

ASPECTS OF THE ASSOCIATION OF EFFECTIVE TEAM RELATED VARIABLES IN THE MANAGEMENT OF INTERCULTURAL WORK TEAMS IN MULTINATIONAL COMPANIES

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Abstract Various phenomena generated by the new context of globalization have focused our research interest towards studying in what ways management of Intercultural Work teams (IWT) could and should contribute to the increase of their performance at work. Despite the recognition of the fact that many MNCs fail in the management of IWTs, there is still a significant knowledge gap about their non-functionalities. Managerial literature „blames” national and organizational culture differences for the failure of this process. This is because each member brings his own style of work, with his own way of ensuring effective cooperation, making difficult to identify a clear recipe of a team organization and management in intercultural context. Teamwork, managing work teams made the subject of numerous researchers from many fields, denoting so difficult exercise in practice. However, we have identified high performance IWTs whose members are from different countries. Therefore, we assume that their management identified and used methods and instruments able to ensuring IWT performance. If we look at international research, intercultural teams management models have a reductionist and not holistic approach, namely stochastic in terms of selection of specific cultural dimensions cultural models specific to the interest of the researcher. In contrast, in Romania, intercultural management and intercultural management teams performance is less studied. The research presented below is set up to be a part of a pilot study, an exploratory research of how intercultural management assigned dimensions are directly related to the concept of EIA performance dimensions assigned. Our assumption for the empirical research is the following: work team performance (effective, efficient, with a high degree of satisfaction of its members) is the result of application performance management in the context of a particular style of interaction specific team. Because the dependent variables were nominal variables, and due to small size of the sample (10 managers and 33 employees), we applied „non-parametrical tests considered the only relevant tests” (Popa, 2008:214). The research is "degree of association", the independent and dependent variables of the same type. One more reason to choose this model of research is that we cannot claim a causal relationship, but the combination of variables that represent characteristics of a high performance team and not performance indicators. We will not venture to make judgments of causality based on done statistical tests.

Keywords: intercultural team work, management, intercultural management, model management, effective team, effective team

Cod JEL: M10, M12, M16

1.Literature review

We are defining intercultural team work (EIA) as a group of three or more individuals who belong to different national cultures, at least two, "with complementary skills, developing a distinct identity, working together in a coordinated and are committed to achieving a common goal whose achievement is considered equally responsible". (Bibu, 2002)

We hereby mention the models which come to support [the team development process](#) (Yeh et al., 2006), *the implementation models* of the highly effective teams (Catska et al., 2001), testing studies for predictability models of the *effectiveness of the team homogenous from cultural point of view* (Ross et al., 2008), models related to the performance of virtual teams (Courtney et al., 2007). Some authors debate the integral team (Cacioppe & Stace, 2009) and its effectiveness, reviews of decision models (Shetah, 2009) in order to increase the performance of teams, the intercultural competence (Ascalon et al., 2008).

All such researches have tried to explain which could be the causes for the failure of work teams, homogenous or not, from a cultural viewpoint, without offering however, clear theoretical and practical solutions.

An effective team is a team that achieves its tasks and reaches planned and assumed team goals "as is" and at the right moment, meaning as they were planned and in due time.

An effective team has 14 characteristics (Rampersaad, 2006), such as: clear team goals each member agrees to rally, coherence and good intentions, acceptance and considering cultural differences and mutual respect and trust, capability to solve internal problems and conflicts, capability to achieve collective learning, open communication, harmonious work climate and open and correct feedback, harmonious combination of personalities and abilities of team members, based on knowing and accepting by each team member of his own role and the roles of the others, assumed responsibilities and encouraging and stimulating individual and team creativity.

An effective Intercultural Work Team IWT is created and build and maintained in a deliberated manner. The decisive role in this process is played by the team manager. Our opinion (Bibu, 2007) is that in order to build an effective IWT the team manager has to execute at least the following eight activities: 1) to identify and build based on common team values; 2) to foster and achieve full agreement of the team members for the common goals and objectives of the team; 3) to show appreciation for each individual cultural uniqueness; 4) to reward excellent achievements in culturally acceptable ways for each one; 5) to recognize that cultural conflicts exists whenever they happen and to avoid considering each conflict as being culturally based; 6) to learn to become a better member of the team being more open to cultures of team members; 7) to encourage constantly the learning process about all others team members cultural based behaviours, attitude and values in order to make them accept and understand cultural differences in the team, and 8) to use alternative activities to strengthen the team cohesiveness and smother its processes.

Highly performing work team is a team that is simultaneously effective (doing the right job) , highly efficient (doing right the job) and achieving the highest „quality of worklife“, that is job satisfaction of team members. We define „being efficient“ as achieving the desired results with less resources (financial, material, human, time).

Performant management of teams is founded on performing managerial functions and roles in such a manner that the result of the managerial process is an effective, efficient, and high degree of satisfaction of team members. Consequently, the result is a performant team. Comparative study of bibliography related to several conceptual models of performant teams, allowed us to define performant teams as above, in the context of our research.

We consider that the role of performant management is to ensure, on one hand, achieving the desired long-term performance, and, on the other hand, to transform a common team into a highly performance team.

Our research is based first, on the fact that team work is a multidimensional construct, and second, managers have to develop simultaneously both each individual (team member) and the team as a whole.

Our conceptual model proposed by us is presented in Figure 1, on the next page.

Our first assumption for the empirical research is the following : IWT having a high level of performance (Effective, efficient, high degree of work satisfaction of its members) is the results of practicing performant management in the context of a certain interaction style specific to that team (Figure 1).

Our second fundamental assumption is that the performance level of IWT is positively influenced by the fact that the team manager is taking into account the consequences of intercultural characteristics of each member of the team.

2. Research methodology

The respondent group was composed of 10 managers and 33 employees/team members, from countries, while the number of IWT researched was 10 belonging to 3 multinational companies, from 3 countries: Canada, United Kingdom and Germany. The members of IWT are individuals originating from Romania, Germany, England, Italy, Senegal, Guinea, Canada. We administrated one questionnaire to each respondent (so 43 validated questionnaires), and interviewed all the 10 team managers. We synthetised data and undertook the operationalisation of basic constructs, and next we analysed the preliminary analysis of variables, in order to check data validity. Because the dependent variables were nominal variables, and due to small size of the sample (10 managers and 33 employees), we applied „non-parametrical tests considered the only relevant tests”. (Popa, 2008:214) The research is "degree of association", the independent and dependent variables of the same type. One more reason to choose this model of research is that we cannot claim a causal relationship, but the combination of variables that represent characteristics of a high performance team and not performance indicators. We will not venture to make judgments of causality based on statistical tests done, this is conditional upon further research if this will be useful.

<p>Team interaction style</p> <ul style="list-style-type: none"> ○ Construction ○ Passivity ○ Aggression 	<p>Effective team</p> <p>Consistency in achieving Valuing cultural differences Team teaching Knowledge of learning ability Combination of skills knowing roles creativity Harmonious working environment Mutual respect Mutual trust Useful feedback Resolving conflicts within the team Timely communication of information it</p>
<p>Performance management</p> <ul style="list-style-type: none"> • The method used • Planning • Organize • Drive • Control-evaluation • Decision 	<p>Efficient team</p> <p>Innovation and risk taking Allowed different opinions Problem-solving meetings Information meetings Meetings for decisions Specific deadlines Regular monitoring of the quality Intolerance to mediocrity Manager defines team objectives Manager facilitates team collaboration</p> <p>Degree of satisfaction of team members</p> <p>Training opportunities and social interaction Other development opportunities</p>

Figure 1. Performant management and the performant Intercultural Work Team
Source: *own adaptation*

Since this is an artificial construction of the components of the conceptual model, we proceeded to identify the relationship of interdependence existing between input items assigned to each variable and each assigned element of the output variable. In other words, the aim of this stage of empirical research is to identify the existence of association, on one hand, between the variables we have assigned to constructs: intercultural management, performance management, contextual factors (personal characteristics, specific personal style as intercultural competence, leadership style and the style of interaction of the team manager) and on the other hand, of the variables defining the construct intercultural team work performance (effective, efficient, degree of satisfaction of team members).

This logical approach allows the identification of advanced constructs validity, too. Since this is a combination of nominal categorical variables, we chose to apply statistical test Chi-square and Fisher exact test. Because the sample of managers is made of only 10 respondents, we have chosen Chi-square test because it can be used also for a smaller volume of sample (but not less than 8), further increasing the

number of subjects having an impact on the critical value for rejecting null hypothesis. (Popa, 2008:219)

We performed data processing and analysis using statistical processing program SPSS (Statistical Package for the Social Sciences) version 16.0.

3.Results and discussion

In this paper we are discussing four of the thirteen sub-dimensions of the constructed concept of „effective intercultural work team” IWT (see Table 1, below, for a complete list of the variables of the construct „Effective team”). These four concepts are the following: consistency in achieving team’s goals, taking into consideration intercultural differences in IWT, combination of team’s member competencies, skills and abilities, and, the fourth, creativity development based on intercultural competence of team’s members.

We are discussing in detail these sub-dimensions because they are all fully accepted by managers of the researched IWTs.

Table 1. Operationalisation of variables construct *Effective team*

Nr.crt.	Item	Code
1	Consistency in achieving team goals	EFICACIT_1
2	Intercultural differences are considered	EFICACIT_2
3	The team learns from experiences	EFICACIT_3
4	Knowing the learning ability of colleagues	EFICACIT_4
5	Combination of skills in team	EFICACIT_5
6	Knowledge of team roles	EFICACIT_6
7	Development of creativity	EFICACIT_7
8	Harmonious working environment	EFICACIT_8
9	Mutual respect	EFICACIT_9
10	Mutual trust and obedience	EFICACIT_10
11	Mutual feedback	EFICACIT_11
12	Conflict resolution	EFICACIT_12
13	Timely communication of information	EFICACIT_13

Source: own research

Data from Table 2 (on the following page) shows that the association confirms the first identified association. From the sample of managers, 90% of them attributed this to the IWT they manage. The dimension “Formal education” of an effective team is associated, with perfect intensity (Cramer’s V coefficient is equal to 1), first, with high formal education (10 managers all respondents at least 16 years of formal education manager of which 5 have a doctorate in management) and second, with the type of manager who explains (totally or partially) to the team the content of the management method he/she is using.

This attitude can be explained by focusing on the dimension “high uncertainty avoidance”, the role of explanations being to counteract the negative results due to misunderstanding by IWT members about what to do (Sinek, 2009; Potter et al. 2000)

We have identified a leadership attitude characteristic to the concept of "Golden Circle" (The Golden Circle). This concept is about the leader who inspires by: motivation by WHY, discipline by HOW and ensures consistency by WHAT. Good results can be achieved with people who are happy to come to work. People take risks only when they trust the organizational culture, which includes the management method applied, too. These results can fall into a cultural context characterized by low power distance, explained by high percentage of respondents managers (70%) coming from this type of culture. In support of this assertion we have identified that employees appreciate that the manager does not impose its own opinion (even if the percentage is 80% - individualism and masculinity among managers, which would make us believe that they apply a authoritarian management). Employees appreciate that professional development is taken into account which means that organizational culture values the performing employee. This is, in our opinion, explained by the high percentage of masculinity among the countries represented in the sample, masculine cultures are valuating performance. Analysis from the perspective of employees indicates that 73% have responded that there is consistency in achieving team objectives, variable positively associated with the fact that intercultural not affect their behavior (or only partially). Therefore, we appreciate that there is an association with the type of task-related conflict and not with the interpersonal conflict generated by cultural differences.

Table 2. Significant associations with variable *Consistency in achieving team goals* (own source)

Variable code	Variable name	Managers			Employees		
		Pear-son Chi-Square Test Significance level bilateral	Cramer's coefficient Significance level	Contingency Coefficient Significance level	Pearson Square test of significance level bilateral	Cramer's coefficient Significance level	Contingency Coefficient Significance level
Stil_pers_8	Formal education	10,00 ,040	1 ,040	,707 ,040			
Stil_pers_13	Intercultural influences team behavior				9,22 ,010	,529 ,010	,467 ,010
MPERF_4	Method is known management team	10,00 ,007	1 ,007	,707 ,007			
MPERF_12	Take into account the need for professional development				10,18 ,006	,555 ,006	,485 ,006
MPERF_13	This provides the opportunity to improve				13,23 ,001	,633 ,001	535 ,001
MPERF_15	Performance rewards				9,26 ,010	,530 ,010	,468 ,010
MPERF_18	Motivation determines individual pursuit of personal interests				9,12 ,010	,526 ,010	,465 ,010
MPERF_22	Encouragement to award multiple roles				10,97 ,004	,577 ,004	,499 ,004
INT_MCONF_1	Types of conflict				11,77 ,008	,597 ,008	,513 ,008
INT_Com1_3	Free expression of emotions				4,97 ,026	,388 ,026	,362 ,026
INT_Com1_5	Agreement on non private time				4,65 ,031	,375 ,031	,351 ,031
Stilp_Jud	Disposition to not judge				5,22 ,022	,398 ,022	,369 ,022
Stilim_Op	Impose personal opinion				6,89 ,013	,433 ,013	,397 ,013
STILP_Intemot2	Productive use of emotions				12,70 ,001	,620 ,001	,527 ,001

Source: our own research

They associated taking into consideration cultural differences with their ability to use emotions to promote intellectual growth, as a dimension of emotional intelligence, as a main feature of a transformational leader (there is a very high intensity of the association, Cramer's V coefficient being equal to 1). The associated cultural dimension to it is "Individualism-collectivism". Therefore, controlling tightly expression of emotions transforming them into a productive issue will be a difficult task for IWT manager.

Rewards are given based on individual performance (normal for individualism). 52.6% believe that individual motivation determines not necessarily follow personal interests, agreeing with it (individualism) and also, they agree with encouragement to award multiple roles (feminine culture). This variable is also associated with the fact that expression of emotions is not an impediment to communication (collectivist cultures, high uncertainty avoidance). Not respecting private time is not considered a problem (collectivist cultures).

Productive use of emotions as part of emotional intelligence and the ability not to judge (individual component of intercultural competence) are not found extensively in the respondents (11,1% of the respondents answered that they have the ability to not judge the other).

We have identified a typology of manager with an individualistic culture type, with low power distance, manager that uses management by objectives. From the perspective of other IWT members coming from other cultures (collectivism 61% and high power distance 64%), the manager must take into account the most valued element identified, such as various aspects of team communication, emotional expression side within IWT.

Only 40% of managers attributed the dimension *Intercultural differences are considered* (see Table 3) to the team they lead.

Table 3. Significant associations with *Intercultural differences are considered* (own source)

Variable code	Variable name	Managers			Employees		
		Pear-son Chi-Square Test	Cramer's V coefficient	Contingency Coefficient	Pearson Chi-Square test of	Cramer's V coefficient	Contingency Coefficient
MPERF_15	Performance rewards				10,37,006	,560,006	,489,006
MPERF_16	Compliance group decisions				8,20,017	,498,017	,446,017
MPERF_17	Encouragement for collaborative solutions				6,02,049	,427,049	,393,049
MPERF_20	Team roles				9,67,046	,514,046	,476,046
STILECH	Team interaction style	6,67,010	,816,010	,632,010	15,72,001	,691,001	,568,001
INT_MCONF_1	Types of conflict	6,67,036	,816,036	,632,036			
Stilm_Co	Cooperative				5,31,021	,401,021	,372,021
Stilm_Op	Impose personal opinion				5,31,021	,401,021	,372,021
INT_RU8	Identical reward if successful members				7,65,006	,481,006	,434,006
INT_RU9	Sanctions in case of failure of members	6,67,010	,816,010	,632,010	5,88,015	,422,015	,389,015
STILP_Intemot2	Productive use of emotions	10,00,002	1,002	,707,002			

Source: own research

Managers have associated constructive interaction style in IWT to considering intercultural differences in characterized by a balanced approach between personal and team results, cooperation, creativity, free exchange of information and respect for others' opinions. This style allows satisfaction of individual achievement and team affiliation needs of IWT members. These are precisely the characteristics that theoretically define an IWT. We consider it to indicate that in such a situation the IWT is in the mature stage, closely to the ideal type of team.

Penalties in case of failure and rewards in case of success apply equally team members (collectivism), aspects that are reflected in strong associations with existing types of team conflict, both interpersonal and Task solving related conflicts. This is indicated by the fact that 61% are belonging to collectivistic cultures. The fact that 39% of the sample are people belonging to individualistic cultures, who are associating the above system of team reward and punishment to the fact that "cultural differences are not taken into account".

In terms of employees, the variable related to intercultural differences being considered (36% of them have responded that their team has this feature) is positively associated with first, granting rewards based on performance (individualism), second, encouraging collaborative solutions (low power distance), third, the manager does not impose his/her personal opinion (individualism), fourth, there is agreement for identical reward if successful.

64% of respondents associated compliance to group decisions with disregarding the intercultural differences (individualism), as well as 80% of employees responded that within their team exist more relationship-oriented roles (collectivist approach). In IWT where there is no taking into consideration of cultural differences, the manager is considered not to be cooperative and the team interaction style is passive.

We have identified in this model several relations between team effectiveness and team interaction style, in terms of managerial style, team roles, rewards and punishment system as part of human resource intercultural management.

The small percentage of respondents (40% of managers and 36% IWT members) who allocate this dimension to their team effectiveness indicates that cultural aspects are little taken into account, despite the fact that the team analyzed met the characteristic of an IWT. One possible explanation relates to the fact that these teams members were potentially acculturated from their home country culture, due to adopting the company's organizational culture in which he/she was working for more than two years. Another explanation is given by the conviction of IWT managers and members that the 'hard' part of the activities of team is enough to ensure effectiveness of the team, that is achieving its planned goals.

Table 4. Significant associations with dimension *Development of creativity* (own source)

Variable code	Variable name	Managers			Employees		
		Pearson Chi-Square Test	Cramer's V coefficient	Contingency Coefficient	Pearson Chi-Square test	Cramer's V coefficient	Contingency Coefficient
Stil_pers_13	Team intercultural influence behavior	6,67 ,036	,816 ,036	,632 ,036			
MPERF_17	Encouragement for collaborative solutions				7.87 ,020	,488 ,020	,439 ,020
INT_Coml_1	Knowledge language				7,53 ,006	,478 ,006	,431 ,006
Stilp_Ascultare	Willing to listen				4,90 ,027	,385 ,027	,359 ,027
STILP_Intemot3	Intentional generation of emotions				4,95 ,026	,387 ,026	,361 ,026

Source: own research

According to data from Table 4, 50% of the respondent managers consider that the team they manage does not allow development of creativity, while considering that inter-cultural dimension of the team is influencing their behavior. The high coefficient Cramer's V (0.816), indicates a high degree of association between the two variables. The variable related to development of creativity (only 55% of employees answered that their team allows them to be creative) is positively associated with first, encouraging cooperation to find common solutions, second, with perfect knowledge of the language of communication in the team, and, third, with their predisposition to listening, as attributes of intercultural competence.

We have also found a positive association between the ability to generate emotions intended to help solve problems and the fact that IWT that enables and develops creativity. However, it should be mentioned again that this should be moderated with the various cultural attitudes about showing or not openly your emotions.

5. Conclusions and recommendations

We consider that "Consistency in achieving goals" in an IWT is provided by the type of manager with high formal education, which explains to his/her team the content management method applied without imposing its own opinion. It is a context that takes into account the professional development and provides the opportunity to improve skills of the team members. Rewards are given based on individual performance; there is an agreement to encourage the allocation of multiple roles in IWT. Manifestation of emotions is not an impediment to communication within the team and failing to respect private time is not considered to be a problem. Managerial ability consists of finding satisfactory solutions related to communicating at work between people from cultures with low power distance, and emotionally neutral,

where emotions are controlled during communication, and people from affective cultures and individualistic, with desire for respect of private time. From the perspective of conflict, the challenge will be to manage the resolution of task related conflicts in such type of IWT.

The findings related to "Intercultural differences are considered" indicate that this goal is achieved when managers possess a high level of emotional intelligence so they have the ability to use emotions in order to promote intellectual growth. The manager does not impose his/her personal opinion and is encouraging collaborative solutions (low power distance). Another requirement for success is the existence of a constructive interaction style within IWT based on concern for a balance between personal and team results, cooperation, creativity, free exchange of information and respect for others' perspective. The constructive style leads to satisfaction of needs for personal achievement and affiliation to the team. Manager's ability will be tested in the application of the incentive system, giving reward and punishment, which should combine rewarding team performance according to the individual (individualism-collectivism) and take account of whether punishment is equally individualistically appreciated. A challenge for the team manager will be a preference for not conforming to group decisions (individualism) and relationship-oriented roles (collectivism preferred) that will generate task-related conflicts or relationship related conflicts in such teams.

Conclusions related to "Development of creativity" are that managers who are encouraging cooperation between team members to find common solutions, coupled with perfect knowledge of the language of communication in the team, with team members willing to listen the other team members, could expect better development of team creativity. Our findings indicate that managers have to develop their intercultural competence.

The analysis of data has confirmed that there are relations of interdependence, association between variables for "entry" items into the "system" named "Intercultural Team Work". This system is made of the following constructs: Contextual factors, Performant Management and Intercultural Management) and the characteristics of a performant IWT (i.e. effective and efficient team constructs Team). Our results consist in identifying a possible management "scenario", based on a given intercultural the intercultural aspect of a team determines, ultimately, a certain level of a result variable one of the characteristics attributed to effective and efficient EIA. A high or low level of this "indicator" IWT performance can be explained by the fact that it takes or not into account cultural differences between IWT members.

Due to the recognized limitations of our research: the small size of the sample and research model artificial construction, we cannot generalize the results. On another hand, we consider that results obtained confirmed that it is useful to undertake a broader research study.

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