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Complexity in the Adoption of Technology in Tourism Services

Abstract: The paper focuses on the analysis of the organizations in the tourism sector, in particular, the travel agencies in the state of Queretaro, Mexico, through a modern and flexible perspective that comes from the Information and Communications Technologies (ICT) and it reviews how these agencies have expanded as organizations and what have been the effects on their processes. The investigation is based on a qualitative study that allows to realize the lack of awareness of the owners and companies’ managers on the influence of technology in their businesses. They are aware of the two main advantages that they have in order to compete with online businesses: first, the information they provide first hand to their customers and secondly, the safety it gives to their clients by purchasing at an established agency. On the other hand, they are not aware of the low financial investment (such as in the use of social networking) and the high acceptance of technology by consumers. As a result it is of extreme importance to provide training that allows the opportunity for change, which is increasingly necessary due to the overwhelming competition from online agencies.

Key words: Information Technologies, Strategy and Travel Agency
1. Introduction

Information and Communications Technologies (ICT) continue to affect society by changing both consumer habits of interaction as well as their purchasing habits due to the fact that because of the Internet people have access to information of companies around the world and have instant communication allowing them to participate actively in the network. In the tourism sector, consumers interact in a dynamic manner by making comments of happenings, products or services, stating their opinions about service experiences they had or about their stays in a hotel, allowing them to purchase their holiday packages through travel agencies online or directly with the service provider like in the case of airlines.

E-commerce in México has had a gradual immersion due to various factors, such as lack of infrastructure, poor legislation on online sales in order to protect the company and the buyers, slow social change regarding the acceptance of this trade and the lack of confidence in the safety of online payment among other factors.

The category of travels is the one with the highest percentage of online shoppers. According to the Mexican Internet Association (AMIPCI) 30% of the online purchases is related to travel.

There is no doubt that there has been a change in the way to do business. Sales on the Internet are at a lower cost since there are no third parties involved. Social networks are creating new ways to communicate and spread information. This is why travel agencies have had to implement new strategies to strengthen their business and keep themselves competitive within this technological age Li L. and Buhalis (2005), Dolnicar, S. and Laesser, C. (2007). Buhalis, D. (1998) calls this restructuring the existing industry and radically changing the way of competing.

It is self-apparent the perception of the influence of other tourists who leave opinions available in community spaces where they describe their experience of a place or the service received, Ye et.al. (2011) reveals it is
important for managers to reflect and to become aware that tourists explore options online before making purchases and that comments of other tourists are strongly considered in making a purchase decision.

2. Theoretical review

Managing Information and Communications Technologies is indispensable at all levels in our society and sectors including tourism; also in universities, government, SMEs and individuals (Buhalis, & Deimezi, 2004; Suarez, 2010).

Adopting ICT in organizations involves a reorganization of their processes using tools such as information systems, which allow a better use of information in the business. But ICT are much extensive than that, they include software, hardware, email, internal and external networks (social networks), electronic commerce and instant messengers among other communication tools.

Information and Communications Technologies can be set to dissociate and detail each of its components; technology is the science that studies the technical means that are used in the processes within the industry; informatics is the science that studies the processes where data and information are involved; and telecommunication studies the practices that make possible to sending and receiving of information (De Pablos et al, 2004).

To understand the paradigm of Information Technology more precisely, Castells (2008) describes its five characteristics: the first, information is the raw material, i.e. technologies operate on the information, the second refers to the ability for technology infiltration in human society, the third point is the interconnection and increased complexity due to the relationship between systems and elements that comprise it, the fourth feature is the flexibility which refers to the ability of reorganization of society and business, maintaining its essence and recreating their forms of organization; and the fifth is the fusion of technologies that link a firm system, where
one item cannot be conceived without the other. This last point can be seen in business firms, mergers, alliances and collaborative projects sharing information through technology and information systems.

Regarding the situation faced by SMEs (Mongue, 2005, Arasteh, and Ali-ahmadi, Mahmoodi, 2011) state that these have faced a strong pressure to improve competitiveness, the changes generated by the increased use of ICT in business and society, electronic commerce and the removal of geographic barriers, together with the cost reduction and transport services have in addition placed constant tension to these companies. Also Rivera and Rogríquez (2011) indicate that the information age activates competition between countries and determines that the permanence of tourism businesses depends on the strategies of the appropriate use of technology within an electronic competition.

There are tools which are free and allow diffusion in the services provided; for example, social networking, email, instant messaging, etc., to allow immediate, adequate and free information sharing promoting direct communication with clients including those not in the same place. However, on the other hand, it is essential to have administrative powers to identify and capitalize the opportunities that technology offers.

In the case of small and medium enterprises, the study done by La Rovere, R., & Hasenclever, L. (2003) indicates that the use of ICT benefits the organization of a business and its networking, however the authors state as one of the limitations of SMEs, the ability to work in groups with other external parts, i.e. to participate in partnerships, networking, lack of knowledge, as well as the ability to identify opportunities, and the lack of economic resources and time.

In Spain Martinez, Majo and Casadesús (2006) state that some hotels invested in Technology Information (TI), under pressure from the competition of big hotels, the undisputed globalization, facing E-commerce, among other reasons, and also specifying that the lack of financial resources is not a barrier as there are alliance strategies with other tourism organizations.
in order to have a website to sell their services. Furthermore, Croteau and Bergeron A.F., (2001), Minghetti (2003) attributed to the ICT improving the efficiency of organizations’ processes.

When choosing technology MSMEs is adequate, it allows them to concentrate their resources, gives value to their business and increase its competitiveness, both in price and in structure. Seoane (2005), Pavlou P. (2003) note that both Internet distributors and retailers that offer online service can provide strategic practices for handling consumer actions in their favor.

The outlook for SMEs is not very encouraging today, ICT has favored tourism growth thus increasing the volume of supply and demand. Moreover regarding SMEs in Mexico 80% of them survive the first two years and about 70% of new businesses fail in the third year of life, according to the Ministry of Economy\(^1\) and Nacional Financiera\(^2\).

Moreover, the demand for innovation within companies includes performance improvements and anticipates as much as possible the trends; this is why innovate organizations are able to reinvent themselves and create new ways to remain competitive in their markets Borghino (2008), Caro Encalada, Vela Sosa and Leyva Morales (2010), determine that organizations that are not able to take action to remain competitive through a dynamic development, are in danger of leaving the market.

It is evident that ICT has changed the way of doing business in the tourism industry. Moreno-Gil and Aguilar-Quintana (2006), Park and Gretzel (2006) from 90’s increased interaction with real time platforms communication and increased access to computers and the Internet have altered the structure of the tourism industry, an event that strongly impacted the industry was the reduction of commissions due to the downsizing of middlemen in the supply chain.

De la Rosa, Montoya and Pomar (2009) state that, apparently, the travel agencies in 2005 were placed in a chaotic situation, resulting in half of

\(^1\) http://www.gob.mx/se/. Ministry of Economy.
\(^2\) http://www.nafin.com/ Nacional Financiera.
the agencies disappearing because they could not adapt themselves. However, others were able to adapt, modify themselves and survive so much that they continued to operate with the new business actors and the competition that entered the market.

Some data that is important to note regards the situation of the country in terms of access to technology infrastructure (Internet) and acceptance of the use of it in their daily shopping (E-commerce).

In regards to the infrastructure and equipment, the National Institute of Statistics and Geography (INEGI, 2010), some results of the survey indicate that three out of ten households have a computer and only one in five has Internet access, although some Latin American countries show similar percentages, these indicators are well below countries with high development rates reaching percentages of 95% of households with access to Internet. This shows a large backlog of access to infrastructure and equipment.

The evolution INEGI 2001 showed that 2015 was very promising in the country, in 2001 Mexico had 6.2 percent of households with Internet, and by 2015 it reached 39.3% of households. However the world level indicator according to the Internet Word Stats we are below the average of 18.3% of Internet usage in the country, which means that there should be more actions to gradually reduce the backlog.

As to the use of Internet to make purchases online, the Mexican Internet Association (AMIPCI, 2015), in its latest survey of E-commerce shows that from 2012 to 2013 the increase in online sales was of 42%, while from 2013 by 2014 the increase was only of 34%. An important fact is the consumers’ preference to purchase, the average quarterly spending on travel purchases is $9,284 representing 30% incidence of purchase in this category. However it is worth mentioning that the 2013 report shows a decrease of 50% in purchases of air tickets or bus fare; regarding hotel reservations from 2012 with a 37% showed a decrease in 2013 to 33%. In contrast, the categories of clothing, computers, music and movies have a considerable increase in the preference of online shoppers. A determining factor in the
purchase decision of consumers is the price, as Brynjolfsson and Smith show (2000) in their comparative study between purchases via Internet and retail at least in relation to books and CDs, they also show that with more frequency there is a greater range of price in online sales.

Also a high use of tablets and cell phones is shown according to statistics from AMIPCI so one might assume that there is a positive involvement in electronic shopping.

In Mexico, E-commerce is not widely legislated causing a legal gap and a potential risk to consumers due to the increase in this type of trade, things such as tourism portals, hotels and airlines; although this sector is in a phase of positioning, the legal bases being established for online sales are essential for its proper functioning. Currently it is being backed up by the Federal Consumer Protection Law which in Chapter VIII contains general provisions on electronic commerce (PROFECO, 2012) and the commercial code that in 2003 began its regulation of commercial transactions on electronic media. However, according to several studies done, the consumers continue to feel insecure when shopping online.

3. Methods and materials

The methodology used in the study was descriptive, explanatory and transversal under a qualitative methodology, the owner’s perspective was analyzed in retail travel agencies in the city of Queretaro, Mexico due to the imminent immersion of new technologies in business and in the actual society. The aim of the research was to identify the perception of decision makers with respect to the changes brought by ICT in society and their actions implemented around the use of ICT. The research was aimed to answer the research question: how do owners of travel agencies implement strategies related to the use of ICT in their business according to their perception of the changes caused by these? Determining the proposition of the study is
that owners and managers of travel agencies have incorporated ICT in their business processes to improve and to renew their organizations.

The semi-structured interview was used as a tool for collecting primary data, which was applied to owners and managers of travel agencies in Queretaro, Mexico on the premises of their businesses. It was triangulated with direct observation of their procedures for organizing information and adoption of ICT, which contrasted with the primary information and the secondary data acquired from the comprehensive review on the Internet presence of the company (website) and in social networks (Facebook).

Regarding the informants in the city of Queretaro there are 138 registered travel agencies in the Statistical Directory of Economic Units (DENUE), businesses that were chains were removed, and other area, and those repeated in the database, leaving a total of 87 travel agencies; a sample of 9 interviews was taken from those responsible for the travel agencies.

Out of the nine interviews 5 were with company owners, 2 with managers and 2 with administrators of the organization. For the years of operation of these enterprises, four of them had more than 15 years’ operating, three of the AV were between 11 and 15 years and two of them between 5 and 10 years in the business.

An analysis profile informants was conducted and the creation of the company synthesis is shown in the following figure 1.
**Figure 1. Background of informants and companies**

<table>
<thead>
<tr>
<th>Studies</th>
<th>Creation of the business</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no uniform actor’s profile, since they have a different background, and although two of them have a degree in Tourism Businesses, this condition does not determine the success or permanency of the Travel Agency. Creation of this kind of business is not correlated with an academic background, but rather the personal skills and previous experiences allow them to have human relations in that specific sector.</td>
<td>Although businesses have different academic backgrounds, similitude in the business’s acquisition is observed. There are companies with less than 6 employees, and three of them are family businesses. A majority of actors are identified with a job history in the tourism sector, which could represent a security of staying in the market, in addition the decision to open the business was a personal resolution, that implies a link a responsibility to look for survival and well-being of the business.</td>
</tr>
</tbody>
</table>

**Source:** own study.

The data collected in the interviews were analyzed thematically and categorized as shown in Table 1.
### Table 1. Setting categories and indicators

<table>
<thead>
<tr>
<th>Using ICT</th>
<th>Empirical Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adaptation or acquisition of technology</strong></td>
<td><strong>Internal</strong>: Ways of organizing work using Information Systems acquired by the company for administrative, accounting processes, marketing and customer relationship management (CRM). As well as the use of suitable equipment (Hardware) according to their gamma (high or low) to carry out their daily operations. <strong>External</strong>: Using information systems suppliers to provide services to its customers. Systems for reservations and/or purchases of air tickets or buses through platforms.</td>
</tr>
<tr>
<td><strong>Ways of communication, promotion and sale</strong></td>
<td><strong>Internal</strong>: Using email, communication through smartphones, either for sale or information. <strong>External</strong>: Using business websites and social networks for communication or sales. Practice online sales with own infrastructure.</td>
</tr>
<tr>
<td><strong>Perception</strong></td>
<td><strong>Internal</strong>: Number of advantages and benefits of using ICT in their business. <strong>External</strong>: Number of defects or problems in the use of ICT in their business operations.</td>
</tr>
</tbody>
</table>

**Source**: own study.

### 4. Results

The information was extracted in two centerlines, a) first actions taken within travel agencies regarding the use of ICT in business operations for the purpose of obtaining information from the adaptation and acquisition of technology in these business; b) the second line aimed at knowing the perception of decision makers of the TA regarding the impact of ICT in their sector.
Complexity in the Adoption of Technology in Tourism Services

a) Acquisition of ICT Adaptation and acquisition of ICT

Figure 2. Main findings of use and acquisition of ICT

Source: own study.

Regarding the means of communication, promotion and sales, the predominant strategy is the use of email in the three processes. It has been said by most participants that e-mail has been a requirement that customers have introduced in the negotiations, however the owners and managers of travel agencies have used this method for sending promotion information and advertising to customers, in order to keep this for future services and further sales negotiations are also performed in this way, closing sales by sending the ticket or reservation confirmation via email.

With regard to the use of websites, companies remain reluctant to make an investment that can be profitable, since only two of the nine have one, however, when revising it in the network, these sites have a passive presence, i.e. the company website is static, not updated, it is used only to provide information (provided by suppliers), and communication that it allows is only by email.
According to primary and secondary information it is deduced that the use of social networks is void in all cases, to the perception of the actors it is that they are not formal and not useful for your company sources. Facebook is the social network identified, but it is described as a means of low credibility and definitely not considered as a strategy to provide better service.

b) Perception and strategies

As for strategies around the Information Technology and Communications, the owners and managers of travel agencies have found conflicting opinions about the benefits that can be obtained from the use of the Internet and ICT. They feel upset due to the competition of online businesses since they are considered not reliable or trustworthy. This is backed up by actions such as hiding information, charging extra fees, and not disclosing crucial travel information, seating arrangement, real well being of hotel facilities, air flight changes, etc.

However more than 50% of respondents state that the Internet allows customers to search the place they want to travel to, learn about places they can visit and that this facilitates their work as travel agents, which is considered as something positive, however they are aware of the limitations of this electronic means and the value of the information they possess due to their experience and that represents its biggest advantage over the competition online.

But interviewees are also aware of customer trends in the use of technology, they emphasize offering a personalized service instead of making an investment or improving their technology to adapt better to the current social changes. However the entrepreneurs do not show an open mind for new strategies because the changes may involve a risk for the organization, being the main shortcomings the training for employees and the financial resources.

The main strategies implemented by the owners of travel agencies are related to financial issues as it is their predominant concern are; a) to provide services to businesses which request deferred payment, rep-
resenting a great financial issue for their companies; b) to decide where to invest in advertising, because the yellow pages are considered as the first option, but with a high cost, even when their main clients come due to mouth to mouth references; and c) to select their suppliers based on service, costs and commissions.

On the one hand, just one travel agency has invested in an information system for customer service as well as it has made information backups, it also has targeted and programmed training and it has made an alliance as a strategy which allowed it to improve its operations.

In contrast, one of the travel agencies suffered a reduction in the physical space and the number of employees but the owner did not allow to go deeper into the subject.

It is worth to emphasize that at the time of the interview a serious confusion in the technological terms was identified, since in several cases when asked about ecommerce the answers provided were focused on the Internet concept, asking for information system handling customer relationships management (CRM) the response was positive, but it was referred to a database captured in Excel spreadsheets, as well as a lack of confidence with technological questions was noticed.

5. Discussion

Enough evidence was found in the investigation not to reject the proposition. Internet entrance for companies and travel agencies have forced to incorporate ICT into their business’ processes, however the origin of these implementations is not an initiative in itself, as they have been designed and directed by the suppliers of their services, being perceived as a requirement for their operations. Actors have not been able to identify how much technology they currently use, as they minimize changes within their organization.
Undoubtedly the main problem that was found is the lack of knowledge of ICT terms, because there is a confusion in the terminology, therefore making it more complicated to implement in a company since in order to determine which tool to implement its implications and the benefits to be gained must be clear otherwise no optimization of this tool is achieved.

It should be noted that the actual investment in technology issues is minimal in travel agencies; however, it is understandable, since for small businesses there are limited financial resources and/or government support. To create a website for their company is a long-term investment but beyond that, joining to online sales through this medium represents multiple efforts like in the economics, the human resource training, changes in advertising and marketing, discipline and adoption of new forms of organization.

But the most alarming issue is the passive attitude of decision makers to incorporate in their activities those technological tools that will not represent a significant financial investment. The vast majority of the society has gained independence in navigating the Internet, it has adopted social networks and it is increasingly accepting online buys despite mistrusting payment methods. This puts at risk this kind of business as the cultural change of consumers is occurring faster than the change in organizations.

Another factor that represents a risk for travel agencies is the lack of understanding of how to use, to transform and to deliver information to customers. Information is a central component for both the company and nowadays consumers and the intelligent use of this can remain competitive in the market.

The essential point is that rather than economical support to travel agencies, it is necessary to generate technology training programs enabling them to know, to learn and to apply those ICT tools that best suit their operations. This will allow them to combine their daily operations and potential of the advantages that they have offered so far such as customer confidence, security and support through reliable information that provides added value to their services.
Bibliography


Desired Outcomes Through Deliberate Design: How the Communication Perspective Enhances Organizational Development

Abstract: The study includes an analysis and results of a Deliberately Developmental Organization (DDO) effort in an academic department. In this study Kegan and Lahey’s conception of a DDO is coupled with the Circular Questioning technique to deepen the intensity of the employees’ participation. The ultimate goal of a DDO is to enhance the employees’ personal development and thus improve the organization. The authors point to the communication perspective as a way to understand the centrality of dialogue in the
DDO process. It was found that Circular Questioning as a means of intervention allowed the members to generate new thoughts and actions thus building an understanding of their interdependence. It was clear their communication acted as a constitutive force, shaping the lives of the interactants and their future understanding and work in the organization.

**Keywords:** Deliberately Developmental Organization (DDO), Circular Questioning, communication perspective, joint action, organizational development, adaptive skills, systems orientation.

**Introduction**

In the last few decades there is a growing conviction that the success of an organization is linked to the developmental growth and capabilities of its employees. Since companies have realized this correlation of employee growth and organizational success, many have implemented programs to weave the goals of employee development into the daily fabric of the workplace. The Deliberately Developmental Organization (DDO) is one approach aimed at helping employees flourish and ultimately advance organizational outcomes (Kegan & Lahey, 2016). Participation in the DDO process allows employees to probe below the surface of their everyday work tasks, evaluating inner workings and growth strategies to better themselves as well as better their company. A guiding principle of the DDO is each person within an organization can identify at least one aspect they are trying to change about themselves relevant to doing better work. The focus of the DDO is to facilitate and support its members’ personal development and become a place that fuels capabilities and renders the organization more productive. The successful organization will not regard employees as just workers, but embrace the belief and commitment its employees are individuals who need cultivation leading to personal growth and development.

What may be considered a paradigmatic shift, many believe employees working towards personal change and their human potential contribute significantly to the organization’s future, strengthening its purpose.
As communication scholars we became interested in DDOs because dialogue is a central feature of the DDO process. The members are asked to share their aspirations and discover and discuss the competing commitments compromising their efforts. Talk among the participants is critical and the sessions require an open and honest exchange. Since these individual goals are personal, the DDO process relies on building a trustworthy bond and a welcoming and confidential environment among the participants. This type of environment allows employees to feel safe, knowing they can transform their own weaknesses or areas of growth with their co-workers, be supported as they work towards their goals, attain more in terms of their own capacity, and ultimately contribute to the organization’s mission.

In this paper we present the findings of a team within a University where the participants embraced the concepts of DDO and combined these with the method of Circular Questioning to intensify their understanding of personal transformation within the context of their organization. In the following we define the concept of a DDO and briefly discuss its origins and influences. We also define communication perspective and its relation to the process and outcome of this project. It is our belief that a more robust understanding of communication in growing relationships and human capacity can help other practitioners using the DDO process. We will then move to an explanation of the Circular Questioning methodology and how it impacts individual understanding and transformative processes. To our knowledge, we are unaware of other studies combining Circular Questioning within the process of a DDO. We studied this believing that Circular Questioning can enhance the work of a DDO and help its participants transform their thinking in a much richer manner. We will also explain the structure and process for this particular DDO, its stages of development, and provide an analysis of the process. We will discuss the value of the DDO for these participants and conclude with a summary of our findings.

Deliberately Developmental Organizations (DDOs) were first conceived by Kegan and Lahey, most notably influenced by their works *How the Way*
We Talk Can Change the Way We Work: Seven Languages for Transformation (2001), Immunity to Change: How to Overcome It and Unlock the Potential in Yourself and Your Organization (2009) and most recently An Everyone Culture: Becoming a Deliberately Developmental Organization (2016). Kegan and Lahey were pioneers in articulating and making an application of new findings in adult learning – that development does not stop at the end of adolescence and learning is a life-long process. Findings as early as the 1990’s demonstrated that neuroplasticity, or brain development, can occur at any point along the continuum of the lifespan, making change and transformation possible throughout all of adult life. Prior to this, many believed the adult brain reached its capacity as the individual chronologically entered adulthood. However, the new knowledge and understanding of neuroplasticity had significant impact in conceptualizing leadership, transformative efforts, and ultimately organizational development. Simply put, the brain and its capacity can change anytime during a person’s life. The impact of this trend allowed the employee not just to act simply as experienced individual accomplishing routine tasks, or to be regarded as a static entity. New vistas of potential for the individual and the organization became a reality. In time the link was made between organizational growth as a product of individual growth. This was a true recognition of the employee as a vigorous asset of the organization, capable of greater performance if cultivated and supported.

However, it would be misleading to think of neuroplasticity as simply the idea that the brain can do more. Following the work of Siegel (2007, 2011a, 2011b, & 2012), we make the distinction between mind, brain, and the significance of interpersonal relationships in the expansion of brain function over the life span. While this paper is not an exploration of interpersonal neurobiology, we place weight on the significance of the interpersonal interaction among the members of the organization in the DDO process in developing human capacity. The brain is the physical structure we are all familiar with, but mind emerges from the process of brain activity. How-
ever, mind is not just brain activity – it is the product of both relationships and the entire neurophysiological system (Porges, 2011). Consistent with the foundations of interpersonal neurobiology, we see mind as a relational process managing the course of information generated through experience. The mind’s capability to change relies on the regulatory balance of information and maturation of the neurological system that is inseparable from experience. We do not view the person as a closed system; instead people are always engaged in neurophysiological and interpersonal processes, sensing the world around them, interpreting what they find there, and ascribing meaning to the experience. Participation in the DDO process involves a different way of speaking about work, actively working, and personal growth. This process represents a different kind of interpersonal experience, requiring the individuals to look at their own experience and to build support among the members in their group. The members are most likely learning to talk in a different way and forming a different kind of relationship with one another. We view this as significant to the development and transformation of the members. Properly cultivated, the potential for the employee and the organization can be extremely positive as employees increase their capacity to be successful.

Kegan and Lahey were influenced by the work of Ronald Heifetz, Founding Director of Center for Public Leadership at Harvard University’s John F, Kennedy School of Government. Among Heifetz’s contributions was making the distinction between technical leadership and adaptive leadership (Heifetz, 1994). A technical problem is well defined with known solutions, and the employee or leader with adequate expertise and organizational resources can solve the issue. A technical problem or issue might be the purchase of a new building, purchasing a software program, hiring of employees, or construction of a budget. On the other hand, adaptive problems are not well defined and answers are not known in advance due to the complexity of the issue, an ever-changing context, and the uniqueness of the problem. The capacity to address an adaptive problem can
be much more demanding as it requires innovation and learning. An example of an adaptive issue or problem could be a societal problem, such as hunger or poverty. Finding the solution requires thinking in new ways and not relying on standard procedures. Yet another significant obstacle to the resolution of an adaptive problem lies in the fact the issue can be rooted in the attitudes, priorities, or behaviors of stakeholders. Solutions not only require the development of new knowledge, but often rely on a change in outlook (Heifetz, Kania, & Kramer, 2004). An adaptive leader achieves change by creating an environment where dialogue and debate is valued, and where encouraging and fostering new thinking and mobilizing the parties to work towards a solution. Most of all, adaptive leadership requires experimentation and flexibility. Kegan and Lahey recognized leaders and employees needed to know the difference between technical leadership and adaptive leadership, as some of the greatest challenges organizations face require an adaptive perspective. The organization should foster an environment where adaptive thinking and leadership can thrive in order to address much more complex problems.

A common occurrence in both organizations and employees is to hide their weaknesses. Hiding weaknesses limits the possibility for growth in both the organization and its employees. Identifying weaknesses and talking openly about them is important to the DDO process. Weaknesses are confronted along with speaking publicly to team members. The belief is through open dialogue about weaknesses and lending the support members need to overcome them, both the individual and the organization are placed on a path to adaptive learning. However, it is more than just identifying a weakness or an area of growth. A central tenant of the DDO process is overcoming our own personal immunity to change. While many people recognize the need for change or what they need to do better, they are stuck in a pattern of behavior that sustains their ways of acting. Within this pattern of action they are often aware of this stuck-ness, and recognize the limits of their actions through a pervasive feeling of frustration or hoping for a different future.
Kegan and Lahey (2009) developed a process known as Immunity Mapping. A central premise of Kegan and Lahey’s work is most people have a resistance to change which keeps them from achieving their goals. Kegan and Lahey see the resistance as analogous to an immune system. In this context, the “immune system” protects a person from psychological uncertainty or stress brought about because of change. While the “immune system” may be protecting the self, it can unintentionally deter a person from making positive changes. Overcoming the “immune system” requires shifting our ways of knowing, and Kegan and Lahey felt ways of knowing become more complex “when we create a bigger system that incorporates and expands our previous system” (p.51 Keagan and Lahey, 2009).

An individual completes an Immunity Map to identify habits needing improvement (referred to as their “edge”) and they also identify the limitations that may stand in the way of such improvement. Utilizing the process of the Immunity Map approaches change as an adaptive process. The intention of adaptive change requires much more than a change in behavior. The process of adaptive change also requires new insights and a significant shift in perspective. The Immunity Map exercise becomes an important process of self-inquiry and exploration leading to new insights and a shift in perspective. Kegan and Lahey believe adaptive change requires a shift in mindset—or what they refer to as the meaning-making system—shaping thoughts and feelings. A person undergoing adaptive change learns to observe their own thoughts, emotions, and behaviors and regard these as important data to discover what is influencing their actions. As someone is undergoing such a process, they can see more possibilities for action or ways of being at work or in their personal life. A successful candidate of adaptive change is not only more insightful about their assumptions about self and others, but they understand the depth of the assumptions they are making and can distinguish between consequences real or imagined. Perhaps the most striking benefit is they have developed new competencies that can be applied to other challenges in their life (Kegan and Lahey, 2009).
The Immunity Map provides a snapshot of how a person actively prevents the change they want to make. Kegan and Lahey described immunity to change as a three-dimensional circumstance encompassing a change-prevention system, a feeling system addressing anxiety, and a knowing system organizing reality. These dimensions hold us in a pattern of non-productive actions. While the individual may make attempts to change a behavior, they are mired in a change prevention system. Immunity is rooted in unexplored beliefs and assumptions we make about ourselves. An exploration of these beliefs and assumptions is needed to move ahead towards their goals.

The Immunity Map is organized into four columns. Column one begins with a participant identifying their personal goal, or what may be referred to as their “edge” or “frontier”, providing concrete behaviors required to achieve their goals. Column two is used to record the behaviors preventing the participant from achieving their goal. This may include the things a person does or does not do which impedes the individual from achieving their goals. The purpose is not to explain or understand the obstacles; it is a matter of defining the action. The third column asks the participant to identify what their competing commitments are or what concerns them the most about change. Here we ask the participants to identify what is most uncomfortable when they try to do the opposite of behaviors they identified in column two. Column four asks a participant to list big assumptions, which are the way they believe the world works or the truths they hold onto. These are the reasoning for the competing commitments in column three. When done correctly, this column helps the participant to see the behaviors that undermine rather than support the goal in column one.

Immunity is often sustained by our thinking and Kegan and Lahey make the distinction between three categories of mental complexity: the 1) socialized mind, 2) the self-authoring mind, and 3) the self-transforming mind. The socialized mind relies on the values and expectations of people in the person’s reference groups – such as family, social institutions, or leaders at work or school – who set the boundaries of professional and personal
life. There are rules for the things a person can do, must do, cannot do, that making up social expectation. Such a person works to stay aligned with the values of the reference groups and as a result garners the protection of the groups. Fear or anxiety is rooted in the potential of being shunned by the group because of unacceptable thoughts or behavior. This rule-based approach to life does not tolerate much deviation, if any at all, from the social expectations of the reference groups. The person with a self-authoring mind distinguishes the opinion of others from their own opinion and selects the degree they will let others influence their ideas. This line of thinking allows the individual to combine opinions and possibly create new values or beliefs, thus authoring their own ideas of reality and truth. Unlike the socialized mind that fears exclusion from the reference groups, fear for the self-authoring mind lies in the failure to live up to its convictions or losing control of the ability to be self-authoring. Lastly, the self-transforming mind breaks through limiting assumptions to a more complex awareness. A person with a self-transforming ability is capable of recognizing limitations in their own or others’ thinking and is engaged in a never-ending cycle of growth in ways of knowing, adapting even at the cost of disturbing the balance of life. Adaptive change is interconnected with the epistemology of the self-transforming mind. This is a person that is capable of exploring new ways of working and living, but most important willing to address the assumptions that lock them to immunity system interrupting change.

The results of the Immunity Mapping process are shared with other organizational members, and as indicated above this requires a context where members feel trust and security so they can speak openly about what they are working on and the assumptions that obstruct their goals. These assumptions can often be part of a long lasting personal narrative and the members must be assured their confidentiality is protected.
Looking at the DDO from a Communication Perspective

The communication perspective is a different way of viewing the process of human communication. Generally, traditional views of communication assert people use communication to express their inner purposes, attitudes, and feelings. Within a traditional view, communication is thought of as a tool to describe events, objects, and ideas. While this appears to be a straightforward and accessible idea, scholars and practitioners working from the communication perspective believe this oversimplifies the complex act of communication and falls short of understanding what people do together (Pearce, 2007; Pearce, 1989; Cronen & Chetro-Szivos, 2001; Parrish-Sprowl, 2014). The frame of the communication perspective asserts what we are doing together is always making social worlds. It is through the process of communication we advance our sense of self, others, and larger groupings of people such as a family, community, and even our culture. More than this, the communication perspective stresses the importance of understanding the implications and consequences of our actions (Chetro-Szivos, Havimb, & Pearce, 2016). When we understand the implications of our actions and the consequences they produce, we are better equipped to participate in constructing better relationships in all aspects of our life (Pearce, 2007).

We offer these five assumptions about the communication perspective:

1) Communication is the primary social process
2) Social action is mutually influential joint action
3) The critical role of ascribed meaning
4) People actively interpret the world and their social interactions
5) Trust serves as the contextual framework for collaboration

As the primary social process, communication is a form of social action and through our active engagement with others we create and manage our social realities. Our behaviors are guided by social rules, expectations, and conventions. We regard the development of individual identity as a remark-
able achievement. However, life is also the weaving together of our individual experiences within a social context. When we act into the world, we call upon our own individual perspective as well as the social perspective to act with others. It is through the process of communication our lives are joined with others and we become the people that we are.

Social action is mutually influential joint action, as the events and ideas that shape us arise in moments of interaction, as well as our relationship to those in the interaction and the environment we are experiencing. We believe communication is the way social phenomena are created. Caregivers, friends, co-workers, colleagues, neighbors, political parties, and more participate in shaping what we believe to be real or true about our place in the world. And yet, our accounts of what is going on or what things mean are derived from these interactions. When we approach interaction as joint action we shift the focus of study from inter-subjectivity to what goes on between people.

Our actions are based on the meanings we ascribe to an interaction. Human action is critically dependent on the world as it is perceived rather than a world as it is. A simple exchange with a co-worker about what they did during a holiday is governed by the meaning or position this episode has in maintaining a friendly co-worker relationship. We participate in such exchanges because of the meaning of the event and the social rules that govern our behavior. We may have similar exchanges with others, but our intention or obligation to engage in this kind of talk differs.

We see people as actively interpreting their world and their interaction with others. People are continuously engaged in making sense of other people, objects, or events in their experience. We call this social knowledge. While we are incapable of stopping this process, we sometimes act as if things are the same and remain static or fixed. We rely on the process of social knowledge to figure out how to act in a specific context. This is especially true when new situations we are unfamiliar with present themselves. For the participants in the DDO team, they were faced with news
ways of thinking and talking about work, how other team members and the organization could support them, and the ways they could explore and address assumptions holding them in unproductive patterns. This was a different way of acting at work and it required the co-construction of social knowledge among the team members. It took some time for the members to adjust to the process as they developed the necessary social knowledge to go on with each other in productive ways.

In the world of interpersonal relationships, trust is the cornerstone for communication and collaboration. When trust is present in relationships we find people in the relationship are open to deeper levels of involvement. In the work setting, trust can lead to a greater degree of commitment. Trusting can involve risk, but when the other person is trustworthy they will not exploit other’s vulnerabilities. The success of a DDO team is critically dependent upon peoples’ capacity to support, trust, and engage one another. We recognized for team members to collaborate and support one another, they needed to do so in the context of open, direct and honest communication that fostered an atmosphere of trust.

Much of the work done through the DDO process relies on communication and interaction. The communication perspective elevates communication from epiphenomena to a constitutive force shaping the lives of the DDO members. In much of the work to date about DDOs there is inconsequential attention paid to the communication and dialogue among the members of the team. We feel our study places greater emphasis on the dialogue members share, and the critical impact it had on their experience within the DDO group.

Circular Questioning as Methodology

Working from the communication perspective, we called upon the process of Circular Questioning to deepen our understanding of how the members
framed the experience of being in a DDO. More than this, we felt Circular Questioning would help the DDO members explore the meanings of, and their thinking about, their assumptions and relationships to both their work and their life stories. Circular Questioning dates back several decades when it was first developed by the Milan Team led by Boscolo and Chechin as a practical application of Bateson’s ideas of a circular hierarchy to patterns of human behavior (Tomm, 1987). Initially it was used as a therapeutic method, but it was soon expanded into a highly effective means of interviewing for qualitative researchers, most notably those working within the communication perspective (Pearce, 2007). This way of interviewing is designed to help the interviewee think through a particular episode and introduce new connections in thought and action to create new patterns, and hopefully preferred patterns of living with others. The Milan Team was deeply influenced by Bateson’s Steps to an Ecology of Mind (1972). Primarily, Bateson’s ideas offered in this seminal work provided an alternative to the concept of homeostasis, and replaced it with differences between the levels of action and the levels of meaning within a system. This view represents a shift from a linear orientation to a systems orientation. Bateson theorized interaction among members of a system exceeds simple cause and effect relationships, and is regarded as a process of joint action shared by members of the system operating in a recursive manner. Simply put, the participants act into the action of others and in so doing their conversation and their relationship is made. Bateson calls this move a circular cybernetic. When we approach interaction as joint action we remove intra-subjectivity as the focus of study and turn our attention to what goes on between people. Working in this way, we are likely to find what one person is thinking is not as important as the patterns of interaction between people. Coming to understand what a moment of interaction means is not a matter of looking inside one person or the other. Understanding is most evident when we know how to act with others, and go on in ways that are mutually intelligible. The idea of joint action speaks to the blending of the
self with others and how our worlds and our lives are the products of conversations (Chetro-Szivos, 2013).

Circular Questioning recognizes the features of a circular cybernetic that accounts for different ways of working and exploring the communication among members of a system. Consistent with the communication perspective, communication is not a simple vehicle for the exchange of ideas, but an essential feature of living. Communication is a complex interactive process that generates, sustains, or changes meaning among members of a system through their recursive interaction. In an interview using Circular Questioning, conversations serve as the primary point of observation and the episodes are the primary points of analysis. The primacy of the episode is based upon the fact that each episode occurs within a context, and carries social rules and deontological forces that shape how people act into the moment. Beyond this, each person’s autobiography, their understanding of how things should proceed, and what meaning they derive from a moment of interaction are all embedded in the episode (Pearce, 2002). Exploring conversations and the features of episodes may reveal the meaning for the members of a system. When the meaning is revealed, it is possible to work to change that understanding to create better stories of how to live, or in the case of DDO members, how to understand the assumptions that underlie the immunity to change.

A circular process synthesizes behavioral connections into a larger holistic pattern. While people are likely to recall fragments of sequences, the interviewer works to help the interviewee combine the fragments into a fully circular whole. Fragments of action can skew our perspective, inhibiting our ability to fully understand what has occurred in a moment of living. Russell (1910) pointed out that our beliefs about the self are not the same as the actual behavior. Yet it is our beliefs that serve as the basis of what something means to us. When there is a shift in beliefs, we are capable of changing the meaning. Meaning is derived from the context, and a full exploration of these fragments within the context in which they occurred is the focus of a circular interview. This represents an alteration from looking for intention
to looking for effects on those in the episodes. It is the communicative interaction among members of a system that constructs their social reality. This interaction is the catalyst for the patterns that evolve, and there, patterns channel their action along reoccurring patterns. A circular interview is oriented towards enabling people to generate new thought and action. Often a fixed or stable point of reference inhibits our ability to see other choices or directions. The Big Assumptions identified in the Immunity Mapping process are often what obscure other options for change.

Change happens when existing patterns of interaction shift and people find or imagine a path that may lead them to a preferred reality or transformation. These new meanings help to change their perspectives so new discoveries can be made. We propose that a similar process can take place in the conversations that organizational members have about work, their organization, and their transformative goals. It is our belief that the DDO process can be enhanced by recognizing the significance of our engagement with others and discovering the Big Assumptions people make about their lives.

Cronen and Lang (1996) discussed the essential features of what makes Circular Questions circular. They found that Circular Questioning allows the researcher to explore the grammar used by the members of a system to determine the specific connection of meaning and how the grammar of the system is organized. Wittgenstein refers to the concept of grammar as containing rules which govern the use of words, constituting meanings or concepts. Wittgenstein theorized grammar is analogous to rules of a game. While he referred to how people speak as language games, grammar becomes the rules that govern the game (Forster, 2004). In fact, interviewers call on the actual grammar used by the participants to enter into the system of meaning and explore what rules are at work. Exploring the grammar will reveal the rules being used and the meaning of terms, concepts, and ideas expressed. What Circular Questions aim to accomplish is to make deeper connections with the participants within episodes of interaction and to explore the participant’s grammar.
There are a number of general questions that are appropriate in conducting a CMM analysis. These general questions many include questions such as: Which stories are prominent in the action? How are they accomplished? What are the relationships between the participants in the episode? How is this episode punctuated and organized? What grammars of action and grammatical abilities are present? How do the participants join, maintain, or change the action? How do logical forces guide the flow and content of conversation? What are the reflexive needs of the participants and how are they affirmed or not? What language games are present? What patterns emerge in each conversation and across conversations? What are the values and ethics of the stories, sequences, and actions? These general questions help to focus the analysis of the data the members presented, gather the stories for analysis, and reveal the coherence members of a system share. The goal of the circular interview is not to reveal hidden laws of human nature; it is a means to describe and interpret communication and meaning for the participants. Most importantly, Circular Questioning as a methodology extricates the researcher from judgment, and provides the researcher with a way to intelligently join in the activity of others so it may be understood. Through the process of interviewing, the specific words used by participants reveal how they see the organization and their place in the organization. The process of naming things has the powerful effect of bringing them into being. Once brought into being, the participants can move together towards transformation and change.

Circular Questioning differs from other forms of interviewing, in that the interviewer attempts to connect participants to specific episodes— with the intent of introducing new connections in thought and action – to create new patterns of behavior. Often the interview begins with a description of a conversation that happened in specific episodes of interaction. The interview proceeds from the feedback the interviewer received from the participants in response to the information heard about the relationship among those involved in the episode and their patterns of interaction.
We recognize the significance of stories, as stories become a touchstone for what makes us human, and we believe stories are central to living a life. It is important to recognize we do not have one story, as our lives are made up of multiple stories of the many roles we fill and how we think life should go on. There are stories about being a family member, member of a community, professional within an organization, a friend, or a romantic partner. DDO members will share stories about attempts to change behaviors, personal commitments, assumptions, and possibly a history of patterns of thinking. The stories they tell are significant as this is where meaning lives. Reframing is not possible without an understanding of the stories and the grammar of key terms. One of the advantages of using Circular Questioning with DDO participants is in the sharing of stories among the organizational members. The sharing of stories and the exploration of the stories through the depth of the questioning catalyzes the exchange organizational members have together. In the process of using Circular Questioning, participants can find connections to their stories they may not have seen, which clarifies their place and paths for action. In talking with DDO participants, they may find how their story fits together and is enacted in organizational life, and how their stories can be lived within the organization. Because the hierarchy of stories is not dependent on a linear logic, the arrangement of the participants’ story may change in the course of the interview as new understandings are formed. Through the use of Circular Questioning, we are interested in moving understandings of what has happened from linear explanations to circular ones. Interviewing in this way means following a story about an episode – not seeking to enhance a linear explanation of behavior. Instead, the intent is to elicit from the interviewee an articulation of the systemic relationships at work in a particular episode. We feel that when the DDO process is combined with the Circular Questioning process, the story about our transformation can become the higher ordered story that unifies other stories. The better stories organizational members could construct would move from descriptions of all the things
that do not work or those things that are wrong to stories of addressing their edge or frontiers through their work.

Application and Analysis of a DDO

A newly established DDO within an academic department of a private, Liberal Arts University in New England has incorporated Circular Questioning into their organizational practices. This academic department in the process of undergoing some substantial structural transformations – including academic programming and staff changes – and as such, the team believed they had a rare opportunity to adopt a new approach for organizational management moving forward. After informal discussions about best practices for ways to run the re-imagined department, the team settled on trying to follow many of the principles set forth by established DDOs, like Decurion, Next Jump, and Bridgewater (Kegan and Lahey, 2016). Guided by readings from Kegan and Lahey (2016, 2009, and 2001) and their findings from the Immunity Mapping process, the team set out to design a DDO that would provide opportunities for the department to evolve in a positive manner, while simultaneously supporting individual personnel toward improvement of personal goals.

The DDO is comprised of six individuals. The individuals volunteered to participate due to the collaborative and interdependent nature of their individual roles. Participants were tasked with reading a detailed overview of DDOs to gain a better understanding of the principles and outcomes that make DDOs unique. In addition to readings specifically pertaining to DDOs, the team also read about and discussed the practice and benefits of Circular Questioning and the communication perspective. Lastly, participants were instructed to independently complete two sections of an Immunity Map Worksheet, in which they identified a personal improvement goal as well as behaviors that go against the goal, or their areas of immunity to
change. At the second meeting the participants worked together on the final sections of the Immunity Map. These worksheets were discussed and adapted as necessary during weekly DDO group meetings.

The facilitator’s role was to provide insight from research conducted on established DDO’s, keep conversations progressing forward during meetings, and assist members in the construction and evolution of their Immunity Maps. The facilitator also led open group discussions and presented Circular Questions that were written with the intent to cultivate personal reflection among the DDO participants. After several meetings the participants completed a circular interview focused on the “edge”: the goal they were working on.

The progression of the DDO followed a pattern of weekly meetings, originally set up for three meetings. The members identified benefits of the process and discussions, and elected to continue beyond the initial three meetings. It took two meetings to introduce the concepts, complete the Immunity Map, and for the participants to share the edge they were working on. The edges were identified as: being less intense and letting things go; balance between work, marriage, family, and self; accountability; devotion and integrity; balance between friendship and professional goals; and balance across multiple work places. It should be noted that the participants intentionally framed their edges in a positive manner. Balance was a common theme as several of the participants often take on more projects than they are comfortable with. As the meetings progressed these edges or words added more details providing a thicker description of the terms. In line with Wittgenstein’s notion of grammar, participants revealed stories, examples of the feelings and actions associated with the terms. The participant that discussed balance between work, marriage, family, and self, talked about how she “fills in gaps” in the workplace when things need to get done; as a result sometimes neglecting or not completing tasks she is supposed to do within her job description. She linked this to her assumption that she aims to avoid conflict, as conflict has made her uncomfortable.
in the past. So instead of allowing a conflict to grow, she completes the task even if it is not her responsibility to do so.

As part of the DDO process members should not only reveal their edge, but discuss what they need from others in terms of support to overcome the assumptions preventing them from attaining their edge. Discussions included reminding one another when they were doing something that was indicative of their assumption surfacing.

Not all of the discussions taking place in a DDO process are favorable or friendly. At the third meeting while discussing the need for balance, the participants had a discussion about what to do while an unfilled administrative assistant position remained vacant. One member had specific ideas about what should be done that others did not agree with. This discussion became contentious, but it did provide an opportunity to talk about the edge this member identified. The discussion about the administrative assistant resulted in dialogue about what the unit should be and how it should serve students. The members examined such issues as selection of a new staff member, helping the students take greater accountability for their academic planning, and working productively with the administration of the university. The members did not always agree, but this is an aspect of the DDO process to strengthen the organization and help it transition to adaptive leadership. The participants were able to openly address the intensity of the conversation and acknowledge its intensity without it turning into a conflict. Ultimately they moved forward with what was best for the department as a whole. Tension can arise in a DDO session particularly as participants expose their weaknesses and vulnerabilities, yet when addressed openly and in trusting manner, growth is attained. The traditional attitude in organizations is to hide moments such as this, as they appear to be a threat to productivity and identity. However, after this third meeting, participants revealed they felt more connected to one another and the organization, and they better understood the notion they were creating something together and not in isolation.
Over the next several meetings conversations seemed to evolve more naturally, and participants appeared to accept different ideas and opinions with more open-mindedness and less resistance. From meeting four and beyond, the focus of the meetings shifted from independent ideas and roles to what the team was doing together in the organization. New approaches to organizational tasks were revealed over time through acknowledging and naming the different attitudes and beliefs, or edges, of each participant. Each DDO member worked to find new strengths from their edges and identified how to balance each other’s edges to find consensus rather than competing ideas. Over time and through regular meetings, participants were able to make subtle changes to their workday routines, reducing the big assumptions and improving the overall functioning of the department.

As noted before, the DDO participants have decided to make these meetings a routine addition to their work calendar. In the last DDO meeting we observed, the participants shared some of the positive ways their work and interpersonal relationships in the office have changed since starting this process. Balance was a focal point for several of the participants and in time it was revealed that those seeking a greater sense of balance did so as a result of high expectations for the success of the department. They each shared how speaking openly about their expectations and standards for work and personal lives made them recognize how diligently they work to improve the academic program. All along their goals for the program were the same but before the DDO was established this shared view had not been named. Their individual concepts of perfection were replaced by a notion of acceptance for the many tasks they were accomplishing.

The group also stated the process allowed them to see the correlation between personal growth and the success of the unit. In order to be an effective and productive team they had to address their own competing commitments and prioritize what would benefit both the self and the organization. Perhaps the most notable reflection of the participants was the meetings created a “refreshed” and “revitalized” department. The DDO
meetings revealed more clarity for the functioning and growth of the department and served as a catalyst for establishing small attainable goals. Through Circular Questioning, participants were able to identify assumptions detracting from their success. Reframing their edges positively and identifying goals to combat resistant and unproductive habits allowed the participants to grow together and find a shared sense of meaning and purpose in their work. The DDO did not encourage participants to become more like each other and instead highlighted the many benefits of each member’s individuality. In the latest meeting, the participants unanimously agreed each understood others’ roles better and had a better sense of their own purpose and strengths in the department. In a final reflection, participants shared they felt they were creating a stronger department through this work and felt as though these meetings would have lasting and profoundly positive effects on the organization as a whole.

What the communication perspective added was it allowed the members to develop shared grammar of the words they used to identify their edges. Words such as balance, intensity, devotion had meanings that were dependent on the interpretation by the members through unique episodes. The openness of the dialogue and the circular process revealed the meanings and interpretations so a constructive dialogue unfolded among the members of the team.

**Conclusion**

While it is too soon to determine the long-term effects of the DDO process for this unit, we did see an increased awareness of their high expectations and the multiple successes the team members accomplished together. The DDO process created an environment where the members more fully understood the challenges others were experiencing. This deeper understanding of co-workers challenges created a heightened sense of respon-
sibility for working together. Members began to see the issues they faced could not be resolved by improving their technical skills, but by improving their adaptive skills. The majority of issues they faced existed with unknown solutions and required innovation and learning. When they worked together and used the process of dialogue, they were successful.

What is clear in the DDO process is the members functioned as a culture and co-constructed their own rules for participation. This is not unusual for any social group, but it became evident as they engaged in meta-communication about their interaction. As there was a cultural change and shift in ways of talking, it appeared to have led to some challenges and conflicts. Our observation is the challenge itself represented a code for a new way of acting and talking among the members of the group. The conflict may not have been as much about the topic as it was about new ways of acting within the unit. There appeared to be confusion about organizational roles members were required to fill. Through the process these expectations were clarified. Some members moved toward resolution and others acted consistently with their “big assumptions”. This presented a challenge which we imagine many DDOs face.

Our initial exploration in this study was about the use of Circular Questioning in enhancing efficacy of the DDO process. Undoubtedly the circular questions became powerful catalysts allowing the members to explore their own “competing commitments” and “big assumptions” influencing their behaviors and challenging their goals. As the members discussed their “big assumptions” that kept them in patterns of behavior that they didn’t like, they began to shift beliefs, impacting the meaning of their actions. Clearly the circular questions allowed the members to generate new thoughts and actions. The members had either not dedicated time exploring their assumptions or the assumptions existed in a fixed or stable point of reference. This point of reference inhibited their ability to see options for behavior. Circular questions offered the members a new understanding to reframe the meaning of their actions. A story about being
needed became a story about being genuine, while a story of filling the gaps became a story of conflict avoidance. This level of insight could be invaluable to members as they learn to adapt to the world around them and the new challenges they will face.

Kegan and Lahey are accomplished developmental psychologists whose work has brought new levels of understanding and new directions for many. However, they are not working from a communication perspective where communication is seen as a constitutive force, shaping the lives of interactants. Obviously they can see the importance of talk, but may not have the same orientation to communication as co-constructed action, or what has been called joint action. Members of the DDO could appreciate the depth of their interdependence with one another. That is how one person’s assumptions blocked them from engaging or working in the way the organization and/or they needed. Interdependence is a condition of depending upon the other. Communication is essential to enact our interdependence as it creates relationships, and in so doing we are changed or influenced by the relationships we share. Decades ago Shotter (1993) and Cronen (1995) conceptualized communication as joint action. They believed people co-construct or make interaction through their communication. Communication is the way people create and give meanings to social phenomena. People name things, decide how to use them, and the meaning of things, events, and ideas in their lives arise through joint action. This is called joint action because the consequences, or what happens after an interaction, cannot be attributed to an individual alone. Even our understanding of what happens in a moment of interaction is not a matter of looking inside one person or the other. Our ability to understand an interaction relies on seeing what people do together and what emerges from the interaction.

The DDO members engaged in this joint action which amplified the significance of their interdependence. This occurred through the process of identifying their assumptions, revealing their goals, and being held accountable by their colleagues. This in itself is an achievement of
significant magnitude made possible by the DDO process and seeing communication as the primary social process.

What the future holds for the members of this DDO is not known. Members have agreed to work together to move their unit to a new direction as they value the DDO experience. Their ability to enter into constructive dialogue provided a vehicle to achieve personal and professional goals. However, the future success is contingent upon team members’ dedication to cultivating growth as individuals and as a valued member of the organization.
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Negotiation Differences between China and Poland

Abstract: Interaction is a vital part of every business transaction. In creating an international agreement, communication being an important assignment can be very demanding. In business negotiation, interactions do not only evolve within the business and customers but also with the dealers and every stakeholders that is included in the business transaction. More and more transactions are cross-cultural in their nature. Cross-cultural negotiation is prone fail as the individuals involved in these transactions are ignorant on how to pact with individuals of different cultures. This paper seeks to explore differences in cross-cultural negotiation between Polish and Chinese business people.

Key words: Negotiations, Cross-cultural negotiations, China, Poland

Introduction

With the world becoming universal, various firms around the world are getting involved with each other business wise, and with these business evolution intercultural interactions is inevitable (Chmielecki, 2012). Aside
the above outlined factors, culture is known to be the most essential factor accountable for intercultural negotiation. Except an individual has familiarity and knowledge of a certain culture he would experience difficulty learning and understanding (Zhang & Zhou, 2008). In addition, the improvement of technology and communication enables the general public to acquire more knowledge about the cultural values and information of other countries via diverse means.

Cross-cultural negotiations

International commercial transactions are fundamentally complex. The procedure turns out to be more complicated when the groups involved have contradictory prospect that are embedded into diverse cultural values. For example, in a contract transaction, a Polish manager would generally be fascinated with the intent of controlling his exposure, whereas expanding and developing ability would be the focus of his foreign partner; the Polish manager would target straight at his objectives, while his foreign partner might desire caution and total guardedness. Poles may search for practical answers, but his foreign partner may choose to maintain logical steadiness; Poles would want simplicity in the estimated plans awaiting execution, but his foreign partner may prefer the elasticity of indistinctness. The set out goals observed in transactions between different countries, maybe well suited, but their blend needs thoughtful discretion (Chmielecki, 2013).

For a definite and unquestionable dialogue between these individuals, a commonly understood language is necessary. English may well have been the most acceptable language in the global market, but sometimes it is not the language of the individuals or group of people involved in the negotiations. In these conditions, similar word could mean differently for various groups or individual and this could possibly lead to conflict in interpretation. The obstinate language often seen in international agreements has
this problem clearly indicated with inadequate and disappointing efforts to deal with it (Przytuła, Rozkwitalska, Chmielecki, Sułkowski, Basinska, 2015).

Unuttered dialogues are likewise significant in international transactions. They also have strong roots in various cultural backgrounds. What is said to be a safe and harmless reply to a suggestion by a group could seem highly important to another and thereby affecting the transactions badly. Different cultures create different ways of transactions, some cultures lay emphasis on deals made on every transaction, while the objectives of some cultures are laid on long-term basis.

These interactions are not always easily accomplished due to differences in languages of these different countries as lingua diversity stands as a huge problem (Chmielecki, 2010). In this case, an interpreter is duly required if a Polish corporation rightfully wants to do business with a Chinese firm in China.

Aside lingua diversities, timing could also affect business interactions because different countries have different working hours. For example European working hours is at closed period in countries like Thailand. Notwithstanding, this factor may not be regarded as a setback and may not have effect on transaction processes because it can be tackled effortlessly if by technical means a time and date is agreed upon by these business partners from different countries or one could travel to the other’s country so as to start up negotiation process.

Certain culture needs unanimity in decision-making, whereas in some cultures one person could compel a noteworthy decision. Even as some adequate practices in some culture may seem to be immoral and unprincipled in other cultures. All of these alterations and modifications should be totally taken into consideration so as to attain the completion of international negotiations.

The final test of a contract positively transacted arises during its execution. The management of international agreements is based on the individuals involved, having great understanding and respect for their differences,
particularly in classes of management. The necessity for local “know-how” often commands starting up a joint project with counterparts from the country where the agreement is to be done. Combined transactions are always difficult, and the international body of foreigners who have their separate ways of getting things done emphasizes on this fact by accumulating several aspects which are complicating. In addition, the joint projects must obey the rules of its locality, which introduces a different topic of the lawful framework of international commerce.

Interaction is the link to a positive business because with good interaction plans are carried out successfully and stability is achieved.

However an entrepreneur who involves himself in international commerce should have little or more knowledge of the valid laws in his locality, and the help of a local adviser would be recommended to compel obedience. Choosing a local adviser and maintaining link with the local adviser is achieved by contacting the business’s major attorney.

During business transactions the individuals involved interact with one another with the purpose of getting opportunities, solutions and benefits during this process. Ghauri and Fang (2001) outlined five phases of transaction procedure:

1) Pre negotiation period,
2) Negotiation period,
3) Post negotiation period,
4) Strategic factors,
5) Cultural factors.

In the pre-negotiation period, both parties tend to comprehend the needs and offers of one another. And also, both sides should be aware of the procedure which is to be taken in making decisions by his counterpart and make a tactical approach towards it.

At this period, both sides acquire loads of information for one another. This transaction is categorized by the face-to-face transaction between the provider and the consumer.
Post-negation is categorized by the overall agreement by both parties based on the arrangement and language of the contract, and lastly the contract signing (Ghauri, Fang, 2001). If a firm moves to a foreign country, transactions with dealers and other individuals are also included in the business and most times includes face-to-face transactions. Every culture needs a specific strategy.

Active interaction ability would assist managers to attain a concrete communication with others. Business transactions can never be achieved without communication and interaction. To interact, languages, signs and symbols are used which are determined by our various cultures. Active interactions need understanding of cultural impacts. Interaction has vital effect on humans, parties and group performance. Interaction and communication is seen as the distribution of information between two or more parties to attain mutual understanding. In other words, attaining a mutual understanding do not necessarily mean that both parties have to agree with one another, it simply means that both parties must have a fair and precise knowledge of what is said by an individual or group. It looks sensible to ascertain that the major barrier to a positive group ability to perform is nothing but lack of active communication. Through communication transaction is achieved. Interaction and communication is a creation of negotiation. Clarity in communication is the foundation for a positive transaction.

**Values**

Hofstede (1980) established dimensions after which a culture can be classified. The dimensions that are likely to be most powerful for the internal communication are stated and defined below:

1) Individualism/Collectivism: The grade of individual or group coordination, including the ideas of shame, face, and honesty. The collective mode of culture is a shame culture where it is significant to save faces
of individuals of a group not to feel embarrassed when rules have been wrecked. Contrary, the unusual culture values decency and I said to be a culture with fault.

2) Power Distance: The class of preference for equality or inequality between groups. Poor power space regards managers as expert in generating goals and visions for the organizations, later making decisions personally. In other words High power distance, indicates that directors are capable of taking quick decisions and later making the employees obey the business policies.

3) Uncertainty avoidance index

4) The fondness for danger versus structure. Cultures that have great uncertainty measures have loads of formal and informal rules, laws, and regulations. Directors in these cultures are likely to give out clear orders. On the other hand, individuals in cultures that are filled with doubt have much readiness to take on dangers and less quality is attached to devotion to the director.

5) High/Low Context: This Framework affects how participant of a particular culture interacts. In a low context culture, the information appears to be extremely definite and detailed. In a high context culture, on the other hand, most of the messages is seen found in the physical context or assumed in the person communicating. Usually, Asian countries, countries in the Mediterranean and in the Middle East, are indicted to be high-context cultures whereas US, Scandinavia and Germany are indicted to be low-context cultures.

The differences in behavior of negotiators from different countries also include different patterns of communication and information exchange methods. In countries with high context the importance of expression must be sought rather in its context, than the words themselves. The situation is different in cultures of low context, which are strongly associated with the content transmitted during the negotiations. An important aspect of communicating parties to the negotiations is also non-verbal communica-
Negotiation Differences between China and Poland

Expressive culture is characterized by a high intensity of expression. Rich facial expressions and animated gestures partners are expressions of good manners. Reserved culture contrary – pay attention only to the verbal communication, so be sure to minimize gestures and facial expressions in negotiations. One of the most important forms of such communication is eye contact. Looking directly into the eyes of the interlocutor you can be interpreted either as an attempt to seize a dominant position or as an openness and willingness agreement.

Negotiation differences between China and Poland

Letters of intent

In accordance with laid down customs, a foreigner is required to first show his hand, or proposal during a visit to the Chinese (Pye, 1992). Once letters of intent are made available, more negotiations can take place, and are usually very fruitful as a result of following this process. However, the Chinese do not believe these letters have any binding effect. General negotiations kick-off, and gradually, the negotiations come to focus on the specific details. China has a high context culture, and Poles need to understand that they cannot just hurry through or jump the process of negotiation from the general stage to the main details.

The Context of a Deal

A high level of familiarity with the deal’s context has a lot of benefits, and this makes it really important. When a westerner is very knowledgeable about the roles played by local government in local business transactions, it increases their credibility. A westerner would also be doing themselves
a whole world of good, if they have a sound idea of the policies and regulations guiding their industry of operations in China (Neidel, 2010). Your Partner in Negotiations. Do your homework, and know one or two things about your Chinese business partners (Zhang, 2008). You need to be aware of the Chinese government’s ownership or management of all enterprises in the Nation. This is why you should remain updated about the policies, plans as well as priorities of the government (Neidel, 2010). One smart step Polish firms must consider is the direction of socio-economic development by the Chinese communist party. To be sure your Chinese partner is credible and has business integrity; try doing a background check on their previous business dealings with other companies. Be True to Yourself. The Chinese have quite the nose for smelling credibility, and can tell if you are sure of the values and goals of your company, as well as the effect which the deal is going to have on your organization (Neidel, 2010). The Chinese are very comfortable with government influence in all business aspects of their country, and the fact that you are not ignorant of the effect of government regulations in your own country may offer you certain advantages (Zhang, 2008).

Strengths and Weaknesses of Both Parties

Ensure you display the socio-economic value which both parties stand to gain from the deal. Make an analysis on the social/ economic strengths as well as weaknesses of each side. Once this is done, situate the analyzed strengths and weaknesses within the local context of the deal you are working on. It might interest you to know that when businesses have gone through internal and external analysis, they stand a better chance of securing any deal (Neidel, 2010).
Prepare to Blend with The Operational Style of the Chinese

There are basic Chinese-style negotiations which the Polish company has to be prepared to flow with. Members of the negotiation team must be disciplined enough to speak with one voice (Neidel, 2010). They cannot have open disagreements, not even during talks away from the main meeting place that are considered off the record. Only one person must speak on behalf of the negotiation team, and anyone else at all, who has anything to say, has to read directly from a script. Why is this necessary? It shows that all opinions are representing the perspective of the company. Too much talk can be dangerous, and therefore should be avoided (Neidel, 2010). The best approach is to give the Chinese room to ask the questions, instead of feeding them information they may consider useless. For sound insights into unfamiliar non-verbal communications and body language, a native and cultural interpreter should be on ground. It does no harm either, if the company has a personal interpreter, despite the availability of an “official” one.

Negotiations are never over

You may have signed a contract or closed a deal with the Chinese; negotiations however, are anything but concluded (Zhang, 2008). Negotiations are used by the Chinese as the key to long-term relationships, and signing a contract is only the beginning of a lasting and mutual relationship. The Chinese expect that since a contract signifies the start of long term relationship, it has to be revisited once in a while, and this custom, just like their other beliefs, supersedes any written piece of paper (Zhang, 2008).
Venues and Places

The Chinese are more comfortable carrying out their business negotiations within their offices, and usually too, the venue must have been previously decided on by the parties involved. Negotiations have to be started in a proper way. First, the Chinese should be taken to an expensive restaurant, followed by expensive gifts (Zhao, 2000). The next step is, sending free samples as well as proposals as part of the pre-negotiations stage. These steps should be diligently followed to build the much needed trust, which is a main ingredient when dialoging with the Chinese.

Reputation

The Chinese love sincerity in every deal (Lee et al., 2006). In their expectation, communicating with kindness and good intention, heavily laced with complements is important. Chinese culture considers a direct no, as a taboo. They instead say “no” in a very subtle way, that would probably be caught only by an interpreter that is well versed in the culture of the Chinese. Sometimes, the Chinese give concessions only in a bid to avoid an embarrassing situation. It could also be used as a way of saving their reputation (Lee et al., 2006).

Communication

It is important that communications between the two parties involved are clearly understood, and Polish companies need to understand that this is very important. Poor communication often results in distrust, poor results and emotional turmoil in negotiations (Zhao, 2000). Under Chinese contract law, a contract can be in a variety of forms, which include oral and written. This is why personal and nonverbal relations cannot be handled with kid gloves, and they are way more important than any signed con-
tract. Chinese companies are all state-owned, and this sort of drags out negotiations, making quick answers impossible. Reviewing of contracts is carried out by the government, and this could be done several times, after which the business may be allowed to go ahead with the signing of any formal agreements. Polish contract law may be stringent, the Chinese prefer flexibility. Relationships are the key to a successful contract signing, not the documented writings. The Chinese would readily drop a deal if they find a better one they prefer (Friedman, 2007). Of utmost importance is the need for a pre-stated conflict resolution approach. This is achievable through the use of end-of-the-contract clauses, and arbitration may be involved in the process (Zhang, 2008).

Cross-culture and border businesses depend greatly on existing cultural values. There is basically a huge difference between the culture, business, and negotiating practices of the Chinese and that of Poles. Each culture has its own peculiar philosophies, methods, tactics, and styles of operation in all aspects (Buttery, Leung, 1998).

Summary

It is important for firms to commit their time, money and energy to acquire knowledge about good negotiation abilities. Currently more corporations are growing internationally and they cannot avoid cultural dissimilarities (Sułkowski, 2001). Many establishments regardless large or small are making same mistake when trying to negotiate with a foreign market. The mistake is that establishments approach the new unacquainted business the same way that they would their local businesses. The business ecosphere of today is changing continually Firms need to advance their business every day else the contender will take the lead straightaway (Rozkwitalska, Chmielecki, Przytuła, 2014). To uphold a competitive position in an international business world it is vital that establishments know how to interact efficient-
ly to attain what they want (Sułkowski, 2004). The same type of negotiation may not work in other location. International negotiation is very complex and difficult because it involves different laws, regulations, standards, business practices and above all cultural variances. Foreign businesses are expensive to start. A reason for selecting this research topic was to acquire more knowledge about the whole negotiation procedure. Perfect negotiation and communication abilities are important in life to be successful.
Bibliography


Intercultural Challenges in Virtual Teams

Abstract: Virtual teams are usually geographically dispersed and consist of members from different countries and cultures. They influence internal communication processes and can cause personal conflicts, misunderstandings, or lack of trust. Intercultural diversity is also significant for goal setting and team effectiveness. The aim of this article is to check if virtual team members appreciate the cultural diversity or rather suffer from lack of team cohesion and mutual understanding. The article presents research conducted among specialists from the IT sector who have experience in working in virtual teams. They perceive intercultural collaboration in virtual teams as an opportunity to exploit the potential of specialists from all over the world but they also point to some challenges related to cross-cultural virtual teamwork.

Key words: teamwork, virtual team, global virtual team, intercultural diversity, team trust

Introduction

The contemporary market is global, so the cross-cultural trade and labour relations become more and more popular. Virtual cooperation allows for
faster formation of international relations and replaces face-to-face collaboration in many companies and projects. Cultural diversity is said to be one of the basic features of virtual teams, in addition to multilingualism and working in different time zones (Guzman, Ramos, Seco and Esteban, 2010, p. 410). Culturally diverse virtual teams, often called global virtual teams, are teams whose members are dispersed geographically – they stay in different locations, countries or continents, interacting by using different technologies and usually not even seeing one another (Mukherjee and Hanon, 2012, p. 529; Han and Beyerlein, 2014, p. 7).

Cultural diversity is said to be a great source of capital for organizations and teams, as the different cultural backgrounds result in differences in world perception capabilities and networks that make the teams more innovative (Chua, Morris and Mor, 2012, p. 116). Due to different educational systems the team members from different countries deliver diverse knowledge (Michalak, 2012, p. 313). Cross-cultural competences mixed with ICT efficiency are also pointed to as crucial for effective functioning in the global market (Sobieraj, 2012, p. 163). At the same time, cultural diversity can cause many problems like conflicts, isolation, discrimination or stress (Mironski, 2010). According to the similarity attraction theory, team members prefer and feel comfortable to collaborate with similar people, whereas diverse environment makes teams less integrated, less communicated and more prone to relationship conflicts (Wickramasinghe and Nandula, 2015, p. 142). Another serious challenge are language barriers that influence team communication on many levels. The cognition level means the language differences correlate with attributions the team members use to access their peers (they are often stereotypic in nature). On the emotional level language barriers intensify isolation and frustration (Tenzer, Pudelko and Harzing, 2014, p. 511). They are also important for team communication efficiency and influence the team trust. Trust reduces the cultural distance, increases team members’ motivation and stimulates open information sharing that leads to conflict resolutions and good performance (Child, 2001, p. 278).
In this context intercultural virtual teams can be perceived as a great chance to achieve the team and organization goals but there are also important challenges that need to be taken into consideration while constructing such teams. There are many articles concerning global virtual team characteristics but nevertheless they are still poorly explored in research, especially in Polish literature. The aim of this article is to check if virtual team members appreciate the cultural diversity or rather suffer from lack of team cohesion and mutual understanding. It was achieved with the means of research conducted on a group of IT specialists from the IT sector who have experience in working in virtual teams. The qualitative research was used to analyse their perception and feelings about intercultural virtual team collaboration and to identify the main challenges. They are presented in the context of previous research concerning global virtual teams.

Characteristics of culturally diverse virtual teams

A global virtual team is defined as ‘a group of people who work interdependently with a shared purpose across space, time and organization boundaries using technology’ (Magnuson, Schuster and Taras, 2014, p. 288). The differences between a traditional and a virtual team are defined interestingly by Skyrme (Michalak, 2012, p. 311), who mentions cyberspace, cybertime, cyberstructure and cyberknowledge as the attributes of virtual team. Cyberspace means they are free from place, legislation and resource dependence, cybertime is nonlinear and lets the team use all 24 hours of a day, cyberstructure refers to virtual connections between team members and cyberknowledge indicates the ability to possess and transform information with IT and ICT tools used by virtual teams. Eom (2009, p. 13) and Militaru et al. (2014, p. 19) complete this description with the ‘no common past and future’ aspect, as virtual global teams are often constructed to deal with specific tasks or projects.

These attributes intensify the challenges characteristic for traditional intercultural teams. There are at least a few aspects of global virtual collab-
oration that influence team processes and effectiveness: lack of non-verbal communication, physical isolation, cultural differences based on cultural dimensions and necessity to use English as a foreign language (Hung, Nguyen, 2008, p. 2). All of them influence members’ perception, communication and team identification (e.g. task priorities) — the last two aspects are also connected with occurrence of subgroups. Computer mediated communication in global virtual teams is also connected with delayed feedback, misunderstanding and reduction of social integration, but online collaboration can also be more creative and satisfactory (Magnuson, Schuster and Taras, 2014, p. 288). To be successful, global virtual teams need to develop and reach the most mature level of the model of global virtual team evolution (Eom, 2009, p. 13), which is presented in Figure 1.

Figure 1. The model of relationship evolution in a global virtual team

- **strangers**
  - limited physical contact, assessments restricted to basic information about other members (age, gender, culture), task and role definition based on members’ skills

- **acquaintance**
  - testing others by their mail frequency, time of reactions, categorization into high- and low-performers

- **partnership**
  - establishing linkages based on mutual obligation and trust


The ‘Partnership’ phase assumes interdependent collaboration, shared team mental model and trust. Clear task definition, engaging in task imple-
Intercultural Challenges in Virtual Teams

mentation, building respect and trust, as well as management of team boundaries are said to be the crucial factors of global virtual team performance (Morgan, Paucar-Caceres and Wright, 2014, p. 610). They are not easy to reach because of ambiguities and uncertainty related to task demands and peers that occur at the beginning of team existence, when the swift trust is fragile (‘strangers phase’) (Mukherjee and Hanon, 2012, p. 53). It requires the team leader to state team goals and mission clearly in order to build team members’ identification by tasks and roles division, delegating responsibility or supporting and monitoring the effectiveness of individuals (Lepsinger and DeRosa, 2010, pp. 33–42). The necessity to combine control and trust is often mentioned in sources dealing with global virtual team management (Krawczyk-Bryłka, 2016, pp. 1–13). Mukherjee et al. (2012, p. 532) call trust a form of ‘informal control’ that results in team motivation and identification.

Chutnik and Grzesik (2009, p. 86) notice that managing across cultures is a skill of great value in virtual team leader’s case. It should be based on cultural sensitivity, which means readiness to notice, accept, understand and manage the cultural differences among team members and transfer this approach to all team members. Cultural sensitivity is one of the most important skills needed for all the participants of virtual collaboration (Michalak, 2012, p. 312). Guzman et al. (2010, p. 430) conclude that an efficient virtual global team manager needs to provide practices oriented towards communication management to avoid problems related to time zones, culture and language differences by skills integration and providing technology supporting communication and sharing knowledge. The literature also mentions some tools recommended for improving virtual cross-cultural collaboration, like CVS, Isabel, Moodle or Project Coordinator.

The important role of synchronicity and richness of communication media is often stressed, as the technical aspects influence virtual team integration and coordination (Hung, Nguyen, 2008, p. 4; Mukherjee et al., 2012, p. 536; Stefaniuk, 2014, pp. 56–60). The choice of media has decisive influence on the team’s ability to fill the gap of shared context related to
time, place and culture values. The team members’ language proficiency can influence the choice of communication media (Klitmøller, Schneider and Jonsen, 2015, pp. 271–273). Poor linguistic skills can determine the choice of textual communication, which gives the chance to rethink and correct utterances, but can also discourage team members from communicating online. On the other hand, it reduces emotional context and smoothens interpersonal contact.

The next aspect of intercultural virtual collaboration refers to differences of cultural dimensions. They are usually discussed on the basis of Hofstede’s dimensions (Cagiltay, Bichelmeyer and Akilli, 2015, p. 3). Team members representing individualistic cultures have weak ties, prefer to deal with tasks on their own and feel responsible for the effect. People from collectivistic cultures build strong relationships with peers and prefer to act and take responsibility collectively (Militru, Niculescu and Alexe, 2014, p. 18), while rapidly forming bonds based on loyalty and trust. There is positive correlation between collectivist orientation and such aspects as trust evaluation, perception of interdependence or openness to share information in order to complete the task (Mockaitis, Rose and Zettinig, 2012, pp. 202–208). The individualistic approach is related to task orientation, tendency to challenge majority positions (Han, Beyerlein, 2014, p. 11) and appreciation of personal achievement, innovation and autonomy, so the team leader needs to motivate the team members to collaborate with intrinsic motivators like personal development or future career, while presenting virtual collaboration as the chance to learn from others (Eom, 2009, p. 19). The leader working with collectivist members needs to stress their significance for the effect of team work, promote knowledge sharing, as well as reward open communication and integration. Different approaches and working styles are also challenges for team members. Mukherjee et al. (2012, p. 537) suggests that the best candidate for a global virtual team member is a person combining collectivism and low uncertainty avoidance. It provides high interpersonal trust and organizational identification, as well as
leads to strong positive effect of rich and effective media on organizational identification. The team members from low-context cultures are also said to be better prepared to collaborate in virtual environment – they usually feel more satisfied and are more efficient than members from high-context cultures (Han, Beyerlein, 2014, p. 11).

In conclusion, global virtual teams’ collaboration is influenced by many challenges (mentioned in Figure 2) related to teamwork organization and relationships between members. They can be managed and lead to innovative, satisfactory results that justify cross-cultural virtual team creation.

**Figure 2.** Global virtual team challenges (sorted alphabetically)

![Diagram of global virtual team challenges](source: own work.)

It is not obvious if these challenges should be seen as threats for global virtual teams. Magnuson, Schuster and Taras (2014, pp. 288–301) explain the mental distance paradox that exists in global virtual teams’ case. They stress that real diversity is not equal to perceived differences between team
members. If the differences are not consciously noticed by team members, their influence on behaviours and efficiency can be minimal but they can also cause underestimation of the difficulties of working in cross-cultural teams. It is much better when team members evaluate the psychical distance as high because it usually triggers greater commitment to overcoming obstacles, motivates members to actively reduce uncertainty and allows for achieving superior performance. Thus the basic question seems to be if members of global virtual teams perceive the cultural differences and assess them as challenges for cross-cultural relations. The research results presented in the next part of the article refer to these questions.

Virtual intercultural collaboration challenges – research results

The participants of the research were 50 IT specialists, all having professional experience in virtual collaboration. Most of them are students of Master of Science studies at the Faculty of Electronics, Telecommunication and Informatics of Gdańsk University of Technology. Because the main aim of the research was to identify participants’ perception of virtual team collaboration, the qualitative method was used. The results presented below are just a part of answers collected in an on-line interview performed in 2016, based on questions referring to intercultural relations.

The first part of the interview was related to the advantages of virtual cooperation. Half of the answers were related to the global nature of virtual collaboration. 15 specialists pointed to the possibility to cooperate with professionals from different countries as the most important benefit. They appreciate that virtual teams allow for contacting the best experts all over the world or using the international potential of team members when the availability in the local market is limited: ‘It is much easier to find a person with needed competencies and knowledge when you can
search much wider than in the local, national market’, ‘We work together – Poles, Turks and Germans – and it influences our collaboration very positively: since each person or team has their own idea how to resolve the problem, we can discuss it and choose the best option’. Some of the participants connected the unlimited geographical access to IT experts with some other advantages like language or intercultural competencies training: ‘The advantage is the possibility of cross-cultural cooperation because it allows for using international networking, practising your English and getting to know the specifics of different cultures’. Some of interview participants stressed just the possibility to polish their English or to make the team better prepared for global market expectations: ‘Working in a virtual team makes the contact with clients from different parts of globe easier. The final users of IT applications don’t understand all the technical aspects clearly. Using a international virtual team to develop these applications provides a chance to understand their needs better and break the language and cultural barriers’, ‘The exchange of experiences and information about clients between team members from different countries lets us develop and offer more and more user-friendly applications not only in Europe but also in USA and Asia’.

Another sort of answers refers to different time zones. The IT specialists mentioned the possibility to work on projects permanently, without night breaks: ‘Thanks to time differences we can delegate the task performance from one localisation to another and the process is not broken’, ‘Team members working in different time zones let the project last for 24 hours a day’. Language barriers and time zones are also the most often pointed issues as the disadvantages of global virtual teams. Twenty respondents complained about the necessity to coordinate teamwork time: ‘It is difficult to fix the optimum hour to meet together (Poland, Israel, USA)’, ‘Everyday schedule is determined by time zone differences’, ‘Their weekend starts on our Friday and working day is shifted by several hours. Additionally, all of us have flexible working time so we often can’t receive fast answer
or help. Sometimes we have the response after a few days”. There were some sarcastic comments about working time flexibility: ‘The need to co-ordinate our work with team members from other countries forces flexible working hours’, ‘When the team is international, somebody needs to make a sacrifice for the others and be ready for meeting even outside the regular working hours’. Apart from these complaints some optimistic elements appear in respondents’ answers: ‘The additional challenge are the time barriers – we work with American partners now (9 hours time gap) and we sometimes need to adapt and have meetings very early in the morning or stay after our working hours. Despite this, our cooperation is pleasant’, ‘We had problems with time zone differences but we managed to deal with them thanks to special communicator called Slack, which delivers message in accordance with your time zone’.

Technical problems, connected with computer mediated communication, are sometimes discussed by research participants, but they usually refer to virtual collaboration regardless whether it is cross-cultural or not: ‘Slow-speed Internet can be a problem, especially when we want to use voice communication or teleconferences’, ‘We have problems with Internet communicators — I think it is typical. We have tried different ones and we have finally decided for the one that never fails. But still there are some misunderstandings – it is much easier to explain or draw something when you communicate face to face’. However, most opinions relate to the fact that the companies or teams the respondents collaborate within online use ITC solutions that help to overcome such difficulties: ‘We have a lot of ICT tools we can use to coordinate and communicate, which helps us to achieve the desired effects. We complement online communication with videoconferences and meetings, which is enough for us’. Some IT specialists mention also issues like national holidays or other non-working days as the difficulties connected with time.

A much more serious challenge in global virtual collaboration seems to be the language barrier that influences team efficiency: ‘The language
barrier is often a problem in smooth project flow. Because of language and culture differences many good ideas are ignored or neglected, ‘Sometimes the technical problems make the conversation difficult: if somebody is calling me when I drive a car or the sound quality during teleconference is poor, it is really difficult to understand them speaking in foreign language’, ‘Co-operation in a cross-cultural virtual team requires very good knowledge of English, but this is not always sufficient because foreign customers who know English sometimes have an accent that is difficult to understand and it is easier to communicate in writing than orally’. There are some complains about other nationalities, especially Indians, whose language competencies seem to be insufficient: ‘Yes, we usually work in international teams (India and USA). We used to communicate by e-mails. The most frequent problem is understanding what our Indian peers want to say because their English is usually poor – especially written. In speech it is Hinglish but it is possible to understand. Speaking about Americans, we do not have communication problems but sometimes they use abbreviations of their everyday language’.

The interview participants rarely mentioned problems related to cultural differences based on culture dimensions. Most of them even when asked about them directly answered they have not noticed any: ‘I have been working in an intercultural virtual team for just a few months and I haven’t noticed any cultural differences that influence our work’, ‘Yes, I am working in a cross-cultural team – Germans, Brazilians, Poles – but there are no language and cultural problems in collaboration. The same refers to technical aspects. The only problem is time coordination, as we work in different time zones’. Only a few respondents provided examples like: ‘Our company is French and French people are convinced of their superiority, but they usually do much less than others. The problems are cultural differences and different work styles’, ‘Our team is international and people from some cultures can’t say ’no’. They promise everything will be ready for yesterday and there is no effect finally’.
Problems of team trust and team identification have not appeared in participants’ statements, but answers referring to some nationalities (e.g. Indians) or a few answers stressing difficulties with communicating across borders can indicate the risk of forming subgroups or stereotyping. Challenges related to global virtual team management were rare and connected to time management and coordination: ‘The need to coordinate and synchronize teamwork appears, to organize meetings that are available for people working in different time zones, which forces us to have them outside the working hours. It is a barrier in knowledge accessibility because it is distributed and held in local sub-teams – it is much easier to share it in traditional teams and it influences team effectiveness’.

Conclusions

IT specialists experienced in on-line collaboration seem to be rather optimistic about global virtual teamwork but they are also conscious of challenges influencing their teams’ effectiveness. 25 respondents perceived working in a cross-cultural virtual team as the source of additional value, but more, 38 respondents, pointed to it as the reason of numerous problems and challenges. The main ones are shown in Figure 3. In comparison to Figure 2, where the model concepts of global virtual teams challenges are mentioned, we can see the participants’ opinions as limited to five categories: time zone differences and language barriers are the main ones. While speaking about time differences, the participants pay particular attention to the strong need of time coordination, which is strictly connected with global team coordination (management). When describing language barriers, the IT specialists complain about other team members’ language skills and call them too poor (Indians’ case) or not fitted to intercultural environment (American style).
Technical problems and cultural differences are additional issues and their importance seems to be inessential for the tested participants. Team trust and team identification have not appeared in respondents’ answers, although they are very important for virtual collaboration. It entails the risk of distracting the team members from such problems and can provoke (according to the psychic distance paradox) passive attitudes towards these challenges. Another reason can be related to the fact that the tested global virtual team members may be collaborating in mature teams in ‘partnership’ phase, when interdependent collaboration, shared team mental model and trust are typical, or they can be managed effectively. This aspect was not taken into account in the research but nevertheless it can be an important factor influencing the perception of challenges. Another limitation of the tested group was the lack of representativeness and being limited to Polish participants, so it is difficult to assess if the global virtual team challenges concerning intercultural specification are the same for all team members. Anyway, the presented results can be an introduction to quantitative research considering global virtual collaboration.

An interesting result is the fact that the most important global virtual team collaboration challenges are perceived also as the most significant
advantages. In the IT specialists’ perception it is a great opportunity to train language and intercultural competencies, as well as a benefit related to the possibility of permanent collaboration on the projects due to time zone differences. The participants also appreciate the opportunity to contact the best world experts and fit the international clients’ needs much better while using global virtual team potential. It shows that global virtual collaboration, even if challenging, can be attractive for IT specialists – which seems to be crucial in the current IT labour market, where employers are competing for the best of them.
Bibliography


Developing Cross-cultural Competences through International Employees Flow – Experience of Subsidiaries Providing Business Services

Abstract: This paper is aimed to explore how international mobility (IM) practices are used to support the development of cross-cultural competences in two Polish-based subsidiaries providing business services within MNCs. It is based on case study analyses, which allowed to include different points of view, i.e. head of HR, Polish ex-assignees, and co-workers of foreign assignees. Research reveals differences in terms of cross-cultural competence content and the manner in which it is enhanced by IM practices.

Key words: cross-border cultural competence, international mobility, business services

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Introduction

As international activities of MNCs involve dealing with global integrity-local responsiveness tensions in multiple foreign markets (Evans et al., 2011) and also addressing their internal diversity-related challenges (Doz, Prahalad, 1991), cross-cultural competences have been acknowledged as a critical factor for developing relationships in such circumstances (Dickmann, Yechuda, 2011, p. 102; Rozkwitalska, 2011, p. 93). They also play a crucial role in business services provided by subsidiaries for their foreign customers, which relies on interpersonal contacts and effective communication. We claim that in-company development of such skills can benefit from international mobility, i.e. sending own employees abroad and hosting delegates from other entities of an MNC.

Therefore, this paper is aimed to explore how international mobility (IM) practices are used to develop cross-cultural competences with a particular emphasis on two Polish-based subsidiaries providing business services. Their choice is implied, on the one hand, by the dynamic growth of the business service sector in Poland (Górecki et al., 2016), on the other, by the pivotal role of cross-cultural competences for cooperation with various entities of the MNCs that these subsidiaries belong to. The paper is based on case study analyses which allowed to include three points of view (i.e. of head of HR, ex-assignees, and co-workers of foreign assignees).

Literature review and research propositions

Intercultural encounters, once the rare exception in organizational settings, have become commonplace among professional populations, such as researchers and engineers, and also among those working in customer service, or other functions (Lokkesmoe et al., 2016, p. 156). Thus, the development of cross-cultural competences is being seen as a central con-
cern for various organizations, including business services often based on direct relationships established among units located all over the world (Imai, Gelfand, 2010). According to L.J. Rassmussen and W.R. Sieck (2015) cross-cultural competence reflects the ability to understand people from different cultures and engage with them effectively. Considered as a process, it involves learning based on: (1) awareness – respectful and sensitive attitude towards values, beliefs, practices and behaviours of people from other cultures, (2) skill – the ability to behave in culturally appropriate manner, and to conduct accurate assessment, (3) knowledge – an understanding of culture-bond behaviours, views and needs, (4) encounters – personal experience in face-to-face cross-cultural interactions, (5) desire – the willingness to actively develop own competences within this domain (Chang, 2007, pp. 226–227). Other conceptualizations usually delineate several sets of cultural knowledge, skills, and personality traits (for review see: Johnson et al., 2006; Van Dyne et al., 2012). Cultural intelligence (CQ), perceived as a closely related construct (Lokkesmoe et al., 2016). It consists of mental, behavioural, and motivational components, which allow an individual “to detect, assimilate, reason, and act on cultural cues appropriately in situations characterized by cultural diversity” (Van Dyne et al., 2012, p. 297). Yet, Johnson J.P. and colleagues (2006, p. 535) incorporate CQ into a multidimensional model of cross-cultural competence, arguing that the former is ‘the ability to learn’, whereas the latter reflects ‘the ability to perform’. What needs to be emphasized is that such competences are only partially inherited, and partially acquired through learning, of which the most valuable part comes from an individual’s experience (Rassmussen, Sieck, 2015; Lokkesmoe, 2016).

As for MNCs, cross-cultural competence can be found among human resource development (HRD) priorities, though diverse models of corporations reflecting strategic management mentalities imply different approaches to cross-border relationships, and thus to the usage of HR practices aimed to support them (Dickmann, Yechuda, 2011; Evans et al., 2011).
Much of attention in the extant IHRM literature is focused on formal trainings addressed typically to long-term expatriates (mostly, \textit{in spe}). In particular, cross-cultural trainings have long been advocated as a tool facilitating interactions with foreigners, yet in practice a gap between such formal support and real needs of individuals undertaking international assignments (IAs) is often reported (Enhert; Brewster, 2008, p. 112). Accordingly, some authors strongly recommend the provision of in-country, real-time learning opportunities and the usage of diverse alternatives to formal programs in order to enhance aforementioned competences (Osland et al., 2006; Enhert, Brewster, 2008). The alternatives available in MNCs include several types of IAs regarded here not only as organizational practices ensuring international mobility, but also as opportunities to take part in cultural encounters, and thereby to develop own competences (Starr, 2009).

The idea to enhance experience-based knowledge of an individual has been acknowledged as one of key motives to send employees abroad for almost a half of a century (Edström, Galbraith, 1977). However, throughout decades the range of practices fostering IM has been widened. Not only are the IAs different in terms of their duration (from several days to several years) and direction of employee flow (between headquarters and subsidiaries, and amongst subsidiaries), but also the assignees represent a diverse population with respect to their job or country of origin (Purgał-Popiela, 2012). These changes deserve more attention resulting in up-dated concepts reflecting emerging patterns of IM. Taking the abovementioned complexity of cross-cultural competences and diversity of IA types together, we propose:

**Proposition 1.** Different components of cross-cultural competence are developed in diverse contexts shaped by IM practices determined by corporate strategic mentalities.

On one hand, such diversity of IM practices implies a variety of opportunities to gain intercultural experiences by assignees and those who host them. On the other hand, the actual usage of these opportunities to devel-
Developing Cross-cultural Competences through International Employees Flow – Experience of Subsidiaries Providing Business Services

Prop cross-cultural competence and the effectiveness of such endeavours still remain under-studied. Nonetheless, not all cultural encounters during a stay abroad entail competence enhancement, since stress experienced by assignees sometimes triggers rather emotional strategies than problem solving activities aimed to overcome difficulties in the unfamiliar socio-cultural environment. Moreover, as recent research in Polish-based subsidiaries demonstrates that development of host employees’ competences can be also jeopardized by inappropriate strategies undertaken by expatriates, and/or their ethnocentric attitude (Rozkwitalska, 2011; Zając, 2012, Purgał-Popiela, 2015). Additional challenges emerge from non-standard IAs that entail a shorter preparation for departure, less time to build relationships and get familiar with the new environment, and a greater preoccupation with the home unit matters during the stay (Starr, 2009; Shaffer et al., 2012).

Hence, we propose:

**Proposition 2.** Perceived effects of cross-cultural competence development are differentiated by the type of IM-related experience.

International assignees are often sent and hosted by subsidiaries providing business services to numerous foreign customers belonging to corporate network. Several reports reveals that in Poland these entities are more and more numerous, they eagerly employ foreigners and offer the ever-growing range of services for customers all over the world (Górecki et al., 2016). This, in turn, gives rise to considering cross-cultural competences when promoting and developing people. Moreover, the role of such an activity (as a prevention measure) has become even greater, due to the whole sector exposure to high employee turnover fuelled by a strong competition amongst employers. However, as P. Sparrow and colleagues claim (2013, p. 1781) “even within a particular business sector considerable insight to the business model is needed before patterns of international mobility are interpreted”, whereas its dynamics is “of-

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2. Researchers’ attention has been paid mostly on related topics, i.e. assignees’ cross-cultural adjustment in host location and its impact on their performance/success.
ten the real driver of the IM requirement in terms of the sorts of capabilities needed”. Accordingly, in subsidiaries operating in the same country and sector, but owned by various MNCs, different patterns of cross-border employee transfers, and HRD activities can emerge due to different corporate business concepts. Therefore, we propose:

**Proposition 3.** Specificity of the subsidiary development resulting from a corporate business concept determines the importance of cross-cultural competence and opportunities to enhance it through IM practices.

Accordingly, this paper presents the issue of cross-cultural competences in the context defined by HRD and IM practices in Polish-based subsidiaries acting as corporate centres providing business services, though demonstrating different patterns of activities. This allows a discussion of how these competences are perceived within a specific business model and, in turn, how this affects the usage of IAs as an HRD tool from three complementary points of views expressed by HR director, Polish assignees, and co-workers of foreign assignees.

**Materials & Methods**

To explore the above propositions a deductive approach is applied. Hence, these statements derived from literature review undergo a first reality check by case studies in order to find whether and how far they can be held and what other factors should be considered in further research. To prevent an excessive number of potential determinants, our analysis is focused on two Polish-based subsidiaries labelled as: SE-BS and NL-BS which belong to two very large MNCs from culturally-close countries. Both are characterized by a stable economic situation, similarity of rendered services 3. In Hofstede’s 6-D Model, Netherlands and Sweden, from which these MNCs originate are: non-hierarchical, individualistic, highly feminine, weakly avoiding uncertainty, pragmatic, and indulgent, https://geert-hofstede.com/ [23 Aug 2016].
es, and good employer branding. They differ because of their status in the MNC and relationships with other corporate units which are reflected in their employment and HR policies.

The research, conducted between March and May 2016, draws on data collected through three tools (scenarios based on semi-structured interview guidelines dedicated to the head of HR and structured questionnaires addressed to two groups of Polish employees: former assignees and people interacting with foreign assignees during their stay in Poland). In total, analyses covered 2 transcriptions of in-depth interviews, 29 questionnaires, internal and web-based documents. The scope of interviews covered themes such as: status of these entities in MNCs, their contribution to corporate network, strategic concerns of managing people, IM, and HRM support for cross-border interactions. Both questionnaires were focused on circumstances of interaction with foreign location/assignee and perceived impact of such interactions on participants learning results. Due to the nature of study, a predominant method was qualitative analysis, supported by coding (in case of interviews and open questions from questionnaires), content mapping, and aggregating (in case of questionnaires) to organizational level.

Results

Due to spatial constraints, it is impossible to include interviewees’ answers, thus the results of case studies are presented in the form of:

- separated summaries based on in-depth interviews and available documents
- a table comparing four groups of employees who filled in the questionnaires.

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4. For both groups such experience had to meet time requirements, i.e. to last at least several days, and occur no sooner than two years ago. With help of HR departments these employees were identified and involved in research.
SE-BS was established in mid 90s in order to support other corporate entities selling various products (e.g. vehicles, spare parts, and machines used in transport and construction industry) of which a large proportion in manufactured in Poland. Its activity was primarily focused on financial instruments addressed to business customers from Poland as a part of complex offer combining the purchase of equipment with financial services. In time, SE-BS has become a regional centre that develops and coordinates operations in dealer and customer financing, insurance, and related services, whose scope encompasses ten CEE countries. It employs 70 people, of which a great majority are Poles with at least 5 years tenure. Unlike the whole sector, the company has not been affected by the high employee turnover. Neither employment structure, nor its size have changed recently, since “we have very strong focus on effectiveness of our structure ... what I am trying to say, is that our headcount is now very optimal” as the HR director explained. In fact, “optimal” serves as summary of SE-BS strategic concerns, including key aspects of value created for customers. Its relatively small size and stability allow to retain direct, close relationships that facilitate on-the-job training, informal knowledge sharing, team work, and open communication. However, being a part of a world-wide MNC which performs a mixture of regional-global strategies, entails SE-BS involvement in a regional cooperation within the CEE, and sharing global values, which is strengthened by extensive usage of common, corporate knowledge resources and by implementing corporate HR standards (covering required competences, employee development, and IM). Accordingly, when seeking for new employees, the company emphasizes opportunities to develop industry expertise, gain international exposure, and interact with the core business of the group. Corporate and SE-BS managers regard IM as a necessity for keeping integrity, and at the same time – a method of experience-based development. The most important developmental IM practice are short-time IAs (up to 6 months) in both directions, i.e. inflow and outflow, but importantly – beyond the CEE. This kind of experience is incorporated
into personal business plans that are drawn for each individual (as agreements between employees and their managers). An interviewee highly appreciated the usefulness of IAs in her company, since cross-cultural encounters resulted in better cultural awareness and openness of assignees, and thus easier cooperation within the MNC, including the CEE:

We are working in such an international environment that the openness to other cultures is very important to us. I remember for instance ... the Baltic countries are such countries, where ... it’s hard to work with. Some of them are very hermetic, have their own ... so this cultural openness helps a lot, and these short assignments work that people begin to think differently, they see that not only my values are important and ... that others think and see everything differently.

Other typical opportunities of such encounters cover: an annual “kick-off” meeting organized by SE-BS for CEE-located staff and occasional business travels (IBT) for training or specific problem-solving abroad (for a few days). The former are focused on clear communicating vision, strategies and integrity of operations in the CEE, thus cross-cultural competences remain “in the shadow”, the latter are much more diverse (from “core expertise” to soft skills). For last few years IM practices have not been changed and the most likely scenario is continuity.

**NL-BS** has been operating for 5 years, and throughout this time its activity has grown sharply in terms of geographical scope, range of services, and global expertise, as well as employment size. The centre provides financial services to about 30 corporate entities (“operating units”) located in Europe (mainly) and other parts of world which retained their “national specificity” that is “they work on their own systems, have own working languages, own national brands”, according to the interviewed HR manager. Such approach corresponds with the MNC strategy of local responsiveness, which mostly relies on acquiring domestic businesses. It also implies (for NL-BS) the necessity to work on diverse tools preferred by such internal customers and use their national languages. Therefore, when a finan-
cial process, which initially was performed by an operating unit, is taken over by NL-BS, the centre has to ensure people who will be able to meet the above requirements. It is usually achieved by relocating some of these employees who did this job in this to Poland unit, and by seeking for competent candidates who communicate in this unit’s language. Consequently, NL-BS employs over 700 people of almost 30 nationalities, and the proportion of transferred staff in employment exceeds a dozen percent. Major strategic concern pertains to employee and knowledge retention, due to highly competitive local labour market, and thus turnover, which is the highest amongst young people (students, graduates) in the first years of their work for NL-BS. Emphasis on individual development and IM opportunities is treated now as a valuable method of solving this problem. The company uses diverse forms of IAs, i.e. international business travels (IBTs), short-time and extended up to a year in both directions. Sending people for IBTs and short-time IAs supports taking over a process and solving specific customers’ problems but is also regarded as key aspect of building relationships. Thus delegates are prepared by managers (via talks, discussion of typical problems) to fulfil their roles with care, sensitivity and empathy. Longer IAs (one or two per year) are aimed to develop talents, in particular their professional expertise and leadership skills. Yet, the greatest contribution to cross-cultural interactions provides short visits of operation units’ teams. They usually encompass workshops, discussions, and integration events. The manager argued that:

What is important... is this cultural aspect ... not only in terms of nationalities, but also of organization cultures. We are a kind of a patchwork of very different people from different organizations... and there is nobody who could shape the corporate [global] culture. Therefore, we began to use these visits more, so as to soak with this culture. So, when a boss, or a leader is to arrive, we ask for preparing a kind of business up-date... to learn what has happened in Portugal for instance, how this business is operating there, what changes and
problems they cope with. This is an open session, and the second level are "lead talks", that is ... meetings for managers and leaders. This inspires people and shows them how in different parts of the world people think, and deal with diverse leadership issues.

The above practice proved to be successful, thus it will be maintained, but the same cannot be said about other IAs. The expected change relies on an slight increase of employee inflow from new established centres and a decline in sending people abroad (due to completing “transition stage”).

Table 1. Participants of cross-border encounters and their experience in SE-BS and NL-BS

<table>
<thead>
<tr>
<th>Former Polish assignees</th>
<th>SE-BS (5)**</th>
<th>NL-BS (8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Expertise</td>
<td>non-managerial finance No(5)*</td>
<td>non-managerial finance No(2), Yes(6)* usually: 3</td>
</tr>
<tr>
<td>Previous foreign assignments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Their last stay abroad</td>
<td>4-12 months(3)*, up to a week(2)</td>
<td>1-3 months(3), 1-4 weeks(3)*, up to a week(2)</td>
</tr>
<tr>
<td>Length of stay abroad</td>
<td>to knowledge exchange and support host unit (2), to train others (2), personal development (1)*</td>
<td>to solve business process-related problems (4), to acquire information on host unit practice (5)<em>, to enhance: professional expertise (5)</em>, business knowledge (3), culture-related (5)<em>, leadership skills (3)</em> Yes(5), No(3)* One nation (4), Multinational (4)*</td>
</tr>
<tr>
<td>Goals (coded)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prior contact with host staff</td>
<td>No(5)*</td>
<td>Yes(5), No(3)* One nation (4), Multinational (4)*</td>
</tr>
<tr>
<td>Diversity among host staff</td>
<td>One nation (4), Multinational (1)*</td>
<td></td>
</tr>
</tbody>
</table>
### Key learning results (coded)
- progress in technical skills (2)
- enhanced knowledge of advanced tools and systems (3)
- better understanding of business process (2)
- new knowledge on host unit culture (4)
- better understanding of host unit point of view (2)
- better understanding of national cultures and mentalities at workplace (1)*
- progress in solving-problems skills (3)
- better understanding of stakeholders expectations (1)
- progress in technical skills (4)
- enhanced professional expertise (1)
- better understanding of customers and business specificity in host country (1)*

### Participants of interactions with foreign assignees
<table>
<thead>
<tr>
<th></th>
<th>SE-BS (7)</th>
<th>NL-BS (9)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>managerial (2), non-managerial (5), finance (4), sales (1), general management (2)</td>
<td>managerial (3), non-managerial (6), finance (5), sales (1), general management (3)</td>
</tr>
</tbody>
</table>

### Job Expertise
- managerial (2), non-managerial (5), finance (4), sales (1), general management (2)
- managerial (3), non-managerial (6), finance (5), sales (1), general management (3)

### Last interaction with assignee
<table>
<thead>
<tr>
<th>Time span of interaction</th>
<th>Prior contact with assignee</th>
<th>Assignee status in relationship with respondents (coded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- 1-3 months (3), 4-12 months (2), longer than a year (2)</td>
<td>- No (5), Yes (2)</td>
<td>- team member (4), team leader (3), trainee (1)</td>
</tr>
<tr>
<td>- several days (2), 1-4 weeks (1), 1-3 months (2), 4-12 months (2), longer than a year (2), No (6), Yes (3)</td>
<td>- team member and consultant (3), trainee (1), trainer (4)</td>
<td></td>
</tr>
</tbody>
</table>

### Areas of the highest perceived progress due to interaction
(rating based on self-evaluation made by respondents)
<table>
<thead>
<tr>
<th></th>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st multicultural teamwork</td>
<td>communicating with foreigners</td>
<td>understanding cultural differences</td>
<td>knowledge on global business and multicultural teamwork</td>
</tr>
<tr>
<td>2nd function-related expertise</td>
<td>communication with foreigners</td>
<td>technical skills</td>
<td></td>
</tr>
</tbody>
</table>

* indicates additional information relevant to the context.
Absence of progress in
- communicating with foreigners,
- multicultural teamwork,
- understanding cultural differences refers to:

| A manager (age: above 55, expertise: finance/accounting) involved in teamwork with assignees (from subsidiaries) for longer than a year, who knew them earlier personally | 4 people: all managers involved in teamwork with assignees (from subsidiaries and HQ), and a sales professional who trained an assignee (subsidiary); two had no prior contacts; length of interaction - from several weeks to longer than a year. |

*co-occurrences of learning outcomes related to cross-cultural competences, and IM-related experience of those who declared it.

** (5) - number of respondents presented in brackets

Source: own study.

Conclusions

The above results suggest that despite similar profiles of these subsidiaries, their IM practices differ, which in turn highlights the importance of corporate models/mentalities, and their specific paths of evolution. Although, in both cases, cross-cultural competences seem to be an important condition of successful cooperation with foreign partners, their required “content” and methods of their development do not resemble each other, as one might expect.

Regionally integrated SE-BS is a strongly embedded participant of corporate culture, tightly linked to its regional partners via common systems, language, repositories, communication channels etc. At the same time, its crew is a compact, stable and rather homogeneous community. Thus key cross-cultural competences are cultural diversity awareness and openness that counterbalance the company’s characteristics. Hence, short-term IAs are used to develop prospective individuals through experiencing another point of view. Importantly, such a developmental stay refers to a location beyond the CEE.
In NL-BS, which is obliged to follow the corporate strategy of local responsiveness when providing services to operating units, multicultural teamwork seems to be an everyday experience due to national diversity of its crew. However, when coping with foreign entities, being cross-culturally competent means being able to communicate in manner preferred by such a partner, and to build relationships with sensitivity and respect for their local specificity.

In SE-BS all assignees asked about what they primarily learned due to their stay abroad, pointed to the specificity of host unit culture, only one man declared better understanding of national culture influences. His IM-related experience was unique (when compared with others) only in terms of national diversity among the employees he interacted with, and the main goal of his IA, i.e. personal growth. On the contrary, assignees from NL-BS did not notice any change, except for one person who reported a better understanding of host country business specifics. This lack of perceived IAs impact can stem from prior (larger in NL-BS) interactions with foreigners at work, i.e. earlier stays abroad, and working in multinational teams in Poland (in NL-BS). The latter may also explain the differences between companies in perceived cross-cultural competence development perceived by Polish employees as a result of their interactions with foreign assignees. In monocultural SE-BS these effects were evaluated as higher, and more frequent compared with patchwork-like NL-BS. On the whole, these results do not clearly confirm a direct link between the type of IM experience and enhancing cross-cultural competences of employees, but rather show that the origin of individual differences lays in the cultural diversity at workplace. To sum up, these case studies suggest that the first and the last propositions can be hold. As for the second, further research is required.
References


Abstract: The main goal of the article is to present some selected research findings on HRM business practices in local subsidiaries of multinational corporations in Central Eu-
rope in the after-recovery time from the worldwide economic crisis. The main subjects of interest are these kinds of behaviors, activities and opinions which are exhibited by these organizations in association with the business strategies they follow and as a result of their responses to the global economic changes. The article covers such issues as: generic business strategies, competitive factors, centralization and decentralization of HRM at the corporate and local level, responsibility of decisions, critical areas of HRM, competencies of HRM managers and the importance of HRM knowledge flows. The research was conducted in 2016 and the respondents were asked about their HRM practices in a previous year. The presented research findings come from five countries: Hungary, Poland, Romania, Serbia and Slovakia. Although one of the final inferences says that expanding the formulated conclusions on the whole population would not be valid because of the selection, structure and size of the research sample, the conducted research has some cognitive value, especially that this field of knowledge and practice has been poorly recognized so far.

Key words: human resources management, multinational company, strategies, competencies, competitive factors, centralization, decentralization

Introduction

The Central and Eastern European region makes a separate object of research in various kinds of studies, and among them within economic and management sciences to which this article, with its focus on human resources management (HRM), shall be classified. The argument to distinguish such a region is there are significant historical, structural, institutional and configurational differences, along with significant practice differences, in HRM in Central and Eastern Europe (CEE) in contrast to Western Europe. The CEE countries represent a case of a dual transition from centrally planned to market economy and democracy. The dual transition process started with the collapse of the state socialism in the late 1980s and early 1990s, and together with many other macro factors has provided both home and inflowing international companies with very specific external and internal conditions for HRM practices (Listwan et al, 2009).

This part of Europe is now characterized by a rising economic heterogeneity and a rapidly changing socio-cultural context, underscored by
waves of restructuring, privatization, increasing foreign direct investment (FDI) and emerging individualism. However, while there has been a growing interest in the transition economies in the past number of years, including the national profile of HRM practices in home companies (see: Morley et al, 2009; Mayrhofer et al, 2011; Stavrou et al., 2010; Brewster et al., 2010; Brewster et al., 2007), the contemporary nature of HRM in multinational companies (MNCs) in these societies is not well documented.

Hence, the main goal of the article is to present some selected research findings on HRM business practices in local subsidiaries of multinational corporations in Central Europe (CE) in the after-recovery time from the worldwide economic crisis. These selected research findings make a part of a bigger international research project performed within a cooperation between 14 universities from CEE universities, one from Great Britain and one from the USA. The main subjects of interest in this article are these kinds of behaviors, activities and opinions which are exhibited by MNCs in five CE countries in association with the business strategies they follow and as a result of their responses to the global economic changes. The article covers such selected issues as: generic business strategies, competitive factors, centralization and decentralization of HRM at the corporate and local level, responsibility of HRM decisions, critical areas of HRM, key competencies of HRM managers for success and the importance of HRM knowledge flows.

The article is structured as follows. After this short introduction the authors describe the general framework of the international research project. Then a brief literature review is conducted to provide some theoretical background for the empirical study. Next the authors outline the economic standing of CEECs and MNCs to build the context for the business, strategic and personnel decisions practiced in the companies under study. The empirical research methodology and findings make two other sections. The article ends with the final conclusions and summary.
The General Framework of the International Research Project

CEEIRT is an abbreviation that stands for the Central and Eastern European International Research Team – a team that was set up on the turn of 2008 and 2009 to study HRM in MNCs in the region of Central and Eastern Europe. Its initiator and present coordinator - prof. Jozsef Poor from Hungary – made a huge effort to encourage and involve 14 CEE universities to cooperate within this research project, i.e.: Austria, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kazakhstan, Lithuania, Romania, Russia, Poland, Serbia, Slovakia, and Slovenia. The research is scientifically counseled by prof. Chris Brewster from Great Britain and prof. Allen Engle from the United States. The general title of that international research project is HRM in Transition Practices of MNC-Subsidiaries in Central & Eastern Europe and its main goal is to identify the trends and tendencies within HRM in MNCs in this geographic region. So far three series of studies have been conducted by the CEEIRT in the following years: 2010, 2013 and 2016. In each of these years the respondents from MNCs were asked about their companies’ HRM practices in a previous year in the context of the worldwide economic standing, business strategies, business performance etc.

The Theoretical Background of the Study

The CEEIRT project covers a broad array of issues but this articles is limited in its content only to a few selected ones. The mainstream of interest is settled on such topics as: generic business strategies, competitive factors, centralization and decentralization of HRM at the corporate and local level, responsibility of HRM decisions, critical areas of HRM, key competencies of HRM managers for success and the importance of HRM knowledge flows.
Our primary assumption in the research is that a business strategy is just one of the most crucial internal factors that affects human resources management (Schuler, 1992, pp. 30–31; Pocztowski, 2007, pp. 52; Stor, 2011, pp. 77). Of course, the qualitative features of human resources, alongside their qualitative ones, need to be taken into account when selecting a proper business strategy (Anthony et al., 1993, p. 20) because there is a reciprocal interdependence between a company’s business strategy and HRM strategies, polices, programs or practices (see also: Listwan, 2002, p. 42; Stor, 2008, p. 26; Janowska, 2010, pp. 24–25). Anyway, there are three types of generic business strategies considered in the article: growth, stability, and retrenchment. This presents – among many others- a classic conception which is well-known in the literature (see: Hunger, Wheelen, 1984; Hunger, Wheelen, 2011). The characteristics of these strategies and corresponding HRM activities are presented in Table 1.
### Table 1. Generic business and associated HRM activities

<table>
<thead>
<tr>
<th>Type of a business strategy</th>
<th>Characteristics of a business strategy</th>
<th>HRM selected activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth strategy</td>
<td>A growth strategy involves expansion of the organization’s current operations. This may mean: Developing new markets, Launching new products: drive for innovation, constant environmental analysis,</td>
<td>attracting and retaining people with high qualifications and skills, extensive and continuous training and development of employees that guarantee career advancement, compensation systems that emphasize high quality performance tasks, leadership that triggers initiative, creativity, and autonomy,</td>
</tr>
<tr>
<td>Stability strategy</td>
<td>A stability strategy maintains the present course of action. This may cover: maintaining current market position: maintaining high quality of products, striving for market niche, searching for and proposing some extra market offer,</td>
<td>attracting and retaining employees with high qualifications and skills, extensive and continuous training and development of employees that supports company’s current market position, compensation systems that promote quality and new ideas, leadership that releases creativity,</td>
</tr>
<tr>
<td>Retrenchment (defensive) strategy</td>
<td>A retrenchment strategy involves slowing down, cutting back, and seeking performance improvement through greater efficiencies in operations. This may include: orientation toward cost reduction in each sphere of business activity, internal restructurization, maintain or changing business profile.</td>
<td>keeping the best and core employees, continuous learning and development, creating positive attitudes towards new challenges through proper compensation, promotion and appraisal systems, relatively fixed and explicit job descriptions that allow little room for ambiguity, outplacement or other strategy toward dismissed employees.</td>
</tr>
</tbody>
</table>

*Source: Adapted from: Janowska, 2010, pp. 24–25)*
The literature review brings also to the conclusion that the aforementioned reciprocal interdependence between business strategies and HRM activities or practices made the researchers interested in the relationships between company’s performance and HRM solutions since the 1980s. Briefly, in the empirical research we can identify **four general categories of company’s performance results** which the researchers tried to correlate with HRM practices, i.e.:

- **financial results**—e.g. profits, sales, market share, financial liquidity, company’s market value (Pfeffer, 1998; Arthur, 1994; MacDuffie, 1995; Huselid, 1995; Beatty et al., 2003; Combs et al., 2006; Boudreau, Cascio, 2013),

- **organizational results**—e.g. productivity, quality, efficiency, rate of innovation (Arthur, 1994; Huselid, 1995; Ostroff, Bowen 2000; Guest et al. 2000; Birdi et al., 2008; Farr, Tran, 2008; Molek-Winiarska, 2009; Haromszeki, 2013; Sparrow et al, 2016),

- **managerial results**—e.g. research on the links and degree of coherence between business strategies and particular HRM subfunctions with company results (Beer et al., 1984; Schuler & Jackson 1987; Wright & Snell, 1991; Guest 1997; Chanda, Shen, 2009, Guest et al, 2011; Stor, 2011),

- **behavioral results**—e.g. employee attitudes, their engagement, satisfaction, interpersonal relations, creativity (Wright et al., 1994; Nagy, 2002; Schneider, 2003; Farr, Tran, 2008; Rich et al., 2010; Juchnowicz, 2010; Suchodolski, 2014; Juchnowicz, 2014; Sparrow et al, 2016).

In this context some other theoretical and empirical research developments consider **human resources as a company’s competitive factor** (see: Dyer, 1993; Becker et al., 2001; Huselid, Barnes, 2003; Becker et al., 2009; Huselid, Becker, 2011; Campbell et al, 2012; Stor, 2014a). The main object of interest in those projects is usually a measurable input that is made by HRM to a company as well as correlations between various external and internal HRM configurations that determine value added. All this bases on the assumption that HRM function is unique. It is because
both the outputs (the employee behaviors) of the system and the system itself are potential sources of competence (Taylor et al, 1996, p. 963; Stor, 2014b). In this sense, it is not only technology or financial resources that can make competitive advantage of the company but the competencies of employees and managerial staff together with the quality of management practices as well. This goes in line with centralization and decentralization practices within management at different organizational levels and in different management areas that may support company’s success or not. That is also why even the direction of knowledge flows, whether it is from the headquarters of MNC to the local subsidiary or in the opposite direction, may play a significant role in business competitive advantage (see e.g. Briscoe et al, 2008; Harzing, Ruysseveldt, 2010).

The Economic Standing of CEECS and MNCS in the Past and Present

Summarizing what we found in our previous series of research we can say in short that analyzed before the worldwide crisis (up to 2006), most of the CEE countries – with the possible exception of Hungary – grew at a pace exceeding the developed countries. Moreover, these countries kept up with the pace of emerging countries. But the global economic crisis of banking and financial markets in the period of 2007-2010 exerted a smaller or bigger influence on the business activities of almost all companies worldwide. The crisis also had a dramatic impact on the CEE countries. Everywhere, except in Poland, an overall economic downturn occurred. GDP decreased and high unemployment became the typical trend in the region (Stor, 2013). In our research conducted in 2010 nearly 35% of the respondents indicated that they were seeking growth and the same percentage indicated that their companies followed the stabilization strategies. And as many as 23% of companies implemented the retrenchment strategies whereas 7% re-
alized other strategies like outsourcing ([Human Resource...], 2011, p. 38). Three years later our research conducted in 2013 brought some more optimistic results. In this period, called recovery after the crisis, 60% of MNCs implemented the market growth strategies, 37% - stability strategies, and 3% - the retrenchment strategies. Since that time both global and national economies have been existing in so-called after-recovery time. Hence the setting for our research conducted in 2016 and referring to the business and HRM standing in MNCs in 2015 was different. Despite the strong cyclical rebound, robust growth continued in most CEE economies at the level around 3 to 4 percent ([Regional Economic...], 2016). At the same time recovery in FDI alone was strong in 2015. Global FDI flows rose by 40% to $1.8 trillion in that year, their highest level since the crisis. However, this growth did not translate into an equivalent expansion in productive capacity in all countries. But the volume of world trade in goods and services failed to keep pace with real GDP growth, expanding just 2.6% as compared with an average rate of 7.2% between 2000 and 2007, before the financial crisis. At the same time MNCs reduced or stated reviewing their capital expenditure needs and trade in light of slowing global growth and weakening aggregate demand. FDI flows to Europe were up sharply (65%, to $504 billion) as a result of a 50% increase in FDI to the European Union and a large upturn in Switzerland. In the 11 CEE countries of the EU, combined inflows almost halved, to $19 billion ([World Investment...], 2016, p. 10). Different sources expect the CEE region to continue their growth in 2016 and next years.

The Empirical Research Methodics

As mentioned before, the research findings presented in this article make a part of some bigger international research project performed by the CEE-IRT. The data were collected from February to June 2016 with the aid of paper and electronic survey questionnaires and respondents were asked
about their business and HRM results and developments recorded in 2015. The population of the subject under research made the companies of different size and business profiles according to the European Classification of Business Activity. Although there are 14 CEE countries participating in the research, the article covers the data only from 5 of them as the data from other countries are still being processed. The overview of the country structure of the current sample is shown in table 1.

Table 2. Number of MNCs participating in the research

<table>
<thead>
<tr>
<th>Year</th>
<th>Country</th>
<th>Hungary</th>
<th>Poland</th>
<th>Romania</th>
<th>Serbia</th>
<th>Slovakia</th>
<th>Altogether</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>75</td>
<td>88</td>
<td>17</td>
<td>20</td>
<td>23</td>
<td>223</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>118</td>
<td>102</td>
<td>34</td>
<td>19</td>
<td>30</td>
<td>303</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>97</td>
<td>57</td>
<td>47</td>
<td>59</td>
<td>17</td>
<td>277</td>
<td></td>
</tr>
</tbody>
</table>

Source: own research data

The main research goal for the analysis is to identify the business practices of MNCs in Central Europe in the scope of HRM in after-recovery time from the worldwide economic crisis. Thus, the main research problem in this paper is covered in the following research question: What is the current standing of HRM in business practice of MNCs in Central Europe and what are, if any, the main differences between the countries in this scope?

The main research problem was disaggregated into the following research problems and questions of more detail character:

1) What are the generic business strategies of MNCs?
2) What do they consider to be their competitive factors (competitive advantage)?
3) How do the companies evaluate their performance?
4) What, if any, are the centralization and decentralization patterns of HRM at the corporate and local level?
5) What do they identify as their critical areas of HRM?
6) What are the competencies of HR manager for success in their business context?
7) What modes of HRM competency development do they value the most?
8) How do they value the directions of HRM knowledge flows?

The Empirical Research Findings

In the total sample of CE countries 70% of the respondents indicated that they were seeking growth and nearly 30% indicated that their companies followed the stabilization strategies (see Graph 1), whereas only 4% of companies implemented the retrenchment strategies. Comparing these practices to those that were declared in 2010 and 2013 the picture looks much more promising – the growth is visible both at the national economic level and at the business level of MNCs as well. Anyway, what is noticeable is that more MNCs in Hungary, Poland and Romania than in Serbia and Slovakia realized their growth strategies.

Graph 1. Generic business strategies in MNCs in Central Europe by countries (multiple answers possible)

As about the competitive factors, it is the quality of workforce that makes number one in the whole CE sample – 65% of companies indicat-
ed this issue. Next quality of management comes on the second position with more than 50% of indications, and the optimal size of company comes third with 44%. What appears to be less important is production technology which was reported as a competitive factor by 38% of respondents and financial resources with the score of 30% (see Graph 2). Analyzed by countries, the pattern looks a little differently in Hungary, Poland and Slovakia. In Hungary the optimal size of company and quality of management are of equal rank and both are placed on the second position. In Poland these two factors are in reverse order - optimal size of company has 6 percentage points of indications more than quality of management, and thus optimal size of company appears on the second position just after quality of workforce, and quality of management on the third. And in Slovakia two quall factors are on the second place after the quality of workforce – that is quality of management and financial resources. Next technology comes third and optimal size of company fourth.

Graph 2. Self-evaluation of competitive advantages of MNCs in Central Europe by countries

![Graph 2](image)

Source: own research data.

In the research process an attempt was also made to determine the influence of HRM formulated at the MNC’s HQ (headquarters) on local subsidiary’s HRM practices. To diagnose this research problem a four-degree descriptive scale was developed: from centralization to decentralization
as shown in Graph 3. What we have found is that a prevailing approach in the whole CE sample is the one in which HQ provides only general guidelines and framework for action. This appeared in 35% of CE subsidiaries of MNCs. The second preferable approach (26%) relies on providing detailed HR models, policies, procedures, rules etc. And rather full decentralization with nearly total autonomy is practiced in 22% of companies, whereas centralization in which all significant decisions are made by the HQ are experienced by around 9%. This emerging pattern looks a little different when the whole sample is broken down into the particular countries. When the percentage structures of choices in Hungary, Poland, and Romania reflect the parentage structure of the whole CE sample, in Slovakia both general and detailed HRM guidelines and policies are of the same highest frequency (33%), and in Slovakia only one practice was reported which is providing detailed HR models, policies, procedures and rules.

Graph 3. The influence of HQ HRM on local subsidiary’s HRM practices

Furthermore, we asked the respondents to evaluate the performance of their company by comparison to other companies in the same sector. Four areas of performance were rated, that is profitability, quality of service, innovation rate, and environmental issues. As shown in Graph 4 we applied
a five-degree descriptive scale: from weak to outstanding. It seems that in CE the quality of service is the area of business performance that gains the highest scores. And even more – it is the only one with no “weak” scores. Innovation rate looks promising as well, although 7% of subsidiaries evaluated their results in this field as below average. Similarly, not too many companies think that their results within environmental issues are either weak or below average. Generally, these three areas are mostly perceived as the same as competitors’, better than average or even as outstanding. In this context the evaluation of profitability of companies is more heterogeneous. The main reason is the highest percentage of indications is split up not only into these three evaluation grades but four – it covers below average grade as well. Going beyond an average for the whole CE sample the data bring to some other conclusions: only in Slovakia environmental issues get neither weak nor below average score, innovation rate is appraised the highest in Poland, and profitability is evaluated no lower than the same as competitors in Slovakia and Romania.
In the research process another attempt was also made to determine what kind of critical issues within HRM the subsidiaries had to cope with. To diagnose this research problem a five-degree scale was developed (form 1 to 5) to measure the intensity of the issues selected by the respondents from the multiple choice answers, where 5 meant the highest intensity of a given issues (utmost or critical importance) and 1 meant an absence or very low intensity (little or no importance). The collected data in this scope
are presented in Graph 5. Making some synthesis we can say that in the whole CE research sample three issues with regard to the highest level of their significance are: recruitment & selection (3.08), human resources planning (2.93), and training & development (2.89). It means that only one subfunctional area of HRM was evaluated higher than 3.0. At the same time the lowest mean in the CE sample was reached by industrial labor relations (2.44) and employee communication (2.45). Analyzed by countries, the mean above 3.0 was gained:

- in Hungary only within recruitment & selection (3.21),
- in Poland within four such subfunctions as human resources planning (3.43), recruitment & selection (3.41), talent management (3.35), and training & development (3.11),
- neither in Romania nor in Serbia by none of the HRM subfunctions,
- in Slovakia by all HRM subfunctions except talent management (2.88).
Another problem that we were interested in referred to the competencies of HR manager for success. The respondents were asked to consider these competencies in their business context. Multiple answers were allowed and the following competencies make the palette of choices:

- personal credibility (effectiveness, efficient connections, communication skills),
- strategic contribution (culture management, quick changes, strategic decision making),
• use of HRMIS (human resources management information system) (IT),
• business knowledge (value chain, values creation),
• HR services (recruitment & selection, training, performance evaluation, HR measurement),
• communication in foreign languages.

Graph 6 presents the data gathered in this scope and arranged in a descending order. As about the whole CE sample it is personal credibility that appears to be the most important. Nearly 90% of the foreign subsidiaries chose this competency. The second most important competency is connected with providing HR services (79%), and the third one with communication in foreign services (75%). Strategic contribution, business knowledge and use of HRMIS come next (with 68%, 65%, 61% respectively). While the order of competencies is different in each particular country, it is personal credibility that makes number one everywhere.
In contemporary companies HRM is not exclusive to managers or specialists working in personnel departments. Since the 90s it has been emphasized it is line management that needs to be trusted more responsibility of decisions in key function of HRM. That is why in our questionnaire survey we asked respondents who had primary responsibility for major policy decisions in selected HRM subfunctions. The choice of provided responses resembled the scale used to evaluate centralization-decentralization practices, that is:

- local line management (decentralization),
- primarily local line management but in consultation with HRM department,
- primarily local HRM department but in consultation with local management,
- local HRM department (centralization).
This centralization-decentralization continuum within the scope of HRM decisions is considered at the organizational level of local subsidiary of a MNC. In comparison to the data presented in Graph 3 and discussed earlier, it is not about the hierarchical relationships between HRM developed at the HQ of a MNC and HRM developed at the local subsidiary but it covers the division of responsibility between the local HRM department and the local line management.

As the highest percentages of responses show in Graph 7, in the whole sample of CE subsidiaries of MNCs local line management is mostly and exclusively responsible for performance appraisal (37%) and primarily responsible with an obligation to consult decisions with HRM department for HR planning (39%). At the same time HRM department is primarily responsible with an obligation to consult decisions with the line management for selection and training & development (both indicated by 32% of respondents), and mostly and exclusively responsible for recruitment (28%). In general, responsibility of decisions in key functions of HRM in all CE MNCs is not much centralized, it is rather equally distributed between the first three categories of responses. In practice this means that most of the decisions is delegated to line management or relies on cooperation between line management and local HRM department.

When analyzed by the particular countries the pattern of responsibility split not always looks the same. In Hungary and Serbia the preferable practices correspond with two categories of responses: primary local line management but in consultation with HRM department and primarily local HRM department but in consultation with local line management. In Poland the preferable practices are divided between the following categories of responses: local line management and primary local line management but in consultation with HRM department. In Romania the practices look the same as in the whole sample of CE subsidiaries of MNCs and in Slovakia most of the responsibilities of decisions in key functions of HRM is delegated to the local line management. Then,
Slovakia seems to be the country in which HRM decisions are relatively strongly decentralized.

**Graph 7. Responsibility of decisions in key functions of HRM in MNCs in Central Europe**

Source: own research data.
In the research another attempt was made to answer the question of how the organizations evaluate the modes they use in their business practice to acquire individual competences within HRM. As formerly, in the case of critical areas of HRM, a five-degree scale was used to evaluate the modes selected by the respondents from the multiple choice answers. The details are presented in Graph 8 but the general conclusion that can be drawn from the analysis of the collected research material is that in the whole CE research sample the hierarchy of modes used by companies to acquire individual HRM competences with regard to the high level of their significance is as follows:

1) Local training & development (2.99),
2) Informal learning at the HRM department of the subsidiary (2.73),
3) Informal learning at the HQ (2.5),
4) HRM training & development at the HQ (2.37),
5) Informal learning at the HRM department of another subsidiary (2.04),
6) HRM training and development at another subsidiary (1.97).

Excluding Hungary, in which all calculated averages are much lower, the order of preferable modes of HRM competency development is pretty much the same.

Graph 8. Personal competency development in HRM (scale: 1-5; 1 – unimportant, 5 – very important)

Source: own research data
The last research question we want to answer in our article refers to how the companies under study value the directions of HRM knowledge flows. The analysis of data presented in Graph 9 suggests that taken on average in the whole CE sample the most important flow of HRM knowledge runs from the HQ to the local subsidiary. Using the scale from 1 – unimportant to 5 – very important this direction of flow reached the highest value of 3,31. Knowledge flows within subsidiary (between local HRM department and other local subsidiary units) with the value of 2,75 occupy the second position. Knowledge flows between subsidiaries come third with the score of 2,51, and knowledge flows from the local subsidiary to the HQ fourth with a very similar result, meaning 2,50.

Graph 9. The importance of HRM knowledge flows (scale: 1-5; 1 – unimportant, 5 – very important)

![Graph 9](image)

Source: own research data.

The same order of importance appears in the subsidiaries located in Hungary, Romania, and Serbia. In Poland knowledge flows within subsidiary (3,19) appear on the first positions and are more important than knowledge flows from the HQ to local subsidiary (3,02), whereas knowledge flows between subsidiaries (2,77) and from the local subsidiary to the HQ (2,77) are simultaneously placed on the third place. In Slovakia the order of importance presents yet another picture. The most important is direction from
the HQ to the local subsidiary (3.71), then circulation of knowledge within subsidiary (1.88), next knowledge flows form the subsidiary to the HQ (1.84), and lastly the exchange of knowledge between subsidiaries (1.71) that is of the lowest importance.

Summary and Final Conclusions

To recapitulate the research data presented in the paper the following brief conclusions seems to be valid. As the global economic conditions and FDI in Europe created much more positive environment for companies in CE in 2015, the majority of MNCs and their local subsidiaries in CE countries were implementing growth strategies and this was based on the assumption that the quality of workforce makes the best competitive advantage of the business and thus it may help the MNCs to succeed. To properly respond to local employees’ needs and expectations the HQs of MNCs did not centralize their HRM decisions much. The prevailing approach was the one in which HQ provides only general guidelines and framework for action. It is worth emphasizing that even at the local level most of the decisions were delegated to line management or relies on cooperation between line management and local HRM department. And although the most important flow of HRM knowledge run from the HQ to the local subsidiary, the preferable mode used by the companies to acquire individual HRM competences was local training & development.

All this probably resulted in higher engagement of employees and consequently in relatively high evaluation of business performance in such areas as quality of service and innovation rate. Anyway, the critical issues that the MNCs had to face at that time were recruitment & selection, human resources planning, and training & development. Moreover, personal credibility, providing HR services, and communication in foreign services were the most important competencies of HR manager for success. These com-
petencies were built up by other competencies such as business knowledge, strategic contribution and IT fluency.

In the context of the presented research data and their brief analysis the main goal of the article seems to be realized. We hope that our identification of the business practices of MNCs in Central Europe in the scope of HRM in after-recovery time from the worldwide economic crisis deserves positive appraisal. We also believe we successfully solved the main research problem and outlined the current standing of HRM in business practice of MNCs in Central Europe and found some differences between the countries in this scope. But we do understand that these differences should be approached very carefully since the number of companies from each country was rather small and all in all does not make a representative sample.

In sum, expanding the formulated conclusions on the whole population would not be justified because of the selection, structure and size of the research sample. The primary limitations of this study are mostly connected with the last feature. Hence, some further research on much bigger and comparable samples is necessary.

Certain imperfections are also visible in the context of measurement scales that were used, adopted terminology or identification of particular issues in the countries under study. Despite all these deficiencies mentioned above the conducted research has some cognitive value, especially that this field of knowledge and practice has been poorly recognized so far and this was confirmed in the literature review. Our research findings and formulated conclusions can make a linchpin for the future research. Anyway, they should be treated exclusively as a starting point to determine the directions of the future research. But they may also support MNCs in their HRM improvement and development.

Apart from all the above limitations the final conclusion is that we cannot exclude the business practices of MNCs in Central Europe in the scope of HRM from the research. The significance of this issue will increase in the future in the context of high internalization of companies and their human
resources as well as global dimension of economy. Therefore future theoretical and empirical exploration in this scope is indispensable. It would facilitate monitoring the situation, formulating the views and improving the research methodology.
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Attitudes towards Collaboration in Multicultural Teams in the opinion of Polish and Chinese Students

Abstract: The main goal of this paper is to present results of research that addresses the issue of attitudes towards working in both multicultural and single culture teams among Polish and Chinese students. The relationship between those attitudes and factors that includes individual experiences of research participants as well as characteristics of team tasks was analyzed. The research was conducted with students of one Polish and one Chinese technical university as participants. Research findings indicate that there are several important similarities as well as differences in preferences of two analyzed groups. The most important differences pertain to stronger preference of Polish students towards working in a single-culture team when the task requires assuming responsibility, trust and mutual understanding of team members. Additionally, the declared level of experience in single-culture and multicultural team was differently related with preferences towards these two kinds of team among Polish and Chinese participants. Obtained results may be
utilized in order to develop recommendations for effective educational efforts aimed at developing multicultural teamwork competencies of future managers and specialists from both of these countries.

**Key words:** Team Work, Diversity Management, Multicultural Team, Single-culture Team, Polish – Chinese Collaboration

### Introduction

Relations between Poland and China have long played an important role in mutual trade and economic interconnections and recently received a considerable amount of attention as numerous initiatives aimed at fostering and increasing collaboration have been started. One of the most recent important events was both countries presidents’ declaration of strategic partnership. Both Poland and China can greatly benefit from bilateral cultural, educational and economic projects and programs. Those initiatives created and agreed by authorities need to be realized by people characterized by both adequate competences and attitudes towards work in multicultural teams in which cooperation takes place on daily basis. It is particularly important if economic potential of such agreements is to be realized (Szczudlik-Tatar, 2015). One of the occasions when necessary competences can be acquired takes place during higher education that is more often aimed at preparing people to work in the globalized world. However, the effectiveness of educational interventions as well as the extent to which acquired knowledge will be utilized depends on attitudes and preferences towards working in multicultural (MCT) and single-culture teams (SCT). Scientific exploration of these issues seems to currently particularly important.

The goal of the present research was to investigate preferences towards working in MCTs and SCTs among Polish and Chinese students. It was also verified how students’ preferences are related with vari-

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ous task requirements and with declared level of previous experience in these two kinds of teams.

Authors believe that data obtained in this research may provide important insights that can be used in order to recognize barriers and lead to the improvement of the design of future managers’ higher education process and collaboration of multicultural teams.

Challenges for multicultural teams

It may be asserted that the utilization of MCTs’ potential requires actions that are aimed at maximizing effects of their strengths with the simultaneous reduction of possible drawbacks. As the latter are mainly related to teamwork process organization and conflict resolution, it is possible that without their attenuation, an MCT may not be able to have an opportunity to make use of its potential. It may therefore never be used and remain hidden behind interpersonal conflicts and ineffective actions. Behfar K., Kern M. and Brett J. (2006) identified several challenges that need to be overcome by MCTs if they are to achieve high performance level. Authors divided these challenges into two categories. The first one includes challenges that are not unique to MCTs and can also be encountered in SCTs. The second category is comprised of challenges unique to MCTs. These categories were identified as a result of a qualitative research which involved MBA students with previous experience in SCTs and/or MCTs. Authors used a concept mapping analysis method which involves collection and sorting statements generated by participants (Jackson and Trochim, 2002). Results of their investigation are presented in Table 1.
Table 1. Challenges encountered by multicultural teams

<table>
<thead>
<tr>
<th>Challenges encountered by multicultural and single-culture teams</th>
<th>Challenges encountered only by multicultural teams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differences in the way in which discordant opinions are expressed – a preference towards direct versus indirect communication</td>
<td>Differences in approach to hierarchy and status</td>
</tr>
<tr>
<td>Differences in preferences towards fast and efficient versus slow and deliberate decision making and problem solving</td>
<td>Pre-existing prejudice and stereotypes held by team members</td>
</tr>
<tr>
<td>Different attitudes to time and urgency</td>
<td>Perception of the level of team members’ participation in task accomplishment related to problems in communication</td>
</tr>
<tr>
<td>Differences in preferences towards establishing and sustaining boundaries between private and work life and differences in workplace behaviors perceived as acceptable</td>
<td>Communication problems related to using certain vocabulary and/or having a specific accent</td>
</tr>
<tr>
<td></td>
<td>Differences in the perceived level of reached agreement and/or mutual understanding</td>
</tr>
</tbody>
</table>


All presented challenges can be encountered in MCTs. The fact that some of them are unique for this kind of teams make even high levels of experience gained in single culture teams insufficient in face of certain challenges. Behfar K., Kern M. and Brett J. (2006) concluded their investigation with the statement that challenges not unique to MCTs are most likely representing universal aspects of teamwork. The analysis of participants’ answers describing results of critical incidents related to those challenges led to a conclusion that negative consequences are more severe in situations categorized as exclusive to multicultural teams. This rationale is in line with the assertion that certain risks need to be mitigated if an MCT is to use its strengths including for example an access to a greater number of diverse ideas and perspectives. These risks include aspects that are in both
columns of the Table 1. Interestingly, most of them are related with widely described cultural dimensions that create a specific catalogue of possible cultural differences. For example “Differences in approach to hierarchy and status” are related with differences in Power Distance (Hofstede and Hofstede, 2004) which is defined as the extent to which people of lower status accept inequalities. A preference towards assertive versus indirect way of expressing discordant opinions is related with seeking harmony which is a facet of different cultural dimensions in different theoretical approaches. It may be considered a facet of Masculinity/Femininity (Hofstede and Hofstede, 2004), Assertiveness (Chokkar, Brodbeck and House, 2007) or Individualism/Collectivism (Matsumoto and Juang, 2012). The more certain cultures differ on cultural dimensions, the larger the cultural distance between them and, as a consequence, the more challenging the process of establishing and sustaining effective collaboration. Cultural differences between Poland and China are discussed in the next section.

The comparison between Polish and Chinese business cultures

In order to make the comparison between different cultures possible scholars and business practitioners developed several models which include certain cultural dimensions on which different cultures differ. Among the most often applied ones are propositions of Hofstede G. and Hofstede G.J. (2004), Trompenaars F. and Hampden-Turner C. (2012), Meyer E. (2014), Gesteland R. (2005) and the GLOBE model (e.g. Chokkar, Brodbeck and House, 2007). It is important to state that all these theoretical propositions complement each other as their authors focus on different aspect and effects of culture. For example Trompenaars focuses on culture’s effect on shaping and managing organizations whereas Gesteland deals to larger extent with cross-cultural business relations and negotiating
deals. A list of selected differences between Polish and Chinese cultures is presented in Table 2.

Table 2. Dimensional differences between Chinese and Polish culture

<table>
<thead>
<tr>
<th>Polish culture</th>
<th>Chinese culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individualism</td>
<td>Collectivism</td>
</tr>
<tr>
<td>High uncertainty avoidance</td>
<td>Low uncertainty avoidance</td>
</tr>
<tr>
<td>Inner-directed</td>
<td>Outer-directed</td>
</tr>
<tr>
<td>Short term orientation</td>
<td>Long term orientation</td>
</tr>
<tr>
<td>Masculinity</td>
<td>Masculinity</td>
</tr>
<tr>
<td>High power distance</td>
<td>High power distance</td>
</tr>
</tbody>
</table>

Source: own preparation.

It needs to be emphasized that presenting cultures in such way involves a certain degree of inevitable simplification (Voronov and Singer, 2002). Describing each of those differences is beyond the scope of the current article. Authors decided to focus on individualism-collectivism as it is the dimensions that is inherently connected with the attitude towards groups, including teamwork.

Individualism and collectivism is one of the most important cultural dimensions that are helpful in defining and distinguishing culture-based behavior. Additionally, it allows to explain diverse behaviors. Generally speaking it pertains to the extent to which a particular culture gives priority to individual needs, desires and strivings above needs, desires and strivings of a group (Matsumoto and Juang, 2012). Members of individualistic societies usually belong to numerous groups (e.g. social, sport, religious, voluntary or other group of people connected by common values or interests) but it is relatively easy for them to leave a group they belong to. In contrast, members of collectivistic cultures belong to a smaller number of groups but ties with these in-groups are much stronger and become important elements.
of their self-concept (Matsumoto D. and Juang, 2012). What is more, rules that govern behaviors towards member of in-groups and out-groups differ significantly in individualistic and collectivistic cultures. In the latter one is obliged to display unequivocal loyalty towards members of in-groups. Members of collectivistic societies show higher in-group favorism which can have many forms ranging from an increased psychological distance to an overt discrimination. In individualistic cultures on the other hand, people treat members of in-groups and out-groups in more similar way. One of the most striking aspects of differences demonstrating the way in which loyalty towards group members affects behavior is related with the varying level of displayed conformism across cultures Brown R. (2006).

Defining a particular country’s position on a cultural dimension is always relative as it requires comparison with other countries. In all culture classifications China is presented as a country that is very close to the collectivism pole of the Individualism/Collectivism dimension. The influence of this dimension is visible in the Chinese approach to teamwork. Examples were obtained for instance in a study aimed at comparing cognitions about project management including teamwork among Chinese and Western construction project managers (Chen and Partington, 2004). Western participants recruited from UK-based construction companies were compared to their Chinese counterparts. It was found that Chinese participants more often compared their teams and teamwork organization to a family. They perceived their duties as similar to those which are ascribed to the family’s father and that extend beyond the workplace. Additionally, Chinese managers preferred to work with people whom they already knew and with whom they collaborated in the past. If it was necessary to include another person into the team, they preferred someone who was introduced by a trusted current team member. Western managers also stressed the importance of teamwork and good relationships within the project team but they perceived it as limited to work and a particular project realization. They more often declared that they perceived establishing a project team as an
opportunity to meet new people and therefore to a larger extent preferred to collaborate with people whom they did not know.

Poland can be considered a more collectivistic culture when compared to for example Anglo-Saxon countries or more individualistic if it is compared to East Asian countries. For example in a study that examined norms pertaining to nonverbal collaboration Poland (and Hungary) was classified as a more collectivistic country and Polish participants’ reactions were compared to those displayed by US Americans (Matsumoto and Juang, 2012). For the purpose of the current paper Poland is however classified as an individualistic country as its position on this dimension is much closer to that pole when compared to China (Hofstede and Hofstede, 2004). What is more, some of the existing research results indicate that Polish people in fact prefer to work individually (Chwiałkowska, 2012). Poles can therefore be expected to perceive teams and teamwork as just an element of professional life and place smaller emphasis on the importance of being involved in a long team-building process and developing a team that will become an important part of their self-concept.

Cultural Differences and Teamwork

Characteristics of collectivistic approach to in-groups and out-groups can have both positive and negative effects on teamwork in organizations. Examples can be found within the Chinese cultural context where the fact that teamwork is intertwined with personal relationships can often result in cross-cultural misunderstanding. Goodall K., Li N. and Warner M. (2007) conducted a qualitative study with Western expatriate managers operating in China as research participants. Some of Western managers chose to use the term “clique” instead of “team” when they described their experience with approach to team collaboration in China. They emphasized that it is important to understand *gaunxi* which describes connections and relation-
ships between people in China in order to become aware of factors that determine the effectiveness of teamwork. Connections (guanxi) are formed between people who for example originate from the same town or region, graduated from the same school or university or used to work together in the past. They trust each other but may find it difficult to collaborate with people of different background, in particular if they belong to a different guanxi (Chen Yi-Feng N. and Tjosvold, 2013). The effect that Chinese business culture can have on teamwork is dualistic. On one hand strong feeling of obligations and a desire to develop and sustain harmony in relationships with others as well as the importance of trust may facilitate teamwork. On the other however, loyalty towards people outside of a team and the fact that a high performance level cannot be obtained before appropriate relationships are established posit challenges to teamwork. The process of developing such relationships is usually lengthy in China, in particular when a MCT is formed. Poland is also sometimes described as a relation-oriented culture (Gesteland, 2005). However, as previously mentioned, it can be perceived in that manner when compared to particular Western countries like for example those belonging to the Anglo cluster (House R. et al., 2004).

It can be observed that there are both similarities and differences between Poland and China among cultural dimensions presented in Table 2. As culture’s position on these dimensions describes its representatives’ attitude and preferences towards different aspects of work and business, it can be proposed that there are certain differences and similarities in preferences towards working in MCTs or SCTs. The verification of this statement was the main goal of the study described in the paper’s following part.
Present Research

The aim of the conducted study was:

- to examine the preferences related to work in a multicultural team (MCT) vs. a single-culture team (SCT) among students preparing to work in the roles of managers and entrepreneurs in today’s globalized labour market, and in particular:
  - verify the existence of differences in preferences for working in a multicultural (MCT) vs. a single-culture team (SCT), depending on the requirements of the task that the team would be performing,
  - verify the existence of differences in preferences for working in a multicultural (MCT) vs. a single-culture team (SCT), depending on the respondents’ country of origin (Poland vs. China);
  - verify the existence of differences in preferences for working in a multicultural (MCT) vs. a single-culture team (SCT), depending on the respondents’ level of experience in teamwork in multicultural vs. single-cultural teams.

Research Participants

The survey was conducted among Polish students of International Management at the Faculty of Management and Economics of the Gdańsk University of Technology and Chinese students of International Course Program at the Nanjing University of Aeronautics and Astronautics. One of the clearly highlighted objectives of both universities is preparing students to work as managers in today’s globalized labour market. The survey, which is meant to be a pilot study and was the initial stage of the planned research project, was responded to by 121 participants, including 64 Polish students (23 men and 41 women) and 57 Chinese students (22 men, 31 women and 4 persons who did not indicate their gender). The mean age of respondents
was 22.3 years (SD 2.04). The mean age of Polish students was 23.1 years (SD 0.8) and 21.4 years in case of Chinese students (SD 2.6).

Research methods and results

The study was conducted using a survey questionnaire in English, which was the language of instruction for all participants.

In order to obtain answers to the research questions, the respondents were first given the following introduction: "Imagine a situation in which you can choose to work either in a single culture team or in a multicultural team. Which of those (single culture or multicultural team) would provide greater possibility of success in face of each of the task requirements stated in the table below?" The rest of the question consisted of a list of 20 requirements associated with tasks. The list was based on previous literature review conducted by the authors. Task requirements were related e.g. to cognitive and informational diversification, flexibility, cooperation and involvement in teamwork, as well as trust and atmosphere within the team. Respondents provided their answers using a five-point Likert scale where 1 meant "I strongly agree that a single culture team would provide higher chances of success", 2 “I agree that a single culture team would provide higher chances of success”, 3 “Neither a single nor a multicultural team would provide higher chances of success”, 4 “I agree that a multicultural team would provide higher chances of success”, 5 “I strongly agree that a multicultural team would provide higher chances of success”. Statistical analysis of obtained data was conducted.

In the first stage of the analysis, the t-Student for one group test was used in order to verify the absence vs. presence of responses indicative of the existence of preference for work in an SCT or an MCT according to the requirements of the task among all participants. Obtaining the mean of 3 for a given task requirement means no preferences for working in either sin-
gle-culture or multicultural teams. Obtaining the mean significantly higher than 3 indicates a preference for working in MCT, whereas the mean significantly lower than 3 indicates a preference for working in an SCT. The results obtained for the individual task requirements are presented in Table 3.

Table 3. Means and t-Student test results showing the differences between the statements of all the subjects and the tested value of 3 as a measure of their preference to work in SCT or MCT depending on the requirements of the task

<table>
<thead>
<tr>
<th>Task</th>
<th>Mean of responses</th>
<th>t-Student</th>
<th>Significance level</th>
<th>Preferences to work in a team</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creativity</td>
<td>4.40</td>
<td>19.24</td>
<td>0.0001</td>
<td>MCT</td>
</tr>
<tr>
<td>Out of the box thinking</td>
<td>4.27</td>
<td>12.74</td>
<td>0.0001</td>
<td>MCT</td>
</tr>
<tr>
<td>Resourcefulness</td>
<td>3.92</td>
<td>8.92</td>
<td>0.0001</td>
<td>MCT</td>
</tr>
<tr>
<td>Risktaking</td>
<td>3.43</td>
<td>3.70</td>
<td>0.001</td>
<td>MCT</td>
</tr>
<tr>
<td>Ability to anticipate the future course of actions</td>
<td>3.21</td>
<td>2.15</td>
<td>0.05</td>
<td>MCT</td>
</tr>
<tr>
<td>Appropriate team climate</td>
<td>3.20</td>
<td>1.85</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Cooperation</td>
<td>3.17</td>
<td>1.63</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Flexibility</td>
<td>3.13</td>
<td>1.23</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Coping with stress</td>
<td>3.12</td>
<td>1.16</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Commitment</td>
<td>3.11</td>
<td>1.37</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Assertiveness</td>
<td>3.06</td>
<td>0.61</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Persistence</td>
<td>3.01</td>
<td>0.18</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Efficiency</td>
<td>2.96</td>
<td>-0.30</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Assuming responsibility by team members</td>
<td>2.92</td>
<td>-0.73</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Self-reliance</td>
<td>2.91</td>
<td>-0.83</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Self-confidence</td>
<td>2.85</td>
<td>-1.49</td>
<td>Irrelevant</td>
<td>Lack</td>
</tr>
<tr>
<td>Trust</td>
<td>2.26</td>
<td>-7.13</td>
<td>0.0001</td>
<td>SCT</td>
</tr>
<tr>
<td>Quickdecisionmaking</td>
<td>2.22</td>
<td>-8.06</td>
<td>0.0001</td>
<td>SCT</td>
</tr>
<tr>
<td>Like-mindedness</td>
<td>2.19</td>
<td>-7.84</td>
<td>0.0001</td>
<td>SCT</td>
</tr>
<tr>
<td>Mutual understanding among team members</td>
<td>2.15</td>
<td>-7.33</td>
<td>0.0001</td>
<td>SCT</td>
</tr>
</tbody>
</table>

Source: own work.
The analysis of the results revealed that in the studied group the strongest preference to work in an MCT occurs when a task requires creativity (4.45), out of the box thinking (4.34) and resourcefulness (3.81) and, although in that case the preference is weaker, an ability to anticipate the future course of action (3.21). It means that working in an MCT is preferred by respondents in situations when teamwork can benefit from the cognitive and informational differentiation of team members. An interesting result is the preference for working in an MCT when the requirements of the task are associated with risk taking (3.43). On the other hand, the preference to work in an SCT is strongest when tasks require mutual understanding among team members (2.15), like-mindedness (2.19), quick decision making (2.22) and trust (2.26). The obtained results seem to be logical and intuitively understandable. Multicultural teams enable the use of the greater potential of cognitive variety. On the other hand in situations requiring unanimity, which facilitates the ability to make decisions quickly and increases the sense of confidence, single-culture teams may be seen by the respondents as more effective. In addition, it is worth noting that the presented results related to the preference to work in SCT and MCT are confirmed by the conclusions of the studies presented in the literature (e.g. Stankiewicz and Ziemiański, 2015). Across other requirements of the tasks, no statistically significant preference to work in an SCT or a MCT was observed. It may mean that in the respondents’ opinion tasks with such requirements can just as effectively be performed by either type of teams.

In the second stage of analysis, the t-Student test for two independent groups was used in order to verify the absence vs. the existence of differences in preferences for work in an SCT and an MCT among students from Poland and China. The results obtained for the individual task requirements for Polish and Chinese students are presented in Table 4.
Table 4. Means and t-Student test results indicating differences between Chinese and Polish students preferences regarding work in a SCT or a MCT, depending on task requirements

<table>
<thead>
<tr>
<th>Task requirement</th>
<th>The mean of Chinese students responses</th>
<th>The mean of Polish students responses</th>
<th>t -Student</th>
<th>The significance level of differences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creativity</td>
<td>4.41</td>
<td>4.39</td>
<td>0.09</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Out of the box thinking</td>
<td>4.14</td>
<td>4.38</td>
<td>-1.17</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Resourcefulness</td>
<td>4.08</td>
<td>3.78</td>
<td>1.48</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Ability to anticipate the future course of actions</td>
<td>3.30</td>
<td>3.14</td>
<td>0.79</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Cooperation</td>
<td>3.26</td>
<td>3.09</td>
<td>0.78</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Risktaking</td>
<td>3.26</td>
<td>3.57</td>
<td>-1.32</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Appropriate team climate</td>
<td>3.21</td>
<td>3.20</td>
<td>0.04</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Assuming responsibility by team members</td>
<td>3.15</td>
<td>2.71</td>
<td>2.20</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Coping with stress</td>
<td>3.14</td>
<td>3.11</td>
<td>0.13</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Flexibility</td>
<td>3.10</td>
<td>3.15</td>
<td>-0.23</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Persistence</td>
<td>2.98</td>
<td>3.04</td>
<td>-0.34</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Self-reliance</td>
<td>2.98</td>
<td>2.85</td>
<td>0.61</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Assertiveness</td>
<td>2.94</td>
<td>3.17</td>
<td>-1.03</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Commitment</td>
<td>2.94</td>
<td>3.26</td>
<td>-1.91</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Self-confidence</td>
<td>2.85</td>
<td>2.84</td>
<td>0.07</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Efficiency</td>
<td>2.82</td>
<td>3.09</td>
<td>-1.25</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Trust</td>
<td>2.54</td>
<td>2.00</td>
<td>2.68</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Mutual understanding among team members</td>
<td>2.44</td>
<td>1.90</td>
<td>2.39</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Like-mindedness</td>
<td>2.26</td>
<td>2.12</td>
<td>0.66</td>
<td>irrelevant</td>
</tr>
<tr>
<td>Quick decisionmaking</td>
<td>2.12</td>
<td>2.32</td>
<td>-1.04</td>
<td>irrelevant</td>
</tr>
</tbody>
</table>

Source: own work.

In most of the studied cases, related to the requirements of team tasks, no statistically significant differences between the responses obtained from Chinese and Polish students were observed. It can therefore be con-
cluded that in general, the preferences to work in SCT and MCT are similar in these two groups. It should also be noted, however, that three significant differences were obtained. They are related to preferences to work in SCT vs. MCT when the task requires assuming responsibility by team members, trust and mutual understanding among team members. In the indicated cases the average for responses received from Polish students was statistically significantly lower than the average for responses from Chinese students. It means that Polish students were more likely than Chinese to prefer working in SCT when tasks require understanding, trust and responsibility. Particularly noteworthy is the mean obtained in the group of Polish students in the case when the task requires mutual understanding among team members (1.9). It is the lowest mean result from all the answers provided by all the participants across each of the tasks and indicates a very strong preference to work in SCT. Attention should also be paid to answers obtained for the cases when a task requires assuming responsibility by team members. In this case, the mean scores from the responses of Polish and Chinese students indicate a preference to work in SCT in the case of Polish students and a preferences to work in an MCT in the case of Chinese students.

In order to obtain the answer to the question whether work experience in SCT or MCT is associated with a preference for selecting a particular type of team depending on the requirements of the task, the respondents were asked to indicate their answers to the following two statements using a seven-point Likert scale:

a) Indicate your level of experience in working in a single-culture team using a scale from 1 (no experience at all) to 7 (a lot of experience)

b) Indicate your level of experience in working in a multicultural team using a scale from 1 (no experience at all) to 7 (a lot of experience)

The statistically significant results of r-Pearson correlation conducted for each of the variables analysed in each group of respondents’ area shown in Table 5. Due to the way the survey scale is constructed, the neg-
ative correlation coefficients indicate a preference for working in an SCT, while the positive ones for working in an MCT.
Table 5. The coefficients of the statistically significant correlations between the experience of working in single-culture (SCT) and multicultural (MCT) teams of the surveyed students from Poland and China and their preference for the choice of work in a particular type of team depending on the type of task

<table>
<thead>
<tr>
<th>Task requirement</th>
<th>SCT experience preferences to work in a team</th>
<th>MCT experience preferences to work in a team</th>
</tr>
</thead>
<tbody>
<tr>
<td>r-Pearson</td>
<td>r-Pearson</td>
<td>r-Pearson</td>
</tr>
<tr>
<td>POLAND</td>
<td>POLAND</td>
<td>POLAND</td>
</tr>
<tr>
<td>CHINA</td>
<td>CHINA</td>
<td>CHINA</td>
</tr>
<tr>
<td>Assuming responsibility by team members</td>
<td>-0.45***</td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>-0.28*</td>
<td>0.37**</td>
</tr>
<tr>
<td>Cooperation</td>
<td>-0.28*</td>
<td>0.30</td>
</tr>
<tr>
<td>Flexibility</td>
<td>-0.47***</td>
<td>0.31*</td>
</tr>
<tr>
<td>Appropriate team climate</td>
<td>-0.44**</td>
<td>0.41**</td>
</tr>
<tr>
<td>Mutual understanding among team members</td>
<td>-0.30*</td>
<td></td>
</tr>
<tr>
<td>Risktaking</td>
<td>0.40**</td>
<td></td>
</tr>
<tr>
<td>Coping with stress</td>
<td></td>
<td>-0.28*</td>
</tr>
<tr>
<td>Quick decision-making</td>
<td></td>
<td>0.32&amp;</td>
</tr>
<tr>
<td>Like-mindedness</td>
<td></td>
<td>0.40&amp;</td>
</tr>
</tbody>
</table>

***p<0.001, **p<0.01, *p<0.05

Source: own work.
The analysis of results obtained in the group of Chinese and Polish students can be carried out in MCT facetted way and is presented below separately for the SCT and MCT experience:

• Experience of working in an SCT:

  the correlations between the declared level of experience in an SCT and the preference to work in such a team in both groups of students differs across task requirements. Among Polish students greater experience of working in SCT is related with a stronger preference for working in such a team if the task requires assuming responsibility by team members, trust or cooperation. However, among Chinese students greater experience of working in SCT is related with stronger preference for working in such a team if the task requires flexibility, appropriate team climate or mutual understanding among team members. In addition, it was found that the greater the experience of working in the SCT among Chinese students, the greater their preference to choose MCT when the task requires risk taking.

• Experience of working in MCT:

  the correlations between the declared experience of working in MCT and the preference for working in such team in the group of Polish students occur if the task requires appropriate team climate, trust and cooperation, whereas in the case of Chinese students the greater experience in MCT, the stronger the preference for working in such a team if the task requires like-mindedness, quick decision making and flexibility. In addition, it was found that the greater the experience of working in MCT among Chinese students, the stronger their preference to choose SCT when the task requires coping with stress.

Summary

Findings obtained in this research can be considered an important advancement in the level of current knowledge regarding preferences to-
Attitudes towards Collaboration in Multicultural Teams in the opinion of Polish and Chinese Students

Towards working in multi versus single culture teams. Even though the World becomes more globalized and unprecedented advancement of technology facilitate cross-cultural cooperation and development of multinational organizations, cultural differences remain with their potential for becoming an asset as well as a threat to effective team work. The importance of this study is connected with the fact that research participants were recruited from the group of young people who study in educational institutions whose aim is to prepare them to become conscious members of modern organizations and their leaders. When this fact is taken into consideration, it seems optimistic that both groups of research participants perceive multiculturalism as a characteristic that may be the team's strength when a task requires cognitive diversification.

It is also important to notice that with regard to some task requirements, SCTs were declared by participants as more effective. Such result was obtained when the task was described as demanding trust, quick decision making, like-mindedness and mutual understanding. This result is also logical and not surprising. Its analysis may lead to a conclusion that when such type of task is to be performed by a multicultural team, the establishment of certain regulations in the team may be beneficial.

The comparison of results obtained in the group of Polish and Chinese students seem to be particularly noteworthy and interesting. First of all it should be noted that there were only three task requirements in which significantly important differences were found between two analyzed groups (i.e. mutual understanding, trust and assuming responsibility). Across all of them Polish students indicated a stronger preference towards working in SCT. The uncertainty avoidance is the cultural dimension that may be perceived as congruent with this result. Uncertainty avoidance is related with the level of stress and psychological discomfort experienced in face of ambiguity and its level is higher in Poland than in China (Hofstede and Hofstede, 2004). Tasks that are related with these three requirements can also be considered as ones that may be perceived by people from an uncer-
tainty avoidant culture as threatening. In result, they may indicate a stronger preference towards an SCT as cultural variability of team members may even further increase ambiguity.

It is also important to notice that there are some differences between Polish and Chinese participants in the nature and strength of the relationship between the preference for work in either SCT or MCT and the declared level of experience obtained in these types of tasks. In the majority of cases where a statistically significant correlation was obtained, a higher level of experience was positively related with the preference for work in a corresponding type of team. However, these correlations were obtained for different task requirements among Polish and Chinese students. Authors are aware of the correlational nature of this result and the fact that it does not imply causality but believe that it also leads to a conclusion regarding direction of further research and practical implications of the current study.

The study described in the present article also has its limitations characteristic for studies in which surveys are used. It would be valuable to verify actual choices made by people under controlled, experimental conditions. This is one of the possible directions for future research. Additionally, it is important to discover what aspects of experience gained in SCTs and MCTs in particular are related with the preference towards those two kinds of teams across different task requirements. Obtaining the answer to that question could help improve the educational process by developing interventions aimed at demonstrating assets of multicultural teams and increasing the preference towards them. Those interventions should be carefully planned and designed and should be culture sensitive and can be regarded an important practical implication off knowledge obtained in the current research.
Bibliography


