that employee's involvement increases both productivity and motivation:

“Managers who treated people as adults, who involved them appropriately in the tasks that they were accountable for and who created conditions so employees could obtain good feedback and monitor their own performance were more effective than those who did not.”

It is in the human nature to value one’s own decisions and choices higher than any other imposed decisions or choices no matter how rational and sensible they might be (for example

see studies by Langer, 1982 or Hemp, Palmisano, Stewart, 2004). And therefore, when a decision is valued higher, the commitment is higher as well. Organisations should encourage “ownership” attitudes (in contrast to “paid workforce” attitude) because it is a relatively "cheap" way to win employees' loyalty and commitment. However, these attitudes shall be reciprocated by the company, otherwise they will not last.

4.3.7 “Human moment”

The term “human moment” within the framework of organisational environment was introduced by an American psychologist Edward Hallowell back in 1999 in his article published by Harvard Business Review. This article had enormous influence on the research of organisational behaviour from then on. One of the reasons of such profound interest in this subject is that its pertinence has increased dramatically since 1999 and is ever growing. Thus, Hallowell’s article has become a herald of a massive transformation of the organisational life.

The dynamics of organisational life have dramatically increased. New technologies have created tremendous organizational and managerial efficiencies (Goldsmith et. al. 2002:14). They establish communication channels connecting networks of employees, customers and suppliers all around the world. The ability to easily connect with many people at once in different parts of the world has made new communication technologies very popular, they became an inseparable part of organisational life. Moreover, social media can also be included in the organisational toolbox both as marketing and personnel communication instrument.

New technologies have multiplied the amount of information that the employees have to process daily and the management to analyse in order to take a decision. However, such overflow of information can induce a “state of paralysis” and instead of helping to take a fast and well-balanced decision, it can slow down the decision-making process. Thus, the technological progress, that companies are relying on so much, can also create inefficiencies and risks. The researcher believes that the biggest danger that they create nowadays is the vanishing “human moment”.

“Human moment” is a special physical and intellectual state shared by two individuals who are communicating. As Hallowell (1999) claims, human moment is the key prerequisite for effective communication. For “a human moment” to emerge there should be two conditions in place: physical closeness (face-to-face contact) and emotional and intellectual awareness (volition to listen, to pay attention). Of course communication might happen without a human moment, and often does. But, Hallowell (1999) assures, that sooner or later the effects of the missing “human moment” will show themselves.

Throughout the interviewing process it was stressed by the participants that proper communication and in particular a face-to-face one is a key to effective teamwork and effective teamwork is based on collaboration and constructive conflict. The survey data also corroborates these inferences. So, the solution to all organisational problems is clear: communication. However, this statement is also valid in reverse: communication is the cause of all problems. The domination of electronic communication is a vast spreading decrease of the modern organisations. It is cheap (cheaper than constant business trips or cheaper than maintaining big office building if people can work from home) and efficient (a lot of information can be transmitted very quickly). However, looking through the lens of overall material gathered during the research the researcher can claim that the lack of real “human moment” can eventually lead to such team dysfunctions as: distrust, miscommunications, low level of job satisfaction, hidden agendas, alienation and interpersonal conflict. Hallowell (1999) continues this list:

The deficit of human moment creates the working environment of excessive electronic communication which is distinguished by such negative social behaviours as oversensitivity, distrust, self-doubt, and even boorishness and abrasive curtness of verbal expression.

It was noted by the participants that misunderstanding and conflict often happen when people either do not know each other personally or have very limited personal contact. The vast majority of respondents emphasised the importance of personal contact and open dialogue. Teamwork is built on trust and sharing information. And in order to have mutual trust people need to build interpersonal connections, which can only emerge and develop through face-to-

face interaction. Under “interaction” the researcher means not only daily work-related communication but also other types of interaction which take place during the course of “office life” and outside of it. Many respondents both implicitly and explicitly pointed out that it is very important to have a healthy personal relationship with colleagues, which can be built during work activities as well as by spending time together outside of office (e.g. having a beer after work, enjoying a football match together or sharing a common hobby et cetera) or through company organised team-building activities. Why do these activities make such a difference? Because they help to create “human moment”, invisible personal ties that connect team-members together and help them to be more empathetic toward each other.

“Human moment” is intrinsically interconnected with such notions as intimacy, empathy, helpfulness, tolerance, reciprocity, self-disclosure, compassion, closeness. The researcher is strongly convinced that the need for social connectedness is one of the basic human needs and underpins all of the third-level needs on Maslow’s pyramid (see Figure 1.2.): love, friendship, sexual intimacy. Some scholars even argue that human beings are essentially social creatures and the need to connect, to establish social bonds is as basic as physiological needs (Lieberman, 2012). In his seminal article Hallowell (1999) also supports this argument by saying that people need human contact in order to survive. They need it to maintain their mental acuity and their emotional well-being. If the human moment is absent, it is replaced by worry, distrust, anxiety. It happens because electronic communications remove many of the cues that typically mitigate these pernicious emotions. These cues are: language, tone of voice, and facial expression, posture, appearance, eye contact et cetera. Email, for instance, has very few emotional signals and, compared to an in-person meeting or phone call, is easily misinterpreted. The human brain is a very sophisticated instrument and when it cannot find immediate cues, it tries to make up for it inventing its own interpretations and drawing conclusions. Unfortunately, the brain is wired to be pessimist by nature. Missing human moment the human brain replaces it with worry, suspiciousness, anxiety. Hallowell (1999) calls these emotions “toxic worry”.

"Toxic worry" is anxiety that has no basis in reality. It immobilises the sufferer and leads to indecision or destructive action. It's like being in the dark, and we all feel paranoid in the dark. Try an experiment. Go into a room at night and turn

off the lights . Your whole body will respond . Even if you know the room well, you will probably, feel the hairs on the back of your neck rise up a little as you wonder who might be lurking in the corner. The human moment is like light in an otherwise dark room: it illuminates dark corners and dispels suspicions and fears. Without it, toxic worry grows .

“Toxic worry” does not appear in one day. The precursors of toxic worry are little everyday misunderstandings, for example: a carelessly written email, wrongly sent email, somebody was excluded/included from an email exchange, or not acknowledged in a presentation, an unanswered email or a missed call. These little mishaps seem trivial and easy to get over, but they have a tendency to build up, and if they accumulate they can make a difference. Employees begin to wonder if they can trust each other and the company in general, if their motivation and job satisfaction is still high enough or if it is time to think about a new job. Hansen (2012) asserts that digital technology has reduced communication costs but increased the likelihood of emotional “outbursts” at workplace. He explains that emotional “outbursts” happen in oldest part of the human brain, the amygdala, which prioritises survival and regulates the fight-or-flight response. It reacts to threatening scenes before rational thinking occurs. The signs of an outburst are: a quick onset, an unusually intense reaction relative to the circumstances, and subsequent regret. At Caliper’s 2012 Global Conference⁸, Goleman said that “the new normal is an assault on the social brain.”

Hallowell remarks, that human moment is also important from psycho-physiological point of view:

Positive human-to-human contact reduces the blood levels of the stress hormones epinephrine, norepinephrine, and cortisol. Nature also equips us with hormones that promote trust and bonding: oxytocin and vasopressin. Most abundant in

⁸ Caliper Corporation, the leading human capital management assessment and development firm, which last year celebrated fifty years in business, recently concluded its first global conference, held October 7- 9 in Philadelphia, Pennsylvania. The conference, “The Future of Talent Management: Aligning Culture and Leadership,” attracted two hundred executives comprised of human resource professionals, trainers and entrepreneurs from companies ranging from startups to Fortune 500 global businesses. The 2012 Caliper Global Conference offered 19 distinct sessions specifically designed around topics most relevant and valuable to business leaders. Daniel Goleman, Ph.D. was a key note speaker and presented a three hour session on the importance of Emotional Intelligence for effective leadership.

nursing mothers, these hormones are always present to some degree in all of us, but they rise when we feel empathy for another person—in particular when we are meeting with someone face-to-face: it has been shown that these bonding hormones are at suppressed levels when people are physically separate, which is one of the reasons that it is easier to deal harshly with someone via e-mail than in person. Furthermore, scientists hypothesise that in-person contact stimulates two important neurotransmitters: dopamine which enhances attention and pleasure, and serotonin, which reduces fear and worry. Science, in other words, tells the same story as my patients . The human moment is neglected at the brain's peril .

During the interviews some of the participants also referred to this feeling of disconnect. It happens, for example, that one receives an email which seems too cold, imperative or even rude, the sender, however, just tried to be brief and save his/her own and recipient's time. The recipient's emotional response to the perceived attack inevitably sets off a conflict spiral. Even if previously two employees had normal relationship, it gets clouded by anger and irritation. This situation could be avoided if the same message was conveyed personally or through a video-call which bears enough emotional cues to create a reassuring human context for the message.

Another risk of negative emotions at work is that they can easily spread to other co-workers even if they are not involved into a conflict. The scientists explain this phenomenon with the existence of “mirror neurone” in the human brain. Stamenov and Gallese (2002:133) claim that “unconscious nature of “mirror neurones” provides “a feeling of empathy or familiarity with the observer”.

Though positive “human moment” may seem costly and time-consuming, it cannot be overlooked because it is essential for building trust, rapport and connection without which no effective teamwork is possible. The costs of a dysfunctional performance are much higher than the costs of reviving a real “human moment”.

4.4 CONCLUSION

This Chapter began by presenting a profile of the research participants and the evolution of themes and sub-themes. In addition Chapter Four presented the results of the empirical data collection conducted through semi-structured interviews and dissemination of open-ended questionnaire forms. The findings were presented in a structured form divided by the actual data collection method and subdivided in themes discussed. The second part of the Chapter was dedicated to a more thorough analysis of the findings and the ideas inferred there of.

The following and final Chapter presents the overall conclusions of this study and provides recommendations.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This Chapter presents the conclusions of the study and offers recommendations based on the analysis of the research data collected through empirical and theoretical methods.

Through the present study the researcher endeavoured to investigate a broad scope of deep organisational processes connected with change and conflict management within a framework of large multinational companies. The rationale behind choosing a particular environment for the research are based on the pertinence of the topic in light of the current global trends. The world landscape, and business one in particular, is undergoing drastic transformations which are caused by a number of acute political and socio-economic factors.

The design of the research, outlined in Chapter Three, was greatly influenced by the research objectives and the problem. The exploratory part of the study examined a vast body of academic literature in order to cognitively embrace the perimeter of the research problematic and present the most important concepts that are widely operationalised during findings analysis in Chapter Four.

In this Chapter the researcher sets out to summarise the main contemporary challenges to organisational effectiveness, such as fast changing environment and pressing competition, which force companies to re-examine the role of teamwork and team efficiency and place them on top of organisational priorities.

The second part of this Chapter is devoted to formulating a set of conflict management strategies that facilitate teamwork efficiency and help organisations benefit from constructive conflict processes. The recommendations are drawn strictly from the analysis of the research findings.

5.2 MAIN CHALLENGES TO ORGANISATIONAL EFFECTIVENESS

5.2.1 *Changing environment*

Nowadays the world of business is being tested for endurance against such powerful forces as globalisation, volatility of politics and economy, deregulation, advances “at the speed of light” in technologies including communication technologies. As Vicere (2002:66) puts it, globalisation and information technology explosion have created “a networked economy”.

Twentieth century has irrevocably changed the culture of business in developed countries. Manufacturing orientation and manual labour have been overruled by the domination of information technologies, creative and strategic thinking, and other intelligence-driven factors (Buzan, 2002:24). The value of information is supreme and indisputable, which implies that the success of a business depends on capacities of its human resources to take in and process information, to learn from it and rapidly adapt to new environments in order to stay competitive. As Hartlieb et al. (2007) puts it:

“Today’s business is characterised by rapid technological developments, intensified terms of competition and self-changing values. Organisations can only remain competitive in this dynamic field if they change.”

It is becoming increasingly important for organizations to gain competitive advantage by being able to manage change in an environment where competition and globalisation of markets are ever intensifying (Cao and McHugh, 2005: 475). The new powerful forces and drivers of business represent both far-reaching opportunities and tremendous risks. In order to exploit the full potential of a new era, the modern organisations need to find a way to minimise the risks of being crushed down by the changes they experience.

The side-effects of the change process are twofold. The business world grew way more competitive and the competition between organisations became more diverse and aggressive. Besides, it was indicated by the respondents during the empirical research, that the competition has perpetrated also the internal organisational environment. It means, that the functions, groups and/or teams within the organisation are now demanding more from each other and their own members.

It can also be inferred from the research data that the way organisations tackle the challenges of change and conflict is closely connected to the basic values and assumptions of the organisational culture and to the personal values, attitudes and beliefs of its leader who personifies and embeds organisational culture. Through his/her leadership team the leader transmits organisational values and beliefs to the employees. Leadership skills and qualities needed to be an effective leader in the 21st century are evolving as well. As Goldsmith remarks (2002:15), leaders used to be driven by knowledge and expertise in a given area. But now, given the complexity of the business world and the knowledge it contains, it is literally impossible for a leader to know it all. So, leaders must rely on their team who possesses the specific knowledge. Thus, the most valuable skill of a leader nowadays is his/her ability to manage people, to understand their potential, energy, talents and weaknesses, to bring them together and inspire them to move forward towards a common goal. In other words this means ability to build teams and keep them cohesive and effective. As White (2000:162) observes, the most salient trend in contemporary organizations is a continuous and pervasive change and increasing focus on interdependencies and teamwork. Lencioni (2002:vii) contends that “it is teamwork that remains the ultimate competitive advantage, both because it is so powerful and so rare”.

5.2.2 Importance of teamwork

The idea of teamwork as a bedrock of successful organisation and satisfied employees was explicitly and implicitly conveyed by the research participants. This statement is supported by the scholars and practitioners in the field of organisational development, who consider effective teamwork crucial for organisations in order to operate successfully in today’s global environment (Angehrn and Maxwell, 2009). It allows organisations to identify and replicate operational best practices and to optimise business activities (Angehrn, Maxwell, 2009). Innovation, as a key driver of organizational renewal and success, is not possible without effective collaboration between teams within the organisation (Damanpour and Evan 1984; Damanpour, Szabat, and Evan 1989; Dyer and Singh 1998; Loof and Heshmati 2006). However, many team projects fail. Based on the results of the current research, the researcher concludes that one of the main causes of the dysfunctional teamwork is organisational

conflict. Organisational conflict, in its turn, has various sources, as identified during the course of this research. To sum up some of the theses causes discussed in Chapter Four:

- organisational complexity of structures (hierarchies, double subordination, lack of coordination);
- procedural inconsistencies;
- diverging goals (as a result of conflicting occupational subcultures);
- different views, attitudes with regard to achieving the goals or performing the tasks;
- lack of clear and comprehensive definitions of roles and separation of responsibilities;
- interpersonal contradictions;
- cultural clashes;
- competition;
- miscommunication and lack of communication;
- lack of trust between employees and teams;
- different level of motivation, loyalty and commitment to company goals.

As discussed during the present research conflict can be constructive and essential to effective teamwork. Team is intrinsically a combination of individuals, who are not necessarily similar in backgrounds, culture, way of thinking, experience et cetera. As Tjosvold (2008:19) argues, the very rationale for a team is to embrace energies, ideas, and knowledge of diverse people. Lencioni (2002:vii) describes teamwork is as elusive because teams are made up of imperfect human beings, who are “inherently dysfunctional”. He (id.) posits, that those teams which manage to fight dysfunctional individual behaviours can work effectively. The problem of team-building is particularly relevant in case of multicultural companies with horizontally integrated organisational structures which bring together people from a multitude of functions and cultures. Embracing such diversity requires effective conflict management mechanisms in place. To quote Tjosvold (2008:19):

“To work in an organisation is to be in conflict. To take advantage of joint work requires conflict management.”

5.3 MANAGEMENT OF ORGANISATIONAL CONFLICTS

Conflict management is a very broad notion encompassing an array of terms such as conflict resolution, conflict settlement, termination, and conflict prevention. The strategies described below, to a large extent, can be attributed to the concept of “conflict prevention”.

5.3.1 Improving communication within and between teams

Throughout the interviewing process it was stressed by the participants that proper communication and in particular a face-to-face one is a key to effective teamwork. The answers to open-ended questions in the questionnaires also revealed that the problems in communication prevent effective cooperation. Effective and constant communication between the organisation and its employees develops better mutual understanding, a critical aspect for all organisational processes. Besides, it develops harmonious relationships which are beneficial both for the company and the employees.

Communicational problems have to be tackled in the following ways:

- to improve communication channels: to make them more accessible, more transparent, more employee-friendly. It could be done, for example, through installing more company information boards, newsletters, magazines, employees’ personal accounts in the company IT platform.
- to make communication a two-way process. Two-way process implies the certain level of employees’ participation in the decision-making process. Moreover, two-way communication ensures an adequate feedback in both directions. Why feeling of engagement is important can be explained by the human nature. It has been proven that people tend to value one’s own decisions and choices higher than any other imposed decisions or choices no matter how rational and sensible they might be (e.g. the study by Langer, 1982; Hemp, Palmisano, Stewart, 2004). And therefore, when a decision is valued higher, the commitment is higher as well. In order to provide the involvement of the employees the leader has to make communication a two-way process. The leader must send a message to the employees and also be ready to accept a feedback. The feedback can be received for instance through personnel surveys, discussions within focus groups et cetera.

- when communicating with the team, leaders should not withhold information, instead, they need to be open and share both achievements and mistakes;
- to encourage face-to-face communication. This point is particularly important in light of the vast expansion of electronic communication media which are now dominating organisational life. Lack of real human interaction leads to the feeling of alienation of the employees, decreasing level of work satisfaction and eventually teams may fall apart because there is no “glue” to keep them together. Interpersonal relations is “the glue”. Employees admitted that technologies are enticing, the benefits are galore: they make lives more comfortable, give opportunity to work remotely, to stay in touch with colleagues and friends all over the world. However, they also admitted that human connection is the key to healthy working relations. Human beings are emotional creatures with a strong basic need for connectedness, belonging and exchange of emotions. The satisfaction of this need can only happen in real time with mutual attention, emotional and physical presence. Employees need to learn to balance virtual communication and face time. Some of the ways to revive the ”human moment”:
 - to prioritise face-to-face interaction to electronic one when it can give better results even if it takes more time;
 - to be attentive and listen to the interlocutor, to be “emotionally” present, not only physically;
 - to make time for “out of office” activities, a lunch with colleagues, a beer after work, to arrange a joint outing, a cultural event (theatre, sport event et cetera).

According to Hallowell (1999) “human moments” are not necessarily emotionally intense. They do not require as much effort as it may seem. In fact, as Hallowell persuades:

“a human moment can be brisk, businesslike, and brief. A five-minute conversation can be a perfectly meaningful human moment. To make the human moment work, you have to set aside what you’re doing, put down the memo you were reading, disengage from your laptop, abandon your daydream, and focus on the person you’re with. Usually when you do that, the other person will feel the

energy and respond in kind. Together, you quickly create a force field of exceptional power.”

“Human moment” is a powerful tool which can help to reduce ambiguities and “toxic worry”, psychological fatigue, and feeling of alienation created by excessive use of electronic communication, and, what is even more important, to develop social-awareness and trust .

5.3.2 Transforming organisational culture

5.3.2.1 Cultivating empathy, closeness and trust

This recommendation is very closely interconnected with the issue of “human moment” described in subsection 5.3.1. However, this principle is broader. It implies the changes in the organisational deep-rooted values and espoused beliefs. The social nature of human beings implies a great value of social connectedness for individuals in all spheres of life, including professional. Human beings are wired to seek closeness, reciprocity and empathy. These needs can also be satisfied through work activities and positive work climate. The most important prerequisite of healthy work environment is trust among team members. Absence of trust is the underlying cause of all organisational dysfunctions. Lack of trust stems from their unwillingness or inability to be vulnerable within the group (Lencioni, 2002:188), to openly speak about one's own and each other's mistakes and weaknesses. A good example of an activity that promotes these values is regular team meetings where team-members are encouraged to talk not only about their task progress but also about problems and hold-ups, their feelings about their work, and about non-work issues. This mechanism allows members to reveal and talk openly about their pain as well as share their emotional responses to colleagues' concerns and fears. As employees develop a shared appreciation and acceptance of problems or weaknesses and the emotional reactions they evokes, collective feelings are likely to be generated and maintained (Meyerson, 1994). In an organization with a culture that values the expression of concerns and doubts and the sharing of emotional reactions to others' problems, employees will be more likely to feel and express empathic concern for those in distress. Sharing these feelings reinforces the organisation's “humane culture” (Kanov, 2004:818) and team cohesion.

5.3.2.2 Promoting employees' involvement, creative thinking and constructive conflict

Constructive conflict is an important instrument for generating ideas, enhancing learning and creativity. However, constructive conflict is impossible without the foundation of trust and respect of each other's goals, needs and priorities. As Lencioni (2002:188-189) emphasises, "teams that lack trust are incapable of engaging in unfiltered and passionate debate of ideas; instead, they resort to veiled discussions and guarded comments". Constructive conflict, willingness to engage, share ideas and feedbacks is a strong sign of employees involvement, a "buy-in". The importance of involvement and feeling of "ownership" has been discussed in subsection 5.3.2.1.

5.3.2.3 Reinforcing accountability and commitment

Employees' involvement is intrinsically related to issues of commitment and accountability. Employees who are more involved in the task and feel participating in the decision-making process show more commitment to the results. It is important that leaders and managers would set the tone through their own attitudes and behaviours and by giving clearly defined strategies and objectives. Without having a clear plan of action, it is impossible to achieve full commitment and accountability. Leaders and manager should also be able to set the rules of proper conduct for their team, encouraging all employees to respect each other and to keep their commitments (Morin, 2004).

Lack of commitment could be also a sign of another organisational dysfunction - diverging priorities and goals. Employees within one team and teams within one organisation may have different ideas about what goals they should achieve and how to do it. The missing understanding of overarching collective goals leads to inefficiencies in organisational performance and eventually conflicts (both task and relationship conflict).

5.3.2.4 Stimulating positive work-life balance

High levels of stress and inadequate workload are detrimental to effective teamwork and represent ideal breeding ground for workplace conflicts, in particular affective ones. Leaders who are able to adjust physical, mental and emotional load of their teams largely contribute to a healthy work climate where constructive conflict, cooperation and engagement are being

benefited from. Flexibility in terms of working hours and a possibility to work from home is highly valued by employees as well. The respect of employees' work-life balance on the part of the organisation will be reciprocated by higher level of loyalty and commitment on the part of the employees.

5.3.2.5 Encouraging learning culture

The advantages of a learning organisational culture have been discussed in Chapter Two and Four. However, it is necessary to understand that learning organisational culture is not possible without employees' attitudes to learning. On the one hand, individual openness to acquiring new knowledge and expanding one's own boundaries is essential element of a well-functioning team. On the other hand, most individuals already possess an innate "drive for knowledge", which only has to be stimulated by the organisation. As it was revealed during the empirical part of the research, most employees feel more motivated and satisfied by their work if it gives them opportunities for learning, personal and professional development.

5.3.3 Reinforcing the feeling of job meaningfulness and gratification

Even if all of the above described strategies are implemented, the team may still be inefficient and dysfunctional and prone to interpersonal conflicts. The last but not least important ingredient of an effective team is employees enjoying their work. When employees view their work as meaningful, "adding value", they tend to get more emotionally involved in the organization, to be more conscientious and to collaborate more effectively with co-workers.

Job meaningfulness and satisfaction is obviously a subjective category. Morin (2004) asserts, that the value a person ascribes to his work is highly subjective, and shaped by a variety of factors (including culture), however, it is possible to find a set of stimuli shared by all employees working in an organization and set the conditions into the workplace to foster it. It is important to mention, that creating meaning in the work positively correlates with the level of motivation. The correlation between meaningfulness of work and motivation is valid across most of the cultures (International Leadership and Organisational Behaviour, 2015).

Leaders and managers who strive to increase employee commitment should remember about consistent and meaningful job design, which means making clear and explicit goals and subsequently providing employees with tasks and conditions in which these tasks could be adequately carried out in order to achieve the goals. The achievement of a goal should be adequately recognised. If one element of the chain “goal-task-condition-recognition” is missing, the work cannot be perceived as meaningful. Studies done based on Herzberg’s Two-Factor Theory (1959) suggest that it is not salary or bonuses that motivate people to perform better, but professional challenges, non-pecuniary rewards and a sense of self-realisation that matter more.

Transforming organization culture is a complex and tedious process. It definitely involves a considerable material and intellectual investments. However, with the time and resources invested, it will be repaid by the benefits of reviving organisational development, increasing adaptability to rapidly changing environment and cultivating productive organisational climate.

To conclude, this study was conducted in order to explore and challenge some of the currently existing frameworks about conflict in a particular kind of organizations which is a big multinational company. The advantage of research in international companies is the cross-cultural perspective that they give. Thanks to their tight vertical and horizontal integration and cross-functionalities it is possible to get a deeper and more precise view of the organisational processes through the experience of culturally diverse population. The researcher considers this study as a personal first step on the long road towards a better understanding of a vast complexity of organisational processes, in particular the ones with a cross-cultural dimension. The researcher believes that conflict management studies should be taken forward and positioned as primarily applied research with a great potential to be practically used for the benefits of society. With this belief in mind researcher aspires to start with a small personal contribution to turning conflict management research into applied social practices and policies, and will use an opportunity to implement some of the research findings for the purposes of improving conflict management in the organisation where the research was conducted.

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ANNEXURE A: INTERVIEW OUTLINE

Type of interview: semi-structured.

Interview strategy: in addition to asking questions determined in the interview guide, the interviewer is free to ask follow-up questions designed to dig deeper into the matter of discussion or to follow a line of enquiry introduced by the interviewee. If the interviewee has difficulty answering a question or provides only a brief response, the interviewer can use cues or prompts to encourage the interviewee to consider the question further.

The interviews will vary in the set of questions depending on the type of the interviewee:

- A. Interview with the team members
- B. Interview with team leaders (managers)

Translation: the interview with Russian speaking participants will be conducted in Russian; the interview with non-Russian speaking participants will be conducted in English.

Duration: not longer than 30 min.

Type of interaction: face-to-face conversation or via video conference (Microsoft Lync) during off-work time.

Recording method: The recording will be done by taking notes. A digital speech recorder might be used if the interviewee does not object.

Confidentiality: The researcher will ensure that the information obtained during the research will be used exclusively for the purposes of her study. The research materials will be stored in a password-protected folder on her private computer. The identity of the participants and the name of the company will be protected through the use of codes and/or pseudonyms.

Ethics: The researcher commits herself to conduct her research in accordance with the ethical and professional guidelines. Before launching the data collection stage the researcher will ensure that the human subjects of analysis participate in it on a voluntary basis, that the rights, welfare, identity and interests of the human subjects are protected.

ANNEXURE B: TOPICS FOR INTERVIEW WITH TEAM MEMBERS

Change

- How would you evaluate the pace of change in the organisation? In your department?
- How would you assess your coping with the changes taking place in the organisation / in your department? Your colleagues’?

Conflict and Teamwork

- What, in your opinion, are the challenges facing you and your team-mates today?⁹
- How often do you find yourself in disagreement/tension with other colleagues / your supervisor?
- How often do you witness other colleagues having a work dispute? Can you describe the impact of a work dispute on the team performance, if any?
- Have you recently been involved in a conflict situation in your workplace? What, in your opinion, was the cause of that conflict? How did you try to manage it?
- According to your experience what are the behaviours that cause conflict in a workplace? Could you please describe some of the situations?¹⁰
- Have you ever tried to act as a mediator in a conflict situation between your colleagues? How would you describe that experience?
- Have you ever experienced positive effects of a workplace conflict? If yes, could you share that experience, please?
- What qualities and skills, in your opinion, are needed to manage conflicts effectively? How would you evaluate your level of conflict management skills?

Other factors

- How have new technologies implemented in the organisation impacted your work?
- Do you have frequent business relations with foreign colleagues? Have you ever experienced difficulties in communication with them? Could you give an example, please?¹¹
- Would you like to have more knowledge about the business culture and traditions of the foreign colleagues? Do you think it might be helpful in your work?

⁹ The interviewer shall try to elaborate on this question or rephrase it in case the interviewee will not be able to give prompt reply

¹⁰ A remark will be made regarding the confidentiality of the information. The interviewee may omit the names and specific details.

¹¹ A remark will be made regarding the confidentiality of the information. The interviewee may omit the names and specific details

ANNEXURE C: TOPICS FOR INTERVIEW WITH TEAM LEADERS

Change

- How would you evaluate the pace of change in the organisation? In your department?
- How would you assess your coping with the changes taking place in the organisation? Your team's? If you realise that your team members are not coping very well with the pace of change, do you try to improve it? If yes, how?

Conflict and Teamwork

- What, in your opinion, are the challenges facing you and your team today?¹²
- How often do you find yourself in disagreement/tension with other colleagues? With your team members?
- Have you recently been involved in a conflict situation in your workplace? What, in your opinion, was the cause of that conflict? How did you try to manage it?
- If some of your team members find themselves in conflict with each other, what would be your actions? If some of your team members find themselves in conflict with the colleagues from other departments (or other teams in your department), what would be your actions?
- According to your experience what are the behaviours that cause conflict in a workplace? Could you please describe some of the situations?¹³
- Have you ever experienced positive effects of a workplace conflict? If yes, could you share that experience, please?
- What qualities and skills, in your opinion, are needed to manage conflicts effectively? How would you evaluate your level of conflict management skills? Your team members' level?

Other aspects

- How have new technologies implemented in the organisation impacted your work?
- Do you have frequent business relations with foreign colleagues? Have you ever experienced difficulties in communication with them? Could you give an example, please?¹⁴
- Would you like to have more knowledge about the business culture and traditions of the foreign colleagues? Do you think it might be helpful in your work?

¹² The interviewer shall try to elaborate on this question or rephrase it in case the interviewee will not be able to give prompt reply

¹³ A remark will be made regarding the confidentiality of the information. The interviewee may omit the names and specific details.

¹⁴ A remark will be made regarding the confidentiality of the information. The interviewee may omit the names and specific details

ANNEXURE D: QUESTIONNAIRE

Participant's initials: _____

Place of work: _____ (City, Country)

Open-ended questions:

Q1: How would you evaluate a general level of cooperation between teams on the scale from 1 to 5? ____ Please name the aspects that you are satisfied with and/or not satisfied with.

Q2: What, in your opinion, are the reasons of team A¹⁵'s failure to perform its duties and provide quality services?

Q3: What could you name as the most positive changes in the work of team A in the last year that impacted your cooperation with it?

Q4: What, in your opinion, could negatively affect your cooperation with team A?

Q5-6: What could be done to improve the cooperation between teams?

¹⁵ In real questionnaire the phrase "Team A" was replaced by the name of the department where the researcher is currently working