

Vol. 8(2)

June
2016

JOURNAL OF INTERCULTURAL MANAGEMENT



Vol. 8(2)

June
2016

JOURNAL OF INTERCULTURAL MANAGEMENT

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All the articles published in the magazine are subject to reviews.

Digital version is the original version of the magazine.

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DE GRUYTER
OPEN

Journal of Intercultural Management

Vol. 8 | No. 2 | June 2016 | pp. 7–27

DOI 10.1515/joim-2016-0007

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Improving the Creative Thinking of Talented Knowledge Workers and Managers in Polish and French Enterprises

Abstract:

The study considers the issue of creative and participatory activities of employees in the organization in the context of the changing socio-economic expectations, forcing employees, teams and executives to innovative activities. The planned research seeks an answer to the question: What factors attributable to the organization can help to improve the working conditions of knowledge workers classified as “talent”, teams of such employees and managers in charge of the work of outstanding employee teams in Poland and France? In order to answer such a question a questionnaire was developed (and subsequently validated) adjusted for purposes of the research and questionnaire research was conducted on a sample of 142 Polish workers in 23 medium- small enterprises, 84 employees from 10 companies in France. Workers considered to be particularly talented in both in Poland and France stressed in the first place the need of approval of deviating from accepted standards

of work style by the entrepreneurs and board members. Members of the outstanding teams in somewhat greater number in France than in Poland (the variance obtained a criterion for statistical significance) pointed to the “favorable personnel policy” and the ability to obtain additional compensation for an above-average job. In the group of Polish managers “more autonomy” was clearly accentuated in the workplace (the French differed significantly from the Poles in terms of statistics) and already cited “favorable personnel policy”. The latter category was also nominated by the bulk of the French managers.

Key words:

creative thinking, talented employees

1. Determinants of creative thinking of employees

1.1: Introduction

Although the issue of innovation, creativity and creative thinking has already been – and still is – the subject of numerous considerations in the field of science of organization and management, sociology and psychology and pedagogy, there is a lack of a broader and more in-depth reflection on the role of knowledge and science in the world. In addition, the importance of creative thinking in achieving greater competitiveness, both in the marketplace and in the scale of the individual careers of employees has also been lacking. Furthermore, we may ask which role creative thinking can achieve in removing barriers and optimizing challenges which will benefit organizations.

It is true that the representatives of these sciences do not accept unconditionally the dominant role of technology – especially information technology – in the development of humanity. Technology is only recognized as being instrumental in the progress of civilization. Representatives of social sciences are focusing rather on values (for example, how to build and create sustainable businesses) in determining whether or not technology plays an important role in developing creative thinking and uniting talented groups of employees – who are referred

to as talent in the literature.¹ It has been difficult to overestimate the role played by the creation of conditions for the development of creative thinking in the organization. Within this process, an important task remains: breaking down the stereotypes in thinking, which is a task shared by both employees and managers.

The purpose of this study is to identify factors that support creative thinking, both at the level of the organization and also among individual units – particularly among talented employees. This paper now turns to an examination of the results of research concerning the support of creative thinking.

1.2: Terminology

Porter (2003) formulated opinion in which creative thinking relates to the operation of innovation. The latter term may be defined as “the implementation of a new or significantly improved product (good or service) or process, a new marketing method, or a new organizational method in business practice, the nature of organization of work or relationship with the environment” (Kozusznik, 2001, p. 170). Innovation, at least in its assumptions, leads to greater efficiency². Schumpeter views innovation similarly while emphasizing, however, that the source of innovation is the discovery and the existence of an entrepreneurial entity (Schumpeter, 1960, p. 41). Drucker (1985) however, writing about innovation, accentuates market success, but innovations without success he called ideas.

Social Studies indicate a link (and sometimes an identity) between innovation and work (Kozielecki, 1992) and creativity (Altszuler, 1972, 1983

1. Listwan (2004, p. 41) characterizing the person, saw talent as being attributed to one's above-average ability, creativity, commitment to work and ability to manage people; this involves intelligence, self-control, empathy, the ability to influence, and the ability to motivate. The authors have used interchangeably the term “employee especially gifted” because of its subjective nature.

2. An example of organizational innovation is reengineering, pointed out by Hammer (Sennett, 2006; Zgorzelski, 2002).

& Nęcka, 1987). Psychology uses another term, which it treats as synonymous with creativity – invention, which is described as “a creative process involving individual, group and organizational creative potential” (Kožusznik, 2010, p. 15)³.

Elaborating further, a representative of management sciences, J. Brillman (2002) explained the existence of two types of creativity: *adaptive creativity*, which characterized the improvement of workers, their skills and thus contributed to the improvement of the company’s functioning, and secondly, *innovational creativity*, which defined employees introducing or discovering new and original solutions which become a source of competitive advantage.

From the behavioral perspective put forth by this author, creativity, when it is equated with the ability to think creatively, is a characteristic of operating while considering the results of efforts to introduce new solutions and explore new and effective methods. Creativity facilitates original ideas, which consequently contribute to raising the quality of human life. In this action creativity does not necessarily translate into direct market success and as it is said that the effects of this type of activity can occur only in the perspective of future generations.

1.3: Determinants of socio-economic knowledge

In studies devoted to the direction of the development of economics, an abandoning of the classical approach based on the economics of the product – or the calculation of profit popularly called economics quantifiable (tangible economic) – to the innumerable economy (economic intangible) can be seen. Therefore concepts such as the value of intellectual knowledge, competence or reputation arise. Thus defined, the new econ-

3. The issue of the roles of groups, how teams stimulate involvement and create activities, has been documented by many authors (e.g. Brav & others, 2009; Konradt & others, 2009), who emphasize the importance of supporting the role of the team and organizational culture.

omy creates a new economic reality. In fact, in this course spatial-temporal boundaries between market participants disappear and the boundaries' sphere of influence creates new connections and quality relationships. In this situation, the contemporary society is forcing enterprises and institutions dealing with education into a new paradigm of operation.

New challenges and expectations in terms of development of the economy, due to a new diagnosis of the challenges faced by the global economy have been called "conceptual challenges". This term was first used by Alan Greenspan at the University of Connecticut in 1997. According to the proponents of this approach, in recent years there has been a particularly significant increase in the requirements of employees that they cannot only add know-how to established knowledge and obtain information, but also they can develop their capacity for conceptual thinking. Hence, they have the ability to create, analyze, and transform information as well as create effective and efficient interaction with other people (Kozusznik, 2010, p. 25).

1.4: The development of individuals' creative thinking

A variety of positions on the formulation of creative activity is found in the literature. An attribute that is considered quite extensively in the literature is *reflectivity*, which is recognized as the ability to maintain an emotional distance to surrounding human phenomena, to avoid collisions of their own emotions with the subject matter and restrain their involvement in certain activities (Brav et al, 2009; Heatherton et al, 2007). Developing reflectivity involves staff training programs which may involve creating a narrative as a method of developing self-reflection. This helps employees to define and assess their own position with respect to the presented content.

On the other hand, M. Lewicka (1993) and also other authors studying this problem, for example Parker and Griffin (2011), highlight the important

role of positive mood as an important ally of creative thinking and experiencing positive emotions. According to these authors, positive moods and positive emotions become a kind of mediator, facilitating creative thinking. These contrast with negative moods, which tend to support only the reproduction of previously mastered content. This concept is consistent with the ideas advocated by the author, as cited in Pink (2005). Pink states that the importance of the right hemisphere of the brain, responsible for experiencing emotions and moods, has been emphasized.

In practice, this means not only striving to reduce and minimize the emotional strain during work – especially creative work – but also a deliberate action on the part of executives to induce positive emotions that harness talents (for example, by rewarding effort, positive mobilization, shaping positive vision, as is the case for the transformation and actual leadership (Avolio & others, 2004; Avolio, Gardner, 2005; Bartkowiak, 2010). Similarly, creative thinking and inspiration play an important role in problem-solving and support creative interaction. Conflicts within groups clearly reduce motivation (Konradt & others 2009, pp. 333–338).

Research conducted recently by an Italian teacher (Simbuli et al, 2011) has shown a relationship between a sense of agency (also called self-efficacy), and creative involvement in work.⁴ By collecting their own positive experiences that can be reinforced by specific manifestations of organizational culture and remembering such things as certificates and prizes awarded during a special ceremony employees can reinforce self-efficacy. Building a sense of agency plays an extremely important role in organizational structure, called the system of “self”. The self in the literature is referred to as a “dynamic and orderly arrangement of thoughts, feelings and motives relating to their social relations and personal relationship to

4. Similar conclusions were reached in their research conducted among the employees of the company by Bakker, Albrech, Leiter (2011). Among Polish authors a relatively complete analysis of efficacy as a determinant of success in the operation was carried out by the already quoted author, M. Adamiec (2000, 2010).

the world" (Holy, 2006, referenced by Strelau & Doliński, 2010, p.738). It includes the following elements:

- Cognition: self-knowledge
- Value of the self: self-esteem,
- Implementation of the self: self-regulation (Headherton and others, 2007).

The first two items characterize the structure of the self, and the last one refers to the self-considered as a process. Obuchowski has identified *self-subjective* and *concerned self-intentional*. According to this author, *self-subjective* is, as a phenomenon, secondary to *concerned self-intentional* (Obuchowski, 2003, pp. 162–177) and functions by allowing one to distance themselves from their immediate needs and desires. In other words, it does not succumb to the influence of external factors while operating within an organization. *Self-subjective*, constituting the content and structure of the system, is under the control of *self-intentional*. In this way, we can talk about the autonomy of the individual (Obuchowski, 2000, p. 320) in fulfilling their own aspirations, creating a vision of their own career and professional success. *Self-subjective* involves two processes: self-reflection, as the ability to self-discover, and recognition. Likewise, self in relation to the environment and self-regulation, as executive functions, involve the ability of individuals to exercise control over their thoughts, feelings, and actions (Mc Donald, 2000, referenced by Oleś & Drat-Ruszczak, 2010, p. 712).

Conditions for efficient operation associated with the process of self-regulation assure self-efficacy. This belief does not guarantee certainty of success, but rather a kind of acquiescence which allows for success to be achieved and for the development of specific competencies (Bartkowiak, 1999, p. 11). The notion of self-efficacy results in an individual taking action, being perseverant, showing effort and displaying appropriate feelings that accompany this activity (Oleś & Drat-Ruszczak, 2010, p. 714).

The conviction of self-efficacy is associated with efficacy, which is understood as personal effectiveness in the realization of goals. In the

literature, this term is associated with terms such as initiative, creativity, intelligence and entrepreneurship. It includes three elements: the circumstances of the action, understanding their goals and values, and effective action (Bartkowiak, 2010, pp. 161–162).

Similarly, as in the case of exploring the world, knowledge about ourselves is apprehended in the form of specific patterns of self, such as a conviction of one's own independence. These schemes become part of the standard, which in turn are part of the self-real, self-ideal or self-duty. The existence of self-ideal allows humans to have aspirations and motivation to achieve ideals in different areas of life (Carvey, 2001). Therefore, the discrepancies between the self-real and self-perfect, or between self-identified and self-duty (created in the process of socialization), induce different emotional states⁵. Realizing the standards of self-ideal increases a sense of satisfaction, fulfillment and even joy.

The almost classical assumption of Khan and Katz (1979), postulates that executives on the second level of management (operational managers) play the most important role (75%), provide social skills (competencies), and thus communicate, motivate, evaluate management conflict, negotiation and coping with stress. In such situations, the activity of the creative manager is reduced to stepping up the teams' motivations to think creatively. It is, in the opinion of B. Kozusznik and M. Adamiec (2001), a position of inspirational role manager. Motivating teams to work creatively seems to result in underestimating task and task for particular rank, when working in teams is granted as a priority (Bartkowiak, 2011, pp. 52–65).

In addition, studies have shown that although there is no reason to oppose the ability to think creatively and to develop social competence, they

5. This topic is explained in a communicative manner by ns Thorry's and Higgin's Self-orientations theory (1987, 1996), in which the thought of assumptions emphasis a large discrepancy between the Self-ideal and Self-real generated emotional states such as depression, grief, and depression, while large discrepancies between Self-real and Self-duty, accompanied by fear of the fear of punishment, guilt.

rarely occur in the same person (Trzebiński, 1976). Because of this, however, managerial work, assuming that it impacts on people, competence is especially important and seems to inspire employees to creative activity, and do creative work.

2. Research on organizations' creative thinking

2.1: Methodological assumptions and research organization

A consideration of the diversity of views on how creative activities are fostered among employees in organizations, as well reflection on conditions from the point of view of individuals and teams of employees, resulted in the formulation of the following research questions:

- 1) What are the factors attributable to the organization that can contribute to the improvement of workers who are classified as "talents"?
- 2) Which conditions should motivate an organization to improve the work of outstanding employees?
- 3) Which factors may facilitate the work of managers in charge of distinctive teams of employees?

Obtaining answers to these questions required planning and execution of a particular test procedure consisting of two steps. In the first stage of the study (142 and 84 persons) – workers employed on independent positions classified in the company as talents – 20 and 12 teams of employees (between 6–8 people each) and their managers (respectively 67 and 54 people) determined the list of factors that improve the work of talented employees and teams and allow them to achieve above-average results and motivate managers to streamline directing their work, exchange their opinions and other significant factors. Next, these factors were narrowed down, by competent judgement, to those that occurred in at least 50% of the

statements. In this way, three short lists were established, containing respectively of 5 and 4 (see tables 1 & 2 below). The staff were employed in 23 medium-sized enterprises and two banks in Poland and 10 medium-sized enterprises that were similar (e.g. shopping and services) and two banks in France. They were deliberately chosen. In addition, short interviews were carried out to verify the accuracy of answers to the questionnaire. The study was conducted in the months of July and August, 2012. All participants had completed higher education.

2.2: Research results

For employees operating on independent positions, classified (by managers) as particularly talented (talents), significant factors that may improve work and are attributable to the distinguished organization are as follows:

- acceptance by the management of individual work styles, personal values of talented people, and no need for talents to adapt to the formal aspects of labor discipline;
- a sense of the meaning of work in the context of an understanding of its importance to the company's strategy and the broader social terms;
- the need to fulfill the obligations arising not only from a contract of employment, but from the psychological contract between the employer and employees;
- employers creating flexible forms of work;
- allowing the building of individual career paths.

Table 1. Factors facilitating the work of talented employees (based on their reviews)

Factors category	Poles (N)	Poles (%)	French (N)	French (%)
Acceptance of an individual work style	142	100.00	84	100.00
Having a sense of purpose in their work	125	88.00	49	58.33
Maintaining a psychological contract	94	66.19	49	58.33
Having flexible forms of cooperation	79	55.63	42	50.00
Allowing for individual career paths	71	50.00	41	48.81

Source: own study.

The table shows that the subjects in both Poland and France are measuring their expectations of the employer by a similar hierarchy. In both nations, “the acceptance of individual work style” turned out to be the most important, followed by a group of Poles who pointed to “a sense of meaning of work” and a group of French who cited “keeping the findings of psychological contract”.

In individual interviews especially skilled workers in Poland (56%) pointed to the importance of fair, but at the same time professional, assessment of their work, and (circa 44%) emphasized that employers are not interested in giving other employees “material incentives” (e.g. bonus extras, internship, gradually raising salaries, etc.).

Noteworthy is the fact that there was a kind of ignorance about the importance of working relationships with other employees. One gets the impression that these relationships were minor in nature, in the context of the overall assessment of the working conditions. Rating expression showed that in most cases, except for two people with a pro-social motivation, surveyed workers displayed self-centered motivation.

This view was confirmed by representatives of the Management Board (consisting of employers) in Polish enterprises, who pointed to the isolation that characterized a group of employees from their colleagues, mentioned their extreme individualism, and sometimes stated that they were narcissistic. These reviews confirm the existing evidence that there is a need for an individual approach to employees who are especially gifted.

Turning now to the analysis of the questionnaire executives deemed the most effective in motivating creativity, committed and creative work it can be seen that we could distinguish the following categories of statements indicating the conditions to be met by the organization (employers) in motivating the team to a more committed operation. These criteria included:

- a favorable personnel policy, fostering the employees' development; this involves creating opportunities for promotion, equitable policy of employees rewarding, keeping employment obligations made at the time;
- the use of specific, additional forms of reward for outstanding teams (e.g. attractive trips abroad, etc.);
- reliable assessment of the contribution of work, of both individual employees and work teams;
- improvement of working conditions and wages resulting from the physical effects of worked out.

Table 2. Factors facilitating the work of team members achieving outstanding results (in executives'opinion)

Factors category	Poles (N)	Poles (%)	French (N)	French(%)
Favourable personnel policy	50	74.62	54	100.00
Additional forms of reward	47	70.15	54	100.00
A thorough assessment of the contribution of labor	43	64.18	33	61.11
The relationship between labor input and elaborated works effects	43	64.18	33	61.11

Source: own study.

As we can see in the table, staff stressed the importance of the subjective relationship between self-involvement, obtained by the company, profit, and income earned from work. When we measure conditions to improve, remove barriers and optimize their own work, a team of surveyed managers identified the following factors:

- greater autonomy in personnel decisions regarding the team which is managed; this involves the impact of the choice of the people, from rewarding, promotions and wage increases;
- greater autonomy in their work;
- HR policy focused on building long-term intellectual and social capital in the company;
- accepting a broader perspective on the company's strategy, which involves growth of key competences, which should be linked to concern about the increased competence of individual employees;

- eliminating problematic attitudes that owners of the company have, such as focusing solely on profit in a relatively short period of time, overlooking the fact that the company's employees are its most valuable resource.

Table 3. Factors that empower managers running distinctive employee teams (based on their reviews)

Factors Category	Poles (N)	Poles (%)	French (N)	French (%)
Greater autonomy of work	67	100.00	27	50.00
Favorable personnel policy	67	100.00	36	66.66
Widely recognized (in the long term) strategy of the company	33	49.25	27	50.00
Quickly achieving a profit should not be the primary factor determining the operation of the company	44	65.67	27	50.00

Source: own study.

The data obtained show a greater explicitness in the opinion of Polish managers, compared with the French concerning factors that could contribute to the improvement of their work. In the case of the Polish group the important factors were: greater autonomy at work, as well as favorable personnel policies – which were factors pointed out by all managers participating in the research. Among the French managers the most popular opinions turned out to be the second of the listed categories (selected by about 67% of respondents).

Speaking about their own work, Polish managers gave differing statements. The vast majority emphasized that they like their job and cannot imagine that they could do anything else. Some(50%) claimed that in moti-

vating the team they have a vision of the situation of the target, while others said that their vision occurs during the operation of the team and is simultaneously created by that team (also 50%).

Some of the respondents commenting on their own work emphasized the role of their own involvement (circa 67%), the importance of their impact on the selection of team (circa 33%), their determination in lieu of family life, and still others pointed to the expectation of success, and then their experience as a factor especially motivated others to action. Most of the answers, as it was in the case of particularly talented employees could be deduced motivated individual, usually more self-centered than intrinsic motivation or pro-social.

At this point, it is worth mentioning that a fairly skeptical view was expressed by less than 50% of respondents – executives from Poland that is, indicating that low autonomy is associated with low levels of creativity are evident in private, medium-sized Polish enterprises, as well as in corporations. In other words, in both corporations and smaller companies employees were expected to achieve goals that were impossible to meet and, as a result, creativity suffered. Some interviewed subjects indicated directly that the condition of the property as a factor that “condemns them to an employment”, hence limiting their creativity.

3. Summary

In conclusion, comparing the three groups that participated in the research, each of which included subjects within Poland and France, it is important to, first and foremost, pay attention to the discrepancies between the employees who were recognized as particularly gifted – members of outstanding teams – and managers directing the teams. Employees recognized for particular talent in both Poland and France stressed, first of all, the need to gain acceptance of their deviation from accepted standards of work style by

the Management Board. Members of the outstanding teams in somewhat greater numbers in France than in Poland found as essential “favourable personnel policy” and the possibility of obtaining additional compensation for an above average job.

The group of Polish managers clearly accentuated “more autonomy at work” and “favorable personnel policy”. This second category was also nominated by the bulk of the French managers. There are differences between talented people working on independent positions, employees in outstanding teams and also managers leading the teams. In the last two groups, they (i.e. workers from outstanding teams and managers) paid attention to the material forms of rewarding their activity involved, while among those employees working in independent positions rewards took the form of the doing the same job.

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DE GRUYTER
OPEN

Journal of Intercultural Management

Vol. 8 | No. 2 | June 2016 | pp. 29–53

DOI 10.1515/joim-2016-0008

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The Effects of Personal and Organizational Resources on Work and Well-Being Outcomes among Turkish Nurses¹

Abstract:

This exploratory research examined the relationship of a personal and an organizational resource, optimism and levels of hospital support respectively, on a variety of work

1. We acknowledge the cooperation of our respondents in making this study possible.

and well-being outcomes in a sample of nurses in Turkey. Data were collected from 212 nurses using anonymously completed questionnaires. Feelings of psychological empowerment was positioned as a mediator between resources and work and well-being outcomes which included job satisfaction, work engagement, affective hospital commitment, work-family conflict, family-work conflict, and intent to quit. The sample scored at moderate levels on the measures of resources and work outcomes, though scoring higher of feelings of psychological empowerment. These data indicate potential room for improvement in the work experiences of our nursing respondents. Hierarchical regression analyses controlling for personal demographics indicated that levels of hospital support were significantly and positively associated with most work and well-being outcomes, with levels of optimism significantly and positively associated with fewer of these outcomes. Practical implications of the findings are offered. Hospital efforts to increase levels of optimism and hospital support are described.

Key words:

personal and an organizational resource, hospital support, nurses, work and well-being

Introduction

Nursing staff have an important role in the delivery of health care in all countries. However studies of nursing staff satisfaction in various countries indicated that levels of job satisfaction of nurses are modest, with several intending to leave the profession (Aiken, Clarke, Sloane & Sochalski, 2001). Young women and men are now less interested in the nursing profession, with many countries reporting a shortage of nurses (Shields & Watson, 2008).

In addition, health care systems have undergone significant changes over the past two decades. These include efforts by governments to control health care costs, increasing the use of new technologies, an aging population requiring more care, advances in medical knowledge, the increasing role of nursing associations and unions, and more critical users of the health care system.

More effort has then been undertaken to understand the work experiences of nurses. This has involved issues such as workload (Aiken,

Clarke, Sloan, Sochalski & Silber, 2002), overtime work, patient abuse of nurses, lack of adequate resources, hospital restructurings and how these experiences influence nurse satisfaction, burnout (Greenglass, Burke & Fiksenbaum, 2001; Leiter & Maslach, 2001), absenteeism, intent to leave the profession (Lowe, 2012; Collins, Collins McKinnies & Jensen, 2008; Mannion, Davies, & Marshall, 2005) and quality of patient care (Aiken, 2002; Vahey, Aiken, Sloane, Clarke & Vargas, 2004).

Hospital environments associated with higher levels of patient care have been shown to embrace a philosophy of care that runs throughout all levels of employees, leaders that encourage staff participation, facilities supportive of quality patient care, staff autonomy, and high levels of staff development (Aiken, Sloane & Clarke, 2002; Aiken, Smith, & Lake, 1994; Kramer, 1990). Hospitals that report high levels of nursing staff satisfaction and high levels of patient care provide high levels of support to nursing staff and hold high patient care quality expectations (Eisenberg, Bowman & Foster, 2001).

Nursing research in Turkey

Turkey is obviously facing the same changes in health and health care as most other countries; an aging population, need to constraining costs, develop and retain a capable nursing workforce, learning and improving care practices, and using the latest knowledge and practice evidence.

Orzoy (2007) reviewed the development and status of nursing research in Turkey as well as in some European countries. He concluded that the development of nursing research in Turkey was limited compared to its European neighbors but growing, a conclusion also reached by Cinar and Altun (2010). Ustun and Gigliotti (2009) note the absence of Turkish-based theory in nursing research and the absence of an organized nursing research agenda. Can (2015) found relatively little research interest in the implementation, advancement and nursing experience in pal-

liative care nursing. Tan, Sahin and Ozdemir (2012) found a major barrier to use latest research evidence by nurses was a lack of time. There has also been relatively little attention paid to changing the work environment of nursing staff to increase levels of satisfaction, well-being and performance. We conclude that there has been relatively little research on the work experiences and the work and well-being of nurses in Turkey.

The good news is that there are signs growing interest in nursing research. More academics are now undertaking and publishing research on the nursing experiences. Thus Tuna and Baykal (2014) studied the relationship of job stress and burnout levels among oncology nurses. Partlak-Gunusen, Ustun and Giglietti (2009). Gunusen and Ustun (2010, 2009) have undertaken research on burnout among nursing staff and the value of an intervention designed to address these levels.

In a series of analyses from a large scale study of 224 nurses working in 15 research hospitals in Ankara, Burke and his colleagues (Burke & Koyuncu, 2010; Burke, Koyuncu, Tekinkus, Bektas & Fiksenbaum, 2012; Burke, Koyuncu & Fiksenbaum, 2011; Burke, Koyuncu & Fiksenbaum, 2010; Burke Koyuncu, Durna, Cicek & Fiksenbaum, 2010) reported the following results.

- Levels of psychological burnout (emotional exhaustion, cynicism, low personal efficacy) were related to lower levels of both job satisfaction and work engagement and higher quit intentions.
- Workload, particularly frequency of working more than 12 hour shifts, was significantly related to higher levels of emotional exhaustion.
- Nurses reporting higher levels of flow at work also indicated more work engagement, higher self-rated job performance, more personal efficacy and more positive affect at work. However flow was unrelated to job satisfaction, burnout, intent to quit, life satisfaction, psychosomatic symptoms or medication use.
- Nurses scoring higher on virtues, assessed by levels of optimism and proactive behavior, were more job satisfied, reported lower levels of burnout, more personal efficacy, lower quit intentions, and better

psychological well-being, more positive affect, less negative affect and greater life satisfaction.

- Nurses reporting higher levels of hospital support indicated re job satisfaction, more work engagement, lower quit intentions, less absenteeism, lower levels of burnout, fewer psychosomatic symptoms, more life satisfaction, and a higher quality of patient care being provided.
- Finally, nurses reporting higher levels of work engagement also indicated more job satisfaction, less burnout, more life satisfaction, higher levels of positive affect, fewer psychosomatic symptoms and greater satisfaction in being a nurse.

These findings are consistent with recent benefits associated with the application of positive psychological concepts in organizations (Cameron, Dutton & Quinn, 2003; Cameron & Spreitzer, 2012; Lopez & Snyder, 2016).

Personal and Organizational resources

This research considers the role of two resources, one personal and one organizational, and nursing staff satisfaction. The former involves the individual characteristic of optimism, the latter, the organizational characteristic of hospital support.

Optimism

Optimism is a stable individual difference characteristic defined as “the tendency to believe that one will generally experience good versus bad outcomes in life” (Scheier & Carver, 1985). Scheier and Carver developed a measure of optimism which has been used in countless research studies. This evidence, reviewed by Scheier and Carver (1992,) showed that optimism was usually associated with higher levels of psychological and physical well-being. For example, optimists have been found to cope more effectively with stress. Optimists also reported a higher quality of

life and engaged in healthier life styles. Optimists had access to more social resources, had better social relationships, worked harder on their social relationships or worked more effectively on them (Carver, Scheier & Segerstrom, 2010; Segerstrom, 2007). Levels of individual optimism can also be increased through education and training.

Yousseff and Luthans (2007) include optimism as a central element in positive organizational behavior at work, along with hope and resilience. These measures form their operationalization of Psychological Capital which has been found to be associated with a range of desired work and well-being outcomes, and amenable to development in short training program, associated with later improvements in attitudes, behaviors and performance.

In the workplace, optimists were more likely to believe that good things would happen if they applied their strengths and skills to tasks that made a difference. Optimism has also related to self-efficacy, which has been found to predict a number of important work outcomes (Maddux, 2002). Optimism was selected as an important personal resource in explain important nurse work and well-being outcomes.

Hospital support

Eisenberger, Huntington, Huthcheson and Sowa (1986) created a measure of perceived organizational support that has also been widely used, including in hospital settings Rhoades and Eisenberger (2002) reviewed over 70 studies of perceived organizational support, undertaking meta-analysis of them. Antecedents of perceived organizational support included fairness, supervisor support, the quality of the relationship between supervisors and their employees, formal and informal recognition, providing training and other investments in employees. Organizational rewards and job conditions (e.g., job security, low levels of job stress, pay, promotions). Higher levels of perceived organizational support were asso-

ciated with higher levels of employee organizational commitment, job satisfaction and performance and less intent to quit.

In a study of Iranian emergency room nurses working in general hospitals, Gorji, Etemadi and Hoseini (2014) found a positive relationship of perceived organizational support with nursing staff job involvement.

Eisenberger, Stinglehaber, Vandenberghe, Sucharski and Rhoades (2002), in three studies, found the perception of positive supervisor support lead to higher perceived organizational support. Eisenberger, Huntington, Huthcheson and Sowa (1986) believe that perceived organizational support exists when the organization values staff contributions and cares about their well-being. They write that more favorable work outcomes follow from perceived organizational support particularly among employees having a stronger exchange ideology. That is, these employees are more committed to their organizations when they believe their organizations are committed to them and a belief that greater effort towards meeting organizational goals will be rewarded.

In a hospital setting, Burke (2005) reported, in a 3 year longitudinal study of the effects of hospital downsizing and restructuring in Ontario, Canada, that nursing staff indicating higher levels of restructuring stress and lower levels of hospital support in 1996 indicated more negative views of nursing unit and overall hospital functioning in 1999. In a study of nursing staff in Turkey, Burke, Koyuncu and Fiksenbaum (2011) observed that hospital support was associated with higher levels of job satisfaction and work engagement and lower levels of burnout, absenteeism and quit intentions.

Method

Procedure

Data were collected from hospital-based nursing employees in Antalya Turkey between September and December 2015. Two hundred and fifty nurses were randomly selected to take part, 212 completed questionnaires were received, an 84% response rate. Nurses completed questionnaires during training seminars, nurses were employed in different hospitals, and questionnaires were translated from English to Turkish and back again to English using the back-translation approach. Translation was undertaken by Turkish experts fluent in both languages.

Respondents

Nursing respondents were primarily female (95%), had a mean age of 36.6 years, s.d.=10.02 years, ages ranging from 21 to 52; currently worked an average of 45.8 hours per week, s. d.=5.46 hours; had worked in the nursing profession 15.3 years, s.d.=8.12; had worked in their present jobs/work units an average of 11.7 years, s.d.=8.54; and had been working in their present hospitals for an average of 6.6 years, s.d.=6.37.

Measures

Personal demographics

Personal demographic information was collected using single items and included age, gender, tenure in present hospital, and hours worked per week.

Personal and organizational resources

Optimism, a personal resource, was measured by an eight-item scale ($\alpha=.88$) developed by Scheier and Carver (1985, 1992). One item was "In uncertain times, I usually expect the best". Respondents indicated their agreement with each item on a five-point Likert scale.

Hospital support, an organizational-level variable, was assessed by eight items ($\alpha=.85$) developed by Eisenberger, Huntington, Hutchison and Sowa (1986). An item was "This hospital is willing to help me when I need a special favor." Respondents indicated their agreement with each item on a seven-point Likert scale (1=Strongly disagree, 4=Neither agree nor disagree, 7=strongly agree).

Psychological or personal feelings of empowerment were measured by a twelve item scale developed and validated by Spreitzer (1995). This measure tapped four dimensions, each addressed by three items. Meaning ($\alpha=.74$) "The work that I do is meaningful to me". Competence ($\alpha=.84$) "I am confident about my ability to do my job". Self-determination ($\alpha=.65$) "I have significant autonomy in determining how I do my job". And Impact ($\alpha=.85$) "My impact on what happens in my unit is large". Nurses indicated their agreement with each item on a seven-point Likert scale (1=Very strongly disagree, 4 = Neutral, 7=Very strongly agree). A composite measure of feelings of psychological empowerment was created as the four dimensions were all significantly and positively inter-correlated, the mean inter-correlation being .62, $p<.001$.

Work and well-being outcomes

Six work and well-being outcomes, one having several dimensions, were included.

Job satisfaction was assessed by a seven item scale ($\alpha=.84$) developed and validated by Taylor and Bowers (1972). Nurses indicated their agree-

ment with each item on a five-point Likert scale (1=very dissatisfied, 3=Neither satisfied nor dissatisfied, 5=Very satisfied). One item was "All in all, how satisfied are you with the persons in your work group?".

Work engagement. Three aspects of work engagement were measured using scales developed by Schaufeli, et. al. (2002). Nurses indicated their agree agreement with each item on a five-point Likert scale (1=Strongly disagree, 3=Neither agree or disagree, 5=Strongly agree). Vigor was measured by six items ($\alpha=.82$) "At my work I feel bursting with energy", Dedication was measured by five items ($\alpha=.81$) "I am proud of the work that I do", Absorption was measured by six items ($\alpha=.77$) "I am immersed in my work". A composite measure of work engagement was created by combining the three dimensions since they were all significantly and positively inter-correlated, the mean inter-correlation being .58, $p<.001$.

Affective commitment was measured by a six item scale ($\alpha=.79$) developed and validated by Meyer and Allen (1997). Nurses indicated their agreement with each item on a five-point Likert scale (1=Strongly disagree, 3- Neither agree nor disagree, 5=Strongly agree). One item was "I am proud to tell others I work at my hospital".

Intent to quit was measured by two items ($\alpha=.82$) used previously by Burke (1991). Are you currently looking for a different job in a different organization? Yes/No.

Work-family and Family-work conflict were each measured by five item scales developed by Carlson, Kacmar and Williams (2000). One item for the Work-family scale ($\alpha=.93$) was "The demands of my work interfere with my home and family life"; an item on the Family-work conflict scale ($\alpha=.70$) was "I have to put off doing things at work because of demands on my time at home". Responses were made on a five-point Likert scale of agreement.

Results

Descriptive statistics

An important question becomes the relative standings of the sample on the two measures of resources and the various work and well-being outcomes. Does the sample as a whole score high, average or low on these. Table 1 presents, for each of these measures, the minimum and maximum possible, the mean of the nursing respondents, the standard deviations around these means, and the sample size. On all measures in this table, the sample generally scored at a moderate level, but did score higher on feelings of psychological empowerment. These data suggest potential room for improvement in the work experiences of our respondents. Nurses indicated significantly higher levels of family-work conflict than work-family conflict. This likely reflects the preponderance of women in the sample, women generally having higher levels of responsibility for home and family functioning.

Table 1. Descriptive Statistics

<u>Measures</u>	<u>minimum</u>	<u>maksimum</u>	<u>mean</u>	<u>SD</u>	<u>N</u>
<u>Resources</u>					
Optimism	8	40	30.1	5.98	212
Hospital support	8	56	36.6	14.67	212
<u>Work outcomes</u>					
Empowerment	12	60	49.7	6.61	212
Job satisfaction	7	35	20.2	5.71	212
Commitment	6	30	17.1	6.68	212
Engagement	17	85	50.6	13.0	212
Intent to quit	2	4	3.0	.90	211
Work-family conflict	5	25	12.0	8.94	212
Family-work conflict	5	25	16.1	6.35	212

Source: own study.

Analysis Plan

Hierarchical regression analyses were undertaken in which various work and well-being outcomes were regressed on three blocks of predictors entered in a specified order. The first block of predictors ($n=4$) consisted of personal demographics (e.g., age, nursing tenure, present hospital tenure, hours worked per week); the second block of predictors included the two measures of resources – optimism and hospital support ($n=2$); the third and final block of predictors ($n=1$) consisted of the composite measure of psychological empowerment. When a block of predictors accounted for a significant amount or increment in explained variance ($p<.05$), individual variables within these blocks having significant and independent relationships with the criterion variable ($p<.05$) were identified. These variables are indicated in the table that following along with their respective B s.

Table 2 presents the results of these analyses. The following comments are offered in summary. First, two of the three blocks of predictors accounted for significant increments in explained variance on Job Satisfaction. Nursing staff indicated higher levels of hospital support, and nursing staff reporting greater feelings of psychological empowerment reported higher levels of job satisfaction (B s=.26 and .40, respectively). Second, all three blocks of predictors accounted for a significant amount or increment in explained variances on the composite measure of work engagement. Older nursing staff, nursing staff having less tenure with their present hospitals, those indicating higher levels of optimism, those indicating higher levels of hospital support, and those reporting more psychological empowerment indicated higher levels of work engagement (B s=.12, -.15, .35, .26 and .39, respectively). Third, all three blocks of predictors accounted for significant increment in explained variance on hospital commitment; nursing staff having longer tenures with their present hospital, nursing staff indicating higher levels of both optimism and hospital support and feelings of psychological empowerment reported more hospital commit-

ment (B s= .16, .17, .23 and .25, respectively). Fourth, two blocks of predictors accounted for a significant amount or increment in explained variance on Intent to quit. Female nursing staff and those indicating more hospital support indicated lower quit intentions (B s=.19 and .20, respectively) Fifth, one block of predictors accounted for a significant increment in explained variance on Work-Family conflict; nursing staff indicating more optimism and higher levels of hospital support reported more work-family conflict (B s=.17 and .20, respectively). Finally two blocks of predictors accounted for significant increments in explained variance on family-work conflict; nurses indicating higher levels of psychological empowerment also indicated more Family-work conflict (B = .24).

Table 2. Personal characteristics, resources and work outcomes

	<u>R</u>	<u>R²</u>	<u>ΔR²</u>	<u>P</u>
<u>Work Outcomes</u>				
<u>Job satisfaction (n= 209)</u>				
<u>Personal demographics</u>	.13	.02	.02	NS
<u>Resources</u>	.43	.18	.16	.001
Hospital support (.26)				
<u>Psychological empowerment (.40)</u>	.54	.29	.11	.001
<u>Work engagement (n=209)</u>				
<u>Personal demographics</u>	.23	.06	.06	.05
Age (.11)				
Years present hospital (-.15)				
<u>Resources</u>	.68	.46	.40	.001
Optimism (.35)				
Hospital support (.26)				
<u>Psychological empowerment (.39)</u>	.75	.56	.10	.001
<u>Hospital commitment (n=210)</u>				
<u>Personal demographics</u>	.24	.06	.06	.05
Years present hospital (.16)				
<u>Resources</u>	.36	.12	.06	.001
Hospital support (.23)				
Optimism (.17)				
<u>Psychological empowerment (.25)</u>	.46	.19	.07	.001
<u>Work-family conflict (n=209)</u>				
<u>Personal demographics</u>	.10	.01	.01	NS
<u>Resources</u>	.35	.12	.11	.001
Optimism (.17)				
Hospital support (.20)				
<u>Psychological empowerment</u>	.37	.13	.01	NS
<u>Family-work Conflict (n=209)</u>				
<u>Personal demographics</u>	.13	.02	.02	NS
<u>Resources</u>	.28	.08	.06	.01
<u>Psychological empowerment (.24)</u>	.34	.12	.04	.01
<u>Intent to quit (n=208)</u>				
<u>Personal demographics</u>	.23	.05	.05	.05
Gender (.19)				
<u>Resources</u>	.32	.10	.05	.001
Hospital support (-.20)				
<u>Psychological empowerment</u>	.33	.11	.01	NS

Source: own study.

Four more general observations are worth noting. First, personal demographics included in the study had relatively few significant relationships with the work and well-being outcomes. Second, both optimism and hospital support, but particularly levels of hospital support, had significant and positive relationships with valued work outcomes. Third, levels of psychological empowerment also tended to have significant and positive relationships with valued outcomes. Fourth, there might be a problematic aspect to hospital support and feelings of psychological empowerment as far as levels of family work conflict are concerned.

Discussion

Our findings (see Table 2) were consistent with our general hypotheses and previous research results. Hospital based nursing staff reporting higher levels of hospital support as well as higher levels of optimism indicated more favorable work and well-being outcomes. Personal demographics had inconsistent and small relationships with these outcomes.

The benefits of hospital support should not be surprising. Hospitals that care for and invest in their nursing staffs develop nursing staffs that reciprocate feelings of care and investment, and express positive feelings of attachment to their hospitals. In addition, more optimistic nursing staff create and experience more satisfying work environments and outcomes.

We believe these limited and preliminary findings on the importance of positive attitudes and work experiences in the working lives of nursing staff support not only further research in this general area but efforts to initiate workplace change in these directions. There is also a need to bring these views to nursing and hospital leadership.

Practical implications

We will address practical implications involving both optimism and perceived hospital support. Let us begin with optimism. Optimism is an emotional competence related to employee morale, better interpersonal relationships at work, and employee productivity. Optimism is an important element in a leader's effectiveness; optimistic leaders are more likely to foster optimistic workplace cultures. Optimists are more likely to be creative and innovative as they are more open to potentially useful new ideas. Optimists more likely view setbacks as temporary, specific to a particular issue, as external not internal, and not their fault and not their fault.

Optimism is an attitude that can be learned, practiced and strengthened. Increasing levels of optimism might involve spending more *time with* positive colleagues. Focusing on one's strengths, ignoring what cannot be changed, looking for a positive in a negative situation, using positive words, creating a culture of optimism at work by expecting staff to be successful, encouraging staff if they fall short. Balci (2008), using a treatment group of nurses that received training, and a control group (10 nurses in each, in a Turkish study, reported that a 10 week Emotional Strengths Training Program increased levels of optimism.

To foster an optimistic workplace environment, managers need to be clear on expected goals, priorities, and organizational objectives, offer feedback on contributions, create and support positive relationships at work, and help staff develop positive identities.

Efforts to increase optimism have typically addressed self-defeating beliefs (e.g., negative thoughts) as well as increasing positive habits and thoughts such as cognitive priming, positive visualizations, and use of homework assignments (Riskand, Sarapote & Mercier, 1996; Goldwunn, Mielli, Corsale & Machi, 2006).

Since feelings of psychological empowerment were found to have favorable consequences, nursing leadership should also consider increasing

nursing staff feelings here as well. Leadership behaviors that have been found to increase levels of staff empowerment include leading by example, using participative decision making, informing staff about priorities, changes and unit developments, coaching staff, and showing concern for staff and interacting with the work team (Arnold, Arad, Rhoades & Drasgow, 2000).

In a study of 322 staff nurses in Canada, Greco, Laschinger and Wong (2004) found that leader empowerment behaviors had a n indirect effect on emotional exhaustion, a key burnout element, through structural empowerment. In an Italian study of 273 nurses, empowering leadership increased trust in the leader, with trust in leaders and trust in the hospital organization reducing burnout. In an Italian study of 273 nurses, empowering leadership increased trust in the leader, with trust in leaders and trust in the hospital organization (a byproduct of hospital support,) reducing burnout (Bobbio, Mellan & Manganelli, 2012).

Applying theory and research findings to organizational practice

Quinn (2015), building on emerging theory and research in the application of positive psychology concepts in workplaces, writes that managers need to change their negative and constraining attitudes and mental maps and lead their workplaces to more positive places. Quinn provides 100 real life examples of positive initiatives being undertaken by managers in their organizations.

Murphy (2015), similar to Quinn (2015) emphasizes a positive attitude believing that organizations can be more humane, optimistic and sources of joy. Leaders play a central role in creating optimistic workplaces. Murphy identifies seven leadership characteristics: humility, honesty, reflection, grit, resilience, sense making, and vulnerability, and the express these values in behavior on a daily basis.

Chapman and Sisodia (2015), using real-life organizational examples, provide evidence that cultures of caring and commitment can be successful and profitable.

Limitations of the study

Most research has limitations and this study is no exception. First, all data were collected using self-report questionnaires raising the possibility of response set tendencies. Second, the sample was a convenience sample raising the issue of how generalizable our findings would be to other nursing samples. Third, as these data were collected at one point in time, issues of causality could not be adequately addressed. Finally all data were collected from a small number of hospitals in the same region of Turkey, again raising the issues of the generalizability of our conclusions for other nursing regions.

Future research directions

We believe there is a need for increased research attention to the work experiences of nursing staff in Turkey in order to increase the quality of patient care. It would be important to include other individual difference measures (e.g., self-efficacy) and other personal demographic and family characteristics (whether respondents had children, and if so, how many, and their ages, marital status). In addition, longitudinal research would make it possible to examine issues of causality and implications of possible changes in resource antecedents and outcomes consequences with the passage of time. Finally, efforts to evaluate the effects of initiatives that attempt to improve levels of hospital support and increase staff optimism, would add much to our understanding of these resources.

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Journal of Intercultural Management

Vol. 8 | No. 2 | June 2016 | pp. 55–69

DOI 10.1515/joim-2016-0009

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Managing Teams in the Multicultural Organizations

Abstract:

A modern manager must possess multiple features and skills, which can allow him to solve problems and challenges occurring in management of multicultural teams. In each system an organization is different and it is impossible to create one coherent model of managing multicultural teams or organizations. A number of barriers and problems should be accounted for and the organizational diagnosis is a base for preparing strategies of adequate multicultural organization management. Due to the editorial restrictions, the main focus of the article is in problems and barriers in management of multicultural teams, including the role of a manager in this process.

Key words:

culture of the organization, the team, multiculturalism, management

1. Introduction

The globalization of the world' economy promotes the development of multicultural organizations. It is a challenge for managers, but also for the employees themselves. They need to have many features and skills, which will enable them facing the problems and barriers, brought by the managing of multicultural teams. The paper's aim is to show the impact of multiculturalism on the management of teams and the organization, including the identification of problems and barriers associated with the presence of many cultures within one organization. It is hypothesized that the multicultural composition of an organizations makes it more difficult to operate, and eliminating of occurring problems is expensive. The analysis of current literature was also conducted.

2. Culture of organization and multiculturalism - the essence

Culture of organization is most often defined as "a set of values, beliefs, behaviors, habits and attitudes that helps members understand the organization, for what the organization stands, how it works and what is considered as important" (Griffin, 1996, p. 178). It is a determinant of behavior for employees, allowing them to distinguish desirable attitudes from undesirable ones. It is a link between people, positions, departments, but it also defines the differences between the parties. The shape of organizational culture is influenced by many factors, including: the country of origin, education, industry, manners, style of management. It can be identified by means of visible elements: symbols, labeling, clothing, way of communication, rituals; and invisible elements: attitude to the environment, values (Rozwadowska, 2012, pp. 164–165]. According to E. Schein, an organizational culture is also the corporation culture; scheme of conduct developed by a group, teaching

how to deal with the problems of external adaptation and internal integration, what is considered to be appropriate. New members are taught that the culture is the right way to perceive, think and feel (Trompenaars, Hampden-Tuner, 2005, p. 23). From the organizational culture it is closely linked to the process of globalization, through transfer and adoption of the dominant lifestyles, consumption patterns equalization, transformation of the culture, application of the principles of GATT (General Agreement on Tariffs and Trade) in the transmission of cultural models (Penc, 2003, pp. 127–131).

Multiculturalism is a wide range of issues conditioned by differences in values, behaviors and beliefs of the people who come from different cultures. It is resulting from links of local and international markets in different areas: information, product, capital and labor (Griffin, 1996, p. 178). Multiculturalism has an internal dimension, resulting in the changes in the architecture of the structure and relationships, in the culture of the organization are also promoted new values, norms, and people learn to cooperate from the beginning. Such an inner transformation within an organization may come from, for example, changes in management or employees, having a different nationality; training trips outside the country. The above mentioned factors are internal. Externally, the source of change are, for example: entering foreign markets, involving the alignment with other legal systems, patterns of business and professional behaviors, or meeting the expectations of customers from abroad (Potocki, 2009, p. 388).

3. Role of managers in management of multicultural teams

Managers working in an international environment must be aware that in other cultures the same values are not always shared, some might be obvious and understandable for one culture, but not for others. They should be ready for continuous assimilation of new ideas, business practices, tech-

nology, and cultural assumptions (Penc, 2003, p. 241). They have to have knowledge of the scale of different cultures. Managers in charge of multicultural teams should acquire so-called cultural competence, which will become the key to mutual understanding and cooperation. The management style should take into account equality for all employees regardless of their sex, national origin, religion, age companies (Juchnowicz, 2009, p. 71), and the manager should be able to complete the capitalization of cultural diversity of the organizations, by creating opportunities for dialogue, while maintaining the functions and objectives of the companies (Potocki, 2009, p. 389). This is a demanding challenge, because multiculturalism can be a source of innovation and success of the company and the cause of conflicts and setbacks (Potocki, 2009, p. 388). Awareness of cultural differences is an obligation of managers working in multicultural environments. To expand this awareness, work trainings in such a conditions are useful. One of the most important skills and roles of such managers is to ensure efficient communication between: employees, customers and the environment in such a way that cultural differences do not create problems in the cohesion of the organization. Sensitivity to the diversity of international and intercultural conditions should be a managers' feature. Managers should understand those differences and be patient, which can help to uncover the motives of employees from other cultures. Besides that, a very good knowledge of the industry in which they work is extremely important as well as the skills to take a risk. Managers should be able to use the information provided by subordinates, use any opportunities to gain knowledge, be open to criticism, be flexible in thinking and acting (Sułkowski, Waniek, 2009, pp. 495–496). In the international organizations an important role is played by managers –expatriates, those who come from the country of origin of the mother-company, and those, who were delegated to the foreign establishments of the corporation in order to: develop a project in a new, tough market; implement control strategies and, transfer new knowledge and skills to local employees and managers (Juchnowicz, 2009, p. 71). An

expatriate therefore, is a manager, who was delegated (for the duration of the contract) to foreign institutions. The effects of work of such managers in other countries is often a driving force of the company development in a new market, their work supports global integration of international companies (Juchnowicz, 2009, p. 478). Important for the modification of behavior in an organization is also role of an inpatriate, or manager who was transferred from a third country or from the host country to the headquarters (Listwan (ed.), 2005, p. 52). The task is to familiarize with the organizational culture, understanding the values that are important for the company, identifying and supporting desirable behaviors. The expatriate can have direct control, which means that he is responsible for the selection of employees, as well as that he is involved in making decisions or indirect control, which means promotion of the values, attitudes or actions that apply to the mother-company (Hetrick, 2002, p. 335). There are many benefits of expatriates employment, such as personal and direct control of the activities of a branch, building an organizational culture in the early stages of the branch development, support of local staff in gaining experience and direct contact with the headquarters. Disadvantages of expatriates employment are salaries and maintenance costs, the risks associated with the failure of their business, possibility of problems with local employees, also visa problems may arise or legal restrictions in employment. An important role in culturally diverse organizations is played by local managers because they have the knowledge of local culture, legal provisions, market conditions, they are also far less expensive than expatriates. Local managers ensure the continuity and stability in managing local band, they are also well regarded by local authorities. Communication problems with the headquarters are the primary shortcoming in this case (Rozkwitalska, 2013, p. 51). Managers of international organizations must first of all understand, know and feel the culture of the organization to operate effectively in it. They should also be aware what the common elements of culture for the organization are: the values, symbols, models (Koźmiński, Jemielniak, Latusek, Online).

Global and international managers should be characterized by high perception, taking into account the global environment, in which they operate and the culture of the country in which the company will be located. In the book by M. Rozkwitalska eight roles of global manager can be found:

- Planner – responsible for strategy and for the team that carries out the tasks;
- Motivator – motivates all members of a project team, taking into account their cultural conditions;
- Investigator – responsible for collecting the available information that may be useful for the company;
- Communicator – provides information and is responsible for calling the appropriate responses in audiences around the world;
- Coordinator – his task is to define and harmonize the duration of specific tasks in various places in the world;
- Operator – manages in different countries and on different markets, his role is to ensure good coordination of activities;
- Architect of global network of contacts – responsible for establishing all kinds of personal and institutional contacts in the world and draw corresponding benefits from them;
- International Negotiator – his role is the effective negotiation in international markets (Rozkwitalska, 2013, p. 200).

Managers should first of all be able to communicate in an international environment. Additionally (except knowing the foreign language), they must develop the ability to establish contacts with employees in an international environment. They must also have the desire for continuous development of themselves, learning about different cultures. A necessity in the work of international managers is to respect cultural diversity. Persons managing a multicultural team should have such features as:

- Open mind,
- The ability of innovative actions,

- The ability of cross-cultural communication, which shows the ease of taking into account the needs, values and expectations in different cultural conditions,
- Sensitivity to cultural issues,
- The ability to use their skills to build relationships,
- The ability to avoid ethnocentrism,
- Recognizing the impact of culture on management processes,
- Having knowledge about the fact that some of the actions and attitudes promoted in one culture may be unacceptable in another (Rozkwitalska, 2013, p. 200).

4. Barriers in management of multicultural teams

Managing multicultural environments is exposed to more barriers than in case of monocultural environment. Barriers hinder effective cooperation and are the cause of many misunderstandings. Among the most frequently mentioned barriers are prejudices and stereotypes. According to the definition in the Dictionary of Foreign Words, the stereotype is existing in the public consciousness, brief, current, evaluative picture of reality, unchanged, concerning people or things, based on incomplete and incorrect knowledge, fixed by tradition (Słownik Wyrazów Obcych, 2001, p. 757). Stereotypes are social beliefs about the properties, such as personality features, expected behavior or recognized value of a social group. Stereotypes often hamper cooperation in the organization, lead to discrimination, and the perception of a particular person very often is wrong (Mały Słownik Języka Polskiego, 2000, p. 1087). Stereotypes make one unable to notice the differences between employees, which leads to miss-recognition of the uniqueness of some individuals. Stereotypes in culturally diverse organizations are the causes of conflict and prejudice (Online, <http://infobrokerstwo.pl/jak-walczyc-z-barierami-mentalnymi-i-stereotypami-w-organizacji/>).

Prejudice, as defined in the Dictionary of Polish Language is unjustified reluctance, unfriendly feelings towards someone or something wrong (Mały Słownik Języka Polskiego, 2000, p. 1087). It is holding to general notions about any community or individual. It is the opinion, which was built up based on misconceptions or rumors, and no concrete evidence. Prejudices are resistant to change. It is difficult to influence opinions and behavior of prejudiced manager. Communication in a multicultural organization is then much more difficult [Online, <http://infobrokerstwo.pl/jak-walczyć-z-bariarami-mentalnymi-i-stereotypami-w-organizacji/>]. Another barrier is organizational ethnocentrism, for example the approval of their own social group, with simultaneous reluctance to another (Słownik Wyrazów Obcych, 2001, p. 209). Ethnocentrism is a presentation of one culture over another, considered subjectively as the better. Ethnocentric manager does not consider himself to be dominant, but claims he is the only person working properly. He sees reality through the prism of his own convictions and may be unaware of cultural differences (Koźmiński, Jemielniak, Latusek, Online). Another barrier is inadequate career planning and employee development. The reason for errors in planning is disregarding the personnel policy of the organization of multicultural employees. The result is unadjustment of trainings and development programs. Hostile work environment for employees with diverse cultures, is another organizational barrier. Exclusion of some workers from social life, ignoring, teasing, bullying and a lack of adaptation programs for new employees of different nationalities should be understood in this concept. Another barrier concerns working women and maladjustment associated with the working conditions for women with families (Szaban, 2012, pp. 494–495). A common barrier is favoritism, which means putting the individual in a privileged position (Słownik Wyrazów Obcych, 2001, p. 220). The organization favoritism means unequal treatment of employees. This is a common phenomenon, occurring also in national organizations. Employees often complain on the resources and time allocated to the management of multicultural diversity, while neglected is staff

development or social issues. This is called an orientation barrier. Other important barrier problems lay in the motivation and rating system. It is difficult to build one coherent system for many people with different habits and expectations. A multicultural organization requires a lot more changes and regulations than national organization employing workers from one country. Resistance to change creates a barrier. Changes in general are frightening, which is the direct cause of resistance.

The language barrier is an example of a barrier resulting from the diversity of nations, which brings a lot of problems to employers. Language difficulties are the cause of the mistakes in communication. Workers with low language skills are reluctant to provide information, making it difficult to troubleshoot. In addition, if the employee must have permanent contact with the client, and his language is weak, it can be a significant problem for the employer (Griffin, 1996, p. 88).

Contacts in multicultural teams are accompanied by many psychological and social processes, resulting from the contact with the unknown environment. This can result in culture shock. Culture shock is a term expressing anxiety accompanying the move to a completely new environment, which is significantly different culturally from the environment of the parent entity (Bartosik-Purgat, 2009, p. 175). Break down of the barriers is often accompanied by confusion and awkward situations that are also good opportunities for collaborative learning (Trompenaars, Hampden-Tuner, 2005, p. 257).

5. Problems in management of multicultural enterprise

Diverse work environment (in terms of culture) is the source of many problems. Both employees and managers have to deal with entities that represent different values, behaviors or attitudes (Zbiegień-Maciąg, Beck, 2006, p. 15). This requires the cooperation of all participants in the organization

(Hofstede, Hofstede, Minkoy, 2011, p. 207). The problem in managing multicultural teams may be the degree of centralization and the consequent imposition of principles and rules on employees of foreign cultures who may see this as an insult. In the case of decentralization there may occur a situation in which every individual goes his own way. An example of a nation that has a problem with decentralization is Japan. Japanese managers have in fact a problem with the transfer of responsibilities to foreigners. Both kinds of companies, too centralized and decentralized, are ineffective. Occurring conflicts are the major problem of multicultural organizations. The background of conflict is caused by contradiction of beliefs, actions, or values, which after all can be negative consequences (Sikorski, 2013, p. 209) and lead to disputes that are hindering the smooth and effective functioning of the organization (Sikorski, 2013, p. 209). Conflicts can occur both within the team and between teams or organizations. The source of the conflict are the people, and the cause of it is the diversity: the points of view, values and behaviors (Penc 2000, p. 216). According to Cz. Sikorski, conflict between individuals in a certain group is due to the large difference between expectations and objectives because of multiculturalism, also different level of involvement in performing the duties can lead to problems. Conflicts between the individual and a social group are primarily the result of contradictions of objectives of both parties. The conflict between the two groups is when the parties are representing opposite ideologies and different values. Such disputes are often characterized by a large number of negative emotions (Sikorski, 2013, pp. 210–213). Unsolved conflicts lead to many serious and dangerous consequences. For managers it becomes essential to prevent them from occurring, which will certainly be less costly than solving them (Penc, 2000, p. 221). Another problem in managing multicultural teams is a dilemma between homogenous and heterogeneous culture. Homogenization of the culture means unification, which could be the reason of the domination of one culture above another. Heterogenization of the culture testifies the unique character of the culture of the organization

and is associated with leaving a certain diversity. Multicultural companies may favor the development of subcultures and cooperation between them. Therefore, the continuous development of culture should be seen as an essence of effective organization (Zbiegień-Maciąg, Beck, 2006, pp. 33–34).

Choice of the strategy of cultural changes is another problem in culturally diverse organizations. The diversity of organizational marriages, such as: direct investments, acquisitions by a foreign company, international mergers or capital groups and companies “joint venture” promote the desire to dominate one culture above another. In such cases, it is recommended to cooperate in a such way that will lead to general understanding and cultural synergy (Zbiegień-Maciąg, Beck, 2006, pp. 33–34). Dealing with differences is primarily based on respect for all values represented by employees of multicultural teams and organizations. Such management also promotes employees’ creativity. An example of management style, which takes into account the diversity is European style, which differs significantly from the American or Japanese. The differences are shown in Table 1.

Table 1. Management styles – a comparison

European	American	Japanese
Focus on people	Focus on profit	Focus on quality
Respect to cultural diversity, integration.	Moderation of diversity	No diversity, homogeneous society
Management based on experience and continuous learning than on formal procedures	Formal procedures of management	Highly centralized and structured system
Setting more on long-term survival than for-profit company	Aggressive and offensive nature of corporations	Aggressive and offensive nature of corporations
Medium term planning	Profit-driven (mainly short-term)	Focus on quality
Reluctance to standards and regulations	Short term planning	Long term planning
Defensive nature of corporation	Customer focus	Good correlation of production with marketing
Identification with work	The importance of marketing	Identification of employees with the company
Unwillingness to work in teams	Identification with work	High ability to work in teams
The balance between work and private life	Focus on individual success	The enormous personal commitment to the work and development of the company
Management by leadership	Work for profit and career	Management by directing
Motivation	Management by directing	Consensus
Respect for individuality	Leadership in place of motivation	
Internal negotiations	Individualism	
	Mobility	
	Quick decisions	
	Focus on transactions	
	Business with strangers easy to do	

Source: J. Penc, 2005, p. 314.

Managers, using appropriate management styles and techniques can sustain a culture or change it. Formation of organizational culture in multicultural teams is a gradual adaptation of the participants in teams and organ-

izations to internal and ambient environment and their mutual integration. This modification of the values and standards is more consistent and efficient. A prerequisite for managing multicultural teams is early diagnosis and detection of differences between existing and desired culture. Also understanding the behavior and attitudes of members of the organization brings a possibility to using them in building organizational culture consciously (Aniszewska, 2007, p. 25). Formation of organizational culture in a multicultural environment is not easy, which means it brings a lot of problems.

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Journal of Intercultural Management

Vol. 8 | No. 2 | June 2016 | pp. 71–84

DOI 10.1515/joim-2016-0010

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Reverse Innovation and Intercultural Management Aspects

Abstract:

In today's changing and competitive environment, innovation is crucial for the survival of any business in the marketplace. Globalization has brought both opportunities and challenges for companies in emerging economies. The intense competitive environment is compelling these companies to innovate, so as to sustain and survive. That is why the emerging market economies are transforming into centers of innovation. These innovations associate with low-cost products like health care devices, wind power, micro finance, electric cars and many more. Multinational companies used to launch new products in the developed world and later on sell the stripped-down version of products to developing parts of the world. Since a few years ago this proces is changing its direction in an opposite way. Innovations initially launched in developing countries are introduced to advanced countries (reverse innovations). This kind of actions make the managers to change the management models of their companies and deal with different intercultural aspects. The aim of this article is to present the reverse innovation idea and typology and identify the most important intercultural aspects in their management.

Key words:

reverse innovation, emerging markets, intellectual aspects.

Introduction

Years ago multinational companies earned most of their revenues and grew in home markets. Today maturity and saturation of these markets caused that nothing in the global ecosystem is static. Most of untapped buying power is in the emerging markets of Asia, South Asia, Africa and Latin America.

For multinationals truly a global strategy must develop innovation capabilities and find smart pathways to making the most of emerging market opportunities. These pathways are intended to combine global vision and mission with an intense focus on local needs and preferences.

Multinational companies have all strengths (resources, people – talents, broad reach) to execute such a global – local juggling act. The evidence shows that some of them have already found that innovating for emerging markets, rather than simply exporting, can unlock a world of opportunities for them. This kind of innovation V. Govindarajan and C. Trimble call reverse innovation and it means any innovation that is adopted first in the developing world (2012, p. 4).

For years reverse innovation has been rare. The general and popular direction was different than nowadays. The dominant idea – also called as glocalization – was as follows: innovations were created in rich countries for demanding customers, who wanted the latest and the greatest. However, developing nations naturally are engaged in a slow and evolutionary process of catching up with the rich countries, both economically and technologically. According to this idea developing countries did not need innovation. Multinationals could tap emerging markets simply by exporting lightly modified versions of global products developed for rich-world customers.

Experiences of PepsiCo, Procter & Gamble, Harmand and many other multinational companies show that what works in rich world will not automatically achieve wide acceptance in emerging markets where customers' needs are different. Generally, developing economies are different. In the rich countries there are a few people who can spend a lot. In the developing countries there are a lot of people who each spend a little. This implies a striky different business challenge.

This specific business challenge is strictly connected with different intercultural aspects that managers and multinational companies' employees will face adopting reverse innovation strategy. That is why, the aim of this article is to present the reverse innovation idea, typology and intercultural aspects that can appear in their management. The main research method will be literature review and analysis.

Reverse innovation definitions and typology – literature review

The term of „*reverse innovation*“ has become popular in both academic and managerial discussions to describe innovations as emanating from developing rather than advanced countries, and has been used to present developing country-targeted innovation by foreign multinationals that otherwise have been considered a form of advanced product localization. Common is the implication that the developing country is at the center of innovation (Zedtwitz, Corsi, Soberg, Frega, 2013). Immelt, Govindarajan and Trimble (2009) describe reverse innovation as the opposite of the „glocalization“ process, in which multinational companies first make products at home market and subsequently localize them to other, usually less sophisticated markets. Building on this idea Govindarajan and Ramamurti (2011) characterized reverse innovation as the process in which an innovation is adopted first in developing (low income) countries before being implemented in advanced (high income) countries.

Beside the glocalization concept, the idea that innovation originates in other than advanced countries is not new. Brown and Hagel (2005) used the term "*blowback innovation*" to describe innovative solutions developed and adopted first in emerging markets. Hart and Christensen (2002) applied the disruptive innovation concept to new products coming from developing countries. In the literature one can find an important stream of international business and innovation research focused on the role and evolution of foreign subsidiaries of multinational companies and their strategic contribution back to the parent organization (Birkinshaw, Hood, 2001). The role of actors in global R&D and innovation, especially domestic firms in developing countries.

Reverse innovations are often identified with frugal innovations, cost innovations, innovations of the bottom of the pyramid, disruptive innovations, etc. (see Table 1).

Companies confront various challenges to serve the increasing number of low income customers who clamor for affordable solutions that are sufficient enough to meet their needs. Reverse innovation is compared to frugal innovation, which is an innovation with low-cost, simple usability, efficient and aims at large low-income customers (Soman et al., 2012). Frugal innovation is an innovation which is mainly based on extreme resource constraints to meet the needs of low-income customers who otherwise remain un-served. For example, Renault-Nissan has taken very active steps for frugal innovation to innovate faster and cheaper aiming at unmet customers. The same idea realized companies as Procter and Gamble, GE, PepsiCo and Siemens to achieve sustainable growth.

Table 1. Related definitions to reverse innovation

Type of innovation for/from Developing Economies	Definition	References
Disruptive innovation	Afordable, „good enough“ products that meet consumers’ basic needs at a relatively low cost.	Hart, Christensen (2002)
Innovation at the Bottom of the Pyramid	Innovation developed in and targeting the large unserved segments of poor people inhabiting emerging economies.	Prahalad (2004), London i Hart (2004)
Trickle-up Innovation	Innovations developed for the bottom of the pyramid that subsequently trickle up to the developed world.	Prahalad (2004)
Indigenous innovation	A proces of making use of technologies transferred from the advanced economies to develop superiour technologies at home .	Lazonick (2004)
Blowback innovation	Innovative solutions developed and adopted first in emerging markets.	Brown, Hagel (2005)
Cost innovation	Levaraging developing economies’ cost advantage to develop innovation at dramatically lower costs.	Zeng, Williamson (2007)
Reverse innovation	Innovations adopted first in poor (developing) countries before being adopted in advanced economies.	Givindajan, Trimble (2012)
Shanzhai Innovation	Chinese low-quality, low-price imitations of foreign branded products.	Peng, Xu, Lin (2009)
Frugal innovation	Innovation that has a large cost advantage and in some cases inferior performance, compared to existing solutions, and developed in a resource-constrained context.	Zeschky, Widemayer, Gassmann (2011)
Resource-Constrained innovation	Innovation developed in emerging economies in a context characterized by lower power of purchase, lower understanding of technology, and lower investment resources.	Ray, Ray (2011)

Source: based on: von Zedtwitz M., Corsi S., Soberg P., Frega R., *A Typology of reverse Innovation*, GLODAR working paper no. 2013-03 for “Journal of Product Innovation Management”, p. 4. www.glodar.org.

Reverse innovation is an aftermath consequence of frugal innovation. Frugal innovation aims to serve low-income customers in developing countries while reverse innovation turns frugal innovations into reverse innovation bringing them into the developed countries sometime with modified offerings. Reverse innovation is creating a new market demand for rich countries. It requires major changes in organizational culture: discarding old organizational structure to create new one, reorientation of product development and innovation method, and arraying sales force with new settings, etc. (Govindarajan, 2012).

The debate on reverse innovation has so far focused on introduction of innovations from a market point of view. Reverse innovation direction is from poor countries to rich countries. In this *market introduction-based definitions* of the reverse innovation, the authors accurately imply that an innovation can be new to the market without necessarily being new to the world, and that perception of the customer determines whether an innovation is "reverse" in the sense of having been introduced in an emerging market first before being introduced in an advanced country later.

Zedtwitz, Corsi, Soberg, Frega add the voice to the discussion on reverse innovation and ask a question if the geographical origin of reverse innovation matters (2013, p. 10). They propose the *development-based definition*. This definition of the reversal of innovation denotes a product or service developed in a developing country and, at a later point in time or immediately at product launch, introduced in an advanced country. The authors underline the importance of R&D process, draw attention to the locus and contribution of innovators in developing countries in this crucial step in the value chain of a product. It is during the development phase of an innovation that the core architecture of a product is implemented and key performance-defining features are added.

Analyzing innovation process and global innovation context, above mentioned authors distinguish also the *ideation-based definition* of reverse innovation. It denotes the creation of the original idea or concept in

a developing country and its subsequent transfer to an advanced country where this concept is implemented further. Zedtwitz, Corsi, Soberg and Frega present a map of global innovation flows with reverse innovations in the strong and weak sense (2013, pp. 12–20). **Reverse innovation in a strong sense** is a reverse innovation that has at least two of its key innovation phases (concept – development – market introduction) taking place in a developing country. **Reverse innovation in a weak sense** has only one of its key innovation phases taking place in a developing country.

From globalization to reverse innovation

The globalization process is a natural source of reverse innovation. It was started by American multinational companies and continued by others. The journey from globalization process to reverse innovation can be divided into 4 phases. Sinha (2013, p. 73) calls the phases: globalization, glocalization, local innovation and reverse innovation.

Phase 1 – Globalization – It is a process which is marked by increased interconnectedness among countries in the areas of economics, politics, and culture. The multinationals by virtue of their innovation attain economies of scale and look for the global markets for the sale of these products.

Phase 2 – Glocalization – In this phase multinational companies focus on gaining the market share by developing a product or service which is created specifically for each locality or culture it is marketed later on to win customers in diverse markets. Still innovation originates in home-country but products and services were later modified to win in each market. Sometimes, even de-featured products are launched to meet the budgets of customers in poor countries.

Phase 3 – Local innovation – This phase depicts the onset of first part of reverse innovation process, where multinational companies start focusing on developing products “in country, for country”. It refers to the process of

developing new and improved ways of doing things by using own resources and their own initiative. This may be possible by brainstorming new ideas or possibilities out of curiosity, may be responding to in the condition of natural resources, disasters, climate change, availability of assets, markets and other socio-economic and external influences. These innovations, also called incremental, are new in local terms and specific locality but may be already practiced elsewhere.

Phase 4 – Reverse innovation – This phase is an actual phase of reverse innovation where products are developed with the objective of “in country, for the world”. Multinationals initiates the reverse innovation process by taking local market focus, a decentralized innovations originally made for poor countries and scaling it up for worldwide use.

Intercultural aspects of reverse innovation

Reverse innovation is all about intercultural aspects, change of thinking and acting. Doing business in rich countries managers must start thinking in different way. Govindarajan and Trimble describes the idea of reverse innovation as follows: “Reverse innovation begins not with inventing, but with forgetting. You must let go of what you’ve learned, what you’ve seen, and what has brought you to your greatest success. You must let go of the dominant logic that has served you well in rich countries. If you want to use today’s science and technology and address unmet needs in the developing world, then you must start with humility and curiosity... You have just land on Mars” (2012, p. 14).

Reverse innovation requires change of managers’ logic. The way of thinking should flow away from dominant logic of globalization, thinking in terms of:

- Optimize products for the developed world customers,

- Cutting-edge, technologically sophisticated performance-rich products with many features, new and fancy applications,
- Take the simplest possible approach to designing offerings for emerging markets: remove features to reduce costs,
- Premium price, high-margin orientation,
- Technology push, product out approach,
- Look for customers to sell products to,
- Sell products to current customers of the product,
- Gain market share,
- Leverage current core competencies,
- Exploitation mind-set for emerging economies,
- Use developed world products to transform emerging markets.

Instead the reverse innovation strategy should include:

- best solution for the emerging-market customer,
- frugal, functional, good-enough quality products,
- reinvent the product from the ground up, clean-slate innovation,
- low-price, high-volume orientation,
- customer-centric, market-back approach,
- identify customer pain points, and develop products to solve customer problems,
- create new consumption among noncustomers,
- create the market, build new core competencies,
- exploration mind-set for emerging economies,
- build new global growth platforms based in emerging markets.

The reverse innovation strategy and logic suggests that there are two the most important intercultural aspects connected with managing reverse innovation. One of them is the money people in developing economies have to spend. The second is customers' needs. Buyers in the developing world have less money – but that is only the obvious beginning. The differences run much deeper. There are at least five enormous gaps that

separate needs in the rich world from those in the developing countries. Govindarajan (2012, pp. 13–25) calls them: performance gap, the infrastructure gap, sustainability gap, regulatory gap and preferences gap.

With fewer dollars in hand buyers in the developing countries are willing to accept lower performance. This sounds simple enough, but it is not as straightforward as it at first appears. Considering good product line in developed country, when global corporations headquarters in the rich world export to the developing countries, the tendency is to focus just on the good offering, or perhaps even to water down the food offering a little bit further, from good to fair, to achieve the lowest possible price point. This seems sensible enough on the surface. The problem is that a modest price cut (example by 10%) is not nearly enough to make a difference to mainstream customers in the developing world, who may have only one-tenth of the income of buyers in the rich world. Such low incomes, however, do not mean that developing countries' customers do not need innovative products. What they need is radically reinvented designs that deliver at least decent performance at an ultra-low price. But there is no way to deliver 50% performance at 15% price by diluting existing offerings. The only way to get there is to start from scratch, considering entirely new technologies.

In developed countries, most every citizen has access to modern transportation, communication and energy systems, schools, hospitals, banks. In the developing world, most infrastructure is mostly still under construction. The infrastructure gap affects more than infrastructure products and services. It affects an offering that relies on infrastructure – anything that plugs-in, connects to a network, or moves from place to place. Rich world offerings are designed with the implicit assumption that they will be consumed by those with access to rich-world infrastructure. Logitech's mouse was designed for use in the office, not in the living room, because people in rich world still largely consume video entertainment via cable or satellite, with no mouse in sight. Such offerings do not export well, so an innovation strategy is a must. New offerings must be designed with the develop-

ing world infrastructure in mind. In major cities, this may mean an enviable, next-generation infrastructure. In rural areas, it may mean no infrastructure at all. When GE designed an ultra-low-cost portable EKG machine for rural India, for example one of the top considerations was long battery life.

Worldwide, as the economy grows, the conflicts between economic vitality and environmental sustainability are likely to become more severe. The pressures will not rise uniformly. In many cases, the intensity of sustainability issues are highest in the developing world. Winning in emerging markets requires recognition of these differences. For example in China, in some cities, the air pollution is a huge problem. As such, it is hardly a surprise that China is poised to take the lead in electric cars.

Regulatory systems in rich world are the result of decades of development while those in the developing countries may be incomplete. The difference can make the developing world a more favorable environment for innovation in certain cases. Products and services designed around rich world regulations may become needlessly complex or expensive for developing world markets.

The world's great diversity of tastes, preferences, rituals and habits adds spice to international travel. It also sometimes makes it nearly impossible to achieve full potential in the emerging economies through a simple strategy of exporting offerings. PepsiCo, for example, is developing new snack foods, starting with a new base ingredient. Corn is not nearly so ubiquitous in India as lentils, so PepsiCo is commercializing lentil-based chips.

Conclusions

Reverse innovation is becoming important for the multinational companies as it demonstrates the possibility of offering double-digit growth to them. If an industrial company from the developed economies has not ventured into emerging markets, then its long term survival rate is at risk. The other

side, in absence of any multinational company, local company can innovate and make the customers happy and then those innovations will turn up into the developed country as competition. Also the products innovated by the developed economies can create brand-new markets in the developed world by starting lower price points or pioneering new applications. There are three factors critical to the success and the implementation of reverse innovation. First, the resources and decision-making must be localized in emerging markets. Second, the local organization has to be supported by the global technology and third, organization should be willing experiment and take risk. Conventionally, multinational companies keep the power at the headquarters to innovate at home and take those products abroad. But the on-going concept of reverse innovation requires multinational companies to decentralize power and resources in emerging economies. The crucial aspect is to pay a lot of attention to intercultural aspects that, as many examples show, may be a key to success.

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OPEN

Journal of Intercultural Management

Vol. 8 | No. 2 | June 2016 | pp. 85–103

DOI 10.1515/joim-2016-0011

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Process of Knowledge Diffusion in SMEs in Multicultural Space

Abstract:

Knowledge about a logistic process in SMEs can be the way to growth of competitiveness of a company by improving those processes. One of the ways can be the use of diffusion of knowledge in multicultural enterprises as a support of management. Identification of multicultural advantages in management process should be based on knowledge resources, especially the process of knowledge flow between people in multicultural enterprise. Achieving knowledge and accumulation as a resource allow increasing logistic standards such as supply process, production, storage and distribution. It can contribute to the recognition of possibilities of competitor's opportunities. This paper examined the use of observation of knowledge diffusion in multinational space in SMEs with foreign direct investment in confectionery branch in Poland.

Key words:

Knowledge diffusion, Knowledge Management, SMEs, Foreign Direct Investments.

Introduction

As a result of dynamic changes in the business environment the use of traditional management methods does not ensure success in the market, and a new approach to marketing makes managers recognize the need to develop more dynamic models of running a business (Gattoma, 2013, p. 16). Global trends of management methods go beyond the classical framework, but they are not widely known in the practice of companies. An example of new methods can be change management through sensemaking and sensegiving (Sułkowski, 2013, p. 85) especially in need for Knowledge Management (KM). Knowledge diffusion can be defined as the adaptations and applications of knowledge documented in scientific publications and patents (Chen, Hicks, 2004, p. 199). Tracing the transfer of knowledge from science to technology, from technology to technology, from one company to others. Using the diffusion of knowledge can improve a lot of processes in an enterprise, for example marketing and logistic processes and it can increase competitiveness of SMEs. The aim of this article is the presentation of the significance and place of diffusion of knowledge in multicultural enterprises in SMEs sector. The special kind of diffusion of knowledge is observed in enterprises with foreign capital –i.e. FDI¹ (Foreign Direct Investments). Theory about FDI is very rich and in the literature of the subject wide definitions and processes are presented (Białoń, Janczewska, 2004). There are presented models of diffusion knowledge based on literature and compared with results of research in SME sector companies. In the article the observations of SMEs from confectionery branch in Poland belonging to international group with participants from many countries are presented.

1. FDI is defined as cross-border investment by a resident entity in one economy with the objective of obtaining a lasting interest in an enterprise resident in another economy. The lasting interest implies the existence of a long-term relationship between the direct investor and the enterprise and a significant degree of influence by the direct investor on the management of the enterprise. Ownership of at least 10% of the voting power, representing the influence by the investor, is the basic criterion used (<http://www.oecd-ilibrary.org/sites/factbook-2013-en/04/02/01/index.html?itemId=/content/chapter/factbook-2013-34-en>).

Significant role of knowledge management (KM)

Raport Strategia Rozwoju Nauki w Polsce do roku 2015 [English: *Strategy for Development of Sciences in Poland until 2015 Report*] prepared by the Ministry of Science and Higher Education defines and sets directions for science development based on analyses of the condition of science as a source of knowledge and innovation. In the report, raising the level of knowledge and of its diffusion among SMEs is considered one of the main indices and main goals of science development². An analysis of knowledge diffusion performed by analysing the funding of cooperation between the business sector and scientific research centres has demonstrated that among OECD countries Poland is the leader as regards the participation of non-State Budget funds in the financing of extra-academic research institutions (15.6%; the average value for the EU-27 – 8.4%, the average value for OECD – 3.5%). A comparably high level in Poland is recorded with regards to State Budget participation in funding of the business sector (12.3%; average value for the EU – 7.2%, OECD – 6.8%)³. Taking into consideration other significant disparities in the innovation indices between Poland and other EU countries, it may be argued that the dynamics of redressing the distance is high. Essential elements of competitiveness are competencies which – as interpreted based on theory of management – are understood as the sum of skills and experience of the managers and the employees. Competences combine:

- knowledge,
- experience,
- skills.

These components are relevant in the SMEs sector and help an organization in achieving its market goals. In Gierszewska's opinion, organization-

2. More information in report of Ministry of Science and Higher Education of Poland, *Raport Strategia Rozwoju Nauki w Polsce do roku 2015*, Warsaw, 2008, p. 7.

3. More information in the report as stated above, p. 12.

al competencies are the result of experiences accumulation in the process of organizational learning (Gierszewska, 2005, p. 29).

Process of management of knowledge (KM) in transnational corporation

Crane (Crane, 1972) identified the crucial role of scientific communities in understanding the growth of knowledge. The growth of scientific knowledge is largely due to a diffusion process in which new ideas are transmitted from person to person. The exponential increase in the number of publications is a good indicator of the existence of such diffusion processes. In contrast, the absence of a diffusion process is more likely to demonstrate a linear growth pattern. There are often multiple factors that may influence the predominant route and direction of knowledge transfer between particular scientific disciplines and technological sectors. In fields such as health and semiconductor research there tends to be a strong positive connection between basic research and technological innovations, whereas in fields such as information technology it is the technology that overtakes science by more than a year according to the publication dates of cited patents and scientific publications. The effective management of knowledge in multicultural aspects and differences has become imperative to ensure success. It is increasingly evident there is a need to develop a clear understanding of multicultural competencies in order to fully develop a strategic approach to all processes in a company. The adoption of a strategic approach is necessary to ensure a focus on the issues critical to success and competitive advantage including multicultural management, professional skills and knowledge management. Foreign Direct Investments are growing in importance as a channel of ITT (see Glass, Saggi). Multinational activity occurs primarily in industries that are characterized by a high ratio of R&D to sales and by large shares of professional, scientific, and technical work-

ers. Chen and Hicks (Chen, Hicks, 2004, p. 202) examined five ways of the knowledge transfer:

- between science and technology,
- from science to science,
- from technology to science,
- from technology to technology,
- absence of a strong connection.

Knowledge transfer understanding is a process which can be statistically analyzed and studied by citation analysis and patent citation analysis. Tracing the transfer of knowledge requires presented citation analysis within a consistent and meaningful framework. Therefore, in addition to the two types of citation research, one must consider citation analysis of interrelationships of heterogeneous structures (see Table 1).

Table 1. Citation analysis of knowledge transfer between science and technology

	Knowledge transfer	Citation analysis	Patent citation analysis	Research focus of Chen and Hicks study
1	from science to science,	Most often	Rare	Secondary
2	from technology to science,	Rare	Rare	Primary
3	from technology to science,	Rare	Often	Primary
4	from technology to technology,	Rare	Most often	Secondary
5	absence of a strong connection.	rare	Rare	Primary

Source: Chen, C., Hicks, D. (2004) Tracing knowledge diffusion, Jointly published by Akadémiai Kiadó, Budapest Scientometrics, and Kluwer Academic Publishers, Dordrecht Vol. 59, No. 2 , p.202.

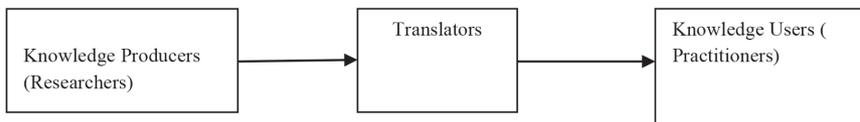
In enterprise with foreign capital diffusion of knowledge can be described with another knowledge transfer. Additional diffusion channel arises between the parent company and the subsidiary company, but direction of knowledge transfer can be two-way (Janczewska, 2009, pp. 42–43). Monge-Naranjo presented a model to examine the impact of foreign firms in a developing country own accumulation of entrepreneurial knowledge (Monge-Naranjo, 2012, p. 2). In the model, entrepreneurial skills are built up on the basis of productive ideas that diffuse internally (inside the businesses) and externally (spillovers). Openness to foreign firms enhances the aggregate exposure to ideas but also reduces the returns to investing in entrepreneurial skills. Also UNCTAD informed that some developing countries have made significant technological progress during the past two decades but the technology gap between rich and poor countries remains wide in general. Being major creators of new and advanced technologies, transnational corporations (TNCs) have the potential to play an important role in narrowing this gap. Although TNCs are not the only source of technology, they are very important in high-technology activities and in providing an entire package of knowledge and their research and development (R&D) activities are expanding to the developing world. Interdisciplinarity and multicultural characteristics of the company management means that it is necessary to possess many domains of knowledge including multicultural marketing and multicultural approach of human resources which plays an important role (Rozkwitalska, 2014, p. 177). Harrison and Schein give some list of classification of organisational culture (see table 2).

Table 2. Classification of different types of organisational culture

Harrison	Power-orientated – responsive to personality not expertise; People orientated – consensual, management control ejected; Task-orientated – focus on competency, dynamic; Role-orientated – focus on legality and bureaucracy
Schein	The power culture is one in which leadership resides upon the individual The role culture is one where power is balanced The achievement culture is one in which personal motivation and commitment is valued The support culture is one where people contribute out of a sense of commitment and solidarity

Source: Woolliscroft, P., Caganova, D. and others (2012) A Multicultural competence approach to developing human capital management. *Research Papers*, Slovak University of Technology in Bratislava, p. 158, http://www.mtf.stuba.sk/docs/doc/casopis_Vedecke_prace/SN/Woolliscroft_Caganova____.pdf.

In many articles there are a number of major problems in knowledge management and they conclude that whilst there were many useful ideas in the field (see Kawalek & Hart, 2003), there seemed to be an increasing need to take advantage of the opportunities afforded by new ICT technology. For example there is not a holistic approach for developing a methodology for designing and implementing knowledge management initiatives yet. Kawalek and Hart presented the linear model of knowledge transfer (see fig. 1).

Fig.1. Linear Model of Knowledge Transfer

Source: Kawalek, J., Hart, D. (2003) Towards Process Modelling in Knowledge Management Work. *Electronic Journal on Knowledge Management*, Volume 1, Issue 2, p. 94.

In each activity we separate three blocks: potential, process and effect. In multicultural space problems of multicultural management, professional skills and knowledge management can be observed. Those views are included in the linear model of knowledge transfer (see fig.1). Knowledge of relation between a new state of affairs and present conditions of activities will allow more effective suitability to the elements of potential in the future. That achievement goals depend on quality of existing resources and way of realization of fixed correction, and on the way of realization of fixed goals (compare with Białoń, 2010, chapter 2). The gap between producers and users of knowledge can be partially explained by the divergent ways in which the two groups consider knowledge (Roy, Patent, Desmarais, 2003). Most of literature on knowledge transfer has its roots in field of psychology and is concerned with the process of moving useful information from one individual to another. Another problem is to research the multicultural problems of interaction in production sphere, technological and technical area and human resources in factory.

Management of knowledge in SMEs discussed on the level of processes allows comprehensive presentation and definition of the business. The specificity of management of SMEs concerns a number of areas, such as organizational structure, human resource management system, the implementation of management functions, defining of strategic goals. Knowledge inside SMEs includes objectives of the company, processes, clients, market, environment and many others. In the SME sector information flow

processes use the Internet, GPS and satellite communications. Quick access to information makes it possible to achieve market advantage and allows one to interact with customers and suppliers. Interesting development of Cloud Computing business process management is the use in process of management of knowledge and can be based on IT modern technologies.

Results of own research of diffusion of knowledge as a process in SMEs in confectionery branch – case study of SME in multinational space

In this chapter a company from SME sector is presented: the producer of chocolate bars and chocolate for industry application. Process of diffusion of knowledge presents the characteristics for multicultural enterprise in international space. Multicultural space based on FDI in confectionery branch in Poland defined problems of interactions, benefits and barriers in cooperation with foreigners. The aim of the research was the description of diffusion of knowledge in Polish enterprise in multinational space. The paper focused on practical significance of process of knowledge diffusion in researched in one enterprises. Presented company (X) belongs to international group of confectionery producers where multicultural environment exists.

Confectionery branch in Poland had 585 economic operators, out of which 281 specialized in manufacturing chocolate and other confectionery products whereas 304 operated in the segment of rusks and dry biscuits (Report KPMG, 2014, p. 32). Only 10 companies belong to the foreign group, while the others can be classified as micro, small and medium-enterprises. The current worth of confectionery market in Poland is about 12.7 billion PLN.

In the article the description of diffusion of knowledge by example of one company, producer of chocolate bars and chocolate liquid for production of confectionery in other factories in Poland and abroad is presented⁴.

Two hypotheses were formulated:

I. In multicultural SMEs the knowledge diffusion is used to support reaching the better position in the market in close co-operation with foreign parent company.

II. Diffusion of knowledge in FDI enterprise was observed in all representative processes and it is necessary to define the individual effectiveness factors of knowledge diffusion.

Presented company (X)⁵ in years 1995-2002 belonged to international group OstCom Holding (Germany) and cooperated with several foreign companies belonging to OstCom too: from Germany, Austria, Hungary, Mexico, Hong Kong, Australia and Turkey. The main activity concentrated in confectionery branch, and in Poland there were 3 producing companies and 3 trade firms. Company X was one of the leading manufacturers of chocolate, chocolate mass and coatings intended for further processing, both in large confectionery industry factories, small confectionists, and for use on the HoReCa market. For over 15 years chocolates of the highest quality have been produced by the company and enjoyed by connoisseurs, both in Poland and abroad. The company supplies chocolate semi-products to confectionery industry factories, whose products are well known to those who appreciate such treats. Export of products on the highly demanding confectionery markets of Japan, Australia and USA and EU countries. As effect of FDI company has a fully equipped and modern laboratory department. The research conducted by qualified staff covers a wide range of areas, from raw materials, packaging and semi-products, to finished products

4. The own researches of knowledge management were conducted in the years 2000–2014 in 100 enterprises from the Polish confectionery industry, big, medium-sized and micro-companies located in Poland. Several from them belong to foreign owners as join-venture from 90-ty years.

5. Short presentation of company (<http://unionchocolate.pl/eng/index.php>).

in accordance with currently effective standards, specifications, contracts or customer expectations. The company has implemented and maintains an ISO 9001:2000 Quality Assurance System certified by Lloyd`s Register and ISO 22000:2005 certified food safety management system. They are one of only a few which meet the requirements of kosher food. Knowledge was mainly absorbed from OstCom from Germany – the parent company and from participants of international group - subsidiaries. Table 3 below shows the main aspects of KM and diffusion channels in the company X in Poland.

Table 3. Characteristics of knowledge management of the company X connected with multinational OstCom Holding

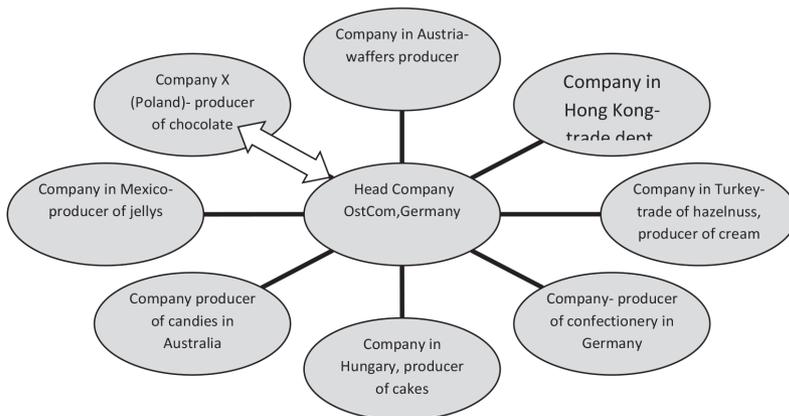
Selected areas of knowledge management	Features of a given knowledge management area in an SME	Area of necessary knowledge transferred from Polish company X to OstCom Holding
Organisational structure	Simplified structure or lack of such a structure, horizontal, flattened structure, the owner manages employees directly. Combining ownership and management.	Rules of management and organization, controlling, financial management
Human resources system	Self-employment, family business, a limited number of employees performing different tasks, often without necessary skills and competence.	management of human resources,
Management functions	Centralized control method, a limited number of middle managers.	Controlling, quality management, standards of quality, technological knowledge, technical, IT knowledge
Setting strategic goals	The owner sets strategic goals of the company intuitively, rarely uses the help of specialists. The decisive factor is the proximity to the market. Choosing a niche strategy or lack of strategy - focus on survival.	Knowledge about market and competitors, analytic methods, prognosis and demand management

Knowledge re-sources	Practical knowledge based on the experience of the owner. Education of managers is not renewed in the system of continuous education.	Wide knowledge about possibilities of enterprise, prognosis of a new trends in the market and customers
Planning system	Lack of planning on the part of the owner, or short-term planning, temporary planning related to current activities of the company.	Knowledge about application of IT technology to planning and management by scenario and other modern methods
Organisation of working time	Low degree of task formalization. No bureaucracy. Organizing the work of the owner applies to single products or services, individual or simple products.	Knowledge about fast flow of information, building of channel of diffusion of knowledge
Decision-making	Quick decision-making by the owner, risk aversion, fear of losing market.	Knowledge about decision process, and results of decisions, risk and barriers of success
Control systems	Owner's personal supervision of his business, simplified control systems.	Knowledge about a new methods of control and monitoring of process
Change management	Responding to customers' needs, specific direct relationships with customers.	Knowledge about elastics approach to customers and expectation of market
Logistics and marketing	Lack of explicit marketing orientation Occasional use of marketing instruments, logistics processes focused on internal resources, based on customer relations.	Knowledge about management of each process- and logistics is now a most important process in enterprise
Innovations	Narrow specialization an area of little interest for large companies. Mainly organizational and process innovations.	Knowledge about innovation process and improvement innovative management

Source: own research.

There was a direction of knowledge diffusion channels described in figure 1.

Fig. 1. Diffusion of knowledge in OstCom Holding group



Source: own research.

The flow of knowledge was two-direction: and OstCom expected some kind of knowledge from all companies. The main channels of knowledge diffusion were: papers, the Internet, meetings, conferences, lectures and participation in international fairs abroad and in Poland, contact with managers from foreign companies from group.

The knowledge diffusion between the company X from Poland and OstCom included the following problems, mainly need explanation in multicultural space:

Diffusion of knowledge in direction from X the company to OstCom:

- organizational knowledge about structure of X, activities, markets,
- technological and technical needs,
- production and logistics abilities and skills,
- financial needs and plans,
- developments planning.

Diffusion of knowledge in direction from OstCom to the company X:

- activities and terms of realization,

- plans of development – technical, technological,
- development of internal and foreign markets

Advantages from diffusion of knowledge in presented the company X in multicultural space can be presented as follows:

I. Gathering the necessary marketing knowledge to determine the market position of the company and its resources as well as the knowledge about the environment.

II. Accumulation of knowledge including definition of market processes in the company X and creating a new system of communication with buyers.

III. Formulating marketing offer and logistics offer – by matching the X company's resources to customers' expectations.

IV. Developing marketing and production strategy through the choice of methods and means of achieving an integrated intercultural strategy – based on the analysis as well as the definition of supplementary activities in the area of multicultural cooperation.

V. Knowledge of monitoring the implementation of management through the selection and periodic assessment of the performance indicators of the effects in the company X and Holding.

Especially in a new knowledge from OstCom the area of **promotion** (i.e. marketing information) in the company X introduced wider marketing at fairs, online advertising and other forms of promotion. With respect to forms of product innovation, the innovations have occurred as a complete redesign of the product in terms of its structure, construction, and use. Surveys in the company X pointed the introduction of new types of packaging, more convenient for the buyers, or consistent with the requirements of quality and environmental standards. Innovations in promotion were related with the introduction of new methods and forms of promotion of new products or promotion of the company as a whole.

Conclusion of author's research

In the article problems of diffusion of knowledge in multicultural space are presented on the example of chocolate factory as FDI in Poland. Advantages from KM can be described in an enterprise as a matrix of elements, which depend on individual resources (material and immaterial). The significant barriers are multicultural environment, it must be identified and described. In multicultural space those elements can be explained as different factors and are understood differently by participants of spaces. In the example of the presented company the expectation of results was quite different – as presented in Table 2. The research confirmed both hypotheses. The marketing support is important to reach the better competitiveness position in the sector. It is important that people involved in the implementation of marketing and logistics concept of the business development referring to SMEs have the knowledge necessary to implement this concept. This knowledge includes: knowledge necessary to develop a marketing and logistics orientation of the company, know-how of the industry in which the company operates, information about specificity of the company operation and skills of its employees, ability to study marketing environment, knowledge about possibilities of cooperation with customers and the understanding of their specific needs, ability to conduct marketing research and collect information necessary to make assumptions for the purpose of managerial decisions regarding logistics processes. Further research studies are planned on the model of diffusion of knowledge in SMEs in the aspect of logistic management.

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OPEN

Journal of Intercultural Management

Vol. 8 | No. 2 | June 2016 | pp. 105–123

DOI 10.1515/joim-2016-0012

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Trust Triggers and Barriers in Intercultural Teams

Abstract:

Intercultural teams are more and more popular nowadays – they constitute a serious challenge in terms of effective cooperation and trust building, however. The article presents the potential problems that can affect intercultural cooperation and stresses the power of trust in cultural diversity conditions. The ten-factor model of intercultural team trust is presented. The main aim was to answer the questions: what are the differences in trust factor importance in homogenous and diverse teams and what are the most dangerous trust barriers according to Y generation business students? A survey conducted on 200 respondents allowed for concluding that the deep trust (compatibility, goodwill, predictability, well-being, inclusion and accessibility) is less important than the initial trust (open sharing of information, integrity and reciprocity), with the exception of competence assessment, as well as that all the trust factors are equally important for homogenous and culturally diverse teams, even if there are some differences in their hierarchy depending on the teams' cultural composition. Language differences and stereotypes were pointed as the most important trust barriers. The influence of intercultural training on the elimination of trust barriers was also proved.

Key words:**teamwork, team trust, cultural diversity, team diversity management**

Introduction

Trust is a multilevel phenomenon related to the parties' willingness to cooperate, their belief that a relationship is beneficial for them, as well as the level of uncertainty and potential risk (Child, 2001, p. 276). It is defined as positive expectation, attitude, belief or confidence about the other party's behaviour even if the risk of being hurt exists (Piniani & Palvia, 2013; Castaldo et al., 2010, p. 658]. Trust is the will to rely or depend on other people — their intentions, motives and behaviours (Chang et al., 2011; Smyth et al., 2010, p. 119). Trust is also strictly connected to interdependence, which is a basic feature of teamwork (DeOrtentiis et al., 2013).

Trust is crucial for team cooperation because it stimulates interactions, influences the information flow and correlates with team effectiveness and satisfaction (Morita et al., 2013, p. 41). Team trust increases commitment and morale, improves communication and participation in decision making processes, facilitates innovativeness and changes tolerance (Oxfam GB, 2007, p. 6).

Talking about trust in the context of intercultural teams is reasonable because of the development of global corporate and virtual teams that work over geographical borders. The second reason is that cultural diversity generates many possible problems in trust area that can be caused by different understanding of trust, different national trust levels or different determinants and consequences of trust and mistrust (Ferrin & Gillepsie, 2000, pp. 45–47).

Even though cultural diversity is said to be a great source of capital for organizations and teams, it causes a lot of potential problems with collaboration, e.g. conflicts, isolation, discrimination or stress (Mironski, 2010). Cul-

tural dissonance, i.e. the awareness of differences in perception, thinking and behaviours in intercultural relationships, results in decreasing the sense of confidence that we can predict the behaviours of others (Sikorski, 2002, pp. 36–37). It is related to cultural distance, which is more essential when the involved cultures differ significantly (Seymen, 2006, p. 298). The misunderstanding of other people's intentions, motivations and behaviours decreases the initial trust level in intercultural teams (Chang at al., 2011). Cultural dissonance can be connected to the differences in cultural dimensions like time orientation, working style (assertiveness, collectivism, performance orientation, human orientation) or team management (power distance, performance orientation) (House at al., 2002, pp. 5–6; Khan at al. 2010, p. 292). Cultural dissimilarities can be a source of negative factors that inhibit trust building, like erratic behaviour, treachery, goals divergence, disloyalty, poor communication, malevolence or insincerity (Ajmal at al., 2012, pp. 19–20) or negative stereotypes and isolation (Kuc & Żemigała, 2010, p. 178).

One of the most important elements that influence the cultural distance perception is language. In multilingual teams it is a challenge which can impact the interpersonal relations, knowledge sharing and even peers' competences assessment (Henderson, Louhiala-Salminen, 2011, p. 16) negatively. Even if the team language is English, the common ground is also missed, which can destroy trust between international team members.

On the other hand, lack of trust makes collaboration and good performance in an intercultural team impossible. Child (2001, p. 279) emphasises the role of trust in international collaboration as more powerful than the contract signed between parties because it stimulates good relationships and building sufficient confidence in the partner. Trust generates many benefits for cooperating international partners: it can reduce the cultural distance, it reduces the de-motivation processes, gives the power to cope with changes and conflicts and stimulates open knowledge sharing.

The article presents the ten-factor model of team trust and tests if it actually works in a group of Y generation business students. The power of

mentioned trust barriers is also discussed in view of the correlation with the experience in intercultural teamwork.

Intercultural trust dimensions

A trust definition that emphasises the basic trust dimensions was proposed by Mühl (2014, p. 54): "Trust is one party's willingness to be vulnerable to another party based on the belief that the latter party is (a) competent, (b) open, (c) concerned, (d) reliable, based upon positive (e) expectations of the outcome based on outside circumstances and (f) past outcomes, (g) intentions, (h) behaviour, (i) integrity (fairness), (j) loyalty, (k) familiarity and/or (l) honesty of another". According to the author's opinion, not all the dimensions are equally important and their value and combination depends on the parties' situation. A trust dimension model dedicated to intercultural teams is proposed by WorldWord LTD (2008) and it consists of ten dimensions trust, can be based on:

- competence – confidence that the others are competent and do their job properly,
- compatibility – belief that other team members share the same values, attitudes and interests and are committed to achieving common objectives, even if they are different from us,
- goodwill – feeling that the others are concerned about us as a persons, our needs, problems and emotions,
- integrity – confidence that the other parties fulfil their commitments and are consistent in keeping their word,
- predictability – belief that we can rely on another person because we know they are consistent in their behaviours because of some principles or norms,
- well-being – feeling there are no reasons to fear other team participants, sense of security,

- inclusion – based on equal treatment of all team members, feeling we are important for others to complete our team goals,
- openness with information – conviction that all the information is shared in an open and proactive way,
- accessibility – feeling the other participants are open to building personal relations with each other and tend to share personal information,
- reciprocity – confidence that the other team members trust us.

These ten factors can be divided into two groups: dimensions that influence the initial trust — competence, openness with information, integrity and reciprocity, and factors important for deeper trust built during cooperation process, that is compatibility, goodwill, predictability, well-being, inclusion and accessibility [Oxfam GB, 2007, pp. 10–12]. The swift dimensions are based on the first impressions and initial knowledge we have about other participants. The deeper trust factors are developed as the result of gathering good teamwork experiences. This model is based on the research conducted in different cultures and was used to measure intercultural team trust and the trust gaps. It was also used by the author to prepare the research methodology.

Methodology

The main aim of the presented research was answering the questions: Are the trust dimensions mentioned in the ITTI model important for trust building according to business students?; What are the main trust triggers in intercultural teams in their opinion? Are there any differences in their importance in homogenous and intercultural teams?; What are the main trust barriers in intercultural teams and do the opinions depend on intercultural cooperation experience?

The research participants were the bachelor and master level business students (200 individuals), mostly Poles having experiences in Erasmus

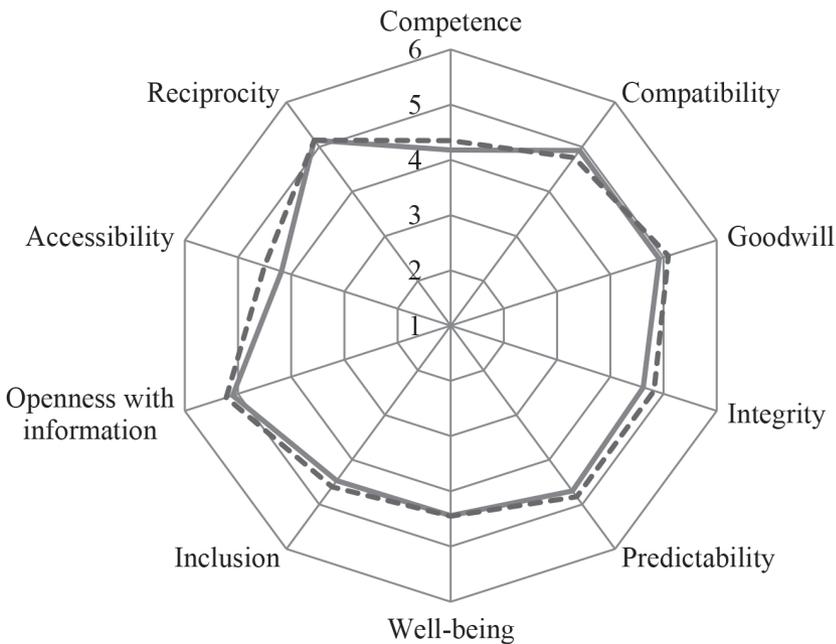
programme and studying abroad (70%) and foreign students attending English language courses in Poland (15%). Each of them had the possibility to study and cooperate in an intercultural environment, so their opinions are not likely to be based on general stereotypes but rather on their own observations and attitudes towards other cultures. All the respondents were asked if they have any experiences in cooperation in intercultural teamwork. 69% of students declared they had such a possibility, whereas 31% have not had any opportunities to participate in intercultural teamwork. Most of students have participated in an academic course dedicated to intercultural differences (72%). Women constituted 69% of the research group and men formed 31% of it.

The study was conducted in two parts: the first was dedicated to the first two questions and based on the questionnaire that consisted of ten expressions related to ten trust dimensions mentioned above. The participants were expected to evaluate each dimension's importance for the cooperation in culturally homogenous and intercultural teams on a scale from 1 to 6, where 1 meant "not important at all" and 6 meant "crucial". The second part of the questionnaire was dedicated to trust barriers. There were six main trust destroyers mentioned: language differences, communication style differences, work style differences, management style differences, time orientation differences and stereotypes. The respondents were supposed to assess if they actually constitute important negative factors. The evaluation was made on a scale from 1 to 5, where 1 meant "definitely not" and 5 meant "definitely yes". At the end of the questionnaire an additional question concerning the effects of participation in intercultural student groups was asked. The students were asked if in their perception this possibility has changed their attitudes towards intercultural team cooperation.

Results

All the trust dimensions were assessed as important in conditions of cultural homogeneity and diversity — the average score for all the ten results exceeded 4.15. There were no statistically significant differences in assessments for these two conditions (t-test, $p < 0.05$), even though almost all the dimensions are higher assessed in context of intercultural cooperation. The only one exception is compatibility, which can be seen in Figure 1. This result is a bit surprising because the feeling of sharing goals and mutual commitment should be much more important in culturally diverse teams, where the differences are obvious and significant.

Figure 1. Trust dimensions assessment in conditions of cultural homogeneity (continuous line) and diversity (dotted line)



Source: own work.

The largest gaps concern the accessibility (4.18 in homogenous teams, 4.50 in diverse ones) and integrity (4.62 / 4.82) dimensions, but they are still statistically insignificant ones. Building personal relationships with individuals from other cultures can be much more challenging but is the only one chance to understand their values and points of view, as well as getting to know each other in general, so the higher rank of this factor is reasonable. The confidence that the other party will fulfil its commitments and be consistent in keeping its word can also be much more important in intercultural environment where the initial trust is usually lower and the assessment of relation risk is higher.

The experiences in intercultural teamwork slightly change the results: in comparison with the other group of respondents, the experienced students assessed openness with information as more important, and the result was statistically significant (average results: 5.30:5.16, $t = -0.67$, $p < 0.05$). It can be a signal of some communication problems that appeared in intercultural cooperation the students have practiced and which are typical especially at the initial level of intercultural teamwork.

The gender differences influence two dimensions: reciprocity (R) and goodwill (G) — they were more important for trust in intercultural teams according to women's opinions (R: average result for women: 5.28, for men: 4.56, $t = 2.51$, $p < 0.05$, G: average result for women: 5.21, for men: 4.65, $t = 2.46$, $p < 0.05$). Probably the feeling of cohesion, kindness and mutual support can be more important for women in the conditions of intercultural differences where they can be easily lost because of cultural dissonance.

The differences can also be noticed in the hierarchy of the ten dimensions. The most important dimension according to participants' opinion is reciprocity in homogenous teams (5.15) and openness with information in culturally diverse teams (5.22). The ranks of all the trust dimensions are presented in Table 1.

Table 1. Trust dimensions hierarchy in conditions of cultural homogeneity and diversity

Dimension	Position in the importance hierarchy (average result)	
	Homogenous team	Intercultural team
Reciprocity	1 (5.15)	2 (5.15)
Openness with information	2 (4.92)	1 (5.22)
Goodwill	3 (4.92)	3 (5.09)
Compatibility	3 (4.92)	6 (4.79)
Predictability	4 (4.70)	4 (4.8)
Integrity	5 (4.62)	5 (4.82)
Inclusion	6 (4.47)	7 (4.61)
Well-being	7 (4.44)	9 (4.45)
Competence	8 (4.18)	10 (4.35)
Accessibility	9 (4.18)	8 (4.5)

Source: own work.

The most visible difference concerns the position of the compatibility dimension, which is three ranks higher in intercultural teams hierarchy. The clear differences in values and attitudes based on cultural dissonance are probably obvious for individuals with intercultural cooperation experiences – they can be perceived as obvious and much less important in trust level assessment than the other dimensions. In spite of such result, compatibility is an important factor in intercultural teams – the average result here is 4.79.

What is most surprising in the hierarchy structure is the fact that the competence factor is the last or the second-to-last one. It seems to be

even more unexpected in the context of the fact that the initial trust dimensions are generally assessed as more important than the deep ones in one-culture and intercultural teams (Table 2).

Table 2. Initial and deep trust dimensions importance in conditions of cultural homogeneity and diversity (average results)

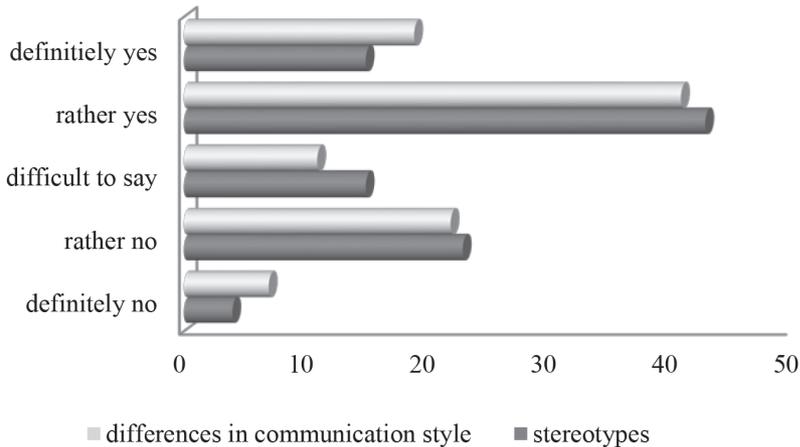
	Homogenous team	Intercultural team
Initial trust	4.76	4.88
Deep trust	4.61	4.71

Source: own work.

Competence is also one of the swift trust factors and the result can reflect the fact that at the beginning of cooperation the soft dimensions, connected strictly with interpersonal relationships (integrity, openness with information and reciprocity), are more important for the research group. One reason for this can be the existence of cultural cooperation barriers at the initial phase of teamwork. The second part of the research was focused on the identification and assessment of the strongest barriers.

All the barriers were assessed as not very powerful in intercultural cooperation – all the results are under 4. The strongest ones, stereotypes and differences in communication styles, have the average results of about 3.4, but despite that there are 40% respondents who evaluated them as really important. The results distribution for this factor is presented in Figure 2.

Figure 2. Answers to the question: Are stereotypes and differences in communication style the reason of trust decrease in intercultural teams? (in %)



Source: own work.

More than 55% of students believe that stereotypes and communication differences are the reasons of trust decrease in intercultural cooperation. The barrier assessed as the least powerful is foreign language usage (2.93). It seems to be reasonable in the group of individuals able to speak English fluently. Table 3 presents the scores for all the trust barriers and shows the differences between opinions of groups of individuals experienced in intercultural cooperation and the ones not having such background. The bold results are different for the experienced and inexperienced group on a statistically significant level ($p < 0.05$). The individuals who had possibility to cooperate in a culturally diverse team are less afraid of destructive impact of three trust barriers: foreign language usage ($t = 4.44$), differences in communication style ($t = 2.04$) and stereotypes ($t = 2.61$). In the case of other factors, even though they are evaluated as the less important barriers by the experienced group, the differences are not statistically significant. The foreign language barrier was the only one that significantly differed among

the respondent groups with and without cultural competence training. The ones who have not had classes on cultural diversity were much more afraid that language differences can be harmful for team trust building (average results: 3.71:2.76; $t = -3.67$, $p < 0.05$).

Table 3. Trust barriers: general (average) results and the evaluations of the experienced and inexperienced groups

Barriers	Power evaluation		
	general	Experienced group	Non-experienced group
Foreign language usage	2.93	2.65	3.58
Communication style differences	3.41	3.31	3.66
Work style differences	3.34	3.32	3.40
Management style differences	3.22	3.20	3.26
Time orientation differences	3.32	3.33	3.32
Stereotypes	3.43	3.27	3.76

Source: own work.

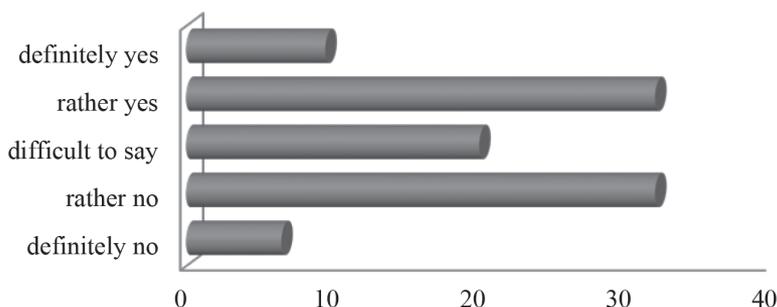
The open question concerning the effects of the participation in intercultural relationships courses also shows the positive results of such intercultural training. The students' answers allowed for concluding that the main effect of such experience is the awareness of and knowledge about cultural differences: their influence on cooperation and task resolution. Some of them stressed the gap between stereotypes and the real characteristics of foreigners. Stereotypes were also pointed as the most influential barriers.

er in international teams. Respondents have noticed that the intercultural teams are more demanding because of these differences and have learnt that respect and tolerance are the basic rules in intercultural cooperation. Some students appreciate the importance of English language fluency that allows for initiating and building a deeper relationship. These are some of respondents' statements:

- "I am less afraid of working in international teams. I do not mind using English, I am aware of cultural differences. I have learnt that intercultural teams are more efficient and it is very important to get familiar with other cultures when we cooperate in intercultural teams".
- "I have learnt that in other cultures tasks are performed in different ways and sometimes require more or less time. But I definitely learnt more tolerance for other cultures in terms of business relations, team working and fulfilling tasks".
- "The best thing I have learnt was that foreigners can be really different and how they are different, and how they are the same".
- "I have learnt that different cultures work in different ways, but we are all human and the team work is more likely to be influenced by personal traits than by the nationality itself. However, there are some nationalities which work in a very different style, which makes cooperation difficult. Still, personal traits are more influential than people's origin".

Do the mentioned awareness and openness to other cultures increase the level of trust in intercultural teams? The final question the respondents were expected to answer focused on trust and read: Is it much more difficult to trust each other in a intercultural team? The results are presented in Figure 3.

Figure 3. Answers to the question: Is it much more difficult to trust each other in an intercultural team? (in %)



Source: own work.

The participants' answers are distributed almost equally between into positive and negative ones. This question is a really important one, because correlation analysis confirmed the correlation between answers to it and the students' declaration of interest in trust in international collaboration ($r = -0.25$; $p < 0.05$), as well as willingness to manage an intercultural team ($r = 0.15$; $p < 0.05$).

As far as the interpretation is concerned, it may be said that the students' convictions about trust and intercultural plans are linked to each other.

Conclusions

All ten trust factors appeared to be important in homogeneous and culturally diverse teams. The results achieved for both kinds of teams are almost equal. It can be an effect of international experiences of tested students – intercultural diversity conditions are nothing unique for them and even if they are aware of the potential barriers, they treat cultural differences as equivalent to other ones (e.g. personality or competence diversity). In case of culturally diverse team building, the initial trust seems to be more

important than the deep trust based on common team members experiences. Reciprocity and openness with information are crucial trust triggers for intercultural cooperation, which emphasizes the importance of positive attitudes towards peers regardless of their country of origin. Eliminating cultural stereotypes and negative prejudice, which are the main intercultural team cooperation barriers, seems to be the best solution for intercultural team trust stimulation and development.

The experiences in intercultural cooperation can be helpful in reducing stereotypical attitudes towards foreign team members, decreasing the fear of foreign language usage and making the differences regarding communication and cooperation style less discouraging.

Recommendations for the culturally diverse team leaders who want to build team trust include the following ones:

- before the intercultural team members start cooperation, they should receive information about the other involved cultures so that the power of stereotypes and fears can be reduced;
- one of the important elements of intercultural team formation should be the time dedicated to letting the members get to know each other in order to weaken the stereotypes and to strengthen the reciprocity and well-being effect;
- the team leader should take care of information flow and propose the team rules that stimulate the openness with information and compatibility perception;
- even if the team members are experienced in intercultural teamwork, team trust supporting can be crucial for the team effectiveness and needs.

The further research recommendation is to analyse the result concerning compatibility in intercultural teams, because the argument that the common goals and team rules are the trust triggers seems to be reasonable but was not fully confirmed (the lower rank in the intercultural team). Another research task can be conducting the analysis of trust dynamics in intercultural teams to find out the ten trust dimensions changes during the

cooperation process to formulate recommendations for trust building in each of the team work phase.

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OPEN

Journal of Intercultural Management

Vol. 8 | No. 2 | June 2016 | pp. 125–151

DOI 10.1515/joim-2016-0013

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Factors Affecting Group Identity of Cluster Structures

Abstract:

The paper provides a new approach to cluster analysis, basing on a sociologically rooted concept of identity. The authors state that identity in cluster structures is formed by two main groups of factors – uncontrollable or slightly controllable factors (identity mix) and factors that can be fully controlled by a cluster initiative (corporate identity mix). It means that the cluster coordinator is able to consciously build the identity of a cluster structure and reinforce the identification of individuals with one another and with the group as a whole. Thus, effective management of a cluster initiative can highly strengthen its identity whereas strong identity interacts back (in a positive way) with the efficiency and stability of a group. By contrast, poor management of an initiative tends to weaken group identity and, in the long term, it can lead to disintegration of the whole cluster initiative. The methods of the study are systemic and logic analysis. More advanced studies are needed to test the concept of identity for cluster structures and confirm the working hypothesis.

Key words:

clusters, cluster initiative, group identity, corporate identity, identification, identity mix

Introduction

Both economic and managerial sciences rarely refer to the category of identity, particularly in relation with organizations at higher levels of aggregation that include cluster structures. Moreover, many theoretical and empirical papers on cluster structures are focused only on strictly economic factors, which are not sufficiently diagnostic in study of cluster phenomena. However, it appears that applying the sociologically rooted concept of identity to analyze the functioning companies or groups of companies (in a form of a cluster or a cluster initiative) may support the processes of understanding of cluster phenomena.

The term “cluster structure” cited in this paper is meant to refer to two group forms, namely to clusters, which derive from Porter’s concept (Porter, 1990, 1998, 2000a, 2000b, 2008), and cluster initiatives – introduced to the science literature by the authors of *The Cluster Initiative Greenbook*, i.e. Sölvell, Lindqvist and Ketels (Sölvell et al., 2003).

Porter employs a wider meaning of clusters, including institutions as part of clusters. According to his definition, clusters are “geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions in particular fields that compete but also cooperate” (Porter, 2008, p. 213). Such a broad approach in defining the clusters is applied also by other scientists (i.a. Feser, 1998; Van Dijk, Sverisson, 2003; Gorynia, Jankowska, 2008; OECD, 2002).

As far as the authors of the article are concerned, they define clusters in a narrowed way (Lis, Lis, 2014) – the designatum they apply is a sectoral and geographical concentration of enterprises that are related with one another by means of commercial and non-commercial relationships and which, at the same time, interact and compete by means of the synergy effect (the advocates of such a narrow approach are also Cooke, 2002; Enright, 1992; Enright, 1996; Maskell, Kebir, 2005; Padmore, Gibson, 1998; Rabelotti, 1995; Roelandt, Den Hertog, 1999; Rosenfeld, 1997; Swann, Prevezer, 1996).

Cluster initiative is a type of “working cluster” (according to the classification of Rosenfeld) (Rosenfeld, 1997) and refers to “organized efforts to increase the growth and competitiveness of clusters within a region, involving cluster firms, government and/or the research community” (Sölvell et al., 2003, p. 9). Additionally, the activities involve such different parties of the triple helix as, for instance, enterprises, academic institutions, bridging institutions (intermediaries between business and science) and public authorities.

“Incorporating” such diverse groups of entities into one “organism” provokes reflections on the possibilities of developing a coherent and stable identity for such a group. On the one hand, the main attributes of a cluster structure (i.e. co-location, branch affiliation, ties based on trust and shared developmental trajectory) are likely to indicate a strong identification of its members with one another and with the group as a whole. On the other hand, the fluid geographical and branch boundaries, the lack of formal cooperation contracts and the lack of capital connections in a cluster as well as a rather “fragile” structure of a cluster initiative (variable group composition, loose connections among the members or their involvement in other business activities) may significantly impair the discussed identification.

The main aim of the study is to apply the concept of “identity” into the theory of clusters, and to determine the factors affecting the identity of cluster structures.

The objectives of the study are following:

- Firstly, the authors systematize the broad knowledge concerning group identity in management studies, and provide their own approach to define the term of group identity in relation to cluster structures.
- On this basis, the authors identify components of group identity of cluster structures, and – among them – they distinguish between two main categories: factors beyond control of an organization (the identity mix) and factors that can be consciously implemented in an organization to form and develop corporate identity mix.

The working hypothesis of the study is that identity can be consciously built in a cluster initiative, because “internal organization” and “communication and symbolism” have been identified in the created identity concept for cluster structures as crucial components that affect a sense of unity in such groups (both are classified to the category “corporate identity mix”). Thus, effective management of a cluster initiative can highly strengthen its identity, and consequently stability of the whole group, whereas poor management tends to weaken group identity and – in the long term – to disintegration of the cluster initiative.

The methods of the study are systemic and logic analysis.

Group identity in management studies

The literature studies on the issues of identity in management studies conducted by the authors indicate a significant confusion in the subject matter terminology due to the ample approaches and their disciplinary. The studies oriented on business identity may be divided into three main streams: corporate identity (Balmer, 1998), organizational identity (Whetten, Godfrey, 1998) and visual identity (Chajet, Shachtman, 1998). As far as the science literature is concerned, it is rich in terms relating to identity, some of which are as follows: corporate personality (Olins, 1978), corporate image (Grunig, 1993), corporate reputation (Fombrun, Van Riel, 1997), corporate communications (Van Riel, 1995), total corporate communications (Balmer, Gray, 1999) and corporate brand (Macrae, 1999; Balmer, 2012; Blombäck, Ramírez-Pasillas, 2012). Review of concepts related to the business identity can be found in: Abratt, 1989; Abratt, Kleyn, 2012; Balmer, 2001; Fombrun, van Riel, 1997; Grunig, 1993; Melewar, Jenkins, 2002; Otubanjo, Melewar, 2007.

However, the literature lacks consensus on the accurate meaning of identity, its related terms and a precise distinction among them (Abratt, 1989; Van Riel, Balmer, 1997; Balmer, 2001; Cornelissen, Elving, 2003). Such

a conceptual confusion is emphasized by Balmer, who using a metaphor of fog to describe the level of the study of business identity, points out that it is the confusing use of terminology that has contributed to the creation of this fog more than any other factor (Balmer, 2001).

In regard to both the definition and the components of corporate identity (the authors refer primarily to this concept of business identity), there are various approaches and classifications (recent literature provides a description of the development of the theory of corporate identity: Cornelissen et al., 2012; Balmer, 2008; He, 2012; He, Balmer, 2013; Leitch, Davenport, 2011). Corporate identity is described as the aggregate of elements, which makes a company unique, this includes corporate culture (philosophy, values, mission, history), corporate vision, corporate communication, corporate design (symbolism), corporate strategy, corporate behavior, corporate structure, industry identity (Balmer, Soenen, 1999; Balmer, 2001; Schmidt, 1995; Steidl, Emory, 1997; Melewar, Karaosmanoglu, 2006; Urde, 2003). Moreover, some scientists suggest a distinction between the elements comprising a business identity and the elements to be considered in managing a business identity. Balmer and Soenen were among the first who made such a distinction and introduced two categories of elements in business identity. The first category – the business identity mix – embraces three main components, termed metaphorically: the soul (culture), the mind (strategy, structure) and the voice (communications), while the second category – the business identity management mix – includes additional combination of elements: environment, stakeholders and reputations (Balmer, Soenen, 1999). In turn, Cornelissen proposed a conceptual framework for the study of corporate identity management, distinguishing four factors: environmental characteristics (political/legal, market/economic, technological, industry sector, global, cultural), organizational characteristics (corporate strategy, culture, structure), management processes (positioning strategy, codes of conduct, communication programs), and dimensions of corporate identity (media: sym-

bolism, communication, behavior, messages: consistent corporate image) (Cornelissen, Elving, 2003).

Additional attention is drawn to the insufficient theoretical elaborations as well as empirical scientific research that concern group identity (some references to the group/collective identity can be found in: Balmer, 2008; Berson. et al., 2004; Howard-Grenville et al., 2013; Podnar et al., 2011). This concerns especially the organization at higher levels of aggregation. The literature mostly focuses on the analyses of holding or parent company identity, whereas there are few studies on the identity of subsidiaries, the identity of alliances and consortia, and more broadly – industrial identity (Balmer, 2001).

Remarkably unsatisfactory are the studies that relate to cluster identity and cluster initiatives. Although the literature on clustering is noticeably rich, symptomatic of the whole problem is that in the developed definitions of "cluster" and "cluster initiative" there are no, with the exception of those introduced by Altenburg and Meyer-Stamer, direct references to the issues of identity. According to the authors, the most essential determinants of the cluster structure comprise "a sociocultural identity made up of common values and the embeddedness of local actors in a local milieu which facilitates trust" (Altenburg, Meyer-Stamer, 1999).

The issue of identity in clusters is discussed by: Zamparini A., Lurati F. (2012), Staber U. (2010), Sammarra A., Biggiero L. (2001), Kasabov E. (2010). Moreover, on the basis of the literature review the authors have identified few references to the regional identity (Mettepenningen et al., 2010; Simon et al., 1995), regional industrial identity (Romanelli, Khessina, 2005), as well as network identity (Öberg et al., 2011; Simões, Mason, 2012; Peteraf, Shanley, 1997).

In reality, the key to explain the mechanisms of creation and development of cluster structures is understanding the fact that these are principally social groups made up of non-individual entities (e.g. in a form of corporations and institutions), which consist of acting human beings who

certain individual identities can be assigned to. Identifying a man with any creature of non-individual character tends to result in building a group identity in him/her, therefore both for individual companies as well as cluster structures (being their aggregate) the category of "group identity" should apply. Regardless of the level of aggregation of an organization, group identity should be perceived as "intersubjectively agreeable, relatively homogeneous concept of organization present in the identifications of individuals that constitute this structure" (Lis, Lis, 2013).

It is worth noting that for groups whose aim is a long duration (this category includes cluster structures), which is particularly important is to develop mechanisms extracting a particular group and its members from the reality ("distinctiveness") and building internal cohesion and a sense of commitment of the participants to one another and the structure as a whole ("sameness") (Lis, Lis, 2013). This issue is also raised by Znaniecki, who claims that "a group exists mainly by the fact that its members consider it as existing in isolation from the rest of the world; each member belongs to it mainly due to the fact that others refer to him/her and he himself/she herself to others as members of the same group, unlike the non-members" (Znaniecki, 1973, pp. 40–41).

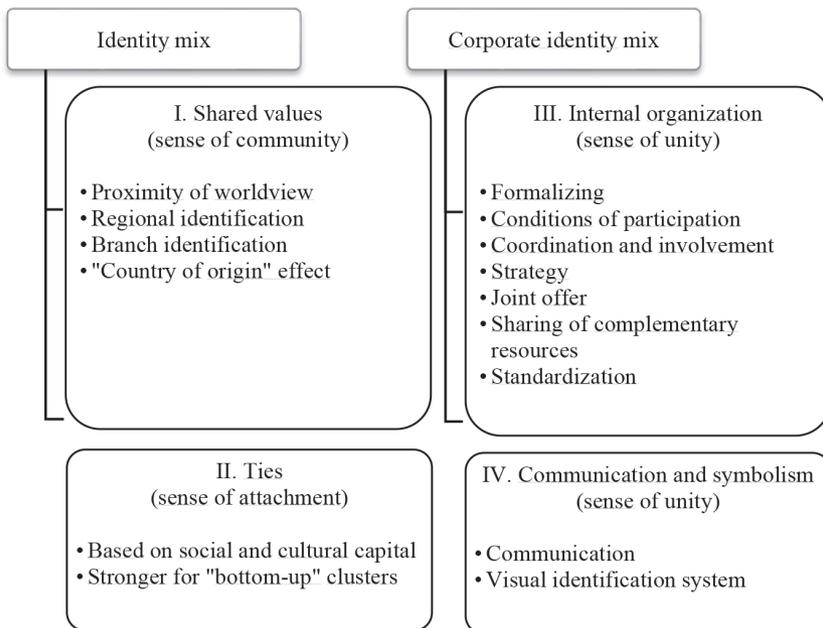
The concept of identity in cluster structures

The process of forming group identity in cluster structures (as in any other organization at a higher level of aggregation) is not only long-drawn and complex but also influenced by many different interrelated and reinforcing variables¹. As far as clusters and cluster initiatives are concerned, the authors suggest two sets of factors affecting group identity of cluster structures: the identity mix, which includes

1. First reflections of the authors on the identity in cluster structures are described in: Lis, Lis, 2013.

a commonly shared values and ties, and corporate identity mix – comprising internal organization, communication and symbolism. The applied division enables to distinguish aspects that are beyond an organization's (a cluster structure) affect (or the effect is little) from those that can be consciously implemented in the organization to form and develop a collective group identity at the level of cluster initiative (such actions are complicated in the case of a cluster, which is discussed in the subsequent part of this article) and to strengthen the identification of its members with one another and with the group as a whole. The following diagram presents various components of identity mix and corporate identity mix.

Figure 1. The concept of identity in cluster structures: Identity mix and Corporate identity mix



Source: own study.

Shared values

Shared values, when referred to a cluster structure, mainly refer to the similarities of members that co-create it – it may be stated that a similarity of values joins members, allowing them to take action of a non-individual character (Lis, Lis 2013). Shared values in a cluster and a cluster initiative include primarily a similar worldview approach of the members, which is noticeable via, for instance, analogous internalized social norms, ethical values or formal and informal shared ideologies, and strongly shaped by an affiliation with a branch and a common location in a particular geographical longitude.

A cluster (by its very definition) is a specific community of entrepreneurs belonging to the same (or related) branch, facing similar opportunities and threats, connected with one another due to similar problems and a common trajectory of development (branch identification), coming from or residing the same territory, and so closely related with the history, traditions, customs, language and cultural norms that are characteristic of a certain place (regional identification). Branch affiliation together with “placement” in a specific environment introduce specific operating conditions for the companies involved in a cluster structure, including branch-specific and location law, administrative practices, know-how, markets, raw material markets and the labor market. Not without significance is also the “effect of origin”, i.e. the national culture that gives rise to companies and which determines, inter alia, behavior, style of work, rules of conduct and social norms. Such an imposed framework (the branch and location ones) provides content to everyday reality of a cluster or a cluster initiative, thus, in fact, the core of a structure’s group identity (Lis, Lis, 2013).

Ties

Among the most important determinants of a cluster structure (apart from geographical and sectoral concentration) that are usually listed, one should mention strong and enduring ties among its members – it can be noticed that within a cluster they appear stronger than with external entities (outside a cluster). Ties within a group take the form of cooptation (Brandenburg-er, Nalebuff, 1996; Walley, 2007; Dagnino et al., 2008; Cygler, 2009), which means that its constituent entities not only cooperate (cooperative ties), but also compete with one another (confrontational ties). Each cluster (and a cluster initiative) features a different potential to create this type of ties; ties of each cluster also vary from one other in terms of intensity and durability. Such an ability to create effective networks of ties within an organization (here in the structure of a cluster) refers to the category of social capital, whose high level indicates that a cluster (and its members) maintains a certain number of ties with other entities (both internal and external), being, in consequence, able to use their knowledge, skills, experience and opportunities to act, which enhances synergy that results from the cooperation.

Another form of capital that is worth considering in the context of ties in a cluster structure is cultural capital, understood as an aspect of knowledge, skills and competencies possessed by an entity of social life, which enables him/her to operate in different areas of a particular social reality. As far as cluster structures are concerned, the resources within cultural capital may include knowledge and experience of the entrepreneurs (and their employees) involved in a cluster structure, the strategy (at the level of an individual company and the cluster one), introduced technologies, common products, cultural norms, trust, solidarity, reciprocity and loyalty². The greater resources of cultural capital a cluster structure is provided with, the

2. Mentioned most frequently in the literature on social capital.

more successful it will pursue its goals through the cooperation of all the engaged members. Location proximity greatly facilitates the increase of cultural capital resources in a cluster – small distances among the individual members of a cluster allow for a rapid flow of knowledge, in particular the “tacit” and “sticky” one, which, unlike massive and codified information, is not only hardly precise but also difficult to transfer, and therefore requires a “handshake” – repeated personal contacts and meetings (Lawson, Lorenz, 1999). Enterprises within a cluster have access to collective knowledge that is unknowingly passed among them by means of the demonstration effect (Rogers, 1995), learning-by-doing and learning-by-using (Malerba, 1992). Thus, from the point of view of stability and efficiency of a cluster structure, it is not only the very resources of each capital that are crucial, but also, above all, a conversion of one form of capital into another one (social capital into cultural one and vice versa).

Social and cultural capital are thus very important determinants in shaping and strengthening ties among a cluster structure members. Such a strong sense of attachment with other group participants may translate into a greater identification with the whole group (a cluster or a cluster initiative), especially if it takes place spontaneously (which is common for bottom-up clusters) and not by means of imposed measures (as it often occurs in top-down clusters). Clusters that are formed bottom-up are usually characterized by associational ties („więź zrzeszeniowa”) (Rybicki, 1979, p. 676) and their entities, united voluntarily, establish relationships with their copartners due to the perceived shared values or a shared interest. Therefore, formalizing cooperation in bottom-up clusters (in the form of a cluster initiative) means constituting the existing relationships by giving them a specific legal framework rather than building these relationships from scratch and inducing artificially cooperation mechanisms, as it is the case in top-down clusters. Externally imposed ties („więź stanowiona”) (Rybicki, 1979, p. 676), typical of top-down clusters, is not a good basis for develop-

ing a collective identity, which explains why bottom-up clusters appear to be formations of a much more solid structure and a stronger group identity that can be implemented to human beings in the form of identification with a given cluster structure.

Internal organization

The two key components of identity – a sense of community and attachment may be (intentionally or unintentionally) reinforced by taking specific actions in an organization. With regard to a cluster structure, conscious influencing the form and content of identity can be only considered when working clusters are concerned (Rosenfeld, 1997), i.e. such clusters that are self-aware and able to develop their full potential as well as achieve synergy effects. These cluster structures usually formalize their cooperation in the form of cluster initiatives.

Focusing on the issue of identity, it is such a self-conscious and constituted cluster, namely a cluster initiative rather than a potential cluster (Rosenfeld, 1997), that is much more likely to build a consistent and permanent group identity. There are the same attributes reinforcing identification as the ones that characterize a group (e.g. strong connections within a branch, location proximity, common cultural and social capital), thus eliminating partly those factors that weaken the process of shaping a collective identity in a cluster (i.e. the fluid geographical and branch boundaries, low barriers to entry and exit, the lack of formal cooperation agreements, the lack of any organizational structure and the lack of capital ties). In contrast to clusters, a cluster initiative introduces clear rules of membership and the entities joining it (appropriately chosen on the basis of certain characteristics of similarity) consciously decide to belong to the group, taking on certain rights and responsibilities, agreeing to perform under a collective name with the other participants, which is likely to evoke a sense of

belonging and community. In view of the above, further issues on internal organization include a reference only to a self-conscious and constituted cluster, namely a cluster initiative.

Cluster structure formalization plays a different role in the identity processes of top-down and bottom-up cluster origins. In top-down clusters formalization appears the only way of emphasizing the fact of a new entity, whereas in bottom-up clusters formalization is applied to already existing relationships and developing group identity, strengthening both these factors, and thus strengthening the solidity of the grounds which a given cluster structure is based on. Having constituted a cluster structure makes it the biggest objectively approved whole (so far it was a single company) and allows for taking specific actions aimed at a further development of a collective identity (based on such objectively confirmed determinants of identity as the name, logo, legal form, statute and strategy).

The first essential step towards achieving corporate identity mix in an initiative is its appropriate “design” and allowing for its impact on the individual components of the identity (such as, for instance, branch and regional identification, similar worldviews and ties) by including all these factors in the mechanisms of selection and a selective choice of the cluster initiative members. In all cluster initiatives, since their origin, it is expected to make some relevant assumptions about their size (the number and geographical scope) and its basic dimensions (such as diversity³, width⁴, depth⁵) coherent with the profile of admitting members, on the basis of which a list of “entry/exit” criteria could be created⁶.

3. An institutional form, e.g. an enterprise, an R&D institution, a bridging institution.

4. A sectoral scope: basic and related branches.

5. The number of levels in a value chain.

6. In the criteria for members selection, apart from factors underlying shared values and ties among the members (similarities), there may be requirements for a competitive position, innovation potential, existing relations with the other participants of the initiative, reputation, declared willingness of intensive involvement in the initiative issues.

The prepared codified conditions of participation in a cluster initiative enable to achieve, and in a subsequent period of time to maintain, an adequate number of its members. Although a cluster initiative should unite all groups interested in the development of a cluster, it emerges that the more numerous and diverse a group, the more complicated it is to build a sense of attachment, all the more a collective identity. An uncontrolled growth of a cluster initiative entails a drop in its efficiency (the larger the groups, the less they are successful; Olson M., 1971, p. 28), limits the involvement of the participants in the activities for the whole, impedes communication and the flow of knowledge and information. Moreover, in a large group one may notice significant discrepancies among the members of an initiative (e.g. in motivation while joining the initiative, potential, branch, size), resulting in a lack of consensus on common values and its goals, which in turn negatively affects the process of identity formation of a group.

Thus the framework imposed on an initiative introduces a possibility of assembling entities with common features, which significantly improves the likelihood of developing a bond among them, and, in the long term, ties with one another and the cluster initiative as a whole. Nevertheless, (associational) ties remain primary to a structure, and not vice versa (a structure evolves on elements already linked by ties). It indicates that durable and strong ties among initiative constituents (the members) are predominant to determine the quality and durability of a group identity in cluster initiatives and the identification with an initiative as an entity of a higher level.

In addition to formalization, the second key stage in the process of forming and maintaining the identity of a cluster initiative is to appoint the leading body in the structure (according to the degree of involvement and identification with the initiative) and formally designate them as coordinator. In practice, it is usually the founder (or the co-founder) of an initiative, who identifies with the group the most owing to their involvement in establishing the group.

Coordination of cooperation in an initiative is indispensable since it allows for directing the members' activities, who still remain separate entities focused on a daily basis on the implementation of their business, to common goals. The coordinator acts as "the pack leader": leads the whole group, sets out a strategy for development (with the other members' approval), initiates joint activities, is an intermediary and a mediator (helps in reaching a common position, eases conflicts, creates an atmosphere of mutual trust). Finally, due to their superior or central position within an initiative, a coordinator has a major influence on a group identity formation:

- as the founder (or the co-founder) of an initiative, they have the opportunity to influence the creation of various components of a group identity, "design" a model for a future identity of the initiative, and, above all, co-create shared values (that are the core of a proper cluster structure);
- as "the pack leader" they become a guardian that watches over a proper direction of the cluster initiative development which has been previously agreed on.

The latter scope, namely leadership, also concerns involving all the participants in actions for the initiative, regardless of their level: a strategic, tactical or operational one. Individual group members should not only take advantage of the profits arising from the participation in the initiative, but also make their own contribution to the development of the initiative through implementing joint projects (division of labor, work groups formation), creating a joint offer or participating in the joint costs (membership fees). Thus the requirement of commitment to initiative issues (by means of one's own time, effort, resources) becomes a natural mechanism of further selection of partners. On the one hand, it will result in excluding from the group of partners all those who are not interested in cooperation and fulfillment of common objectives; on the other hand, it will increase involvement of other participants of the initiative, strengthening their identification with the group.

From the point of view of the dissertation on group identity, there are also four other very important components of “internal organization”, namely strategy, joint offerings, shared resources (sharing technical infrastructure, providing complementary resources) and standardization of activities. A common strategy indicates that all the constituent entities joint into one unit (in the framework of a cluster) face the same direction, identify with the same mission and similar goals. One of such goals may be creating common market offerings, a common brand of products (or services), and going a step further – creating a common brand for the initiative. Co-branding should oblige all the participants to act according to certain patterns of behavior so as not to expose the whole group (and each participant separately) to a risk of losing a positive image among key stakeholders. A good practice in an initiative (also in any other organization at a higher level of aggregation) should therefore implement common standards (particularly in the area of quality) developed for each main group of entities that co-create an initiative (these could be particular branch standards or the ones imposed by the group).

As mentioned earlier, the elements discussed above are the basic attributes of a “common” organization and important components of a group identity. Having introduced the items to the initiative level, on the one hand, makes the constituent entities realize that they collectively form one “organism”, on the other hand, creates a consistent message to external stakeholders about the unity of the organization and corporate identity mix.

Communication and symbolism

The significance of the role of the coordinator in constituted cluster structures and the leading actors in informal structures is particularly evident at the final level featuring the components of a group identity, namely the efficient network of communication among the members of a given structure.

In both formal and informal clusters it is the leading body (the coordinator) that acts as the central link of the communication structure in a cluster, generating as well as receiving the biggest amount of information. Their role is far from mere passive monitoring a situation in the group; by contrast, it means an active influence on the strategy and current activities. Moreover, the coordinator provides a neutral platform for knowledge and information exchange in a group; they may also initiate and promote regular contacts (formal and informal) among the individuals representing constituent entities of initiatives in a form of business meetings, conferences, training and integration trips, which not only improves the formal flow of information in a cluster structure, but also translates into bridging gaps and strengthening ties among the members. In addition, the coordinator is responsible for corporate communication, i.e. the actions taken to establish contacts with entities outside the cluster structure. Internal communication (among the members of a cluster or an initiative) and external (between a cluster or an initiative as a whole and external stakeholders) is the simplest, yet most important action entities can take on at any level of aggregation, also in terms of identity. Improper functioning of communication in a cluster (or a cluster initiative) is likely to interfere with the flow of information within intersubjective identifications of individuals, and thus distort the image of group identity.

Very tangible evidence of belonging to an organization is visual identification system, which consists of symbols⁷ and rules applied in organizations to communicate their identity and gain a clear and consistent market identification. In literature, symbolism has always been recognized as a crucial component of a group identity. It is regarded as the source of corporate identity – originally, the notion of identity in organizational nomenclature was synonymous with the logo and visual identity (Van Riel, Balmer, 1997).

7. The symbols applied by companies by means of the Visual Identification System can be classified into five main categories: organization name, slogan, its symbol (a sign and a logotype), colors and typography.

Visual identification is a component of corporate communication of any organization (regardless of the level of aggregation), which by particular symbolism, thus some external, visual attributes of group identity, tries to issue a proper message to the other participants of the social life on its identity so as to be perceived as well-known and recognizable. By reference to such external manifestations, visual identification emphasizes the specificity and diversity of the existence of a group when compared with other groups of a similar type. Owing to visual identification, an organization is able to build positive relationships with external stakeholders (based on loyalty and trust), creating and consolidating the desired image on the market.

With regard to cluster structures, visual identification concerns the most basic and the same for all participants symbols of organization (such as a unique name, unique logo, an advertising slogan), which is the focus for a sense of identity of group members as well as external stakeholders. The use of visual identification in cluster structures, similarly to other organizations, allows for a clear distinction between entities belonging to a grouping and other market entities, emphasizing, in the same time, the common identity. Bearing in mind the cohesion of group identity formation, it is advised that visual identification adopted by the members of a cluster structure correspond to the branch specificity in which a particular structure operates as well as to the tradition and history of the region in which it develops.

Conclusions

Cluster initiatives are becoming more and more prevalent socio-economic structures in many countries. They constitute a part of (sometimes the whole of) a broader cluster structure (cluster) located in an area and highlighting its "assets" (the synergy effect for companies, the increase of competitiveness for the region), and cutting off from their "defects" (an undefined scope of a cluster, problems with managing such an imprecisely defined aggregate).

However, in addition to purely economic terms for a cluster initiative operation, one should identify a number of factors that affect it. Proper management of these factors – apart from right decisions of the economic nature – will certainly translate into success of a cluster initiative and achieve its goals. One of the key factors is corporate identity mix, which largely determines not only the effectiveness of cooperation among the partners, but – in a much wider context – stability of the whole structure. Some of the components of identity are formed quite independently of any actions undertaken by an organization (regional/branch identification), some others are minimally influenced by the organization (ties). However, there is also a (relatively large) group of elements that can be consciously implied in the group to strengthen its identity. Since it means that an organization can partly affect identity, the coordinator is expected to build consciously the identity of a cluster and reinforce the identification of its individual entities with one another and with the group as a whole.

The issues raised in the article concern topics hitherto neglected both in the scientific literature and cluster practice. The authors, however, take the view that the theoretical and empirical development (based on extensive research, including a variety of cluster initiatives) of the concept of cluster structures identity proposed above will significantly contribute to an increase in scientists' and experts' knowledge of clustering as well as strengthen the actual mechanisms of action and functioning of clusters and cluster initiatives. The issue of identity of cluster initiatives should be perceived as an interesting and open platform for discussion and exchange of experience whereas the conclusions drawn from the article – as only the beginning of a scientific study on the discussed matter.

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ISSN 2080-0150

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