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**Organizational Change: Coping Strategies In Cultural  
Minority And Majority Groups In New Zealand And Germany**

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Partial Fulfillment of the Requirements  
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### **Abstract:**

This study sought to examine the influence of cultural identity on employees' adjustment to organizational mergers and acquisitions in New Zealand and Germany. To explore the role of employees' cultural identity in relation to their coping strategies to accommodate the changes at their working places, an exploratory, qualitative research methodology was used. Interviews were conducted with male and female employees aged from 20 to 60 years in two organizations in each country. The findings indicated that cultural identity did not play the most important role in these employees' adjustment to the changes at work. However, compared with their coworkers who expressed less interest in cultural exploration and traveling, individuals from all four organizations who expressed a great interest in traveling, exploring other cultures, and maintaining contact to members of other cultures also reported a larger variety of coping skills and perceived fewer difficulties generated by the organizational changes. The outcomes of this study were discussed with regard to theories derived from previous research.

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# **Organizational Change: Coping Strategies In Cultural Minority And Majority Groups In New Zealand And Germany**

## **1. WHAT NECESSITATES RESEARCH ON DIVERSITY IN ORGANIZATIONS?**

Globalization has existed for many centuries as a process by which cultures influence one another and become more alike through trade, immigration, and the exchange of information, ideas, and talents (Jensen Arnett, 2002). Nowadays, increasing diversity is a worldwide trend, creating inter-dependency across different cultures, and there are hardly any work-places made up of homogenous teams left (Jackson & Joshi, 2001). For these reasons, to achieve an understanding and accepting of cultural differences and to make inter-cultural relationships work, people in organization need to be geared towards an *integration* of expertise, values, and norms from diverse cultures (Moghaddam, 1997).

Such intentions put ‘cultural diversity’ at the top of many researchers’ agendas. Researchers and people in organizations acknowledge that an understanding of diversity is no longer limited to cross-cultural sojourning-, but, since diversity can be found within most organizations, needs to be expanded to *all* employees (Jackson & Joshi, 2001). However, while researchers continue to show that diversity influences the outcome of change in organizations, it is less well understood *why* diversity has an influence on organizational processes amongst employees (Sessa & Jackson, 1995). Making obvious the ways in which cultural differences work can foster not only an understanding, but also lead to utilization and sharing of the different skills and practices unique to members of differing cultures (Hermans & Kempen, 1998).

People’s understanding of the dynamics of cultural diversity in organizations seems crucial when looking at current demographic projections indicating that within 30 to 40 years, persons of differing cultures as a collective group will constitute a country’s numerical majority – in fact, will constitute over 50% of the population (Sue & Sue, 1999). Cartwright and Cooper (1990) suggested that, over the next years, an increasing number of mergers and acquisitions between organizations of differing national cultures will further add to cultural diversity. However, researchers found that such amalgamation processes between organizations generated a number of problems for employees and managers. Even

though mergers and acquisitions are human activities, and researchers consider resulting employee problems as responsible for the failure of 30-50% of all organizational fusions, management often focused on viability *without* considering employees' coping capacities (Cartwright & Cooper, 1990).

Considering the global expansion in cultural diversity and organizational alliances, it is not surprising that, increasingly, in most countries, efforts to understand workforce diversity are the topics of discussions in both psychological and organizational arenas. Also, as cross-cultural awareness increases worldwide, psychologists increasingly integrate culturally different perspectives on people's behavior and well-being into their work (Ritchie & Ritchie, 1999).

In New Zealand for example, mainstream psychology perceives the integration of cultural minorities' perspectives not only as an ethical obligation, but also increasingly values minorities' unique ways of 'doing things' as a contribution to society and organizations (Ritchie & Ritchie, 1999; Waldegrave, 1990). Such contributions, for example, are the Indigenous People's own approaches to understanding human behavior and approaches to solving problems (Tremaine, 1990).

However, in most societies - including New Zealand - the topics of cultural diversity in organizations and cultural embeddedness of problem-solving skills are still in need of further exploration (Strohschneider, 1999). Recent findings indicate that cultural diversity can be beneficial to organizations only when it is *understood* and managed effectively. For example, Levi (2001), Cox (1993), and Triandis (1995) stressed that for cultural diversity amongst employees to show benefits, organizations' understanding should encompass a pluralist approach to integrate - and not homogenize - the *differing* cultural approaches, for example, to decision making. In support of this notion, researchers observed that the promotion of cultural homogeneity by favoring one culture over another was - in contrast to diversity - counterproductive to teamwork (e.g., Gaertner & Dovidio, 2000). They found that culturally homogeneous teams did not make efficient use of minority group members' innovative skills, for example, in conflict resolution (e.g., Moghaddam, 1997). One reason for organizations ignoring minorities' *positive* features might be that a large number of

studies emphasized the problems in conjunction with cultural diversity in teams (Ofori-Dankwa & Tierman, 2002).

A *problem* focus - versus a focus on the benefits - in research highlights the disadvantages of cultural diversity, such as stereotyping, ethnocentrism, racism and the like (Ofori-Dankwa & Tierman, 2002). On the other hand, there are fewer studies on the advantages of cultural diversity, such as increased creativity and richness in generating problem solutions in organizations (Sessa & Jackson, 1995). Such problem-focused approach in research on cultural diversity may not be encouraging to managers expected to promote the benefits of cultural diversity in their organization. One of the better-known early studies with a positive approach to diversity, for example, is Tajfel's (1982) research on minority members' contributions to group interaction. Tajfel's research on minority influence on groups is also widely applied to teamwork in organizations. Tajfel proposed - as did a number of other researchers later - that as minority members often feel that in order to be regarded positively they have to be different and deviate from the group, they create an abundance of alternative problem solutions.

Thus, as Fukujama (1990) suggested, for cultural diversity to be of benefit for people in organizations, minority members' problem-solving skills would need to be noticed and understood first so that they can be *integrated* into teams operating in a cultural majority environment. The need for further exploration of the skills and knowledge of culturally diverse people, in conjunction with organizational changes, has served as an inspiration for the present research project. Following Fukuyama's suggestion, this research project will not only emphasize the cultural differences, but also acknowledge the similarities in persons' attitudes and strategies in problem-solving and decision-making in organizations.

The need for the preservation of employees' *individual* cultural identity on one side and the need for them to adjust to a new, *shared* organizational culture on the other side - for example, after an acquisition or merger - makes the integration of the dualities of cultural differences *and* similarities an important objective in this research (Phinney & Kohatsu, 1997).



## 2. DEFINING CULTURAL IDENTITY

The terms 'culturally diverse', 'ethnicity', or 'cultural identity' are mostly used to refer to groups of people who have a distinct culture or a shared historical identity (Yancey, Aneshensel, & Driscoll, 2001). Sociologists and psychologists use the term 'cultural identity', in the sense of 'ethnicity' to *distinguish* members of a specific culture from members of other cultures (Carter, 1995; Smith, 1991). Cultural identity as a social construction serves as a perspective for living, '...for it tells [people] who they are and what they must do at certain times' (Ross, 1985, p. 43). In the context of distinguishing individuals based on their membership of a group representing a distinct culture, the use of the term 'cultural identity' can be considered as interchangeable with 'ethnicity' since both terms refer to groups that share the same social and historical heritage (Fischer & Moradi, 2001; Phinney, 1992).

However, while people inherit their 'ethnicity', the development of 'cultural identity' - in the sense of shared group membership - is a social construction underlying a developmental process (Phinney, 1990; 1993). In an effort to provide a coherent system for conceptualizing 'cultural identity development', Phinney (1993) developed a three-stage model of identity formation. The first phase is characterized by the absence of exploration of one's cultural background and an unquestioned acceptance of the values and beliefs of the majority culture. The next phase - cultural identity search - takes place when there is a personal event that removes individuals from their worldview, making them open to a new interpretation of cultural identity resulting in a deeper understanding about their cultural heritage (Phinney, 1993). The final phase results in a constitution of the person's cultural identity with a sense of belonging (Phinney, 1990). It is the second phase - a person's openness for a new interpretation of identity in a new, *changed*, setting of shared identity - I intend to explore.

Cultural group identity is not necessarily static and can change. Once people develop their cultural identity and perceive a sense of belonging to a cultural group, and once these groups share a social setting, they create diversity. Such environments of diversity can also generate identification with a wide variety of values and beliefs in one person. Using this premise, Nkomo and Cox (1996) proposed that approaches in research on cultural diversity should conceptualize 'identity' as *multifaceted*, *dynamic*, and *transferable* to other groups.

### 3. CULTURAL DIVERSITY IN ORGANIZATIONS

Nkomo and Cox (1996) summarized 'diversity' as, '...a mixture of people with different group identities within the same social system' (p. 339). Researchers in the field of business psychology traditionally differentiate between a) demographic diversity - for instance, relating to culture or ethnicity, b) organizational diversity like status and occupation, and c) psychological diversity such as cognitive style and behavior (Levi, 2001). I am in agreement with those authors who maintain that the three types of diversity are interrelated and influence each other (e.g., Cox, 1995; Levi, 2001). For example, people's ethnicity may influence their thought processes and choices of action, and possibly affect their status in an organization. Following the idea that types of diversity are interrelated, in this study, I will focus on 'cultural diversity' inclusive of ethnicity and psychological diversity in conjunction with variations in problem solving in organizations.

Cultural diversity can be found in most organizations today, since all contemporary societies are now culturally plural and no longer homogenous with respect to objective markers, such as *noticeable* ethnic origin, and subjective markers like the *expression* of one's cultural identity (Berry; 1997). However, as Thomas and Ely (1996) remarked, the promotion of diversity in organizations involves more than just increasing the *number* of different identity groups. Today, more than ever, people of different culture, tenure, and educational background are required to work effectively side by side, cooperate, and engage in mutual learning processes. For example, in Europe, 375 million people of numerous nationalities, languages and cultures have joined in one remarkably diverse entity - the European Union (Mayo, 1999). In culturally diverse environments like this, teamwork brings about a number of opportunities for people in organizations.

While cultural diversity has become top priority for business leaders trying to compete successfully in a global business environment (Peters & Waterman, 1982), cultural diversity also bears a number of benefits for *employees*. For instance, some experts claimed that teams made up of members of differing cultures could generate divergent thinking and a wide variety of perspectives useful in problem-solving processes (Nemeth, 1986; Triandis, 2000).<sup>1</sup> Conversely, when diversity is not managed effectively, challenges - like conflicting

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<sup>1</sup> Further information will be provided in chapter 10: *How does cultural diversity produce its benefits?*



values brought into teams by people of differing culture - might arise (Mayo, 1999). To maintain organizational diversity and its benefits, a main objective for organizational members would be to handle diversity's challenges resourcefully while at the same time creating an environment which permits people to *preserve* their cultural identity (Mayo, 1999).

Triandis (1995; 2000), for example, warned managers that when dealing with diversity's challenges, they should beware of the 'melting pot' approach where cultural differences are homogenized and the 'under our skin, we are all the same' attitude is put in place. Some of the past literature on cultural diversity - which portrayed cultural minority members as unwilling to contribute to group cohesion and as counter-productive to problem-solving processes - recommended overcoming these challenges by dismantling the signs of diversity and aiming to achieve conformity and sameness (e.g., Landy & Trumbo, 1980; Wallace & Szilagyi, 1982). While such approaches might reduce some of the challenges of cultural diversity - such as numerous different viewpoints slowing down decision-making processes - at the same time, these approaches would reduce benefits like the abundance of *different* conflict resolution skills (Nemeth & Owens, 1996).

From a perspective different to theorists like Kanter (1977) or Cope and Kalantzis (1997) - who regarded cultural minorities as interfering with harmonious group decision-making and, in comparison, homogenous groups as facilitating smoother problem-solving processes - Nemeth (1979) and Moscovici (1985) shifted their focus towards the *positive* attributes of cultural minorities. They observed that minority members had persuasive decision-making power at their disposal, which grew out of consistency, perseverance, and loyalty towards their culture. However, over the last two decades, researchers exploring the influences of cultural diversity in organizations observed that members of cultural minorities had a lot more to offer to teams apart from 'perseverance' (e.g., De Dreu & De Vries, 1997; Peterson & Nemeth, 1996).

A number of researchers stated in more recent research that, in addition to perseverance and consistency, cultural minority members contributed 'inspiration' for teams to consider problems from *multiple* perspectives and also prevented 'group think' - a condition where group members agree on the first proposed decision rather than bringing up

opposing ideas (Peterson & Nemeth, 1996). It is now believed that minority views in teams can a) generate vitality and creative challenges (De Dreu & De Vries, 1997), b) induce more cognitive efforts and divergent thinking than uniform majority views (Nemeth, 1995), c) generate a number of alternative problem solutions, and d) contribute to improving group decision-making. Homogenous groups, on the contrary, can restrict opportunities for debate, personal learning, and the quality of judgments (Nemeth & Owens, 1996).

Agreeing with the above-mentioned experts, a number of other authors argue that the idea of achieving 'sameness' – for instance, 'people in organizations doing the same things in the same ways' - would *not* allow for successfully combining similarities *and* diversity among team members and *not* produce the most advantageous decision-making processes (e.g., Berry, 1997; Terry, 2001; Triandis, 1995; Ward, 1996). One way of understanding the relationship between similarity and diversity is to define 'diversity' as a *part* of similarity. As Hallowell (1960) put it, people can experience a sense of *sameness* through being different from each other: their perceptions might vary widely, but since everybody experiences this variation, it constitutes *sameness* across people.

Having arrived at the understanding that differences and sameness are not exclusive of each other, organizations are increasingly in favor of diversity in groups (Moghaddam, 1997; Terry, 2001). For example, in New Zealand, Tremaine (1990) observed that some Māori employees prefer a supportive leadership style where the leaders remain in the background, while, in contrast, employees of European descent are likely to feel more comfortable with managers who are highly visible. While these cultural groups show different preferences for leadership styles, the 'sameness' is constituted by their need to feel *comfortable* with leadership and have their cultural needs met while working jointly towards shared organizational objectives (Peters & Waterman, 1982).

In the same vein, Triandis (1995; 2000) also understood differences and sameness as two sides of the same coin. He explained that each cultural group should maintain as much of its original identity as possible and, at the same time, join forces and identify with uniting organizational objectives. Contrary to the belief of many people, holding multiple identities is not necessarily confusing for the concerned person. It is an everyday experience for many individuals to identify with various groups - for example, their cultural group *and*

their work team (Markus & Kitayama, 1991). Considering the switching of these environments and identities, one could argue that people's membership of *various* small groups would turn almost everybody into a minority member (Tajfel, 1981). Yet, not all people perceive themselves this way and there are multiple forces - apart from multiple group membership - that form a person's identity as a minority member (Alderfer, 1987).

#### 4. IDENTIFICATION PROCESSES IN CULTURALLY DIVERSE ORGANIZATIONS

While in some ways, most societies '...consist of nothing but minorities', (Tajfel, 1981, p. 312) - for example, people choose to become members of religious groups, sports clubs, or regional groupings - *cultural* minority members do not join their group by choice. In contrast to minority members who joined groups of interest by choice, cultural minority members can only leave their group identity behind under difficulties. Researchers, like Tajfel (1981) for example, differentiate between minority members who have been *allocated* a common identity, and those who self-categorize and wish to *preserve* their minority identity.

In the present study, the definition of cultural diversity refers more to the second of Tajfel's (1981) identity conditions - 'self-categorization'. Self-perception of 'cultural minority membership' would include individuals' perception of belonging to minority groups based on similar biological traits, historical experience, or vulnerability to social forces (Alderfer, 1987). Commonly, when individuals categorize themselves as a cultural minority member - as opposed to being categorized by others - and distinguish themselves from other groups, this process creates feelings of belonging and influences their social behavior towards their own and other cultural groups (Tajfel & Turner, 1979). However, minorities' sense of belonging and identification with their culture does not necessarily exclude their identification with other groups such as work teams (Macrae, Bodenhausen, Milne, & Jetten, 1994).

Because cultural minority members are members of their socio-cultural group *and* their work group, they are potentially holders of multiple identities (Markus & Kitayama, 1991). So are cultural majority members, and many groups inside and outside the organization consist of members of both cultural majorities and minorities. However, in addition, members of cultural minorities - more than members of cultural majorities - are

commonly prompted to integrate a variety of other identities - for example, their host country's cultural identity and their organization's identity. Some authors suggest that - given the proper supporting conditions - multiplicity of identities often enables minority members to generate a variety of perspectives in problem-solving (e.g., Nemeth & Owens, 1996; Terry, 2001). This suggestion is one of the factors I attempt to explore in this study.

Berry (1990), for example, is one of the authors who suggest that the multiplicity of perspectives of cultural minority members is linked to bi- or multicultural identity and explain that members of cultural minorities could develop identities that *combine* their native culture, the local culture to which they have immigrated, and the global culture. Similarly, Hermans and Kempen (1998) and Jensen Arnett (2002) defined persons with a 'bicultural identity' as individuals retaining their local identity *alongside* a global identity - *combining* local culture and elements of the global culture. Also, many cultural minority members - New Zealand's Māori people for example - are already bicultural due to their upbringing in a bicultural society where they are prompted to combine differing cultural norms and values (Jonson, Su'a, & Crichton-Hill, 1997). In both cases, having grown up in a bicultural environment or having moved to an environment different from one's own culture, cultural minority members commonly needed to integrate a number of values from different cultures, thus potentially increasing the number of perspectives in challenging situations (Berry, 1990).

Variety - or pluralism - of cultural identity not only has the potential to increase the number of perspectives in conflict situations, but can also reduce acculturation stress and assist individuals to make transitions to new environments (e.g., Berry, 1990; 1997). Berry (1990), for example, found in his research that acculturative stress and the resulting adaptational problems can be reduced not only by a person's multitude of cultural identities, but also by the degree of cultural pluralism in the person's *environment*. Similarly, Ward and Rana-Deuba (1999) found that expatriates adopting a multi-cultural identification experienced fewer psychological adjustment problems in getting used to new environments than those who were encouraged to assume an assimilationist perspective. These findings imply that an organizational environment, where societal and organizational cultural pluralism prevails, may make transitions to post-merger conditions easier for employees and may reduce resulting stress experiences (Berry, 1990).

Similar to Ward and Rana-Deuba's (1999) suggestion that a person's multi-cultural identity could reduce adaptational problems in transitional processes - for example, to new cultural environments - Triandis (1995) advocated that people adjusting to new environments should preserve as much of their original culture as possible, while at the same time including the norms and values of the main-stream culture. However, to strengthen *cooperation* among culturally differing people, for example in groups in organizations, the focus must also lie on *commonalities* across differing individuals (Mayo, 1999; van de Vliert & de Dreu, 1994).

Although cultural diversity in itself has the potential to enhance team efforts (e.g., Nemeth, 1995; Tajfel, 1981), organizations would not be likely to benefit from diversity unless *commonalities* - such as mutual trust, openness, and team spirit - enabled minority members to feel comfortable in making their contributions (Thomas & Ely, 1996; Wanguri, 1996). To encourage minority members to express their ideas in teams - especially when these deviate from standard perspectives - minority members should not feel viewed solely in terms of their cultural group membership, but also sense a *common* team membership and conceive their organization as accepting of diversity (Fiske, 1998). Thus, while members of cultural minorities are thought to have the potential to generate a wide variety of ideas in problem solving, they ought, at the same time, perceive themselves as group members in order to feel comfortable in contributing their ideas .

If, on the other hand, acceptance and trust levels are low and minority members do not feel comfortable contributing divergent ideas, they might instead - wanting to be good co-workers - feel motivated to comply with the majority group's decisions (Fiske, 1998). They might withhold any opposing ideas on problem solutions (Eigel & Kuhnert, 1996). Obviously, while cultural minority members' unique perspectives can influence majority members' thought processes, negative attitudes of majority group members towards their minority counterparts, in return, can reduce their contribution of ideas in teams (Fiske, 1998). Therefore, when minority members perceive that others accept them for who they are and when they feel valued in *themselves* - not contingent on their ability to comply with majority views - this may enhance their comfort in teams and encourage them to present



innovative and unique perspectives in decision-making processes (Brickson, 2000); Fiske, 1998).

It is apparent, so far, that cultural minority members – compared to majority members – in organizations have to juggle with a number of identities. Some researchers took an interest in exploring *which* identity minority members would fall back on during organizational changes when their organizational identity becomes challenged (e.g., Fiske, 1998; Larkey, 1996). They assumed that cultural minority members would focus more strongly on their cultural identity and emphasize less their organizational identity when the context in organizations changed, as in cases of mergers and acquisitions. However, Larkey (1996) observed that a number of cultural minority members in organizational change situations still felt the need to prove their loyalty and commitment to organizational norms. Apparently, cultural identity did not always come first and organizational identity ranked high for a number of minority members who felt committed to the organization (Baron & Bielby, 1985).

Minorities' identification with the organization can vary, though, and is context-dependent. First, cultural distinctions among employees might be less emphasized in some organizational environments than in others (Baron & Bielby, 1985). Second, as cultural and social identities are not static mechanisms, individuals' perceptions of their identity as cultural minority members may vary (Ofori-Dankwa & Tierman, 2002). An example of this is when changes in people's lives, such as cross-cultural transitions, may alter their identity orientation (Alderfer, 1987). Together with the growing number of researchers (e.g., Brickson, 2000; McLeod & Lobel, 1992; Watson, Kumar, & Michaelsen, 1993), I take an interest in exploring employees' cross-cultural transitions in conjunction with cultural and organizational identities in relation to problem-solving skills.

However, while information on cross-cultural transitions and adjustment skills is growing and available, some authors consider the *integration* and synthesis of the expanding literature on cross-cultural transition and managing adjustment to change still largely neglected (e.g., Ward & Rana-Deuba, 1999). However, in the age of globalization, more and more managers take an interest in incorporating cultural diversity into organizations (Nemeth & Owens, 1996).

## 5. IMPLICATIONS OF CULTURAL DIVERSITY FOR MANAGERS

As workplaces become more diverse and team-oriented, managing cultural diversity in organizations becomes a matter of building cooperation among members of minority *and* majority groups (Nemeth & Owens, 1996). If managed properly, cultural diversity can be of advantage to people in teams and can form the basis of a globally competitive organization; but if mismanaged, diversity can be counterproductive and costly (Mayo, 1999). Thus, to draw on the opportunities of cultural diversity in organizations, managers in leading positions today need to develop skills that help them manage culturally different individuals while, at the same time, promoting a unifying organizational identity (Edelson & Berg, 1999).

Teams reflecting cultural diversity are becoming a favorite way of organizing work for managers in many organizations. For example, a recent survey in the USA by *Purchasing Magazine* found that 57 % of companies prefer using multicultural teams to make strategic decisions (Mayo, 1999). This survey showed that, instead of relying on individuals and their narrowly defined functions, organizations prefer working with teams that encompass members from differing cultural backgrounds. As mentioned before, a number of authors suggested that opportunities might arise from the *multiple* perspectives on problem-solving and the *variety* of skills that cultural diversity provides to the group (Moghaddam, 1997; Nemeth 1995, Nemeth & Owens, 1996; Thompson & Gooler, 1996)<sup>2</sup>.

Thus, to utilize the multiplicity of skills present in multi-cultural teams, it seems vital that organizations prepare their managers and supervisors adequately to effectively lead in a culturally diverse work environment<sup>3</sup>. Traditional diversity programs - such as sensitivity training for executives - have contributed to integrating more cultural minorities into the workplace. Unfortunately, these programs often did not make the most of the opportunities that diversity presents, because they mainly focused on potential difficulties generated by diversity, for example, in decision-making (Edelson & Berg, 1999). The number of studies with a positive approach to diversity in organizations has increased over the last two

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<sup>2</sup> See chapter 3: *Cultural diversity in organizations*, paragraph 4-6.

<sup>3</sup> See also the chapter 12: *Has diversity in organizations been utilized effectively?*

decades, though, and so has the number of managers who draw on those research findings (Mayo, 1999).

While many superiors regarded cultural minorities' ideas and cognitive styles, diverging from those of cultural majority members, as 'time wasters' in the past, nowadays, an increasing number of managers pay attention to the innovative ideas of minority members (Johnston, 1998; Moghaddam, 1997). These managers believe - and experience - that teams made up of culturally diverse people can more easily reach creative solutions and decisions and that teams become truly effective when they represent the full spectrum of diversity. Employees, in return, find their work-place much more entertaining, engaging, and fascinating when their team includes people from other cultures with a variety of perspectives and varying experiences (Johnston, 1998).

In her research, Mayo (1999) found that business leaders experienced that groups consisting of culturally diverse people influenced not only the quality of work outcomes, but also the quality of interpersonal relations. For example, persons who were strongly task-oriented and focused on performance learned pro-social attitudes towards other team members from cultural minority members and increased their level of assistance towards coworkers. Other researchers acknowledged that cultural diversity exerted an influence on task efficacy since interpersonal relations and task behavior appeared to be closely *linked* (e.g., Brass, 1984; Hofman, 1985). Similarly, Sessa and Jackson (1995) found that personal relationships and performance could not be separated and both seemed affected by cultural diversity.

Nemeth's (1995) theories on minority influences<sup>4</sup> substantiated that cultural diversity generated positive work outcomes largely by the *exchange* of information among team members with *dissimilar* perspectives and a discussion of different viewpoints. She concluded that one advantage of diversity is that it increases the knowledge pool available for problem-solving and decision-making. In multi-cultural teams, there is a greater chance that the team will have the resources it needs to generate effective problem solutions, since the group members have a wide variety of skills, abilities and opinions at their disposal. Consequently, in management coaching, more and more psychologists emphasize the

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<sup>4</sup> These theories are further discussed in chapter 10: '*How does cultural diversity produce its benefits?*'



importance of *understanding* cultural diversity and its influences and practices in teams, and how those are generated, disseminated, and applied (Jensen Arnett, 2002).

So far, a number of studies, which confirmed those theories postulating that cultural diversity in teams produces diverse perspectives in problem-solving, have been reviewed. These studies claimed that multi-culturalism in teams assists to the viewing of a wide variety of alternative solutions, and that it can improve teams' abilities to implement creative solutions (e.g., Hambrick, Cho, & Chen, 1996; Jackson & Joshi, 2001; McLeod, Lobel, & Cox, 1996). In short, one could say that different people in organizations approach similar problems in different ways. The idea of the benefits of cultural diversity in organizations also inspired me to conduct my research in this field.

The concept of the benefits of cultural diversity - since it is thought to offer a wider variety of creative conflict resolutions than homogenous teams - might be of interest to employees and managers particularly when forming alliances and operating in new work teams. While a number of researchers have investigated the approaches to problem-solving of employees of different cultures (e.g., Strohschneider, 1999), the effects of cultural diversity specifically on processes of identity reassessment during organizational mergers and acquisitions have not yet been sufficiently explored (Lindner, 2002). Even less has been written about the resulting feelings of loss and grief among employees who had to give up their status quo and renew their organizational identity (Cartwright & Cooper, 1990).

## **6. THE CHALLENGES OF ORGANIZATIONAL MERGERS AND ACQUISITIONS FOR EMPLOYEES**

Even though mergers and acquisitions can be frequently observed in organizations today, often such amalgamations are not successful because many employees have problems in adjusting to the post-amalgamation environment (Terry, 2001).

While in an acquisition there are clear winners - the buyers - and losers - the acquired - partners in a merger may be more evenly matched. In both situations, however, employees commonly feel challenged by sudden change and disruption of organizational 'life as it used to be' (Cartwright & Cooper, 1990). The same employees of the formerly separate organizations often remain with the organization when organizations unite.

However, organizations usually introduce new procedures and values after a unification, which require the employees to behave differently from the old ways - a process, which is linked with uncertainty or insecurity and often perceived as threatening (Cartwright & Cooper, 1990; Marks & Mirvis, 1998).

Even though mergers and acquisitions involve the well-being of human beings, human aspects have often been neglected by organizations in change situations (Cartwright & Cooper, 1990). Employees typically consider change processes - such as having to adjust to a new organizational culture - as a *loss* of familiar conditions. People's reactions to losses linked to organizational life are similar to loss experiences in family life and can include stages of disbelief, anger, depression, and acceptance (Kuebler-Ross, 1996).

If individual and organizational differences in adapting to a new organizational culture are ignored, rejected, and not met with empathy, initially, the employees' well-being will be compromised; next, the teamwork will suffer and performance decline; and in the end, mergers might not be as successful as hoped (Goleman, Boyatzis, & McKee, 2002; Moghaddam, 1997).

Taking theories – postulating that minority members show more flexibility in adjusting to new environments because they had ample of *practice* throughout their life (e.g., Gaertner & Dovidio, 2000; Gruenfeld, Martorana, & Fan, 2000) – into account, I would assume that members of cultural minorities have it easier to adjust to organizational mergers and acquisitions.

To illustrate a positive process in adjusting to an organizational symbiosis, Cooper and Cartwright (1993a) used the metaphor of marriage: in an alliance of two people, the partners ideally should accept each other's differences, maintain their independence, and at the same time cooperate. Similarly – but more complexly - rather than imposing change on the other partner, an alliance of organizations should show flexibility and be supportive of differences among employees not only as members from *two* organizational cultures, but also as members from a variety of ethnic cultures (Marks & Mirvis, 1998).

Marginalization of individuals who are not members of the dominant culture, be it organizational or ethnic culture, cannot be the aim of mergers or acquisitions once the potential benefits of cultural diversity in organizations are understood. Thus, organizational members perceiving cultural diversity as an asset would, in all likelihood, promote pluralism and multicultural organizational identity - rather than expecting minorities to adopt the ways of the dominant group (Berry, 1997; Martin, 1993). However, in merger or acquisition situations, a balanced emphasis of both diversity *and* similarities among cultures seems essential, since an overemphasis of only the differences could minimize opportunities for synergy with the new partner (Thomas, 1995). On the other hand, the rigorous minimizing of differences would threaten the viability of the other business partner, since they would have to give up their identity and be assimilated by the partner in power (Triandis, 1995; 2000).

These dynamics of balancing the emphasis between differences *and* similarities apply similarly to individuals in teams (Berry, 1997). Negative consequences of mergers and acquisitions, including stress and conflict, should decline when employees maintain their cultural identity, accommodate diversity, and, at the same, time integrate the mainstream identity (Berry, 1997). However, such a process would not be as simplistic as it may sound. Thomas (1996) warned, using the analogy of a tree, that superficial approaches to integrating multiple cultures during alliances would be short-lived. He compared the branches of a tree with the visible activities of accommodating diversity, and the roots with the fundamental beliefs about the values of diversity. Evidently, cultural diversity only generates benefits in teams when team members *believe* in these benefits, rather than taking insincere approaches to welcoming cultural minorities in groups. At times, though, employees might perceive intrapersonal conflict when their need to preserve their *individual* cultural values conflicts with the promotion of cultural diversity at their work place (Marks & Mirvis, 1998).

Balancing one's socio-cultural identity with cultural diversity in teams might constitute a challenge to some employees (Marks & Mirvis, 1998). On an individual basis, self-categorization as a member of a specific ethnic culture can lead to competitive behavior towards other ethnic groups. On an organizational level, strong identification with one's own socio-cultural group can lead to rejection and hostility towards groups of people of

differing culture. Similarly, employees' continuing pre-merger organizational identity can lead to rejection of organizational members of the new branch. Groups of employees with strong organizational identity might hold on to their pre-merger identity, especially when they perceive themselves as superior to the new group (Haslam, 2001). Facing such challenges, escalation of tension among groups of employees joined by organizational mergers and acquisitions are not unusual (Marks & Mirvis, 1998).

All in all, the potency of challenges born out of mergers and acquisitions, like being faced with new coworkers with differing cultural values, will - besides effective leadership - depend largely on the employees' *flexibility* and *adaptability* to changes (Moghaddam, 1997). However, opening up to integrating new cultural components of other groups requires a degree of permeability of people's *and* organizations' cultural boundaries (Gruenfeld, Martorana, & Fan, 2000; Terry, 2001).

As discussed before, researchers developed the theory that cultural minorities, who showed flexibility and adaptability in assuming different perspectives in problem situations, together with their perseverance and consistency, facilitated effective solutions (Nemeth, 1995; Nemeth & Kwan, 1987; Nemeth & Owens, 1996).<sup>5</sup> If these minority theories were applicable across different situations, then my study should show that, compared to persons of cultural majorities, members of cultural minorities also generate more effective strategies and problem solutions in change situations, such as organizational mergers and acquisitions (Thompson & Gooler, 1996).

## **MERGERS, ACQUISITIONS, AND CHANGE**

### **7. PERMEABILITY OF BOUNDARIES**

A number of researchers point out that - as globalization increases - new approaches to dealing effectively with socio-cultural and organizational diversity must extend beyond traditional intra-group theories and must strongly focus on the relationships *across* differing groups and organizations (e.g., Gruenfeld, Martorana, & Fan, 2000; Terry, 2001).<sup>6</sup> The rapid increase in organizational mergers and acquisitions also highlights the need for research across differing cultural environments. Reports, showing that *more than half* of

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<sup>5</sup> See chapter 3: *Cultural diversity in organizations*, paragraph 6, Nemeth's minority theories.

such amalgamations are unsuccessful and fail to achieve their objectives, give further emphasis to the need for research on inter-organizational interaction (e.g., Cartwright & Cooper, 1993; Terry, 2001). An often-cited explanation for such failure is the lack of attention in organizations – as well as in research - on assisting employees to integrate into the new, merged organization. It is still not well understood *how* merger partners and their teams can develop openness towards the new organizational culture and there is need for further research in this field (Gruenfeld, Martorana, & Fan, 2000; Terry, 2001).

Part of the problem of unsuccessful organizational alliances is that organizations *expect* their teams to make it their priority to fit into a new organizational culture and attain a new identity (Goleman, Boyatzis, & McKee, 2002). This process is often bound to lead to conflict, since the teams of the amalgamated organizations may primarily seek to establish most optimal positions for *themselves* first. Case studies showed that because of competitive attitudes, like the ‘us versus them’ way of thinking, inter-group relations became antagonistic and led to the failure of mergers (Cartwright & Cooper, 1993; Gruenfeld, Martorana, & Fan, 2000; Terry, 2001). Such rivalry responses of teams, preventing a joint organizational identity, make it crucial for managers and change agents to understand the underlying mechanisms and to counterbalance them.

Researchers, concerned with the mechanisms of perceived group identity, found that individuals socially categorize themselves because their *sense of belonging* motivates them to belong to a group (e.g., Gruenfeld, Martorana, & Fan, 2000; Stroebe & Diehl, 1995; Tajfel, 1981; Terry, 2001). Researchers also found that individuals varied in their mobility in social categorization and their flexibility in defining themselves as members of a self-inclusive category, such as a work team. Their findings were in support of Tajfel and Turner’s (1979) theory of group processes postulating that the degree of a group’s mobility and flexibility in re-categorizing and renewing their group membership depended on the *permeability* of group boundaries.

In the case of relatively impermeable boundaries of two organizations entering a merger, members of one organization would differentiate themselves from the members of

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<sup>6</sup>Since in mergers and acquisitions, organizations could be regarded as groups, the terms ‘group’ and ‘organizations’ will be used interchangeably in the application of group theories in this chapter.



the other by focusing on each other's differences - rather than on similarities - and by an unwillingness to tolerate these differences. Buchner (2002) compared this process to the immune system fighting off intruding organisms identified as foreign to one's system. Such a process would be counter-productive to successful merger and acquisitions processes.

Inter-group permeability thus plays a vital role in the success of mergers and acquisitions, where renewal of group membership and re-establishing of identity are important issues for employees. Terry, Carey, and Callan (2001), for example, found in their study on an airline merger that employees, who belonged to groups with highly permeable boundaries, would adjust better to mergers on person- and job-related outcome measures. These employees were more likely to identify with the new organization as compared to members of other teams whose boundaries were relatively impermeable (Terry, 2001). Terry and Callan (1998) arrived at a similar conclusion in their research on a hospital merger where permeability of group boundaries positively influenced the group members' responses to the merger and, in the end, their well-being. Most interestingly, research showed that those groups with permeable boundaries commonly included a number of cultural minority members who showed a high level of flexibility and openness towards new groups (Haslam, 2001; Stroebe & Diehl, 1995; West, 2000).

While the research findings on permeability of group boundaries showed that there were individual differences in flexibility (Terry, 2001), it would be of interest to individuals in change situations to know *what* prerequisites in a person determine the degree of mobility across boundaries. Haslam, (2001) and Terry (2001), two experts in the field of employees' adjustment to organizational changes, concluded that the extent of permeability of group boundaries – as opposed to rivalry between groups – may be predicted by assessing the level of the employees' a) adaptability to new environments, b) openness to new situations, and c) flexibility to transfer knowledge across situations. In short, the more flexible, mobile, open, and adaptable team members are, the higher the chances might be for a successful merger between organizations. A number of researchers found that flexibility, openness, and adaptability were most often held by cultural minority group members (e.g., Gruenfeld, Martorana, & Fan, 2000; Stroebe & Diehl, 1995; West, 2000).

Since a number of research outcomes showed more adaptability and flexibility in minority members crossing their group boundaries - compared to members of mainstream cultures - it could be expected then, that in the present study, I would find similar outcomes: cultural minority members should be more accepting of mergers, due to their flexibility and permeable boundaries.

To make minorities' skills – such as flexibility and adaptability to new situations – transferable to other team members, it is of interest to me – as it is to a number of researchers - to explore under which conditions cultural minority members acquired these skills. Gaertner and Dovidio (2000), for example, explained that most members of cultural minorities were challenged throughout their lives by having to re-categorize, to cross-categorize, and to sub-categorize themselves as members belonging to a number of different or successive groups. These adjustment processes have required minorities' group boundaries to remain permeable and, thus, allowed them to be more flexible in adjusting to new groups (Gruenfeld, Martorana, & Fan, 2000).

Considering minorities' practice in adjustment to change on one side, I could expect that my study would show that cultural minority members respond more favorably to organizational change compared to cultural mainstream members.

It needs to be acknowledged though, that mergers and acquisitions of organizations are an unprecedented event for most employees – regardless of their cultural group membership - so, most employees would be unlikely to have developed specific coping skills for such changes in advance (Schweiger & Ivancevich, 1985). Therefore, individual differences in responding to organizational change could also play a role in my research (Gaertner & Dovidio, 2000; Terry & Callan, 1998). Explaining differing employee responses, such as stress in challenging problem situations, Cartwright and Cooper (1990) pointed out that researchers would need to differentiate between the *actual change event* and employees' differing *perceptions* of the event. Thus, it may not be the actual change, but employees' perceptions of the change that generate psychological and physical stress responses. Terry, Callan, and Satori's (1996) research, for example, showed that the contingencies of employee adjustment to organizational changes were inclusive of *how* the event was appraised.

The above research examples illustrated individuals' differing degrees of flexibility when adjusting to organizational change as well as differences in levels of resilience to stress (Gaertner & Dovidio, 2000). Suggestions included permeability of cultural boundaries and personal evaluation of the change. A number of theorists pointed out that, in addition, group identification processes have the potential to play a central role in the dynamics that unfold in organizational change situations (Terry, Callan & Satori, 1996).

Altogether, adjustment processes to organizational change seem multi-faceted and may deserve further exploration (Nkomo & Cox, 1996; Terry, 2001). However, the knowledge that already *is* available about the benefits of cultural diversity in organizations might not always be utilized effectively in organizations (e.g., Ilgen & Youtz, 1986; Morrison & von Glinow, 1990).

## **8. HAS DIVERSITY IN ORGANIZATIONS BEEN UTILIZED EFFECTIVELY?**

While cultural diversity and its benefits to organizations seem to be topics of interest to organizational psychologists and to management, and while knowledge in this field is available from a variety of sources, this may not mean that the knowledge is readily *appreciated* and *applied* in organizations. For example, members of cultural minorities in organizations in the Western world are still found in lower level jobs – which typically do not lead to top management posts - in disproportionate numbers (Jones, 1986; Powell & Butterfield, 1989). Thus, there seems room for further research on how to assist organizations to appreciate and optimally utilize knowledge about cultural diversity and its benefits to teams.

It also becomes apparent in organizations that cultural diversity is not optimally utilized when minority members in groups can be noticed as 'tokens'. In such situations, cultural minorities are very visibly represented as a *category* whether they want to be or not (Morrison & von Glinow, 1990). Because of the perceived pressure to perform well, to which their visibility subjects them, and because of overstressing minorities' distinction, minority members' effective performance is often hindered. In fact, in Ilgen and Youtz's (1986) surveys, employees of cultural minority status reported that they have turned down important problem-solving tasks out of fear that they might not meet the expectations.



Thus, whether intended or not, stereotyping and overemphasizing cultural minorities' status - in expectation of quality performance - can disadvantage them (Ilgen & Youtz, 1986). Considering these findings, one might conclude that cultural diversity in organizations is often *not* used effectively to produce the benefits of quality decisions and problem solutions (Senge, 1999).

Yet, other research on cultural minorities' competencies suggested that *because* minorities face special situations as tokens, they might feel the strong need to perfect certain abilities (e.g., Dipboye, 1987; Lee, 1986;) and thus, may have better problem-solving skills compared to majority members. This conclusion is in contrast to the above outlined suggestion that token positions disadvantage minority members (Ilgen & Youtz, 1986; Morrison & von Glinow, 1990), but supports Nemeth's (1995) theory that cultural minority members in organizations may have superior skills to majority members, for example, in non-routine conflict resolution.

It needs to be looked at, though, whether these contrasting examples of the effects of minority status are the rule or the exception in organizations. When exploring the general attitude in organizations towards diversity in the 70s in the United States, Merenivitch and Reigle (1979) suggested that many multicultural organizations appreciated diversity and power was distributed without regard to a person's cultural status. Merenivitch and Reigle found that a variety of techniques were used to reduce differential treatment and to promote diversity's benefits in organizations - by means of education and training for all staff, for example. If there was a general trend, as pointed out by Merenivitch and Reigle, in utilizing cultural minority members' competencies, such as the facilitation of a wide variety of problem-solving skills (Nemeth, 1995), this should also positively show in those organizations explored in the present study.

To utilize minorities' special skills, experts like Berry (1997), Cox (1993), and Triandis (1995) recommend an *additive, complementary* approach to multiculturalism in organizations in the sense of encouraging equal significance of differing cultural approaches, for example, to decision-making and problem solving. Organizations, taking such approach to multiculturalism, would promote employees' organizational identification regardless of cultural affiliation, would reward their acceptance of diversity, and would

make cross-cultural training available to all organizational members (Brislin, 1981; Bhawuk & Brislin, 2000).

A variety of training programs is now geared to help organizational members work together within a diverse workforce and to reduce discrimination. One of the values of such diversity management programs is that issues are brought out into the open, allowing people to discuss their beliefs (Lee, 1986). Studies on diversity in organizations showed that, when issues like discrimination and token roles of cultural minority members are no longer repressed, the level of trust and effective communication among organizational members increases and fosters quality of relationship between cultural minority and majority groups. Organizations, which value cultural diversity and show an interest in integration of diversity - rather than allowing majority views to dominate decision-making processes - regard an investment in training on communication and conflict resolution between culturally differing groups as essential (Brickson, 2000).

Parker Follett (1973) suggested that organizations struggling to integrate diversity should not count the number of conflicts but, instead, should focus on *how* these conflicts are handled. Altogether, a variety of studies indicate that many organizations today make an effort to integrate minorities' needs and cultural perspectives into staff training with the results of not only an increased acceptance of diversity, but also utilization of their skills (Dipboye, 1987; Lee, 1986; Senge, 1999).

In summary, while some organizations did not utilize cultural diversity effectively, a number of organizations have been working towards replacing monoculture with multiculturalism by an integration of cultural diversity as an *addition* to the prevailing mainstream perspectives (Berry, 1997; Brickson, 2000). However, such change to an integration of diversity is not always a smooth process for organizations and may require time, since perceiving their cultural perspectives challenged and having to adjust to new conditions can foster feelings of resistance in employees (Phinney & Kohatsu, 1997). Parker Follett (1973) suggested that the emphasis in multicultural organizations should not solely lie on the fact that there *are* problems, but on how these are handled. I hope that this study will contribute to the knowledge on how employees cope best with changes and

challenged perspectives and look forward to making this knowledge available to employees and organizations.

## **9. CULTURAL MINORITIES, ORGANIZATIONAL CHANGE, AND STRESS EXPERIENCES**

While cultural majority members in organizations may personally experience some discomfort around giving up mono-cultural perspectives, cultural minority members might experience stress during their adjustment process when making an effort to gain the mainstream members' recognition (Phinney & Kohatsu, 1997). Comparable processes – similarly stressful - have been observed on an organizational level in post-acquisition situations, in the context that the partner in *power* expected the acquiesced party to adjust. It has been less often observed that the dominant partner has been challenged to incorporate the acquiesced partner's ways of doing things (Cartwright & Cooper, 1993a).

Such stressful adjustment experiences often exceed people's coping ability and result in feelings of helplessness-hopelessness, frustration, resentment, and fear (Harrell, 2000; Outlaw, 1993). In addition, physiological stress responses resulting from unsuccessful coping with change, for example, a reduced immune system functioning, can be observed quite frequently in employees during acculturation processes (Utsey, Chae, Brown, & Kelly, 2002). Research in organizations on collective stress experiences during organizational change processes showed differences in stress perception between cultural groups: minority group members - especially, when they felt rejected by individuals of majority groups – perceived higher emotional stress levels (Utsey, Chae, Brown, & Kelly, 2002).

These findings on minorities' collective stress experiences during organizational identification processes, in contrast to theories on minorities' superior conflict resolution skills (Nemeth, 1995), indicate that cultural minority members might *not* cope well with challenging changes in organizations. Obviously, there seems to be a conflict between social identity theory and minority theories here. While the first theory postulates that individuals strongly identify with their social group and adjust their behavior and cognitive processes to the principles of their group (Tajfel, 1981), the latter holds that cultural minority members would facilitate innovative, unique ways of dealing with problems, such

as adjusting to change (Nemeth, 1986). Then again, other researchers found that minorities balanced their stress experiences, resulting from rejection by majority members, by strong affiliation to their cultural groups (Brehm, Kassin, & Fein, 1999).

Brehm, Kassin, and Fein (1999) found, when individuals from one cultural group experienced *rejection* from members of another group, that these individuals increased the focus on their affiliation to their own cultural group. As minority members' cultural network helped them to maintain a sense of belonging and enhanced their self-esteem, it also improved their overall well-being and reduced physical and emotional stress symptoms (Luhtanen & Crocker, 1990). Other research results supported the idea that the level of stress experiences during change and reconstitution of identity was linked to satisfaction with one's social networks at *work* - not necessarily linked to 'likeness' of culture. For example, Utsey, Chae, Brown, and Kelly (2002) found that when employees maintained satisfying relationships with others - regardless of their culture - this was the strongest predictor of overall coping with psychological and environmental changes.

In short, cultural minority members, who also have to cope with discrimination, usually experience more stress than cultural majority members in change situations. However, minorities' strong focus on their ties with their cultural group can counter-balance stress effects resulting from rejection by majority members. Cultural support networks in general can assist individuals to cope better in challenging change situations (Luhtanen & Crocker, 1990; Knippenberg & van Leeuwen, 2001).

The above-mentioned findings, indicating that people's affiliation with their cultural groups helps them to cope with adjustment stress, suggest that the maintenance of their cultural identity helps minorities to cope better with change. For these reasons, and also since they have the social responsibility to ensure their employees' well-being, many organizations support minorities in maintaining their socio-cultural identities (Luhtanen & Crocker, 1990). The employees' well-being might considerably contribute to organizations' successful transitions in mergers and acquisitions. The role of socio-cultural identity and networks might play an important role in coping with organizational alliances and will also be one of my major foci in this study.

In this chapter, the importance of cultural support networks for minorities in counterbalancing stress experiences at work, resulting from adjustment to changes and enhanced by rejection, have been considered. While, so far, the present study has mainly focused on interpersonal relationships, it will next explore ways intra-personal factors play a role in assisting individuals of differing cultural background in coping with changes in organizations (Ward & Leong, 2000).

## 10. INTRAPERSONAL PERSPECTIVE ON COPING WITH CHANGE

When individuals perceive difficulties in reconciling the long-established components of identity with *new* ones, they often experience identity conflict. Employees in the role of sojourners commonly experienced such intra-personal conflict when they made cross-cultural transitions to take on work assignments in another country. Generally, they were expected to conform to the customary values, attitudes, and behaviors of their new cultural environment – different to their own (Ward & Leong, 2000). However, living with diverse cultures can be as often complementary as conflicting (Carr, 2003b).

Ward and Leong (2000) used an intrapersonal perspective on identity and acculturation to explore the prediction of identity conflict in guest workers in Singapore. Their analysis revealed that, among other variables, greater tolerance of ambiguity and contact with host nationals predicted lower levels of identity conflict. The principle of contact with culturally differing values and practices facilitating successful adaptation to changes could also be applied to the context of organizational mergers (Ward, 1996). *Tolerance* of ambiguity has frequently been identified as one of the key characteristics of a successful adaptation to new environments (Berry, 1984; Brislin, Cushner, Cherrie, & Yong, 1986). Tolerance of and experience with other social *and* organizational cultures can add to an understanding of the *others'* values and norms and can help to make the acculturation process a pleasant experience (Berry, 1990; Berry, & Kim, 1988).

The idea of complementarities of cultures is reflected in a number of Berry's writings (e.g., 1984; 1990; 1997; Berry & Kim, 1988) and has been introduced at various points in the present study as *additional approaches* to integrating minority cultures.<sup>7</sup> Berry's (1984) writings on successful transitions to new cultures stressed the importance of the transient's

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<sup>7</sup> Effective approaches to combine differing cultures have been introduced in chapter 4 and chapter 6.



maintenance of original cultural identity *plus* maintenance of relations with members of the new environment. Maintenance of original culture is primarily concerned with the continuity of individuals' ethnic and cultural identity, whereas the second component is related to the establishment of meaningful relationships within the members, i.e., of the host country. Experts regard such 'multiple repertoires' of identity as crucial for individuals to operate adequately in an environment made up of global and local, or traditional, components (e.g., Berry, 1997; Carr, 2003b).

To experience conflicting cultural values and norms, employees do not necessarily have to make a transition to other countries these days – often enough, the conflicting values present themselves to employees, while they remain in their home countries (Ward, 1996). As Carr (2003a, p.1) described it, 'Work becomes travel without moving'. As globalization is 'speeding up', and as in most societies and nations' boundaries became more elastic, individuals cannot avoid contact with other cultures. On an individual level, they can experience conflict between their traditional beliefs and the values of other ethnic cultures, without ever leaving their place of origin (Ward, 1996).

On an organizational level, difficulties in reconciling old and new components of organizational culture and identity can be experienced - similar to the presence of ethnic cultures different to one's own (Ward, 1996). In organizational change situations, when pre-merger and post-merger identities collide and seem incompatible to each other, employees are then confronted with a number of different behavioral prescriptions. They may feel torn apart and seek to find a guideline for self-orientation and identity reconsideration (Baumeister, 1986). Such questioning of identity could result in challenges to self-definition and an imminent breakdown of identity (Ward, 1996).

There seem to be cross-cultural differences in flexibility in adopting new identities, though. Berry's (1984), and Ward and Leong's (2000) findings showed socio-cultural minorities in work teams, compared to members of mainstream cultures, to be more adaptive in integrating new repertoires into their existing value system. Ward and Leong also found that *tolerance* of ambiguity and differences between existing and new values were associated with a decrease in identity conflict. Individuals, scoring high in tolerance, also seemed able to appreciate different perspectives, withstand uncertainty, and manage

apparent inconsistencies (Ward & Leong, 2000). In a number of studies on identity formation processes, cultural minority members scored higher than majority members in tolerating ambiguity and uncertainty (Berry, 1984; Ward, 1996; Ward & Leong, 2000).

If the theories developed out of these findings - postulating that cultural minority members were more accommodating of uncertainty than majority members - were cross-culturally applicable to persons undergoing identity reconsideration processes, I would expect the findings to be reflected in the outcome of the present study on people's adjustment to organizational changes as well.

Altogether, it appears that a person's identification with the new *and* old environment - not only referring to national or societal, but also to organizational settings - decreases the likelihood of identity problems during cultural transitions. It also appears that minorities may be more flexible than cultural majority members in integrating multiple cultural identities (Ward & Leong, 2000).

Two theories, frequently used by psychologists and managers in organizations to explain how a sense of identity in conjunction with diversity can work in favor for people in organizations, are the 'contact hypothesis theory' and 'social identity theory' (e.g., Allport, 1954, Tajfel & Turner, 1979; Triandis, 1995).

## **THEORIES**

### **11. CONTACT HYPOTHESIS THEORY: EXPLAINING THE DYNAMICS OF DIVERSITY**

To enhance a shared sense of identity in and across culturally diverse work teams, the development of a *common* vision of the task to be performed and the uniting of all organizational members around common values are considered as essential in organizational psychology (e.g., Moghaddam, 1997; Muchinsky, 2000; Triandis, 1995; Watson, Kumar, & Michaelsen, 1993). One major 'group relations' theory - more or less successfully used in organizational psychology to explain the interactions of team members and their sense of identity - is 'contact hypothesis theory' (Brickson, 2000).

Allport (1954) and Williams (1947, cited in Brickson, 2000), two contact hypothesis theorists, suggested that inter-group interactions can be enhanced by means of *contact* between members from different groups. Similarly, Triandis, Kurowski, and Gelfand (1993) proposed that the primary ingredient in handling cultural diversity and improving interpersonal relationships would be contact between individuals of different cultures. Contact hypothesis theorists explained that positive effects of contact between individuals of differing cultural background depended greatly on *perceived similarity* (Brewer & Brown, 1998; Goto, 1997). Although a number of researchers, applying contact hypothesis principles - for example, in educational environments - attested positive outcomes in improving relations (e.g., Miller & Davidson-Podgorny, 1987; Slavin, 1983), the applicability of these principles in organizational settings may be limited.

Limitations of the applicability of contact hypothesis theory are, for instance, the required conditions for this theory to work. Deemed essential to improving relations via communication across groups are: first, equal status and cooperation between the differing groups, including the absence of past history of conflict between the groups, second, small cultural distance, and third, knowledge of the other group's culture (Brewer & Brown, 1998; Goto, 1997; Triandis 1995). These preconditions are not always a given when working with culturally diverse groups in organizations.

Also, even when contact and communication between members from different cultural groups improve their interactions with each other, these contacts generally do not improve group relations as a *whole*, but are often limited to interactions concerning accomplishing a *specific* task. One of the reasons may be that the interacting team members assume that the individuals of the culturally differing group they have contact with are an exception to the rule (Brickson, 2000).

On the whole, although some interventions based on contact hypothesis yielded positive results, some experts considered its application as limited due to the required prerequisites for the theory to work (e.g., Brewer & Brown, 1998; Brickson, 2000; Goto, 1997). However, instead of dismissing contact hypothesis altogether, it might pay for people in organizations to focus on its preconditions - considered as necessary for effective group interaction - for example, to work at emphasizing similarities across groups and



individuals, working at resolution of past conflict, generating knowledge of each other's culture, and setting the standards for an equal-status contact (Ofori-Dankwa & Tierman, 2002).

## 12. SOCIAL IDENTITY THEORY EXPLAINING IDENTITY PROCESSES

Another major group relations theory used to explain the dynamics of cultural diversity in organizations - the social identity theory - postulates that individuals need a *system of orientation*, which enables them to find their place in society and develop a sense of belonging to a group (Tajfel, 1969; 1981; Tajfel & Turner, 1979). On the positive side, social identity can help cultural minority groups to preserve important cultural symbols such as their language, culture-specific rituals and customs, and cultural group contacts (Scromme Granrose, 1997). *Groups* are primarily the places where people derive their social identity, including both personal and collective identity components, and 'group membership' represents a system of orientation to individuals (Tajfel, 1981; Tajfel, 1969).

Commonly, people like to view themselves favorably and seek to identify with a *favoured* group, which they perceive as positively distinct from other groups, because it helps them to establish a positive perception of their social identity (Tajfel, 1981). Another way to develop a positive social identity is to remain in their less favored group, while the whole group tries to switch to the standards of the favored group. Berry (1984) calls the latter strategy 'assimilation' and refers to cultural minorities abandoning their cultural heritage to convert to mainstream culture identity. In such cases, minority members would discontinue to use their unique problem-solving skills in organizations, convert to mainstream strategies, and the benefits of their skills would be lost to teams. In view of Berry's (1984) account, there is a chance that in the present study, that cultural minority members might have assimilated cultural majorities' ways of dealing with organizational changes. If this was the case, cultural minorities' problem-solving skills would be less different from those of cultural majority members.

On the less constructive side, social identity promotes people's ambitions - since they like to view their group favorably - to upgrade their group's status as equal or *better* than that of other groups (Tajfel & Turner, 1979). Such ambitions often foster competitive, rather than cooperative, attitudes in groups and generate cognitive mechanisms that precede

prejudice and discrimination (Tajfel, 1982). One way to minimize such undesirable collective attitudes hindering cooperation among groups is to promote a process of recategorization. Recategorization would permit another - superordinate - collective identity, i.e., organizational identity, to take pre-eminence over group identity (Brewer & Brown, 1998).

The applicability of the principle of recategorization is limited, though. A *new* principal identity resulting through recategorization is often difficult to maintain, since it is context-dependent and requires strong, shared goals (Brewer & Brown, 1998; Brickson, 2000). For example, coping with changes in an organization, such as coping with a merger between companies, might constitute a shared, superordinate goal fostering cooperation, and possibly a superordinate collective sense of identity in employees<sup>8</sup>. Although, once the shared goal is accomplished – in this example, coping with the aftermath of a merger - this may render the focus of employees' shared identity redundant. Therefore, shared identity achieved by recategorization is often temporary and does not survive (Brewer & Brown, 1998).

There are other conditions in organizations where social identity theory may be limited in its applicability. First, the cultural background of a person may have more weight than the identification with the shared group goal and its positive outcome (Brewer & Brown, 1998). Enhanced reference to one's cultural background can especially be the case when the group interaction is not voluntary and not rewarding, when interaction is not of equal status, and when there is a lack of social support within the organization (Berry & Kim, 1988). Under such conditions, the advantages of one's personal, or cultural, identity may outweigh the interest in enhancing group performance.

Second, strong emphasis of *group* objectives in organizations can actually decrease collective feelings of *organizational* identity and foster the generation of many disjointed, fragmented group sub-identities. The generation of a strong group identity in organizations would mean that individuals consider themselves as insiders of their group and others as

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<sup>8</sup> The 'recategorization' of identity around superordinate, shared goals relates to the principle of shared identity via meta-contrast, where different individuals join forces against a third person who is perceived as an intruder or an outsider by the other two individuals/ insiders (Tajfel, 1981).

outsiders – a process which may disassemble feelings of collective, organizational identity (Haslam, 2001).

In summary, since the formation of 'identity' is multifaceted and influenced by multiple forces, social identity theory by itself can only generate limited understanding of group relations in teams reflecting culturally diverse identities. On the other hand, social identity theory is - similar to contact hypothesis theory - a valuable source for learning about the prerequisites, which would *make* diversity in groups work, such as voluntary and rewarding group interaction, interaction on an equal status basis, and availability of social support in organizations (Berry & Kim, 1988). Social identity theory can also help us to become aware of and discourage 'assimilation' of cultural minority views by cultural majority groups – which cannot be in the interest of organizations appreciating the benefits of working with minority members (Moghaddam, 1997).

While focusing on the advantages of cultural diversity and explaining *how* diversity can work effectively in change situations should be the objective for business psychologists working in organizations, they also need to be prepared for the challenges - not only for reasons of organizational economic viability, but primarily in view of the well-being of the organizational members (Cartwright & Cooper, 1990).

## **DIVERSITY**

### **13. THE CHALLENGES OF CULTURAL DIVERSITY**

So far, a number of studies introducing the potential benefits of cultural diversity, such as the increase of perspectives in group decision-making and problem-solving processes, have been reviewed (e.g., Brickson, 2000; Nemeth, 1995; Watson, Kumar, & Michaelsen, 1993). Next, some of the challenges of diversity to organizational functioning will be viewed. Studies portraying the challenges suggest, for example, a potential association between cultural diversity and *unsupportive* organizational processes, like high turnover rates or decreased integration of employees into the mainstream organizational culture (e.g., O'Reilly, Caldwell, & Barnett, 1989; Tsui, Egan, & O'Reilly, 1992; Milliken & Martins, 1996). Obviously, cultural diversity does not only have the potential to increase effectiveness in teamwork, but can also generate obstacles to organizational functioning (Brickson, 2000).

While cultural diversity can increase a team's potential for high performance, for example, in problem-solving and decision-making, it can also decrease teams' stability (O'Reilly, Caldwell, & Barnett, 1989). Some studies showed that work teams high in cultural diversity had higher turnover rates; for example, cultural minorities, such as Afro-Americans or Hispanics, were more likely to leave organizations compared to majority members, such as white Americans (e.g., Brickson, 2000; O'Reilly, Caldwell, & Barnett, 1989). There may, however, be a number of underlying reasons and explanations - in association with cultural diversity - for these high turnover rates.

One explanation may be that employees of differing cultures, who have different work values, also have different work habits and behavioral styles. When tolerance for differences in behavior and values is low among team members, such differences can generate emotional conflict when employees are required to work together as a team (de Dreu & de Vries, 1997). As van de Vliert and de Dreu (1994) observed, disagreements commonly arise not only about what needs to be done but also about *how* to get it done. Such differences in work habits and behavioral styles can be the source of feelings of dissatisfaction that let individuals feel resentful towards each other (de Dreu & de Vries, 1997). Feelings of resent and dissatisfaction might then lead to attrition.

Diverging from majority perspectives and behavior styles, together with the *outcome* of such action, can cause friction in predominantly heterogeneous teams. When cultural minority members, in roles of dissent, prove to be wrong in the end, the consequences for them are likely be more negative than when the debate is won by them (van Dyne & Saavedra, 1996). However, sometimes, the chances for minorities to succeed in approaching problems in novel ways are lost before the debate has even started: the challenges of stereotyping and prejudice can discourage minority members from expressing deviating opinions (Milliken & Martins, 1996). While feeling stereotyped might stop minority members from contributing their ideas to team work, such negative affect can also discourage minority members to join the organizational culture (Van Dyne & Saavedra, 1996). Such dynamics in teams would be counterproductive to jointly achieving organizational objectives, especially in merger and acquisition situations, where

organizations are likely to count on the cooperation of all employees – including socio-cultural majorities and minority members (Cartwright & Cooper, 1990).

However, the successful union of mainstream and minorities' cultural framework may not only depend on the degree of group members' mutual acceptance, but also on the *status of voluntariness* of minority members. Triandis (1995) brought to our attention that the success of integration of cultural diversity in organizations might be related to the extent to which teams consist of *voluntary or involuntary* minority members. Triandis pointed out that voluntary minorities chose their status and, therefore, would accept acculturation processes as the 'price to pay' for having better standards in the future (Ogbu, 1994, cited in Triandis, 1995). Involuntary minorities in contrast - like New Zealand's Indigenous People, the Māori - are often conscious of the fact that the minority status was imposed on them and, therefore, might oppose integration into European mainstream culture (Ritchie & Ritchie, 1998).

Overall, cultural diversity can generate a number of challenges, such high turnover rates or decreased integration into mainstream organizational culture. Such challenges need to be managed effectively to reduce friction and to take care of the well-being of all organizational members (Tsui, Egan, & O'Reilly, 1992; Milliken & Martins, 1996). I am aware that any of the above-outlined challenges, including the status of voluntariness of my participants, have the potential to influence the results of this study and, therefore, will require my awareness and consideration of the context in which the participants function in their environment when I will view the results.

Altogether, to effectively deal with the challenges of diversity, it seems important to consider the levels of tolerance for cultural differences and prejudice in the organization, and, in addition, to take into account the level of voluntariness of cultural minority members in teams. Evidently, establishing cultural diversity in organizations successfully can either succeed or fail. Only when diversity's challenges are managed effectively, can it constitute an opportunity and only then can persons with different cultural backgrounds effectively use their unique skills for the benefit of the team members and the organization (Marks & Mirvis, 1998). The utilization of cultural diversity within the context of organizational mergers and acquisitions would necessitate the exploration of *how* diversity produces its



benefits, for example, *which* skills are utilized in change situations, and *how* they assist people to adjust to changes. The exploration of these factors is my main objective in the present study.

#### 14. HOW DOES CULTURAL DIVERSITY PRODUCE ITS BENEFITS?

##### *A: Benefits within the team*

As outlined in chapter 3 on cultural diversity in organizations, a number of theorists (e.g., Nemeth, 1979; Moscovici, 1985) found that cultural minority members' persuasive power in teams depended on consistency and perseverance in their attitudes and stance in challenging situations. Consistency and perseverance cannot be seen entirely as assets, though, since these qualities can foster inflexibility in people's adjustment to teamwork. Thus, researchers thought that other important factors must also play a role in making cultural minorities' problem-solving skills special to teams. They found, as explained before,<sup>9</sup> that in teams inclusive of cultural minority members – in comparison to homogenous teams - employees inspired each other to engage in divergent thinking, to view challenging situations from multiple perspectives, and to be more creative in producing problem solutions (Nemeth, 1995; Peterson & Nemeth, 1996). Not untypically, cultural minority members often accomplished their inspirational input by the means of non-conformity and *dissent* (Rokeach, 1973).

Psychologist Milton Rokeach (1973) found that non-conformity together with flexibility in people assisted them to achieve outstanding work outcomes in teams. Similarly, Nemeth (1986) suggested that when persons felt challenged by minority dissent, this generated divergent thinking in groups. Rokeach explained that, while the other group members focused on the dissenters' message, they made an effort to understand and counter-argue the other's position. As a result, the group members took into account a *variety* of alternative perspectives of the issue under discussion. Minority dissent, thus, can function as the 'devil's advocate', where someone persistently disputes decisions or problem solutions to prevent premature conclusions (Janis, 1972).

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<sup>9</sup> Nemeth's (1995) theories on minority members in conjunction with divergent thinking have been outlined in the second half of chapter 3.



Homogeneity in groups, in contrast, was observed to elicit a focus on the majority position and to promote convergent thinking (De Drieu & DeVries, 1997). Minority dissent, however, could enhance other group members' *courage* to resist conformity and 'group think' (Nemeth & Chiles, 1988). Interestingly, the not uncommon tendency towards extreme positions in group decision-making (Janis, 1972) was found to be less extreme in groups reflecting diversity (Smith, Scott-Tindale, & Dugoni, 1996). A number of research results are in support of the idea that minority influence – compared to majority influence – can lead to superior performance at tasks where performance benefits from divergent thinking (e.g., Martin, 1996; Martin & Hewstone, 1999; Nemeth & Kwan, 1987).

The benefits of cultural diversity in groups were also demonstrated in other researchers' studies on team performance (West, 2000; West, Borill, & Unsworth, 1998; Stroebe & Diehl, 1995). In these studies, the heterogeneity or homogeneity of the knowledge structure of teams had been manipulated. The researchers then assessed the impact of these manipulated variables on *the number of ideas* produced and on *flexibility* of performance. They found that diversity in teams generated brainstorming, divergent thinking, and a richness of proposed solutions to problems – qualities that are especially beneficial in creative and scientific work.

It should be noted here that the theories in support of the benefits of cultural minorities (e.g., Nemeth & Kwan, 1987; Stroebe & Diehl, 1995) might conflict with social identity theory (i.e., Tajfel, 1985) postulating that individuals would strive to advantage their own group with the objective to advantage their group. Strongly identifying with and favoring one's cultural group, for example, would not be compatible with the idea of integrating values and practices of other groups – on the contrary, in-group favoritism could facilitate an antagonism towards the other group and sabotage cooperative team work (Haslam, 2001). In addition, on an inter-organizational level during an organizational merger for instance, strong identification with one's old organization could lead to rejection of the new, merged organization (Cooper & Cartwright, 1990). Thus, since my interest lies on the *positive* effects of employees' culture-specific skills in managing change, my focus will lie on exploring skills of cultural minority and majority members with the idea of assisting employees to exchange and share the most helpful skills.

Considering the multiplicity of research results on the benefits of cultural minority members' creativity and problem-solving skills in challenging situations, it would be reasonable to expect these benefits to positively influence change situations in organizations. Furthermore, it would be reasonable to expect the results of the present study to reflect cultural minority members' special skills in adjustment to mergers and acquisitions.

The benefits of cultural minorities' problem-solving skills should be expected to positively affect transitional processes in organizations all the more, since cultural diversity has not only an effect on functioning *within* teams, but also *across* groups.

### ***B: Benefits across teams***

Gruenfeld, Martorana, and Fan (2000) found that minority members were good at transferring unique knowledge and experience from their original group to a *new* group. Similarly, Turner (1991) explained that - given that minority members share some of the new group's salient features - minority influence can also inspire the group to consider a wider range of alternatives, enhance creativity, and improve the quality of problem solutions. The results of these, and other, recent studies showed consistency in supporting the notion that the exchange and transfer of information and of proposed solutions can enhance a) the intellectual processes and b) the quality of work outcomes in and across teams (Csikszentmihalyi & Sawyer, 1995; Terry, 2001).

If organizations would utilize these findings to enhance employees' performance outcomes, conflict resolution in teams could be a creative, stimulating, and interactive experience and increase employees' work satisfaction (McLeod & Lobel, 1992). Similarly, if organizations undergoing mergers and acquisitions would utilize these findings, they might find that cultural minority members' wide variety of coping skills make it easier for them to adjust to new work conditions and processes. If the above-mentioned findings were applicable to minority and majority members in organizations other than the researched ones, I would expect the findings on diversity's benefits to be reflected in the outcomes of my study. Past findings on the benefits of diversity have been criticized, though, as

inadequate for their lack of research across different settings and countries (e.g., Ward & Kennedy, 1993; 1994; Lindner, 2002).

## **15. RESEARCH ON CULTURAL DIVERSITY AND ORGANIZATIONAL CHANGE ACROSS DIFFERENT SETTINGS**

So far, the review of literature on cultural diversity and on organizational alliances introduced a number of perspectives, theories, and research findings showed mixed degrees of support of the idea of diversity's positive effects in organizations. These sources of knowledge may have contributed to an important shift in how business leaders value cultural diversity at work (Woodson & Pepperdine, 1999). Despite the existing literature on cultural diversity, published research on organizational changes and diversity is still considered as inadequately reflecting the interaction of diversity and organizational change processes (Cartwright & Cooper, 1990).

Research findings on diversity in work teams and employees' coping with organizational changes are scarce and contradictory, even though the psychological consequences of mergers and acquisitions on organizational members have long been acknowledged (Knippenberg & van Leeuwen, 2001). More specifically, until recently, writings about the influences of cultural minorities in work groups *and* on theories on organizational processes hardly appeared together in literature (Hogg & Terry, 2001).

A number of studies and theories explaining change and accommodation processes have been published and are listed in literature on psychology and management (i.e., Ward & Kennedy, 1994; Lindner, 2002) and a few studies on the effects of cultural diversity on organizational processes are now available. What seems less represented is research, a) which introduces *comparison* studies exploring accommodation processes to change across organizations, b) which has been conducted in a number of countries other than the United States, c) and which uses qualitative methods providing in-depth information (Lindner, 2002).

Studies of cultural diversity or organizational change were mostly carried out only in *one* country's culture. Such disjointed approaches to researching cultural diversity in

organizations make it almost impossible to detect cultural differences in coping skills in change situations *across* countries (Strohschneider, 1999).

In general, contemporary research in organizational psychology has mostly generated theories that are highly specific for *one* single culture (Lindner, 2002). Yet, if the theories on cultural minorities' problem-solving skills were robust, they should be reflected in research results *across* countries and organizational settings (Strohschneider, 1999). To explore the extent of minority theories' applicability in change situations in diverse settings, there is a need for further research. At the same time, research should compare cultural practices and influences *within* organizations so as not to neglect the effort of understanding the intra-organizational dynamics of cultural diversity.

The mere demonstration in research that there are cultural *differences* and how they work would hardly meet the needs of a globalizing world, though. There are indications that the emphasis in studies should also be on fusing the cultural practices, as suggested in a number of Berry's writings (i.e., 1984; 1990; 1997) on multiculturalism as a process *combining* different cultural practices.<sup>10</sup> Berry stressed that fusing cultural practices should not be misunderstood as making them uniform, but rather as creating a *connectedness* among differing cultures – while preserving their salient cultural features - by transferring useful skills across culturally different groups (Hermans & Kempen, 1998).

While research about changes in organizations needs to expand beyond the national boundaries to adopt the global picture, it would make sense not to neglect the effort to understand the intra-and inter-group differences in organizations *right at the doorstep*. Understanding the dynamics of diversity on the local scale might serve as preparation to understanding diversity globally (Carr, 2003a ; Johnston, 1988).

If those theories that portray minorities as being more adaptive to changes than mainstream members and as being able to transfer and introduce their skills to new environments (Berry & Blondell, 1982; Ward & Kennedy, 1992) were robust, I would also expect cultural minority members in the present study to show better coping with organizational changes *across* different settings. On the other hand, as Strohschneider

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<sup>10</sup> Berry's theories have also been introduced in chapter 4 and 6.

(1999) suggested, a cross-cultural exploration (the chosen approach for this study) to researching behavior and cognitive processes of cultural minority and majority members might lead to detecting cultural differences *across* countries. Past research of cultural influences on behavior in organizations, however, has often been found to be flawed and in need of improvement (e.g., Inkson, 1987; Lindner, 2002).

## 16. GAPS IN RESEARCH ON DIVERSITY

In the 80s, Inkson (1987), a New Zealand-based organizational psychologist, and lecturer at Massey University - when he was viewing the contributions of researchers in the Southern hemisphere - identified only *one* publication on 'diversity in organizations' (Barnes & Jamieson, 1977, cited in Inkson, 1987). Inkson further found that other research on diversity in organizations was often marked by measurement problems and contaminated by selective perception or stereotyping.

At the beginning of the new millennium, experts on cultural diversity still considered people's understanding of diversity and its linked dynamics in organizations as limited and studies on this topic as flawed. Research still seemed short of a strong theoretical framework that explained diversity and identification processes of cultural minorities in organizations (Brickson, 2000; Lindner, 2002). Yet, due to the rapid increase of globalization, 'cultural diversity' - in view of its potential opportunities from which employees and organizations might benefit - should attract the attention of researchers (Mayo, 1999).

The shortage of cross-cultural approaches to exploring the current conceptualizations of culturally diverse people's responses to organizational changes (Badke-Schaub & Strohschneider, 1998) has served as an invitation and an inspiration for my present research project: a cross-cultural exploration of the role of socio-cultural status in employees' coping with organizational mergers and acquisitions.

The present study aims at drawing the readers' awareness to human aspects in organizational change processes. A number of experts claimed that most organizational alliances are unsuccessful because human factors are ignored (e.g., Cartwright & Cooper,

1990; Terry, 2001).<sup>11</sup> A better understanding of the role of emotional, cognitive, and attitudinal factors across persons of differing socio-cultural status might contribute to smoother transition processes in organizational merger and acquisition situations (Berry, 1990; 1997).

## **PURPOSE OF THIS RESEARCH**

### **17. OBJECTIVES**

Research on minority groups has often been problem-focused and, for example, concentrated on negative beliefs and behavior such as prejudice and stereotyping (Edelson & Berg, 1999). However, if individuals have the cognitive resources to develop such negative attitudes, one could assume that, with the same resources, people also have the potential to develop creative, constructive behavior. To me, it seems most helpful for people's personal development to focus on, and help them to access, their *positive* potential.

While I believe that every person has the personal potential to grow and develop, I am aware that individuals vary in their resourcefulness, for example, in generating creative strategies in problem solving and in their personal perceptions of the events around them (Tappan, 1997). My interest lies in exploring *how* people vary in coping with change and *how* these variations were formed.

For instance, in the case of adjustment to changes, as outlined in the previous chapters, a number of studies suggested that a person's cultural status can generate differences in coping with new situations, for example, by their degree of flexibility in adjustment to new environments, their persuasive power in convincing majority groups, and their unique conflict resolution skills. These qualities, in conjunction with cultural status, would be *one* explanation for persons' differences in coping with change. However, I would like to remain receptive towards other potential explanations, for example, as outlined in chapter 19, contextual factors like situational context and environment playing a role in the ways people cope with changes (Badke-Schaub & Strohschneider, 1998).

Qualitative research should allow me to assess *how* – rather than how much – persons of minority and majority groups differ in their perceptions of change. It is not my intention,

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<sup>11</sup> See chapter 6: *The challenges of organizational alliances, mergers and acquisitions for employees.*



though, to *over-emphasize* group differences. I also like to explore similarities across people, for instance, in view of their skills that they perceive as helpful in change situations. By over-emphasizing differences between cultural groups, minority members would be stereotyped as 'being different', while similar attitudes, thoughts, and emotions across cultural groups were ignored (Ofori-Dankwa & Tierman, 2002). Altogether, I intend to explore in *what ways* people of differing cultural background show different and similar behavior, thoughts, and emotions in managing change in organizations.

My objective is to generate knowledge that could support organizational members on all levels to draw on the benefits of cultural diversity. I will explore the following issues in interviews with 35 participants:

1. How do employees, who adjust well to organizational mergers and acquisitions, differ from those who do less well and what do employees, who adjust well, have in common?
2. How does socio-cultural minority and majority status play a role in employees' adjustment to mergers and acquisitions?
3. Which beliefs, skills, strategies, learning experiences, and personal variables help employees to adjust to changes in organizations and to maintain their well-being?

The knowledge generated in this study might assist to:

- a. Make transparent helpful strategies in adjustment to organizational changes
- b. Inspire organizational members to appreciate and share unique, culturally diverse skills, values and norms
- c. Encourage management to integrate this knowledge into staff training.

While aiming at meeting the objectives outlined in this chapter, I will conduct my research with regard to the well-being of the persons who are affected by organizational changes rather than directing my main focus towards the interest of the organization.

## **18. ADVANTAGES OF CROSS-CULTURAL RESEARCH**

If the theories on minorities' superior problem-solving skills (e.g., Moscovici, 1973; Peterson & Nemeth, 1996) were universally applicable, persons of differing culture should display such unique skills across different settings. However, besides cultural membership,

there might be other influences on people's adaptation to changes. Badke-Schaub and Strohschneider (1998) and Lindner (2002), for example, argued that minorities' change processes might be affected by organizational and environmental context and, therefore, might *differ* across environmental and organizational settings.

Consequently, if research on problem-solving was conducted only in one environment, then potentially influencing factors, such as the mainstream culture or the organizational culture, would be kept constant (Lindner, 2002). For these reasons, Strohschneider (1999) argued, conducting research in a mono-cultural fashion would make it impossible to differentiate minorities' *culture bound* problem-solving skills from attitudes and behaviors more related to influences of organizational or mainstream culture. Until two decades ago, cultural settings were not given much emphasis in research explaining behavior in organizations and primarily, American theories were replicated and tested in a variety of other countries (Aycan, Kanongo, Mendonca, Yu, Deller, Stahl, & Kurshid, 2000). Such approaches to research could only lead to the development of theories that were highly specific for the culture where the research was conducted.

If, in contrast, researchers explored a theory *across different cultural settings*, and recognized similar culture-specific problem-solving patterns in each setting, the theory could be considered as applicable to more than one setting (Strohschneider, 1999). More specifically, if studies on cultural minority and majority members' change-related problem-solving skills were conducted in different organizations and countries, the outcomes of such research approaches should reveal the degree of applicability of minority theories (e.g., Nemeth, 1995).

Another reason for my choice of cross-cultural research is that the wide variety of existing theories on cultural influences on persons' feeling, behaving, and thinking can appear as disjointed and lacking in common ground to build a substantial body of knowledge (Slife & Williamson, 1997; Spence, 1987; Yanchar & Slife, 1997). What is called 'theoretical pluralism' in psychology seems to lead to disunity of knowledge through proliferation of many single theoretical approaches (Fowers & Richardson, 1996). To narrow the gap between theories, it would make sense to generate theory that is applicable *across cultures* and that allows for pooling culturally diverse knowledge (Hofstede, 1998).

In short, with the increase of globalization, researchers in organizations need to pay more attention to the influences of national culture on human behavior. In addition, mono-cultural research may not be effective in multi-cultural environments and in groups reflecting cultural diversity (Ayman et al., 2000). Also, a cross-cultural approach - studying people's coping skills in organizational change situations across different countries *and* organizations - might contribute to bridging the gap between disjointed research findings in single settings (Fowers & Richardson, 1996). Theories applicable across cultures would form a basis for evaluation of people's feeling, behaving, and thinking as the context changes (Yanchar & Slife, 1997). For these reasons - to explore employees' feeling, behaving, and thinking across different settings - I decided to conduct my research on influences of cultural status on coping with organizational mergers and acquisitions as a cross-cultural project.

## **19. EXPECTED EVOLVING THEMES**

This study will focus on the effectiveness of people's coping strategies in organizational change situations. More specifically, I will explore the *variations* and similarities in coping among cultural minority and majority members. The research will be conducted in organizations, which have undergone - or plan to undergo - an acquisition or merger, and where employees are required to adjust to changed work processes and procedures. To explore the influences of minority and majority cultures in different organizational and socio-cultural settings, I will conduct the study in two different organizations in both, New Zealand and Germany. I chose those two countries because I am familiar with both cultures and am fluent in German and English. This knowledge should assist me to build a rapport with the participants in both countries, to understand their use of language - for example the meaning of metaphors - and to achieve authenticity and validity in transcribing the interviews.

If, according to minority theories such as Nemeth's (1995), members of cultural minorities generated a wide variety of innovative, sound, superior problem solutions in challenging problem situations, my study should show that cultural minority members in organizations have better adjustment skills and strategies than majority members in merger and acquisition situations (Parker, Baltes, & Christiansen, 1997). Further, if cultural

minorities' boundaries were more flexible and permeable concerning the formation of identity according to Stroebe and Diehl (1995) this study should reflect that minorities are coping better with their adjustment to new organizational culture and identity. Also, if cultural minorities were more flexible in adapting to new situations, their skills should reduce the challenges of change – such as resistance in getting used to new work processes (Brickson, 2000; Terry & Callan, 1998; West, 2000).

However, while researchers found *common patterns* of skills, attitudes, thoughts, feelings, and behaviors in minority groups (Moscovici, 1973; Tajfel, 1981), it also became apparent that human behavior is diverse and that behavioral patterns do not apply to *all* members of cultural minorities (Gergen, 1985). Badke-Schaub and Strohschneider (1998) suggested that not only national culture, but also different organizational settings and the local environment influenced minority group members' characteristics. In addition, people's perspectives and interpretations of change events - and their resulting behavior - are also dependent on their personal world views (Gergen, 1985; Moscovici, 1973). For these reasons, it is possible that, in my study, the attitudes of the respondents might vary not only across minority and majority groups, but also across the different organizations or countries.

Then again, the results of my study might differ from previous research stating that cultural minorities are more flexible than majorities in identifying with new organizational identity (e.g., Stroebe & Diehl, 1995). Other authors reported a high degree of consistency and perseverance in minority members' attitudes - traits, which seem more indicative of *inflexible* behavior in change situations (e.g., Nemeth, 1979; Moscovici, 1985). It is therefore possible that my study might not show cultural minority members to be more flexible than majority members.

## **20. WHY QUALITATIVE RESEARCH**

Surveys, such as paper and pencil questionnaires with pre-formulated answers to questions, commonly ignore the context of a person's response. Thus, the *meaning* of individuals' perceptions and experiences escapes the reader (Gergen, 1985; Kvale, 1996). My interest lies in exploring of the meaning of 'change' for respondents, since the personal meaning – or philosophy - influences their attitude towards dealing with life changes.

'Meaning' of a phenomenon - for example, perceiving change as a natural occurrence in life rather than a nuisance - in the social world of individuals is generally influenced by important others in their socio-cultural environment (Gergen, 1985). However, in return, individuals' perceived meaning - such as considering change as an opportunity and a positive occurrence - has the potential to influence attitudes of other individuals, for example, in work teams. For these reasons, I consider the exploration of meaning as important and regard qualitative research as best suited to accurately capture the perceptions of the respondents.

The following example illustrates the limitations of quantitative research. In a study on multicultural personality influencing persons' need for change, participants were asked, to indicate by circling numbers on Likert scales (ranging from 1 to 7) how high their need for change was. The researchers then reached the conclusion that people who scored high on 'need for change' had a 'high need for continuous change' (van der Zee & Oudenhoven, 2000). Such information as a result of a quantitative approach to researching multicultural personality may not seem very meaningful to readers.

In contrast, interviews in qualitative research, where people can formulate their *own* answers, seem more effective in capturing people's culturally-influenced perceptions and *their* understanding of events (Carr, Marsella, & Purcell, 2002). A convincing feature of the qualitative approach is the increased accuracy it brings to research because it acknowledges the *subjectivity* of people's experiences within a socially constructed context (Gergen, 1985). An increased use of qualitative research orientations and methods that capture subjectivity of people's experiences can enhance psychology's knowledge of *various* contexts, people's culture, and meaning reflected in individuals' responses. Further, acknowledging that people's perceptions and experiences are unique and relate back to their culture may help to reduce Western psychology's ethnocentric biases and broaden psychology's applicability for addressing global challenges (Marsella, 1998).

It needs to be acknowledged that people's perceptions are personal phenomena that cannot be analyzed without knowledge of the context. Neither can perceptions be analyzed solely from the outside: to understand another person's experience, it needs to be *expressed*



and *interpreted* (Dilthey, 1977; Kvale, 1996). In fact, for a researcher to fully explore and gain access to another person's lived experiences, an interpretation must be arrived at together with the owner of the experience (Tappan, 1997). The researcher must, in the process of interpretation of personal perceptions, attempt to gain access to the thoughts and feelings of the other person (Gadamer, 1975; Heidegger, 1962). Obviously, qualitative research is not striving to establish 'objective truths' since personal perceptions can neither be 'objective' nor can they represent a 'one and only truth' (Bond, 1993). Interpretive agreement between the perceiver and the interpreter holds the only key to evaluating the 'truth' or 'validity' of any given interpretation of what a personal perception means (Tappan, 1997). Such agreement can be arrived at in qualitative interviews where researchers will consistently ask the participant for feedback on their understanding of the participants' information.

Evidently, qualitative researchers are aware that the perceiver's perspectives shape the 'truth' and that there are no '... hard and fast facts of reality ... and that the interpreter's perspective and understanding initially shapes his [sic] interpretation' (Tappan, 1999, p. 650). Similar to the metaphor of the blind men studying the elephant from different angles, persons approaching their research topic from differing, often selective, perspectives might come to very different conclusions (Geertz, 1973). However, each conclusion arrived at by individuals may be relevant as *part* of the knowledge about the researched phenomenon.

Paper and pencil surveys, however, frequently miss out on relevant information because the questions are often arbitrarily classified according to subcategories imposed by the researcher. For example, as Okazaki and Sue (1995) argued, purely quantitative measurement methodologies, when employed to assess ethnic minority populations, are insufficiently sensitive to cultural factors. Therefore, Okazaki and Sue recommended using qualitative methodology, such as in-depth interviews, which can provide rich information within context, for research on cultural groups.

In regard to research in organizations, Inkson (1987, p.16), in accordance with a number of theorists who engaged in qualitative research (e.g., Hofstede, 1998; Terry, 2001), maintained that interviews would be one way to provide an in-depth understanding of processes of work behavior, '... that can make the (apparent) statistical precision of the



survey seem narrow and sterile in comparison.’<sup>12</sup>. Inkson agreed with those authors who maintained that processes at work could only be fully understood within context, such as political, technical, or competitive factors. To capture the *meaning* of such factors to the *respondent* and to give the respondent the opportunity to express the meaning, interviews would be more suited than questionnaires (Hofstede, 1998).

Questionnaires and statistical approaches would defeat the purpose of my study. They would highlight the *quantity* of types of responses – larger quantities most likely generated by the cultural majority members because they would be represented in larger numbers. Minorities’ unique ideas might, thus, be absorbed by the quantity of mainstream members’ responses. It is the objective of this study, though, to identify and provide information on *unique* coping strategies as well as the ones commonly considered as helpful. To capture unique, extraordinary skills, qualitative research seems best suited for this study (Geertz, 1973; Kvale, 1996).

Inkson (1987), who pointed out that research on diversity in organizations was often flawed, found the few positive exceptions amongst the qualitative studies. In contrast to researchers, who solely relied on the ‘thin’ information provided by paper and pencil tests - and sometimes reached their conclusions by imposing their own perspectives - the researchers who used qualitative approaches, received ‘thick’ information and arrived at their conclusions by mirroring the perspectives and experiences from their *participants* (Geertz, 1973).

## METHODOLOGY

### *Method/Design*

The present study is committed to developing theory about helpful strategies in adjusting to changes at work and assisting an adaptive transition to post-change environments.

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<sup>12</sup> In an example, Inkson (1987, p. 17) pointed out, Sir Edmund Hillary could, after all, not have described in a paper and pencil survey how he was affected by strong restrictive group norms, and how - by evading the norms- he changed his own and the group’s behavior in the direction of increased performance.

This study is an exploratory qualitative study in which employees of minority and majority members of differing national cultures will be interviewed in four organizations in two countries, New Zealand and Germany. The data will be collected in episodic interviews (Flick, 2000). The design consists of an in-depth analysis of the responses to questions on organizational changes and coping strategies. The analysis is comparable with the coding procedures for analysing interviews suggested by Strauss and Corbin (1996) and by Flick (2000).

The methodological framework for gathering and interpreting data comprises three parts and is based on an integration of qualitative methods derived from consensual literature on qualitative research (Cassell & Symon, 1994; Flick, 2000, 2001, and 2002; Kvale, 1996), from naturalistic inquiry (Denzin & Lincoln, 1994; Guba & Lincoln, 1997), and from grounded theory (Strauss & Corbin, 1996; Pigeon, 1996).

First, *concepts* will be developed to organize the data into a framework of ideas – based theories introduced in the literature review section – on what strategies and skills might assist people to accommodate change effectively.

Second, the use of *comparison of categories* will aim at a preliminary identification of regularities, connections, and patterns about people's strategies; how these strategies have been acquired; which circumstances and life experiences assisted them to maintain and further develop their coping skills; and how their skills helped them to make the transition to post-change environments (Tesch, 1990).

Third, the process of *thematizing* will unify core themes – for example, which strategies had been commonly experienced as *most* helpful and which experiences were repeatedly mentioned by respondents as having contributed to developing those strategies (Kvale, 1996; Strauss & Corbin, 1996; Pigeon, 1996).

The overall approach to the qualitative data is based on my intention to develop inferences from the most common themes that will emerge in my analysis of the participants' responses. Once I put together their responses into coherent themes, I will then view the themes to facilitate the development of theory about the helpful types of coping strategies and what helps people in change situations to develop them.

## ***Participants***

### ***Purpose-oriented sampling***

This study, using interviews, was conducted among employees of both genders and all ethnicities and ages in organizations that have undergone or are undergoing major changes. To explore employees' change-related coping skills in different settings, the participants were recruited in Germany (18 participants) as well as in New Zealand (17 participants) from diverse socio-cultural backgrounds. The participants were selected by the four participating organizations, which were involved in mergers or acquisitions and consisted of up to more than 2000 employed men and women. The participation was of voluntary nature. The participation was of voluntary nature. The participants' age ranged from 20 to 60 – most of them being in the age range 30 to 40 years.

The strategy utilized to draw the sample was 'purposeful sampling': particular settings, persons, and events are deliberately selected for the relevant information they can provide about the research topic (Maxwell, 1998). Compared to randomly drawn large samples that show accidental variation, a small sample that has been systematically selected for typicality - which captures cultural heterogeneity and variation of the population - can provide more confidence that the conclusions adequately represent the population.

To ensure that the participants were relatively heterogeneous with respect to their socio-cultural background, and since it was difficult to recruit participants representing minority cultures, I needed to include participants of minority cultures holding managerial positions. The latter stated that they felt similarly affected by the organizational changes as the other employees. As such, the samples consisted of organizational members in non-managerial (N = 27) and in managerial (N = 8) positions; yet these participants had in

common that they worked in clerical positions with relatively similar features. For example, their current jobs could be broadly classified as full-time employees such as accountants, marketing and public relations people, system analysts, and production-line managers.

The 35 respondents had not undergone any special training in coping with change, which might have obscured the role of cultural influences – a major focus in this study – on adaptation processes.

### *Participants' cultural membership*

The 35 participants in the present study identified themselves in

- Organization 1 (O1), New Zealand, as:  
European New Zealanders (3), and Indians (2)
- Organization 2 (O2), New Zealand, as:  
European New Zealanders (4), South Africans (2), Indian (1), Māori New Zealander (1), Australian (1), Nigerian/English (1), English (1), and Scottish (1).
- Organization 3 (O3), Germany as:  
West Germans (8), East Germans (3), German-Italian (1), German-South American (1), and Iranian (1).
- Organization 4 (O4), Germany as:  
West Germans (2), Danish (1), and Monegasque (1).

The disproportionate ethnic composition of the sample was unavoidable, given the nature of the community, consisting of more cultural majority members than minority members, in which the data were collected. However, the sample represented the proportions of cultural majority and minority members in the regions where the study was conducted.

### *Participating organizations*

The main criteria for selecting the four participating organizations – all located in larger cities (Hamburg; Auckland) – were their engagement in an acquisition or merger process and their number of employees of cultural minority groups, for example guest workers or immigrants. In all organizations, the merger and acquisition processes required employees' adjustment to organizational and socio-cultural changes.

One of the organizations in New Zealand – considered one of the major clothes producing companies before it sold nearly all of its manufacturing units to private equity investors from Australia and New Zealand – organized the participation of five participants. The other organization – related to the travel industry – has been discussing an alliance with another company at the point of this research. Twelve of their employees participated in the interviews. In both cases, the acquisition or merger activities – irrespective of whether they were completed or still pending – had an effect on the employees. In the first company, a large number of employees lost their jobs; in the other organization, employees were aware that a merger or acquisition could mean imminent job loss for them.

Fourteen participants were members of a multinational organization in Germany – considered one of the world's premier credit insurers, and first been sold two years ago. This company had then been acquired last year by yet another multi-national organization. Over the last two years, according to one of the board members, many employees in this company experienced an uncertain job situation. Four interviews were conducted in another multi-national corporation, involved in manufacturing and science. This organization had also recently been through the second amalgamation with another company.

### *Rationale for data gathering*

Considering the theories postulating that cultural minorities may have more efficient strategies at their disposal than cultural majority groups, I believed that a subset of the data sampled amongst the recruited respondents would be highly informative in understanding *which* strategies are beneficial in organizational post-change environments and *how* they have been acquired.

To obtain permission to conduct the interviews, I first acquired organizational consent from the company's management (see Appendix 4). Access – that is, date and time – to participants was negotiated with the management so that the interviews could be conducted within their working time without any resulting loss of spare time or wages. The participants were not financially compensated for their involvement in the interviews.

Consent from organizations and participants was obtained in compliance with the MUHEC code including clauses on the right to withdraw their participation at any time and on guaranteed confidentiality and anonymity. This procedure of obtaining participants' consent has been approved of by Massey University.

Since the potential participants were familiar with effectively communicating across groups and companies, I assumed that they would have the necessary skills to partake in the interviews.

#### *Potential benefits for the participants*

The participants and organizations were offered written feedback in form of a summary of the conclusions of this study. The report will include both potentially beneficial and counter-productive processes to the adjustment to organizational changes. The information could assist participating employees and organizations to make amendments towards improving their coping skills, which may help them during their transitional process from pre-existing organizational culture to the post-merger/acquisition environment.

Organization 3 (O3, Germany) requested a separate report of my findings and conclusions, specific to the organization, to be completed within four weeks after the interviewing.



## *Instruments*

### *Demographic information.*

A set of interview questions has been developed to obtain information regarding the respondents' age, gender, cultural background, geographical place of origin, and work history.

### *Episodic Interviews*

The episodic interview guide was developed based on relevant literature from Flick, (2000, 2001, and 2003), as well as literature on inquiry in qualitative research (Cassell & Symon, 1994; Denzin & Lincoln, 1994; Guba & Lincoln, 1997; Kvale, 1996). The semi-structured questions were initially general in their focus, for example, *'When you look back, how have you reacted towards previous 'changes' in your life?'* However, prompts were used when it seemed necessary to help the participants to more clearly understand the nature of the question, *'Would you please tell me about a typical situation that comes to your mind? What were your first thoughts/feelings? What did you do then?'*

The interview questions addressed episodes of changes in the participants' lives and aimed at receiving information about the participants' perception of change and their coping (see Appendix 5). The questions – relating to personal philosophy of change, for instance, *'What is your philosophy on 'changes' in life – what does it mean for you when you are confronted with 'change'?'*; to work-related and daily-life examples; to general aspects of coping with change; and to specifically helpful learned coping skills – allowed participants to reflect on perceptions and issues they had experienced (Flick, 2000; 2003) – for example, *'Could you please recall an incident in your life/at work where you thought you coped particularly well with 'change'? What do you think, why did you cope particularly well in that situation? What helped you?'* (see Appendix 5). The interview structure became more fluid and less prompts needed to be given once the interview process was started.

The interview process and processing involves (Flick, 2000):

1. The outline of the initial situation (how everything, i.e., the changes, started)
2. The participant selects subjectively relevant events/episodes from the whole host of experiences
3. The researcher discovers a coherent progression of the episodes/events presented by the participant

The researcher presents the situation at the end of the development (what became..., how became..., when became...) and asks for clarification.

I also encouraged the participants to illuminate aspects of change episodes not addressed by the interview questions. The interview protocol was relatively consistent during the data collection, with minor modifications as the participants provided feedback about the type and wording of the questions.

To achieve greater relevance to my topic, I altered some of the original headings of Flick's (2000) episodic interview (see Appendix 5). I had renamed Phase 4, initially titled '*Focusing on the central parts of the issue under study*', as '*Participant's personal relation to the issue: philosophy, previous experiences of change and coping*'. My chosen heading still focused on the central part of the study, but emphasized the 'personal meaning' of change. (Example phrase: 'What are your philosophy/your principles on 'changes' in life - what does it *mean* for you when you are confronted with 'change'?)

I had also altered the heading of Phase 6 – initially: '*Evaluation and small talk*' – as '*Evaluation/ participant's feedback, and questions*'. Since a focus group could only be facilitated in one organization (O3), it seemed essential to me to seek the participants' feedback on my summary of their statements. The idea was to assess whether I had captured the meaning of the *respondents'* experiences correctly (see Appendix 5).

(Example phrase: 'Was there anything missing for you in the interview that you would consider as relevant to the topic of 'changes'? Anything that you would like to add?')

### *The interview principles*

Some of the episodic interview principles are similar to those of semi-structured interviews. While the questions are generally non-directive and encourage respondents to reflect on their personal perceptions, at the same time the questions lead the respondents to focus on specific situations – relevant episodes – in their life. Because semi-structured interviews lead to responses that are more specific and can narrow down the data, it simplifies the process of selecting the relevant data for comparison (Flick, 2003).

The interview principles are defined as follows (Flick, 2000):

- Episodic knowledge is part of a person's knowledge, which is linked to concrete events, circumstances, incidents, situations, time, space, or persons.
- The focus of the interview should remain on invitations to recount concrete events, which the *respondent* sees as relevant experiences related to the issue under study.
- The researcher should guide the focus on the areas of interest and, also, guide how general or how specific the information should be, for example by prompts like, 'Can you tell me more?'.
- Episodic interviews aim at eliciting information as narratives *or* descriptions of episodes.

I decided to aim at *descriptions* rather than encouraging the participant to *narrate* experiences, because I intended to explore confined areas related to change, that is, coping skills across cultural majority and minority members in organizational change situations.

### *Timing of the interview*

Contingent on the number of questions relevant to the participant and the participant's readiness to recount episodes, the degree of detail used, and the degree of comprehensiveness or the necessity for the researcher to ask for clarification, the interview took 30-40 minutes plus 5 minutes for instructions.

### *Strengths and weaknesses of the Episodic Interview Theory (EIT)*

One of the advantages that EIT had to offer to my study was its focus on the situational context that surrounded the change events (Flick, Fischer, Schwartz, & Walter, 2002) – for example, *how* the participants arrived at their perceptions on change and *how* they acquired their coping strategies. Flick (2000; 2001) developed and used episodic interviews to explore ‘social representations’ (Moscovici, 1985). The context in which I explored people’s coping with change was comparable to social representations as ‘...a system of values, ideas, and practices ... which will enable individuals to orientate themselves in their ... social world to master it’ (Moscovici, 1973, p. xvii). For the similarity in purpose – Flick’s usage of episodic interviews to explore social representations and my study exploring people’s perceptions, philosophies and practices in their social world – Flick’s interview technique seemed highly suitable for my inquiries.

Another advantage of EIT was its focus on experiences relevant to the *participant* (Flick et al., 2002). The special attention to the subjective meaning expressed itself in *what* was recounted. The focus on *subjective* meaning assisted in exploring the *variation* in coping with change across the respondents and possible influences of their cultural background. Different to some other techniques, i.e. Critical Incident Technique (Flanagan, 1954), EIT focuses not only on problematic, but also on positive issues (Flick, 2001). Positive issues were relevant to my exploration of *what* helped individuals in coping with changes. Yet, another advantage is EIT’s focus on *specific* experiences (Flick, 2001). While narrative interviews can generate extremely long, extensive, time-consuming recounting of participants’ experiences (Guba & Lincoln, 1997) – which might promote deviation from the topic under exploration – EIT could keep lengthy digression from the topic of interest to a minimum.

Disadvantages of EIT might include restrictions for the participants, such as limiting them to recounting specific events rather than unfolding their own extended narratives (Flick, 2000). However, despite such possible restrictions, EIT has the potential to produce rich, in-depth information. Another weakness of episodic interviews, as compared to extensive narratives, might be that my adherence to an interview guide limited my own flexibility in exploring the topic: the interview guide trimmed down my data collection to

samples of relevant episodes (Flick, 2000). Further, compared to concise information, i.e., derived by questionnaires, EIT could produce a mass of information; the quality of analysis depended very much on my skills (Flick, 2001).

Finally, since the received information was *subjective* and was based on the relevance to the participant, validity issues could only be considered in context to the participant. For example, it needed to be considered whether my reproduction of the participants' information was congruent with the participants' accounts of events (Strauss, 1987). Also, uniquely experienced episodes usually cannot be generalized to other situations; exceptions are situations that are very similar to each other. Reliability of the EIT cannot be statistically established as the degree of reliability of personal experiences cannot be measured by statistical means. Reliability was increased by detailed analysis and 'blind co-editing': independent interpretation of themes and categories by another person, exploring the reason for disagreements on interpretation (Cassell & Symon, 1994) (see also *Validation* under *Data Analysis*).

### ***Procedures:***

The one-to-one interview questions were pre-tested with four people of two cultures who had experienced organizational changes lately. During this pre-test, I noticed that I could derive the targeted information with fewer questions and I shortened the interview guide accordingly. The study consisted of two parts: one was conducted in New Zealand and one in Germany. After negotiating day, time of day, and the required time to complete the interview with the management, I conducted 35 interviews on the given days. The dates were: 17 April (O1, New Zealand; 5 interviews); May 20 to 22 (O2, New Zealand; 12 interviews); June 25 to 27 and July 17 (O3; Germany; 14 interviews); and September 1 to 3, 2003 (O4, Germany; 4 interviews). A focus group at O4 took place for feedback of the preliminary results and validation of the data.

At the start of each interview, I introduced myself and the purpose of the research (part of my Masters degree). The participants were informed of the required time (35 minutes) and reminded that their participation in the interviews would be voluntary, their

responses kept confidential and anonymous. Confidentiality – in that the data would only be used for the research and that no confidential organizational details would be shared with third persons or parties – was assured to all participants and organizations' management. Anonymity was established by not including any personal data, such as names and addresses, in scripts or recordings. Each participant received an information sheet (see Appendix 1). The signed consent sheet (Appendix 2) was put into an unlabeled envelope to preserve the respondents' anonymity.

Each participant was then reminded of the purpose of this study (exploring *their* perceptions of 'change'). Despite the intention to keep demand characteristics bias to a minimum, I decided to disclose the purpose of this study to enable the respondents to provide *informed* consent. Respondents' embarrassment was not expected, since it was known to me that the employees of organizations O2 and O3 readily discussed the post-acquisition situation and its problems within and outside the organizations. To me, this information indicated preparedness on the part of the respondents to share their personal perceptions with me. A verbal instruction on how to respond to the open-ended questions (the questions aiming at the *respondent's* personal perceptions, see Appendix 5) followed. The participants' responses were only recorded once their written consent was received. Each interview was audio-taped and transcribed by myself.

#### *Sharing information with the participants*

Due to concerns for their anonymity and confidentiality, participants were asked *not* to disclose any personal information, such as their name or address, in the interview. They were instructed to contact me independently via email and leave their address, should they desire to obtain a summary of the conclusions. Copies of the summary will also be distributed to the management once the conclusions are drawn.

#### *Debriefing*

In a debriefing at the end of each interview, I enquired about the well-being of the participants. In O4 in Germany, three out of the four participants mentioned that they felt slightly irritated with some of the questions, as they were not used to discussing life changes



with people they did not know well. These participants assured me, though, that they did not experience any upsetting emotions or thoughts. The participants in the other organizations did not report any discomfort; a number of them stated that they enjoyed the ‘friendly talk’. All participants were advised to contact me should they have questions or experience any disturbing sensations.

### ***Data Analysis***

Not only the decision to conduct qualitative research, but also the type of research question had implications for the choice of method to analyze the data. Questions about *how* persons of differing cultural background respond to change and *what* helps them in their adjustment can best be answered by a categorizing analysis (Maxwell, 1998). Consequently, theoretical influences on the analysis of the present study included literature on categorizing and coding qualitative data (Cassell & Symon, 1994; Huberman & Miles, 1994; Kvale, 1996; Pigeon, 1996; Strauss & Corbin, 1996; Tesch, 1990).

The first phase of data analysis included transcribing 35 interviews. I then used a comparison-contrast coding system, comparable to the process of ‘editing’, suggested by Cassell and Symon (1994) and Huberman and Miles (1994). Similar to an editor searching for meaningful segments, the interpreter views the text and engages in cutting, pasting, and rearranging the segments first into categories and into themes until an interpretive theory can be derived (see Appendix 6: coding process). The coding process was simplified by my choice of semi-structured interview questions, which generated preliminary concepts relevant to my topic of research.

My processing of the categories in this study has been influenced by the principles of grounded theory (Strauss & Corbin, 1996; Pigeon, 1996). I used a three-phase coding process (see Appendix 6). First, comparable to open coding, the data has been labelled – seeking labels of best fit – and grouped into categories. Next, similar to axial coding, connections between categories were explored. Last, similar to selective coding, categories reflecting important themes, which might have implications for evolving theory, have been noted.

The three-phase coding process was further broken down – leaning on Strauss' (1987) qualitative analysis for social scientists – into the sub-stages of:

1. Generating questions assisting the recognition of differences and sameness;
2. Provisional links, i.e., moving data to suitable categories;
3. Reviewing data for information relevant to theory;
4. Finding and elaborating recurrent themes;
5. Reviewing the data and integration of major themes;
6. Taking notes of additional ideas;
7. Repeating steps if necessary; and
8. Arriving at a theory (see coding process, Appendix 6).

The areas of interest – generated by the interview questions – and the areas which emerged while viewing, transcribing and conceptualizing the data were:

- 1) Cultural background, 2) Beliefs about change, 3) Perceptions of personal control, 4) Coping strategies in change situations, 5) Acquisition of coping skills, 6) Preparedness for stressful accommodation processes, and 7) Effects of changes on the respondents.

Within these areas, a larger number (248) of concepts evolved. The preliminary concepts were then further processed through an in-depth analysis of the transcripts and were revised as I reviewed the entire data set a second and third time. The revisions included rearranging and clustering matching concepts into 'families' of ideas, experiences, and perceptions (Strauss & Corbin, 1996). Once I reviewed the set of transcripts again for missed items and reread the data for themes most common across the participants, I generated a condensed list of major categories within the areas of interest that could serve to organize subsequent analysis.

This part of the analysis – which resulted in a structure of seven umbrella categories (see results, second paragraph) – provided a coherent framework for the exploration of the helpful coping strategies and how they originated. One umbrella category was, for example, a person's 'philosophy of change', which was then split into 'positive views' and 'negative views'. Positive views then broke up, for example, into perceptions like 'an opportunity for engaging in new ventures', 'a challenge generating personal growth', or 'adding excitement to life'. The final coding consisted of a review of the major ideas evolving from the categories and, if necessary, once more unifying or breaking them down into more detailed subcategories (51 subcategories).

Once inferences were developed, the entire set of 35 interview transcripts was reread once more to confirm or disconfirm each inference. The quality of coping strategies in conjunction with cultural background was a key consideration in the construction of these inferences. For example, I compared how the participants from different socio-cultural backgrounds fared with respect to their applied coping strategies; this comparison was then developed into propositions.

### *Validation*

Tajfel (1982, p. 316) maintained that in psychology the generalizations are 'limited by the creative and boundless diversity ... of human behaviour'. Tajfel explained, even though there were similar behavioral patterns across different people, in the end human behavior was unique and could only be generalized with limitations. His opinion has been shared by a number of qualitative researchers (Guba & Lincoln, 1997; Huberman & Miles, 1994; Kvale, 1996; Strauss & Corbin, 1996). Unlike in quantitative research, which emphasizes the importance of generalization, qualitative research focuses on exploring unique behavior and subjective perceptions. Also, qualitative researchers acknowledge that it is impossible to rule out the influences of the researcher's subjective values or perceptions on data collection and analysis (Maxwell, 1998).

Similarly, it is considered impossible to eliminate reactivity – for example, the actual influences of the interviewer on the participants. In qualitative research, facts and values in

interpretation of information cannot be completely divided (Habermas, 1971). The point is, though, to understand *how* the researchers' values may influence their conclusions of their research and *how* their presence may influence the interviewee's response. Ways to reduce such biases is to avoid leading questions and, also, to ask participants for their feedback on the researcher's understanding of the collected information (Huberman & Miles, 1994; Maxwell, 1998). I used this type of communicative validation of data by participants, which has also been proposed by the author of episodic interviews (Flick, 2002).

Validity in the qualitative research context refers to the correctness of statements in relation to being congruent with the *participants'* perceptions of experiences in their lives. An inference is valid when it is correctly derived from participants' responses to interview questions and when the explanation of a description is credible (Janesick, 1994). As a validity check, I applied Kvale's (1996) seven stages of validation:

1. Thematising; the logic of theory derived from interview responses
2. Designing; the adequacy of design and method for the purpose of this study
3. Interviewing; does the interview capture the meaning of what was said
4. Transcribing; validity of translation from language
5. Analyzing; the thoroughness of the interpretation process
6. Verbal validation; are the interpretations congruent with the participants' perceptions
7. Reporting; is the report a valid account of the main findings (Kvale, 1996).

I asked an independent judge, a student conducting research in the same field to consider the above validation list, to read the responses, and to judge (validate or question) major themes within the data set. This validation technique is consistent with the conventions within qualitative inquiry (Cassell & Symon, 1994; Denzin & Lincoln, 1994; Guba & Lincoln, 1997; Kvale, 1996; Strauss & Corbin, 1996). Following the guidelines detailed by Guba and Lincoln (1997) and Kvale (1996), the auditor then reviewed the data analysis process and results to verify the validity of my inferences derived from the participants' responses. Next, I discussed the judge's feedback, which resulted in minor modifications of the inferences. The final conceptual framework generated from the data will be discussed next in the Results Section in conjunction with illustrative excerpts from the interviews.

## RESULTS

### *Main Categories*

A review of audiotapes and interview transcripts generated both major and sub-categories relevant to the participants' perceptions of their responses to change. Data sorting and reduction was accomplished as specified under the analysis section 'data analysis'. In the data analysis, major and minor categories were distinguished by the frequency and emphasis of participants' statements. To organize the findings, I used seven main categories, which emerged from the preliminary data analysis, and which relate to coping with changes in organizations and cultural variation:

Table 1

- 
- *Cultural affiliation*  
\_Exposure to and affiliation with persons of one's own and other cultures
  - *Philosophy – views, and beliefs about 'change'*  
\_Change perceived as an opportunity and/or as a risk and potential loss.
  - *Perception of internal and external control*  
\_Inner resources and external forces
  - *Coping strategies and skills*  
\_Helpful attitudes, thought processes, and emotional skills
  - *Sources of learning coping skills*  
\_At work, through education, and through real life experiences
  - *Resilience to change-related stressors*  
\_Obtained inside and outside work
  - *Perceptions of change-related effects*  
\_Losses, gains, and problems
-

### *Order of the main categories*

The order of the main categories represents a sequence of influential factors on managing change (Table 1). For example, people's cultural affiliations commonly influence their beliefs and philosophy about change. These beliefs contribute to the formation of their perceptions of levels of internal and external control over change events. Views and beliefs about change and personal control over change events would affect the development of attitudinal, cognitive, and emotional coping skills. Such attitudes and thought processes might generate openness to learning through education and life experiences. Education and experience in adjusting to change might facilitate resilience to change-related stress, and resilience, in return, affects people's perceptions of the effects generated by changes.

Next, the variation and similarities across the responses in O1, O2, O3, and O4 in view of possible influences of differing cultural affiliation, organizational environment, and national culture will be explored. To illustrate the respondents' perceptions, I will present a number of representative examples of responses for the seven main categories and their sub-categories relevant to the present study. Since people's perceptions are made up of personal (self-referent) and general knowledge (Flick, Fisher, Schwarz, & Walter, 2002), the citations will represent personal experiences as well as respondents' general knowledge related to change. To encapsulate the information relevant to the interview question, lengthy citations have been reduced to the most significant content. The respondents often used the terms 'one', 'they', or 'you' interchangeably, when they in fact referred to their own experiences.

### ***Cultural affiliation***

The respondents established their cultural affiliation by self-categorization. They were asked to recount their experiences and relationships with persons of other cultures.

### *Summary of self-defined cultural group membership and identity*

Those who had moved to New Zealand reported that they took care to adjust to the culture of their host country, but also took care to preserve their ethnic identity. In general, the respondents – New Zealanders or Non-New Zealanders – were aware of variations in



values and beliefs across cultures, and mostly made appreciative comments about other cultures. In O1, the respondents of minority cultures referred to identifying with *more* than one culture. The European New Zealand respondents generally identified with their national culture. Most of the latter preferred to socialize with members of their own cultural group.

In organization O2 in New Zealand, many of the respondents, irrespective of their cultural background, showed an 'interest in traveling' and 'socializing with other cultures'. Some of them were raised in bi-cultural settings or had 'overseas experience' for a year or longer. Those who dealt with 'international clients' also favored cultural diversity and maintained contact with persons of other cultures inside and outside the organization. Some respondents saw the 'learning of languages' as an important factor in acquiring adjustment skills to changing environments. Those few respondents who made stereotypical comments about persons of other cultures were neither exposed to international clients nor showed an interest in learning about other cultures.

In organization O3 in Germany, those respondents who grew up in a bi-cultural environment (e.g., the German and their parents' home country's culture) had experienced 'cultural adjustment practice during childhood' and identified with more than one culture. The respondents from former East Germany categorized themselves as East Germans now living in a new (West German)<sup>13</sup> culture. Those who had 'contact with clients from other cultures' expressed an understanding of culture-specific features – especially communication. The same respondents had also 'lived abroad' and enjoyed 'socializing with persons of diverse cultures' inside and outside the organization – in contrast to those who had no customer contact and little or no overseas experience. The latter showed less understanding of variations in cultural practices and mostly did not mix with persons of other cultures or explore other countries.

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<sup>13</sup> The terms 'East German' and 'West German' were used to distinguish one group from the other and because respondents from former East Germany identified themselves as East German. These terms are officially outdated and Germany's inhabitants are referred to as 'Germans'.

In organization O4 (Germany), all respondents had ‘contact with persons of other cultures’ at work and outside the organization. They either lived or had lived in communities characterized by cultural diversity - typically made up of German, Turkish, Greek, and East European people. Germans and Non-Germans identified with their birth country’s culture and did not refer to identification with more than one culture. However, all these respondents expressed an ‘interest in traveling’ and made a number of appreciative comments about cultural diversity in their community or cultures abroad. Half of them had ‘lived in other countries’ for a longer period of time.

#### Cultural group membership

Three of the five respondents in O1 identified themselves as European New Zealanders and the other two as Indians. The two Indian respondents were brought up bi-culturally, while the three New Zealanders experienced a mono-cultural upbringing. One of the Indian respondents identified with his ethnic *and* his host country’s cultures, ‘I am an Indian but I am now also a New Zealander; that is difficult, sometimes’. This person, in contrast to the other four respondents, also had contact with international clients. The other interviewees socialized mainly with persons of their own culture.

The respondents at O2 included 6 European New Zealanders, 1 Part-Māori New Zealander, 1 English, 1 White English/Nigerian, 2 South African, and 1 Indian person. Four of them grew up in mono-cultural, and eight in bi-cultural settings. Most of the latter respondents – irrespective of their cultural background – named more than one cultural affiliation, for example, ‘Identity, God, my identity ... When I talked to my daughter about adjusting to New Zealand, I noticed that she was very keen to quickly adopt the New Zealand culture, the Kiwi way, and every thing from the past was bad. Then I said, you must actually add to what you have and you will be a richer person and not just wipe it [the past] out.’ This South African’s statement was representative of other responses referring to their identification with the New Zealand culture *and* their ancestors’ culture.

An Indian respondent also expressed her appreciation for New Zealand’s culture and, in addition, her inherited traditions, ‘We try to maintain our [Indian] culture, but at the same

time think that it is important to adopt some of the ways of New Zealanders. No culture is perfect and a *combination* would be ideal'. She then narrated an experience with her four-year old daughter wanting to shed her Indian identity, 'The other day my daughter ... said she wanted to be Catholic. I understood what she meant: in kindergarten, there are a number of blond children who are Catholic. So, my daughter actually wanted to say that she wanted to be blond, like them ...'. The mother explained that she then started to teach her daughter about the values of their Indian culture.

The 14 respondents in organization O3 in Germany consisted of eight West Germans, three East Germans, and three persons of other cultures. While the West Germans defined themselves as 'Germans', the three East Germans distinguished themselves by explaining that they grew up in the former German Democratic Republic. One respondent stated, 'I did perceive myself as *East* German, when I came here. There certainly was a cultural change for me, coming to West Germany. Also, there is a different speed in West Germany, everything is faster.' All three East Germans perceived cultural differences between former East and West Germany, such as the lack of exposure to people of differing cultures – apart from East European – for the East Germans.

Those respondents in O3 who grew up in bi-cultural environments, also identified with more than one culture. One Iranian-German participant used to swap identities in different cultural environments; he recounted, 'I feel German and Persian. I had ample training in adjustment. When I went to school in the morning, I took on the German identity and when I came home, the Persian culture, like language and rules and thinking, became evident and took over'.

The four respondents of O4 consisted of two German, one Danish, and one Monegasque. These respondents did not provide detailed accounts of their identification regarding their home country or host country. The German respondents were raised in a mono-cultural environment; the others were exposed to two cultures.

### Perceptions of cultural differences

The two Indian respondents referred to the cultural beliefs and values in their host country, New Zealand, in accepting terms – for example, ‘I can’t apply the standards, I have experienced elsewhere, here in NZ ... things are handled differently from where I have worked before, and I have to remember this’.

### Contact with persons of other cultures

While all of the respondents in O1 in New Zealand had contact with persons of other cultures in their work teams, only two – both Indian – respondents stated that they also socialized with friends of other cultures, but mainly with New Zealanders.

Seven respondents of differing cultures at O2 socialized with persons of cultures other than their own. Most of them also had contact with international customers and befriended people from other cultures. One respondent – a European New Zealander – though, expressed that the organization may not be as open to other cultures as it appeared, ‘I do mix with other cultures here at [the organization] – but that doesn’t mean that [this organization] is potentially open towards cultures other than European. Diversity at [the organization], ethnic cultures, are only to be found at the lower levels. Otherwise, [...] it is white and pale at the upper level. What you see at reception is not representative of the organization’.

Some of the participants in this organization, who did not socialize with persons from other cultures outside work, put it down to convention, ‘At work, I mix with others from other culture; also there are some in my team, Dutch, Australians, others. But socially, I do not really mix with people from other cultures; it is very much with New Zealanders I meet. It’s a habit, perhaps’.

Two members of minority cultures and four West Germans in O3 had exposure to international customers. Those respondents also showed an interest in traveling and in understanding variations between cultures, for example, ‘Different cultures do use different

ways of persuasion and react to different ways of communication. Not only the Japanese with their indirect ways are different from us, also the French who live right next to us, have different ways of communicating. They are more bureaucratic, seem ignorant to us because they tend to dismiss our perspective and follow decision processes, which are not transparent to us.’ Most of those interested in other cultures also expressed an appreciation for values and beliefs of persons from other ethnic background.

Given the multicultural nature of O4 in Germany (branches in France, Spain, and England), all respondents were exposed to colleagues of other cultures and two of them had contact with international clients. All participants in O4 mentioned frequent contact with persons of a number of different cultures, who they either met at work or who lived/have lived in their vicinity – for example, ‘During my childhood, I had plenty of contact with guest workers who lived opposite our house. I still maintain friendships with Turkish and Yugoslavians. In 1988/89, I worked as an Au Pair in America and lived with the family’.

#### Traveling and overseas experience

In O1 one of the European New Zealanders especially emphasized his appreciation of other cultures and countries, ‘I have not only traveled extensively, but I have also got some work experience [overseas]. And I am mixing with other cultures, Asians, New Zealanders. I don’t think that there is racism in New Zealand...’. The last part of his sentence, viewed in context of the interview, referred more to his own attitude towards other cultures than to the actual prevalence of racism in New Zealand.

Half of the respondents at O2 in New Zealand had lived and worked in other countries for a year or longer. These respondents also expressed an interest in traveling and five of them emphasized the importance of ‘learning languages’ in becoming more versatile in understanding cultural differences and learning to adjust to new environments – for example, ‘Kiwis say that French are arrogant ’cause they do not speak any English. But New Zealanders feel threatened because they can’t adjust to other cultures because of *their* lack of language skills. And language means communication and that’s essential for understanding each other’.

Two of the respondents in O3 in Germany referred directly to learning adaptation to change from other cultures – for example, ‘I also learned about the different levels of being accepting of changes, like, they [the Japanese] are more accepting than us [the Germans]. This certainly influenced my own views’.

All respondents in O4 (Germany) expressed an interest in traveling and exploration of other cultures. Three out of the four respondents have lived in other countries for a longer period of time, ‘I have lived for nine months in France and have traveled a lot. Through my work, I met French, English, and Spanish people. Outside work, I have traveled to Africa – to Namibia and South Africa – and to Holland, Switzerland, Greece, Austria’. All respondents in this organization stated that traveling and living in foreign environments influenced their attitudes towards change; they experienced that they had the capacity to adjust to new situations.

### Stereotyping

Three respondents at O2 in New Zealand felt more apprehensive towards persons from other cultures. These three respondents had no recent contact with persons from other cultures. One European New Zealander recounted, ‘My experience with other cultures not only reduced stereotypes, it also created some. When I worked [many years ago] for the airline, and I had 99% Taiwanese on the aircraft, you get this cultural impact and form some opinions and not all of them are positive’. This person had traveled to other countries through her work, but said she preferred to meet persons of other cultures on a one-to-one basis to get to know them.

Another European New Zealander in this organization expressed his preference for a mono-cultural environment, ‘Māori culture – I do not buy into it. My motto is ‘one NZ for all’: We should work together as ‘one’ [culture]...’. This respondent, too, had travel experience, but said he preferred ‘not to indulge’ in other cultures. These examples show that cultural contact on its own may not foster an appreciation for cultural diversity; the



degree of cultural *interest* and the type of interaction – face-to-face or being outnumbered – played a role as well.

Similarly, one person at O3 in Germany expressed an interest in traveling, but not an interest in the *cultures* of her travel destinations,' I hardly meet any people from other cultures, only during short-term holidays with minimum of contact with other cultures. Because, what do you learn when you are for two weeks in Spain? You bring your culture with you and then you leave. Meanwhile, you watch others [the Spanish] and find some things really strange ...'. Another respondent in O3, who had not traveled, thought, ' ... that people from different cultures are mainly the same [as we] in what they *think and feel*'. Different from those who had traveled and gathered experience on cultural diversity, for her, not knowing much about other cultures, it seemed easiest to assume that all people were basically the same under their skin.

### *Précis*

Respondents of minority cultures in all four organizations generally reported that they valued their own, as well as their host country's culture and more often led a bicultural life than respondents of majority cultures. However, irrespective of cultural background or organizational membership, those respondents who were culturally experienced through overseas experience, traveling, contact with international clients, or social contact with persons of other cultures, had in common that they had gathered cultural experience and valued cultural diversity inside and outside the organization. They also reported that experiences in adjustment to other cultures generally expanded their views about managing change.

### ***Philosophy – views and beliefs about 'change'***

Here, the analysis differentiated between positive and negative perceptions and beliefs about change and then, more specifically, considered the various meanings the respondents allocated to 'change'.

### *Summary of personal meaning, views, and beliefs about*

In *all* organizations, respondents – regardless of their cultural background – made similar references to change as an ‘opportunity’ and ‘personal growth’. Participants in O3 (Germany) referred to the benefits of change more as hypothetical gains rather than as personally experienced gains. Comments about preferring ‘change as a choice’ were made by respondents of diverse cultural backgrounds in *all* organizations, but less often in O1 and most often in O4. In O1 and O2 (New Zealand), respondents of both minority and majority cultures generally treated optional and non-optional changes similarly (even though they preferred being given the option), whereas in O3 and O4 (Germany), respondents disliked, or even resented, having to respond to non-optional changes.

In O1 and O2 (New Zealand), respondents of both majority and minority cultures referred to changes as ‘natural occurrences’ in life, as conveying a ‘deeper meaning’, or as generating ‘thrill and excitement’. Respondents – some more often than others – of various cultures also talked about changes in conjunction with ‘risks’, ‘uncertainty’, or ‘losses’. In O3, such comments were nearly all made by West Germans. The unknown outcome, rather than the change process itself, was perceived as causing discomfort. In O4 (Germany), none of the respondents referred to negative perceptions of change. In general, more respondents, irrespective of cultural background or organizational membership, referred to ‘change as an opportunity’ rather than to ‘change as a risk’.

A few respondents across all organizations made a number of contradicting statements. Their experiences went both ways – feeling comfortable, and then resenting changes – indicating that change was not a clear-cut experience.

### Change: an opportunity, adding to personal development

All five respondents in O1 in New Zealand perceived change mainly as an opportunity and a source for potential gain, for example, ‘Change is the biggest opportunity people can have. [You should]... open the door and let it in’. One respondent referred to personal choice of how to respond to change, ‘You can think [either]: is it a *positive* thing or a *negative* thing; when the [her former working place] door closed, the [current working

place] door opened'. Change was also described by all participants as an opportunity for personal development, growth, and a chance to gain independence and autonomy. For one Indian employee, moving to New Zealand added to his personal development, 'Immigration was a big challenge. I wanted the chance to be myself. I wanted to get out of hopelessness and be able to look after myself'.

In O2 (New Zealand), all respondents talked about the positive qualities of change. Seven respondents of various cultures referred one or more times to change as an opportunity to change the direction in life and engage in new activities. Some of them used metaphors; a typical statement would be, 'One should see change as a stepping-stone to venture to something new'. To four respondents of differing cultures, change contained a deeper meaning, related to changing one's direction in life. A typical statement representing this notion was, 'Over the last 12 months, it has been an interesting transmission for me: I found that the fear goes away once you start changing – you grow with it.' One respondent pointed out that change constituted enrichment for her, adding to life, but not replacing her past, '... you must actually *add* to what have and you will be a richer person and not just wipe it [the past] out'.

Nine out of the 14 respondents of differing cultural affiliation at O3 in Germany said they perceived change as an opportunity holding a gain of some kind in store for them. Their examples were less specific – for instance, describing change being the biggest opportunity in life to move forward. Eight respondents talked about change as adding to their development and independence. Here, the respondents referred to their own experiences and to personal development, for example, 'Change is positive and negative: a negative change would be when I am jobless. But when I have to adjust to rejection from potential employers, I grow with it. Thus, there is change which is a necessity and which should be seen as a challenge and a chance'. The references to positive perceptions of change were made equally by East and West Germans as well as participants of other cultures.

The respondents in O4 (Germany) described the benefits of change with examples of personal experiences – for example, 'No change means not moving ahead, standing still. The benefits of change became obvious to me, when I realized that the change generated job enrichment and new tasks for me'. Three respondents related personal growth or independence to change, i.e., '...I feel that, with every challenge brought on by changes, I excel'.

### A part of life

Two respondents in O1, European New Zealanders, emphasized a number of times that they regarded change as natural and something, which is always there, e.g., 'The constant in the change is 'you'; you are there and that does not change'. One European New Zealander perceived changes as a part of her path in life and as purposeful occurrences with a deeper meaning to her, adding to her learning. Half of the participants in O2 in New Zealand talked about change as an ongoing process naturally happening in people's lives. A representative answer to the question what came to mind when thinking of changes was, 'Change is also part of our life, things do not stay the same, and we have to change with them.'

Five of the O3 participants in Germany said that they perceived change as 'part of life' and it would not make sense to resist it, because the change would take place anyway. One person reflected, 'If you block the changes out of your life or if you resist, then you make life unnecessarily tough for yourself, because the changes happens anyway. I try to take them as 'part of life'. Considering change as a natural occurrence helped these participants to arrive at positive beliefs and they perceived change as meaningful. The four respondents in O4 in Germany did not refer to the 'deeper meaning' of change; instead, three of them described change experiences as an exciting and thrilling part of life, since they resented 'standing still' in life. Their focus on 'excitement' was not likely to be related to cultural status, since they belonged to three different cultures, but might be related to personal characteristics.

### Change as discomfort and uncertainty

One European New Zealand respondent in O1 referred on several occasions to change as a threat or as insecurity. She felt that, 'Change can be threatening; not knowing can lead to insecurity. You make up your own reality then, fill in the blanks, the dot-dot-dot ...'. She used her own inferences to replace the unsettling unknown variables. The other respondents in this organization did not express concern about risk or uncertainty.

Half of the participants in O2 in New Zealand, employees of cultural majority and minority groups, talked about change as risk-laden, linked to discomfort, or perceived it as threatening. When asked how they experienced pending changes, typical responses were, 'What I have experienced is: when there are many changes at once, it can take control over my well-being and become threat', or, 'If it takes me out of my comfort zone, I feel resentful'. Some of these respondents, however, also perceived change as a chance – indicating that change was not either 'positive' or 'negative', but could be perceived as both.

Four respondents at O3 in Germany perceived change as risky. The major factor causing discomfort was the 'unknown outcome' of the change for these participants, for example, 'Change bears its risks; the problem is, you often do not know in advance if you are going to lose or win'. Apart from one reference by an East German, all responses were made by West Germans and none by persons with affiliations to other cultures. In O4 in Germany, none of the participants referred to change as a risk or uncertainty.

### Optional or non-optional change

One participant in O1 in New Zealand explained that to her, '...it makes the difference if you can choose'. The other respondents, though, did not report favoring change as an option. The following statement was representative of their philosophy, 'The *option* of change? This may be the wrong question, because once I am faced with the change – whether it is my or someone else's decision – my energy goes into the question: *how* can I make use of this opportunity?'

Half of the participants of differing culture in O2 in New Zealand made a point about differentiating between change as a choice, as being easier to deal with, or change as imposed, as being more difficult to handle, for example, 'When I am at a crossroad, then it is a conscious decision for me, the change. Then it is *my* decision. That feels better than changes that have been forced on me', or, 'I do not like it [non-optional changes], then I am asked to leave my comfort zone. I like to be given the option'. The other respondents did not differentiate between optional or non-optional change; they felt that the same process needed to be applied to both types of changes, for example, 'It is not a matter of optional or not optional, it does not make a difference. Change in life just occurs anyway, whether I want it or not and I have to adjust'.

Imposed changes were perceived as causing unsettling feelings and resented by four participants at O3 in Germany. Similar to the following statement, they distinguished unwanted from self-initiated change, 'Unwanted change is unsettling and my first reaction is fear, insecurity, and feelings of uncertainty; it makes the difference if you can choose'. Other respondents reported that whether the change was their choice or imposed would not make a difference to their proceeding with the change process. To five participants – four Germans and one Iranian – a positive change outcome seemed more likely to come about when the change was their choice rather than one imposed on them.

All respondents in O4 (Germany) reported that they preferred change as a choice and thought that such changes were easier to deal with, 'I prefer changes that are initiated by me, because then I can influence the direction and process of the changes. Involuntary change processes, however, usually mean being passive, on the receiving end, to me. I find that highly unsatisfactory', is representative of these respondents' notions about change as a choice.

### Contradictions

One respondent in O1 in New Zealand contradicted himself by incongruent statements. While he claimed earlier, 'Change is a *always* positive thing, I don't stagnate then', he later stated, 'I don't like change ... when things are taken away from me, then



there is this sense of loss'. Some of the respondents in O2 (New Zealand) also reported contradictory perceptions of change; for example, 'Change helps me to get out of my routine', and not much later, 'I am a person who adheres to habits, and I do not welcome many changes'. These respondents' attitudes and feelings around 'change' seemed contradictory; on one hand, they wanted to believe that change held something positive in store for them, on the other hand, they felt uncomfortable around giving up the status quo.

For some participants in O3 (Germany), the perceptions of change were not clear-cut as positive or negative either, for example, 'I fear losses, in private life and at work. But I actually like change. Change makes life more colorful, but you should gain and not lose'. For this person, change seemed acceptable when it promised gains. There were a number of seemingly contradicting statements in three organizations, indicating that perceptions were not confined to 'either-or' conditions, but could go both ways.

### Précis

In all organizations, more respondents – irrespective of cultural affiliation – referred to change as an 'opportunity', as a 'chance for personal growth', or as a 'natural occurrence' and fewer respondents perceived change as a 'threat'. While respondents of all cultures generally preferred change to be an 'option', the New Zealand respondents reported that they acted on optional and non-optional change in the same ways. The German participants, in contrast, felt doomed to passivity by 'imposed changes'. A number of contradicting statements indicated that feelings around change experiences can alter and attitudes are not clear-cut. Altogether, respondents of cultural minorities and majorities reported similar mixed beliefs and views around 'change'.

### ***Internal and external control influencing change***

Internal and external control refers to individuals' perceptions of consequences of changes as resulting from their own behavior or as resulting from external forces (Rotter, 1990). The respondents were asked about their perceptions of internal and external influences playing a role in change processes inside and outside work.

### *Summary of perception of internal control and external forces*

Most participants – irrespective of cultural background or organizational membership – perceived their internal resources as playing an important role in managing change situations. They perceived it as their ‘responsibility’ to ‘actively participate’ in change processes. In O1 in New Zealand, to ‘feel in charge’ of their situation, respondents perceived a strong need for ‘self-empowerment’ and ‘control’. In O2 (New Zealand), members of cultural minority groups preferred an ‘active role’ and ‘influencing’ the change process. In contrast, some majority members named ‘being in control’ as most imperative to feel at ease with change situations.

Participants of various cultures in O3 in Germany talked more about exerting ‘control’, but also referred to ‘influence’ or ‘participation’. They related ‘being in control’ not so much to the outcome of the changes as to control over their personal situation. In O3, respondents – regardless of cultural background – preferred an active role in changes by ‘acting instead of reacting’. For a few minority members, it was important to not have to ‘rely on organizational social security means’. For the participants in O4 (Germany), it was vital ‘to be heard’ in decisions on change. The preference in O2 (New Zealand) and O3 (Germany) across all respondents for exerting either ‘control’ or ‘influence’ seemed to be linked to individual, rather than cultural or organizational, differences. In O1 in New Zealand, the participants referred to ‘control’, while in O4 in Germany, respondents wanted to ‘be heard’, which possibly indicated organizational differences.

External forces, like ‘star signs’ or ‘luck’, in change situations were mentioned only a few times by participants of differing cultures across all organizations. A number of participants across all organizations acknowledged that there were external forces they could not influence, for example, the ‘loss of a loved person’. Therefore, they regarded in some cases both internal and external factors as influencing change.

### *Internal forces:*

#### An active role and a proactive attitude

In O1 in New Zealand, all five participants (European New Zealand and Indian culture) referred to internal forces at various occasions. They expressed their need to participate in the change process to achieve a positive outcome. The statement, 'It is *my* responsibility to make the change happen in a positive way. Coping begins with your *attitude*: how do you see the problem? You have to know that *you* have to do the work', captures participants' perceptions of the importance of their own role and attitude in the change process.

When asked about change situations at work, one Māori New Zealand participant in O2 emphasized on several occasions that it was his 'responsibility' to familiarize himself with the pending changes and be proactive in preventing unpleasant effects. As he put it, 'The question is: who is responsible for a positive outcome of 'change'; it always comes back to *my* mind set and *my* attitude'. Like some others, he thought that it did not pay to sit back and wait for others to work things out.

Self-reliance when dealing with major changes, and acting rather than reacting, was reported as a prevalent need by a number of participants of diverse cultural affiliations in O3 in Germany. One person expressed, 'To be able to *act* during changes is most important to me. I *do not* like to react like the rabbit facing a snake. I like to be active rather than reactive'. Submitting to changes without personal input in decisions would have prevented this respondent from adjusting to an uncertain situation.

#### 'Taking influence' or 'exertion of control'

O1's (New Zealand) respondents did not use the terms 'participation and influence'; two New Zealanders and one Indian showed a strong preference for the term 'control'. One person answered to the question about how he mastered decisions on change in the past, '[I] actively take *control* of the change process – I prefer to initiate it. I make the first step.' Another person stated, 'Little changes add up to big ones, you should always *control* the quality of the outcome', when asked how he handled the smaller changes in daily life.

'Influence' as an option to participate in change-related decisions was emphasized by three respondents – all members of cultural minorities – in O2 in New Zealand. One person commented, 'When I can influence the change process ... I will. I prefer to have an input in the process. Prevents me from feeling like a victim'. In contrast, the statements referring to 'control' were almost all made by the four European New Zealand respondents. One respondent, when asked what was most important to him in change situations, answered that it would be 'control', otherwise, 'Someone else is going to control my life if I don't! Concentrate on what you *can* affect and do not let *others* control your life'. This respondent believed that people chose their future and not very many factors could limit personal control. To make his point, he stated, 'Fate – that's crap! You must be pathetic to believe in destiny. *You* choose to be happy or *you* choose to be miserable'.

When asked how they generally react to change situations, six participants of minority and majority cultures in O3 (Germany) emphasized the importance of taking an influence on the change process – for example, 'I do not submit to changes without taking an influence, I *always* try to exert an influence'. In this organization, those who referred to 'influence', also referred to 'control'. They found change more acceptable if they could exert control over change-related decisions, like, for example, this respondent, 'I find it hard to submit to changes which I do not want and I cannot control. In such case, I would rather resist'. To some, it is not so much the effect of the control on the change process, but the fact of *being* in control that seemed most important, 'Control the things, which you can control and let go of the things you can't control. I just prefer control'.

To respondents at O4 (Germany), participation rather than controlling the outcome of the change seemed to count. One person explained, 'I believe that change is about *participation* and, as a participant in the change process, I do understand that employees cannot make change decisions entirely by themselves, but I, as an employee, like to feel heard and seen. This is important to me'. All participants, regardless of cultural affiliation, stated that they felt the need to 'have a voice' and to 'be heard' in the change process, rather than being in command.

### Self-empowerment

To participants at O1 in New Zealand, self-empowerment played an important role in adjusting to changes at work. Four participants from both cultures referred to 'taking charge' of the change situation and not 'victimizing' themselves – for example, 'When I complain, this is disempowering and does not get me what I want. Like, 'I don't get paid enough; I am underpaid'. So, what? But when I say, '*How* can I get paid more, then I actively take charge of the change process'. Participants expressed their preference for taking issues into their hands to get the feeling that they are in '... power of their destiny'.

### *External forces*

#### Fate, luck, and powerful others

One European New Zealander at O1 used terminology that related to external forces when she described the outcomes of previous redundancies. She perceived the forces of 'fate' or 'luck' as stronger than her own efforts, 'I might not have found work, there were more than 2000 people, I was just lucky'.

Five respondents at O2, European New Zealanders, briefly referred to change outcomes that were 'meant to be' or life changes that were 'due to fate', for example, when people were, '...being hit by a bus'. One person related her 'bad luck' with transport in the morning to her star sign, 'You can't control the small changes like when the bus does not show up. ... I'm a Virgo, it is a Virgo thing, the stars, you know'.

'Luck' was reported as playing a role for four participants in O3 (Germany), i.e. when looking for a new, suitable apartment, when joining a work team, or when trying to make the right decision. As one respondent reflected, 'Change is ... like a lottery: one can win or lose. That's why I need to get 97 suggestions before I ... make one decision'.

In O3, four people indicated their preference for 'waiting to see' what course the changes at their organization will take, partly, because they did not think that it mattered

what they felt about the situation. This preference to 'wait and see' was illustrated by the statement, 'It doesn't make sense to swim against the stream – why struggle?'. Like others, this respondent perceived the power of others – the management's – as greater than her own and did not believe that she could make a difference to the course the changes were taking.

#### The combined forces of internal and external factors

While they generally preferred to take charge in change situations, three respondents of two cultures in O1 acknowledged *some* influence of external forces in change situations. One person illustrated the interplay of both forces, 'It is like Iraq: the people don't want it, but they have to accept that there is war, they have to accept that their leader is gone, they have to accept that they have to rebuild their system. They have to stay there and *make* things work for them'. He explained that, while these people did not choose the war, they could play an active role in the post-war situation.

In terms of being in command of the outcome of past changes, all but one participant in O2 (New Zealand) acknowledged that in some change situations, there were influences – known or unknown – that they could not counter-balance with their inner resources. As one participant illustrated, 'There *are* things I can't control, like when my wife could not get pregnant. But then I could choose what to do about it, what my options are'.

In O3 in Germany, most references to combined forces affecting change situations were made by members of cultural minority groups. They referred to irreversible changes like loss of a loved person, for example, 'While there are changes where I can influence their direction, there are some changes, which I know I *cannot* prevent. So, I sooner or later need to accept the changes, for example, the death of my mother'. Accepting the influences of external forces – acknowledging that nothing could be done to reverse the loss – helped these people to find their 'peace of mind'.

#### Précis

Most respondents, across all organizations and cultures, referred to drawing on their inner resources and to a participative role in change situations. In New Zealand, *most*



minority members used the term 'influence' and *some* majority members 'control'. In Germany, respondents across different cultures used 'influence' *and* 'control' interchangeably and preferred an active role in changes. To some, 'control' meant mainly to have an input or a say. External factors influencing change outcomes played a minor role for most respondents. Some respondents acknowledged that they could not influence specific external factors, but they could choose their response. All in all, some individual differences in choice of terminology, but no culture-specific responses, have been detected.

### ***Coping strategies and skills***

The respondents were asked to recount past change situations in their lives, as well as reflect on the present organizational changes, to identify strategies and skills they perceived as helpful in managing the changes. Their helpful change strategies and skills have been ordered into a) attitudes and behaviors, b) thought processes, and c) emotional skills.

#### ***Summary of coping strategies and skills***

'Acceptance' of change and 'flexibility' were prominent attitudinal coping skills among respondents of *all* four organizations, irrespective of culture, in accommodating change. Some people perceived stress as not so much caused by the change, but by their own attitudes, such as energy-consuming worries about the inevitable. While they still perceived the downside, 'acceptance' reduced the *fear* of changes. Acceptance was also seen as an 'ongoing process' of opening up to new situations. Similarly, an 'optimistic, positive attitude' – also mentioned as a philosophy – was regarded as a strategy to tune into uncertain situations. Some persons felt that 'patience' and 'delay of immediate rewards' helped their adjustment to change situations.

To accommodate changes, the 'awareness' that 'new competencies' were needed, and in addition, finding out which ones they were, were perceived as helpful attitudes by respondents of differing cultures in all organizations. Equally emphasized were – again in all organizations by persons of differing cultures – the 'drive to explore' new territory and novel projects. Less frequently named attitudinal change skills were 'reflection' on

previous changes, ‘analyzing previous change strategies’ for their value, and following one’s ‘intuition’.

As cognitive skills, ‘strategic thinking’, thorough ‘planning’ of sequential steps, and prioritizing one’s objectives were favored by participants of differing cultures in three organizations in both countries – especially in O3 in Germany. A few respondents also saw viewing the ‘bigger picture’ of the changes affecting other areas in life and ‘visualizing possible change scenarios’ as vital. ‘Assessing’ the potential benefits and losses was a preferred strategy for many participants of diverse cultural affiliation in the two German organizations. In New Zealand organizations, a few people found the consideration of ‘other people’s ideas’ as helpful in making change-related decisions. In one organization, respondents favored ‘brainstorming’ and ‘exchanging change strategies’.

Emotional skills, as compared to attitudinal and cognitive resources, were equally valued among respondents in *all* organizations of diverse cultural background. Most prominent was the ‘disclosure’ of conflicting emotions to friends or the ‘sharing of experiences’ with colleagues and drawing on ‘social networks’. For many respondents, ‘talking with others’ and not feeling alone in coping with uncertainties seemed vital to stress relief. Less often mentioned were ‘self-affirmation and self-talk’ to process discomforting emotions, and taking the time to ‘process feelings of grief’ generated by change.

In both New Zealand organizations, a few participants – European New Zealanders – engaged in ignoring, diminishing, or ‘denying’ uncomfortable feelings generated by changes. While in New Zealand organizations participants generally referred to a wider variety of personal coping skills, in German organizations individuals showed strong preferences for a distinct range of prominent, effective skills. Otherwise, there seemed to be no obvious differences in coping strategies and skills across countries and cultural groups, and few differing preferences across organizations. Generally, culturally versatile persons – compared to the less culturally experienced – in all organizations reported more coping skills – or distinct, effective strategies – in managing change.

### *Attitudes:*

#### Openness towards change and uncertainty; acceptance and flexibility

The respondents in O1 in New Zealand addressed a range of attitudes and behaviors perceived as helpful to them in change situations. Particularly for one European New Zealand respondent, acceptance, rather than resisting the inevitable, was most helpful in preserving his energy to manage changes at work, 'Acceptance means to get peace of mind, you have to go along anyway'.

The statements of six participants of diverse cultures in O2 (New Zealand) suggested that in past change situations, it was not so much the change that caused them stress, but their *attitudes*, such as resentment or resistance. As this participant stated, 'Not the change is stressful – it is your reaction. *Acceptance* that change happens, whether I want it or not, makes life easier for me.' Submitting to unavoidable changes seemed to reduce discomfort for these participants.

In O3 in Germany, the participants repeatedly referred to one or two distinct attitudes, described as most effective to them, in change situations. Eight respondents of diverse cultural affiliations reported 'Tolerance' towards life changes and 'flexibility' in organizational change situations as their major skills. Some said on several occasions that they perceived these skills as their major assets in change situations not only at work. One person talked about the idea of living with the homeless for a few days to practice 'openness towards the unfamiliar'. He explained, 'One of my skills is openness to new scenarios. If I could still learn something, I would do something exceptional, something which means a total change like experiencing someone else's way of living.' He saw the development of 'openness' as an ongoing process, which needed to be constantly practiced.

One participant in O4 (Germany), a member of a cultural minority, explained that 'openness to changes' did not mean alleviation of any discomfort to her; however, facing the situation reduced the fear of it. She explained, 'I find that I cope with the changes here [at work] really well, because I do not fear them but accept them instead, even though I do experience anger and sadness. I am accepting of these feelings, as well'. Another person

perceived acceptance as ‘letting go of expectations’ of how things should be. ‘Letting go’ reduced her discomfort in situations with an uncertain outcome.

### Curiosity and openness to learning

Three participants from two cultures in O1 in New Zealand perceived the ‘willingness’ to acquire ‘new knowledge’ and new skills to accommodate changes as most important. They also pointed out the importance of one’s *awareness* that new knowledge was needed. As the following statement illustrated, ‘Ask questions, be open, and do not expect to know all the [new] stuff straight away’, the participants were comfortable with admitting that, to match the changed situation, their present skills needed to be expanded.

Five persons of differing cultures at O3 in Germany reported that they felt more at ease once they *knew* what skills were required to adjust to the changes at work. The respondents referred to their own ‘drive to accumulate new knowledge’ and ‘overcome barriers’ – for example, ‘My curiosity, that is wanting to explore things and wanting to understand things, is a major skill that helps me to cope with changes’. These people perceived it as mainly *their* responsibility to find out which new competencies they needed to learn, rather than waiting for someone to tell them.

Motivation to learn and setting out to ‘discover new grounds’ were prominent attitudinal skills amongst all respondents in O4 (Germany). As one person put it, ‘I don’t think that I have specific strategies at hand, but I consider myself as open to new situations and change. Openness toward learning is very important, I think.’

### Reflection on one’s change skills

To one European New Zealander in O1, it was most valuable to ‘take time out to reflect’ which of her behaviors were most helpful in present and previous change processes, ‘[It is] like preparing yourself in mind for the big changes: how have I reacted [to previous] changes. Like an analysis, perhaps’. She explained that she could then apply behavior identified as helpful in new change situations.

### Optimistic and positive attitude

‘Remaining positive’ throughout the change process has helped two respondents in O4 in Germany in a number of changes. The belief that change, even if it meant uncertainty or loss, bore its benefits helped them coping. One person has experienced that, ‘... change always – without exception – bears something positive. I experienced that this positive approach made my adjustment to the situation significantly easier. This strategy has been positively reinforced a number of times’.

A few participants in O2 in New Zealand valued keeping up an ‘optimistic attitude’ and focusing on the positive factors of changes. They perceived change, even if it caused stress, as always bearing ‘something good’. The metaphor of the ‘half-filled glass of water’, with the focus on what was there rather than on what was missing, was used.

### Other attitudes

‘Patience’ to endure the change process and its down sides, and to ‘delay immediate rewards’, appeared to be helpful to two respondents of two cultures in O4 in Germany. Others in O1, O2, and O3 perceived listening to their ‘inner wisdom’, their ‘gut feelings’, or relying on their ‘intuition’ as key attitudes in change decisions.

### *Thought processes*

#### Strategic planning of steps in adaptation processes

Three participants, both New Zealanders and Indian, reported that for them, in-depth planning on how to proceed in change situations and goal setting had priority over a number of other strategies. The participants talked about planning sequences of steps to manage the change process. As one participant put it, ‘What do you want to happen: be selective, prioritize, and plan your steps carefully’.

Eleven out of 12 respondents in O2 favored 'thinking ahead and mentally preparing' themselves for possible change outcomes. One person stated, 'I am organized and think ahead; I consider possible scenarios and solutions and try to prepare myself'. Another person's statement, 'The *preoccupation* with ... my planning takes away from adjustment-stress', illustrates that planning not only put this person's thoughts into an order, but also diverted him from feelings of stress. Three respondents made it a rule to consider 'other people's thoughts and ideas' when planning their strategies in accommodating changes.

Compared to the West Germans in O3, nearly all persons with diverse cultural affiliations in New Zealand had more than one thought process at their disposal. Four participants perceived 'setting of priorities' in their adjustment processes crucial. They listed all potential factors that needed attention and then decided what needed to be taken care of first. One respondent described one of his principles, 'Set yourself priorities: where are adjustments to the changes most necessary? Do not seek to do it (adjust) in all areas at once'. 'Strategic planning' seemed to be a prominent coping strategy and was mentioned at several times by most respondents in this organization.

#### Looking at the bigger picture

Looking at the wider implications of the changes and mapping out one's life to understand how the changes fit into one's plans, was practiced by a few participants in O2 in New Zealand.

Looking at the bigger picture and viewing the changes in context of the wider environment – to consider as many factors as possible playing a role in the changes – was seen as part of the planning process by four participants in O3 in Germany. One person declared, 'I like to bring my perspective into harmony with the other changes around me. My situation needs to match the external situation'. Others said it was high on their priority list to view how the changes at work affected other responsibilities in their lives, whether there were consequences for other persons, and whether the changes were compatible with their philosophies about life.



### Brainstorming for solutions and alternatives

All respondents in O1 in New Zealand referred to the exchange of ideas in groups as constructive in decision-making on changes – for example, ‘Brain storming and exchange, generosity and reciprocation, joint efforts; do not hold back with what you have to *give* to others in a situation like that’. This respondent – a European New Zealander – put a special emphasis on the principle of reciprocity, meaning not holding back one’s information or knowledge, but generously contributing them to the pool of change skills.

### Assessment of the pros and cons of pending changes

Exclusively in O3 in Germany, participants – eight persons of differing culture – referred to a personal assessment of the change situation. They took time to consider the risks, looked for personal advantages that the change might bear, and then evaluated the potential pros and cons. One participant explained, ‘What saves me from having sleepless nights is thoughtfulness and weighing the pros and cons, and taking time to understand the implications on my personal life; that means, to carefully consider and exclude – if that is possible – some of the potential risks and pick out the good things.’

Cognitive strategies, apart from strategic planning, were not given much emphasis in O4 in Germany. The ‘assessment of the change situation’, ‘planning of decisions’, and ‘considering others’ perspectives’ received less acknowledgement as being helpful in organizing one’s change processes.

### *Emotional skills*

#### Talking to others and disclosure

Only when prompted did two respondents in O1 in New Zealand say – but did not elaborate on this topic – that they talked to friends or family about changes in their lives. This is contrasted by O2 (New Zealand), where the ‘support of others’ in change situations within or outside the organization seemed indispensable to seven participants of diverse cultural backgrounds. When discussing major life changes, participants preferred to confide in the ‘one best friend’. In general, respondents favored a ‘talk to friends’ and/or team

members over drawing family members into their work-related problems. Two typical references were, 'Talking to others, also the reciprocation of support, like in teams, helped me cope', and, 'The social network that you have built up, the support, helps ...'.

In O3 in Germany, persons of differing cultural background turned to affiliations with others in conjunction with coping with change. Half of the participants perceived 'sharing their feelings' about change-related problems as reducing the discomfort around uncertain outcomes – for example, 'I like to talk to others, maybe get some advice, and share the burden of decisions'. As for work-related problems, some worried about confidentiality and preferred not to disclose problems to colleagues. Others took care not to 'dump' on their colleagues. As one person put it, 'I have learned to talk about my feelings without further spreading feelings of uncertainty, without leaving *others* with more bad feelings than before'.

Three respondents in O4 (Germany) talked about the importance of 'disclosing' uncomfortable emotions to others and relying on social networks in change situations, i.e., '... the bigger the changes the stronger the affiliation to others and friendships, which grew out of the change situations. I have learned to talk to others and ask for help'. For this respondent, 'asking others for help' was a strategy that she needed to learn first.

#### Solidarity and shared change experience

Five respondents of diverse cultures in O2 in New Zealand highlighted the 'shared experiences' of colleagues in the same situation – for example, the fear of job loss and perceived discomfort around uncertainty –. One person expressed how, 'The feeling that you are not the only one who goes through change, the shared experience, for example, when I talked to others who also struggled to adjust ', helped her to process upsetting emotions.

One respondent in O3 in Germany was concerned that, while it could help not to feel alone, sharing one's feelings should not be a substitute for one's *participation* in changes. Another person's statement, 'The most important thing, and the first thing for me to do, is to

exchange feelings of uncertainty with others here; I feel that I am not the only one', illustrates the significance of affiliation to others to reduce people's discomfort during change processes.

### Self-talk and self-empowerment

Similar to their references relating to 'internal and external forces affecting change', the participants in O1 in New Zealand reported 'feeling empowered' as most imperative in coping with conflicting emotions. 'Self-talk' was named as a way of self-empowerment, as one person demonstrated, 'Don't take it personal. It is like this pencil on the table: observe it ... rather than being fond of it. I can deal similarly with change.' This person explained how she would enter a 'conversation with herself' to emotionally detach from the pre-change conditions and to affirm that she could master the new situation. Respondents in O4 in Germany had similar emotional strategies at hand, like 'recall of situations' where they coped well with discomforting feelings, and self-talk like, 'You will get through it'.

### Taking time out to grieve

One European New Zealand participant in O1 explained that 'taking time' for the processing of 'grief and loss experiences' during changes was one of her most valued strategies in change processes. She experienced how, 'Grief and loss take time and then it can be good not to do anything. You can't speed it up, don't avoid it'. This participant also talked about the importance of 'listening to the self' and exploring inner processes. She recounted her experience of unresolved grief flaring up at later points in life when she had not paid attention to her emotions. Similarly, one respondent in O4 in Germany referred to 'listening to her inner processes'.

### Rationalizing repression and denial of emotions

In O2, three European New Zealand participants dealt with uncomfortable feelings generated by changes by ignoring, diminishing, or denying them – for example, 'The past does not bother me, for example, early break ups with girl friends: I have been 'moping' in the past but now I think, that it was great, I am better off now.' This participant reduced his grief and stress to an undesirable outburst in hindsight.

### *Change strategies and cultural versatility*

When viewing the data, it became obvious that, in general, participants who had a) exposure at work or affiliations outside work with people from other cultures, b) had worked overseas, c) were interested in traveling and foreign languages, and/or d) grew up bi-culturally referred to either more coping strategies, or mentioned more change experiences which they mastered effectively with a small range of skills, compared to participants who were less culturally experienced.

In New Zealand, in O2, culturally experienced persons had four to nine different coping skills and strategies at hand in change situations, as compared to culturally less experienced respondents referring to only one to five strategies and skills. In Germany, in O3, culturally experienced respondents had 4-9, compared to the culturally less experienced who had 1-6 (with an exception of one person naming 10) coping skills and strategies at hand. In O4, all respondents had ample cultural experience and reported a number of strategies proven effective to them. There was one exception among the four organizations: in O1 in New Zealand, the three culturally less experienced respondents had more internal resources at their disposal than the two culturally knowledgeable members. In summary, in three organizations, the culturally adaptable (those who accommodated well the differing practices and beliefs when they encountered people and environments that differed from their own) and versatile people also seemed to have either a wide variety or specifically effective coping skills in change situations at their disposal.

### *Précis*

Acceptance, reducing fear of change, flexibility, openness to learning, and exploring novel projects were attitudes valued by members of all organizations and differing cultures. Strategic planning as a cognitive strategy was also reported in both countries by cultural majority and minority members, but was most emphasized in Germany. Respondents in Germany referred more to 'assessing' change situations and respondents in New Zealand more to 'listening to others' advice'. Talking to others was important for participants irrespective of cultural and organizational affiliation. Culturally experienced respondents

showed a wide variety or prominent, effective coping skills. There were no obvious cultural differences in coping with change.

### *Sources of learning coping skills*

Participants talked about how they learned coping skills in change situations at work, during major and minor life changes, during training and education, or from role models.

### *Summary of sources of learning*

In the two New Zealand organizations, a small number of respondents from differing cultures perceived 'learning opportunities at work' or 'training' as contributing to improving their change skills. Participants of differing cultures in Germany perceived 'education' alone as an insufficient source for preparing them for change situations; they regarded 'theoretical skills' as a tool that – to make it work – needed to be combined with 'practical experience'. A larger number of respondents with differing cultural affiliations across all organizations (Germany and New Zealand) thought 'real life' learning to be more valuable than academic learning for their improvement of change skills.

Learning opportunities 'outside work' – rather than at work – were most often named as sources for learning change strategies by culturally differing respondents in Germany and New Zealand. For more than half of the participants of various cultures in all organizations, the most prominent source for learning were the successive 'number of changes' they had experienced in different situations. 'Learning by experience' was perceived as an 'ongoing process', since every change situation was unique and bore different components of learning. In addition, sources of learning were perceived as feeding into each other. 'Traumatic key experiences' – like the loss of a loved person or moving to a new place – were seen as important sources of learning by half of the participants of differing cultural background in all organizations.

'Role models' positively affected a number of respondents' adaptation skills. Persons of varying cultures in three organizations (New Zealand and Germany) referred to family members and friends as well as acquaintances who had learned helpful skills in

adjusting to new situations from other cultures. 'Practice in changing cultures' – i.e., via work assignments in other countries – helped a number of respondents in New Zealand and Germany to upgrade their change management skills.

'Previous redundancies' prompted respondents' learning of change skills and also required them to learn to reschedule their priorities in life. This was more evident in New Zealand organizations, but also occurred in one German organization. 'Previous mergers' prepared a few participants for future changes at work. The idea that change skills were 'innate' and 'could not be learned' was only referred to in one German organization.

### *Learning opportunities within the organization*

#### Learning on-the-job

In O1 in New Zealand, three of five respondents perceived the smaller challenges of accommodating change at work as major contributors to refining their coping skills. As one person put it, 'Experience, experience and experience ... I have experienced so many change situations at work'. Learning opportunities at work were not emphasized at O2 (New Zealand) as a major source for learning.

Three West German persons in O3 perceived learning opportunities at work as their most important source of learning to accommodate changes. One person especially perceived the supervisor's expectations about the outcome of the opportunity as an incentive to learn, 'Trust – I learned by receiving an amount of trust, which required me to fulfil the expectations as not to disappoint the persons who invested their trust in me'.

Four respondents of differing cultural background in O3 in Germany commented on training at work to adjust to changes, however, did not perceive training *on its own* as sufficient to manage changes. As one person put it, 'Last not least, practical experience, that is life experience and organizational [experience] are feeding each other. Theoretical knowledge, like from books, is a platform and is only of value when you can practice'. He



thought that on-the-job experience could not be replaced by classroom learning, which should be seen as a preparation for the changes to come.

### Role models in the organization

Two participants in O3 in Germany reported that they perceived some of the attitudes of team members, who were experienced in accommodating changes in work procedures, as helpful for their own coping. They did not provide any detailed accounts here. One person named 'the whole organization' as a role model of how *not* to deal with staff during a take-over by another company. He particularly named his unsettling experience of being 'left in the dark' about some of the implications of the changes. When asked, the four respondents at O4 (Germany) stated that other team members set examples in how to deal with changes, but did not elaborate this point.

### Previous redundancies

For two people at O1 in New Zealand, their major learning occurred during previous redundancies, when they were challenged to develop the initiative to find new jobs and then successfully mastered the situation. One person at O4 in Germany considered her previous redundancy as the primary source of learning to manage change, 'Before my first redundancy, work occupied 95% of my life. Suddenly, I lost orientation. I had to ask myself, what is important to my life'. The loss of orientation and meaningful occupation prompted her to rethink and change her priorities in life.

### Previous mergers or acquisitions

At O3 in Germany, two participants mentioned the previous acquisition process three years ago as an experience of 'been there, done' it'. They had learned that unsettling experiences were part of the change process following an acquisition and, thus, were not unprepared for dealing with the current one.

A variety of previous change experiences

‘Previous change experiences’ had more than one benefit for the participants in O1 in New Zealand. Not only did they learn change-related skills in these situations, but they also had the opportunity to reflect on what went well and what could have been done better. The statement, ‘Transfer the good things from the previous situation. Improve the things that did not go well’, illustrates the double-effect of past change experiences.

Half of the respondents in O2 (New Zealand) of differing cultural groups referred to ‘a number of *smaller* changes’ that have been less consequential to their lives, as opportunities to upgrade their change management competencies. When asked if she had participated in seminars offering change skills, one participant responded, ‘I am not sure if training would help: number one for me is experiencing changes, that is, learning by doing it’. Another person also doubted the effectiveness of training, ‘People need to *expose* themselves to new environments and situations. The more I expose myself and the more I see, the more I learn about life’.

Half of the respondents, representing all cultural groups, in O3 (Germany) perceived the ‘number of *less consequential* change experiences’ as their major source for refining their change skills. The number of experiences served to reflect on what went well and what did not. Some persons perceived it as easier, and less painful, to reflect on the smaller changes. As one respondent put it, ‘...you need to start somewhere: Reflect on the little changes in your life’.

All respondents at O4 (Germany) reported that the ‘amount of *minor* changes’ added up to vital learning of handling change. One person perceived ‘frustration’ with insufficient change skills as a drive to improvement, ‘All the change experiences shaped my life – particularly the very unpleasant ones, which have urged me to advance my [change] skills’.

### Major change experiences

While for some participants in O2 in New Zealand experiences like 'death of a family member' or a separation were their most memorable 'key change experiences', for others 'moving to a different town' was similarly challenging to their coping skills. One participant grew up in an isolated township in the South and then had to adjust to city people's different pace and mentality. She remembered, 'Feeling separated from my family – it was a culture shock, coming from a small village – I'll never forget that feeling of loneliness and isolation. It was a traumatic experience!' Key change experiences often came unexpectedly or struck the participants with such force that they needed to develop adjustment skills fast.

Key change experiences were also referred to as a major learning source by respondents of differing cultural background in O3 (Germany). The example, 'When my parents separated, I was three then. And I felt alone and thought, I could not survive: It was the experience that life does *not* come to an end, that there is a way to cope with the changes', is representative of a number of statements referring to the experience of 'mastery' of a loss situation which, at the beginning, seemed insurmountable.

Two people of differing culture in O4 (Germany) named the 'survival' after a separation from their husbands as their most vital learning experience. While for one, the separation was permanent, for the other woman it was temporary. She reported, 'It was my husband's change of job to a distant town. There were obvious advantages, like a secure job, an increased income; however, it meant less time together, bringing up our child by myself, and carrying more responsibility in family affairs'. She felt pushed into learning to accommodate being on her own, as well as having to take on a number of additional responsibilities.

### Academic education, studies, or books

In O1 in New Zealand, two respondents of Indian culture perceived their education as a major source for their change skills, 'One source for [my] major learning is the facility of education: you are able to converse and discuss, ask questions to understand. Positive

attitude comes from education'. For these participants, the 'intellectual exchange' added to their versatility and flexibility in thought processes and decision-making, which, in return, helped them to solve conflict in change situations.

Six participants of varying culture at O3 in Germany perceived their 'academic knowledge' acquired at college or polytechnic as a valuable 'preparation' for the real life situations to come. However, similar to their judgment about knowledge from employee training, they thought that 'studies could not replace practice'. One person stated, 'Education is a tool which gives you the building blocks to generate change, but the *life experience* is the know-how – how to use the tools'.

#### Through role models

When asked to talk about important others who had contributed to the participants' learning of change-related skills, six respondents of various cultures at O2 in New Zealand remembered 'family members' like their parents, 'Listening to what others have to say, how they have done things, yes. For example, my Mum is pretty organized and straight'. But also, '...mixing with a *variety* of people who have different ways in dealing with change', had an effect on people's coping skills. While their families offered a limited array of examples, 'mixing with a variety of different people' offered many role models to choose from.

Half of the respondents of diverse cultural background in O3 in Germany referred to persons in their 'family' or among their 'friends' as role models in how to accommodate changes in life. One person referred particularly to the influence of persons of other cultures, 'While I am culturally inexperienced, mixing with people who *had* experience with other cultures, and who learned to be more relaxed [in change situations], helped me to learn to deal with changes'. Obviously, an '*indirect* effect of people of other cultures' – through her friends – was sufficient to alter this respondent's response to changes.

### Learning through contact with other cultures

A number of participants in O2 in New Zealand perceived the 'exposure to other cultures' as a source of learning for change skills. Half of the respondents had lived in other countries and shared experiences similar to this respondent's, 'I could more easily adjust to changes after I have lived in different countries. When I understood other cultures and could change into their mode of thinking, I could also understand change processes elsewhere'. 'The *practice* in changing social culture' helped these respondents to improve change management in and outside the organization.

In O4 in Germany, all participants – representing three cultures – referred to their long-term 'stays in foreign countries' as having considerably improved their skills in accommodating changes. One German person recalled, 'My stays in France - I didn't mind leaving to France to live and work there, even though I did not speak the language. I learned to adjust to new situations and my flexibility and openness increased over time'. Once she realized that she could cope with working and socializing in a culturally different country, while she did not speak the language very well, she could later manage changes back home much easier.

### Coping skills cannot be learned

Two persons in O3 in Germany perceived coping skills as strongly linked to one's personality and to be innate. They suggested, such skills could hardly be learned.

### Précis

Generally, for most respondents of differing cultures across all organizations, learning opportunities at work, training, and education played a lesser role in developing change management skills than 'real life experiences' such as numerous minor change episodes (e.g., a change of a minor work procedure) or key changes (like the loss of a loved person). Learning change skills was seen as an 'ongoing process' assisted, for example, by 'role models' or 'reorientation processes' following previous redundancies or mergers. There were no obvious culture-related differences in perceptions of learning change skills. However, those persons in New Zealand and Germany who had lived in 'diverse cultural

environments' reported that these cultural experiences had improved their change management skills in general and that they now more easily adopted changed processes and procedures.

### *Resilience to change-related stressors*

The respondents were asked to reflect on circumstances in their lives that may have increased their resilience towards change-related stress. Some of the respondents' examples for contributors to their resilience were identical with those examples previously provided for 'sources of learning'.

### *Summary of perceptions of resilience*

'Changes at work' helped a few participants of differing cultures in one New Zealand and one German organization to build up resilience against change-related stress. 'Major life changes' as building blocks to establishing resistance were reported by respondents of various cultures in one New Zealand and in both German organizations. Here, respondents in New Zealand referred to changes, which they *themselves* had initiated, whereas the participants in O3 in Germany recounted change experiences that were *imposed* on them. In O4, one respondent reported a gain of inner strength after the 'mastery of ambivalent feelings' around an unwanted choice.

Respondents of differing cultural affiliations in New Zealand and Germany perceived mature 'age' (e.g., 40 to 60 years) as generating a reconsideration of priorities and increased patience serving as a buffer against the stresses of changes. A number of persons of diverse cultures in all four organizations perceived 'work-family balance' - with the family as an anchor to hold onto in times of uncertainty - as a shield against the changes at work.

Hardly any respondents reported emotional or physical 'stress symptoms'. One reason for the minimal report of stress symptoms may be that the participants did not recognize experienced symptoms of illness, such as cold sores, as stress. One person



perceived 'low resilience' to change-related stress as positive, since feelings of discomfort drew her awareness to her fears and hopes.

#### Previous exposure to change situations at work including redundancies

Two respondents in O1 of European New Zealand and Indian culture perceived 'previous changes at work' as having added to their resilience towards change-related stress in general, but especially strengthened them for coping with the recent changes at work. As one person illustrated, 'I have been there before: I was going to be made redundant. Changes at [current work place] are nowhere near as stressful. I was more prepared, I knew what was going to happen'. One person in O4 in Germany perceived that the major experience of her 'redundancy' made her generally less prone to feel stressed in later change situations.

#### Major life changes

Half of the respondents of various cultures in O2 (New Zealand) referred to 'leaving their families' and/or taking on 'new jobs in different countries'. One person recounted, 'I had my own business and was well off. When I left, I had to start from scratch one. It can't get harder, that prepares you for any other changes to come. So, change here does not worry me too much'. The participants in O2 referred to examples relating to changes *they* themselves had chosen and which were not imposed on them.

In O3 in Germany, seven respondents of differing cultures recalled traumatic experiences, such as 'death or separation' as 'toughening them' towards the pain of future stress, as the following example illustrates, 'Resilience..., my early childhood experiences, the loss of my mother when my parents separated. Knowing that you can live without with what you had before, and even regain happiness, gives you some assurance for later and you become resistant against the impact of later changes'. It was not so much what they had achieved after the changes, but the 'survival of experiences of deprivation, loss, and pain' that contributed to these persons' resilience towards change-related stress.

In O4 (Germany), one person of minority culture – who perceived herself as more resilient towards change-related stress after traumatic change experiences – recounted the following, ‘All these journeys and the moving... surely my survival instincts got activated... also, when my parents separated.... My mobility and flexibility had been challenged, the learning of new languages, a new culture, a new environment, new people. And somehow, no matter what happened, to experience, you’ll survive. No matter what happened, you had enough to eat and a roof over your head. And the bigger the crisis, the stronger my friendships became. I think, most important: I learned to ask for help’. For her, too, the ‘experience of mastery’ of a seemingly insurmountable situation added to her resilience. In addition, she learned to ask for others’ assistance.

### Age

‘Age’ has been referred to by respondents of differing culture, aged 30 years up to 60 years, in O1, O2, and O3 (New Zealand and Germany) – for example, ‘When you get older, you take more time to make decisions, you are more thoughtful and that adds to the quality of the decision’, or, ‘But I am more calm than some years ago, while I am a little slower. Altogether, that is an advantage, I think’. Two persons in O4 (Germany) perceived that they became ‘calmer’, were now able to ‘let go of expectations’ about specific change outcomes, and had less idealistic ideas as compared to when they were young. One person recounted, ‘I reconsidered my priorities and became more relaxed as I got older. I know now, I don’t have to change the world’.

### Family-work balance

The family as ‘an island of consistency to fall back on’ was perceived as an imperative contributor to resilience against change-related stress by participants of a number of cultures. In O1 and O2 in New Zealand, two persons respectively reported that the family was an anchor of ‘things that stay the same’, reducing stress through constant changes. In O3 and O4 in Germany, four and five people reported that they received their strength to cope with ongoing changes at work from their family. One person in O3 stated, ‘My family balances my work life. And I perceive that satisfaction at home, and then at work; both reduce stress’. For this participant, as for others, ‘satisfaction at home and at work’ were inseparable. In O4, two participants of two cultures perceived happiness at

work and at home as linked, as well. One person thought, '[Change processes] at work are important, but they should not spill over into family life. Work should be fun and life at home should balance the work life'.

### Insufficient resilience

When asked about stress perceptions, hardly any respondents recounted stressful emotions or physical symptoms even though some of them reported earlier that they regarded the uncertainty around the changes as discomforting and unsettling. One person's statement in O2 (New Zealand) revealed a contradiction between her perception of her level of resilience and the actual state, 'I think, that my change skills are OK, I think that change does not affect me too much. What, stress? Yeah, hmmm... I get cold sores quite badly ...'. Another person in this organization perceived lack of resilience as a *positive* aspect, 'Not being resilient may be *good* because it shows me something about myself, where my hopes and fears are located, where I am lost, areas I need to work at'. She perceived resilience more as an obstacle blurring the view of inner processes.

### Précis

Participants of differing cultures in New Zealand and Germany perceived 'changes at work' and 'major life changes' as adding to their resilience. The 'mastery of ambivalent feelings' generated by change – self-initiated (New Zealand respondents) or imposed (German respondents) – prepared respondents for future changes. In both countries, a few participants perceived their mature 'age', and 'family-work balance', as buffers to change-related stress. In general, hardly any respondents reported stress experiences when they were asked about the perceived effects of the organizational changes. While cultural differences in reporting resilience did not become obvious, those who mastered 'moving to a new culture' also reported generally improved resilience towards uncomfortable feelings in change situations compared to before they moved to a new culture.

### *Perceptions of change-related effects at work*

The respondents were asked how they perceived the present situation in their organization and what implications the changes have had for them.

### *Summary of losses, gains, and difficulties*

'Loss of job security' was especially experienced by respondents of various cultures in O3 in Germany. Some of them had felt protected by the organization for a long time and now sensed a loss of that feeling of being looked after. Depending on their field of work, potential job loss concerned some respondents more than others. In conjunction with the changes, some perceived a 'loss of organizational identity'. A few statements included 'loss of self-esteem', 'career opportunities', 'team members', or 'familiar procedures'. Some respondents in O3 – regardless of cultural background – perceived 'gains' related to the organizational changes such as an 'increase in security' in their field of work or 'job enrichment'. Most participants did not report gains, even though some of them stated earlier that change meant a gain to them.

'Insufficient communication' was a prominent change-related problem perceived by participants of differing cultures in all four organizations. Communication problems were most often reported in O3 (Germany); further, some 'changed procedures' in O3 did not match the unchanged work conditions. Generally, lack of information triggered and spread fear of job loss, contributed to insecurity, and unannounced changes of work procedures lead to frustration and affected people's performance. In O4 (Germany), employees had the feeling that information was withheld and that they were the last to be informed, while at the same time, they were asked to support the organizational changes. One respondent of minority culture in O3 perceived the Germans as more dependent on security systems than persons of his family's culture.

### Perceived loss of job security

While in O1 and O2 (New Zealand), respondents hardly referred to perceived losses, people of diverse cultural background at O3 (Germany) made 30 references to a variety of loss experiences related to the change situation at work. The loss experiences prominently centered on 'loss of job security', for example, 'We felt protected here. There was social security and the organization [the acquiesced] showed social responsibility, whereas the

French [the buyers] do not have such social security system. They hire and fire; this causes insecurity’.

Those whose work was related to data processing thought they were more replaceable than employees working in different areas at O3. Apparently, the changes affected people at O3 differently – which was not only related to their coping skills, but also depended on their field of work in the organization. One respondent thought that, ‘Fear of change is also linked to one’s [hierarchical] position in the organization. We are not all in the same boat’. The statements of a few other respondents in the ‘*no perceived problems*’ category, below, contrasted this idea. Other participants in O3 mentioned experiences of loss of self-esteem, career opportunities, trust in leadership, familiar procedures, loss of colleagues, and customer contact.

#### Perceived loss of organizational identity

Some respondents had been employees at O3 for 30 years; the average organizational membership for this group was 6.6 years. One person reported that in order to be fired, one would have needed to do something drastic like stealing the CEO’s desk. Up to the year where the first acquisition took place, the participants felt secure and well looked after and assumed these work conditions to continue. The ongoing security was taken as a promise for continuation in the future. Thus, some respondents had developed a strong ‘organizational identity’, which was now jeopardized by the takeover by a company with a differing organizational and national culture. The work environment was now - by some employees - perceived as marked by insecure job conditions and the loss of job security was experienced as a broken promise. One person expressed what many others felt, ‘I strongly identify with my job and the organization, so what happens here is important to me’.

#### Perceived gains

Some of those respondents, who did not work in data processing in O3, did not perceive a pending job loss, but instead an increased sense of job security. One out of those four respondents explained, ‘The nature of my job is that I am not easily replaceable. I do

not perceive the degree of uncertainty like others here; on the contrary, I am more aware than ever about feeling pretty safe’.

A few respondents in O3 referred to ‘gains in the form of a wider, interesting ‘variety of tasks’ or ‘new career opportunities’ for them. The interviews in other organizations, apart from two respondents in O2, who hoped the changes might bring on new career opportunities, did not contain any statements about such gains, even though a number of respondents suggested earlier in the interview that they perceived ‘change’ as an opportunity and a gain of some kind (see: ‘philosophy and personal beliefs’). Just a few people in other organizations mentioned losses, although without detailed accounts.

### Problems in communication

One European New Zealander in O1 perceived the lack of information about the implications of the organizational changes as generating fear among the employees. One person asked, ‘Why did they bring in all these new managers and then shut down? If you do not understand, that is bad; you need to be given all the information. *Not knowing* can lead to insecurity’. She reported that a few months ago, she did not perceive this fear; however, not being sufficiently informed, she now felt influenced by the fear of her co-workers.

Communication processes were mentioned as causing problems by two persons in O2 (New Zealand). In contrast to other statements on this topic relating to perceptions of uncertainty, one European New Zealand person’s concern at O2 related more to a cultural issue. She objected, ‘[The] staff news are just in English, but the staff here speak a number of languages. This type of communication makes the organization look ethnocentric ...’. She thought that including other cultural groups’ languages might let the groups’ members feel more included in the change process.

Insufficient circulation of information seemed to be a major problem at O3 in Germany. Half of the participants of diverse cultures complained about the lack of communication from the upper level, for example, ‘There is not enough information



circulating amongst the employees. This causes insecurity. The problem is not the take over, but the fact that information is withheld from us. And we are told that there simply is not more information available, while we know that they [management] do know more than that'.

Besides the more general complaints, which referred to being left guessing, respondents also contributed specific examples of the lack of communication affecting their work. One person narrated the following experience, 'We do not have access to the informational website about the countries of our business partners any longer. The French cancelled that. Yet, I would find it important to remain updated about the political situation in those countries, because such situations might affect our business processes. We can only remain *guessing* why they canceled our access. This is not motivating'.

One person at O4 (Germany) also commented on the quality of information about the organizational changes. She accounted, 'No one bothered to communicate with us before making decisions on changes. We were the last to get to know about the planned changes'. The autocratic up-to-down chain of communication put those who had to carry the weight of the changes last.

#### Changed procedures under unchanged work conditions

Having to adhere to changed rules and procedures under unchanged work conditions was perceived as a problem by three respondents at O3 (Germany). As one person in data processing explained, 'The group strategies changed: We have to use [the buyer's] system now. First, this is a problem, because our procedures seem better suited because many things here remained the same than before'. She perceived that her performance suffered and that the teams should have been consulted before the implementation of the changes.

#### No perceived problems

Not all persons at O3 (Germany) perceived change-related problems. Five participants stated that the changes did not have any major effects on their work or their

well-being. These participants were *not* identical with the participants in managerial positions. One person, for example, stated, 'There are a number of technical changes here, ... but I do perceive the changes as manageable and think that things go well here'. This person, a member of a cultural minority group, thought that Germans relied more on consistency than persons of his parents' culture. He concluded, 'The Germans like to be in control everything, including life's uncertainties. That's why they buy insurances for everything. The Persians [in contrast] like to be self-reliant ...'. This respondent grew up with both cultures. His observation of differing attitudes towards uncertainties in life across different cultures might infer that, despite no *obvious* cultural group differences in problem perception in this study, differences might nonetheless exist.

### Précis

'Loss of job security' was one of the losses more or less experienced, depending on their field of work, by a number of respondents in one German organization. Those employees, who had been for a long time with this organization, perceived a 'loss of organizational identity'. Other respondents in this organization perceived 'gains' generated by the changes, such as increased job security for their type of job, or job enrichment, and new career opportunities. 'Lack of communication', generating feelings of uncertainty, was considered as the main change-related problem in all organizations, but mainly in O3. Cultural differences in perceptions of the effects of the changes were not obvious.

## VALIDITY CHECK

### *Communicative validation*

In O1 and O2 in New Zealand, the opportunity to facilitate a discussion group did not arise and communicative validation – commonly employed in qualitative research (Flick, 2002; Huberman & Miles, 1994) – has been used to a greater extent in O1 and O2 than in O3 and O4 in Germany. In communicative validation, the participants are commonly asked for feedback on the researcher's understanding of their recollections. In O1 and O2, the respondents' statements were briefly paraphrased after every question. The respondents then either confirmed or corrected the content.

Management in O3 in Germany arranged for a focus group to discuss my preliminary findings derived from the interviews in their organization. In O4, the Head of Cultural Integration Management provided one hour of her time to share her views of culture and the employees' coping in the organization.

### ***Focus group at O3***

Management in O3 arranged a group to discuss the account of the interviews. Due to the time of the year – beginning of September – holiday season in Germany – and because of the workload, only four people were able to participate. The focus group was scheduled for 1.5 hours and consisted of two males and two females in clerical jobs and in the age range of 30-50 years. To distinguish the focus group members from the interview participants, the latter will be called 'interviewees'.

### ***Contact with people from other cultures***

Some interviewees at O3, who had 'contact with international customers and/or colleagues' at work, 'socialized with people from other cultures', and 'traveled extensively', also had either a wider range of coping strategies at hand or used a number of prominent skills to cope with changes.

While all focus group members considered 'personality' as playing a very important role in flexibility towards changes, some group members also thought cultural diversity to be of advantage to adaptation processes. One person explained that Germans who had lived in Spain, and had to call a plumber there, would understand that 'time' was culture-related and meant something different to the Spanish than to the Germans. They, therefore, would have gained an understanding of different people doing things differently and solving problems differently. The group considered then that experiences with people of other cultures could be relevant to openness and flexibility in change situations and, in addition, might evoke critical reflection on one's own culture leading to adopting some of the others' problem solving strategies.

### *Change – an opportunity or threat*

A number of interviewees reported that change meant an ‘opportunity’ and ‘personal growth’ to them; fewer considered change as ‘loss’ or ‘threat’.

The majority of the focus group regarded this account as not representative for the employees at O3. They suggested – indicating a social desirability issue – that some employees engaged in ‘wishful thinking’ or pretended to act the way one *should* be dealing with change. Further, one of them argued that some employees seemed to perceive change as an ‘opportunity’ because it was *comforting* to believe in a positive outcome: since one could not stop the changes, one might as well pretend to like them. ‘Flexibility’, they said, became a phrase in their organization, learned by heart over time, and would not represent the actual behavior of most employees. People in *their* teams, for example, appeared reluctant to accept the changes and mainly saw it as something unsettling or a threat.

### *Internal resources and external forces*

The interviewees’ reports about ‘perceived control’ pointed more towards them utilizing their internal resources and less towards external forces playing a role in the outcome of changes.

Some focus group members thought the term ‘influence’ to be more appropriate than ‘control’, since ‘influence’ on the changes at work would be the most they could exert. Others thought that it might be personality-based whether people chose to refer to ‘control’ or ‘influence’. One person claimed that it was always the same people that showed an interest in participation, while to some, ‘participation’ meant extra work and inconvenience. Her perception might indicate a discrepancy between some persons’ *wish* to participate and *doing* it. As to the interviewees’ professed preference of an ‘active role’ in the change process; the focus group members thought that many of their co-workers were comfortable with *reacting* rather than acting. This view was in agreement with the evaluation of the interviews, since not all interviewees experienced a preference for an active role; some reported their preference for reacting to changes.

### *Coping skills and strategies*

When asked about their coping skills, a number of interviewees reported personal attitudes, such as ‘flexibility’ and ‘openness to learning’, and thought processes like ‘evaluation of the situation’ and ‘strategic planning’, in addition to emotional processing like ‘talking to others’.

The majority of the focus group members thought that the attitudinal qualities ‘openness and flexibility’ were more rare than people admitted. They argued – again indicating social desirability behavior – that people would rather say what their superiors expected from them than being honest. As to ‘*openness to learning*’, the group pointed out that ‘learning’ meant extra work: while people participated in training, there was no one else doing their work. Further, some employees did not perceive training as purposeful any longer, as they often could not transfer the knowledge to their jobs. This observation did not dispute the account of the interviewees’ statements, since ‘training in the organization’ as a ‘source of learning change skills’ was hardly referred to. The focus group agreed that the proclaimed ‘openness to learning’ might ring true if it referred to learning *outside* the organization – which actually was the focus of the majority of the interviewees’ statements.

The focus group thought that some of the coping strategies were not as prevalent in the organization than reported. For example, ‘planning the steps’ was limited by restricted information flow about the pending changes and the process. Accordingly, ‘planning’ would be interspersed by ‘waiting’ and ‘gathering information’. The difference in perception here might be based on the interviewees’ reflections on what was *potentially* helpful to them in contrast to the focus groups’ critical view of how it *actually* worked in the organization. All group members agreed that ‘talking to others’ about the changes and its accompanying problems was a most helpful strategy to gain reassurance about one’s understanding of the changes and its consequences.

### *Sources of learning to manage change*

The interviewees named as sources of learning change-related skills: key experiences, a variety of smaller experiences, role models, and learning opportunities at work. ‘Education and studying’ were less valued as contributors to change skills.

The focus group agreed that the ‘abundance of various change experiences’ would make a major contribution improving coping skills, and that ‘key experiences’ would play a lesser role in learning, since they occurred less frequently than smaller change experiences. All of them agreed that life experience and ‘on-the-job learning’ contributed to one’s change skills, and all of them agreed that coping with changes could hardly be learned in training. However, they thought that training and information about *cultural diversity* at work could have positively affected their coping with post-merger situations. Being prepared for the autocratic, hierarchical leadership style of the buyer would have helped them to adjust to the post-merger culture. In addition, they considered practical help – such as the employees’ preparation for future communication in English – as most helpful.

### *Resilience*

Some interviewees perceived ‘mastery of previous challenging change situations’, ‘work-family life balance’, and ‘age’ in conjunction with increased ‘patience towards changes’ as contributors to resilience against adaptation stress.

The group members thought that ‘resilience’ was an ambiguous issue. While they explained that people have survival instincts and, thus, would naturally come up with a degree of resilience to stressors, they also thought that there was no such thing as immunity to post-acquisition stress, since every change situation was different and new to the employees. One person suggested that reflecting on one’s coping abilities, for example, ‘How did I deal with the situation; what could be improved?’, would be more helpful than relying on one’s resilience. These views did not necessarily dispute the interviewees’ perceptions, since none of those who reported a degree of resilience claimed that they would be *immune* to stress.

The focus group was initially surprised by the positive references of some more mature interviewees to their mature ‘age’ as an asset for coping with change. At second thoughts, though, this statement rang ‘true’ to them, as this age group would have fewer years of organizational membership ahead of them, and thus, less to worry about than younger people. In addition, they might have accumulated sufficient material resources



allowing them to perceive a degree of financial security and be less worried about possible job loss.

### *Change-related problems and gains*

The interviewees mentioned few problems apart from the major problem of ‘insufficient communication’ by management. While some feared the loss of their jobs, others perceived an increase in job-security for their type of work.

The low number of comments about post-acquisition problems did not surprise the focus group members. They did not dispute the interviewees’ perceptions, but thought that the major problems – like redundancies and an increased workload – were still to come. They had not happened yet. All agreed on the issue of ‘insufficient communication’ about processes in association with the acquisition. They mentioned that second or third hand information – instead of the top-level people directly communicating with the employees – would generate filtered information, often reduced to rumors and false statements. They also perceived some of the comments of top-level managers as hard to believe, i.e., statements like, ‘We do not know more about the facts than you do – we do not have the information you are after’.

Considering the positive statements people made about the changes, the group thought some of those to be ‘wishful thinking’ again and ‘false sense of security’. For example, perceived ‘job security’ was considered an illusion, since, in this organization, no one would be irreplaceable and there would be no such thing as a secure work place these days.

### Summary:

*The focus group’s perceptions were in agreement with the accounts of:*

- Respondents’ preference – varying across employees – of influencing the change process;
- Respondents’ emphasis on emotional support by talking to others;

- Life experience – rather than education – as a major source for learning coping skills;
- The benefits of on-the-job situations as learning opportunities; and
- Respondents' perception of insufficient information flow hindering the accommodation of changes.

*The focus group members' perceptions were partly in agreement with the accounts of:*

- The benefits of cultural versatility in coping with change;
- The references to thought processes like strategic planning;
- The references to preferring an active role in the change process;
- The idea that mature age bore advantages in coping with changes; and
- Employees' 'openness to learning', if it referred to situations outside the organization.

*The focus group disagreed - by referring to 'wishful thinking' and 'social desirability behavior' with the accounts of:*

- Positive attitude towards 'change', e.g., describing it as an 'opportunity';
- Self-perceived flexibility in adjusting to changes; and
- Some respondents' perception of job security.

Concerning the level of congruence between the focus group's perceptions and the accounts of the interview statements, the following should be considered. Some of the focus group's comments indicated the need to view the interviewees' statements with caution. However, the interviewees' statements were based entirely on personal, *subjective* perceptions of experiences related to change situations and therefore, can only be validated by others to a limit. In addition, some of the statements on self-perceived attitudes in change situations referred to changes outside the organization. These reported attitudes might have differed from the attitudes, which the focus group observed within the organization.

## *Conversation with the Head of Cultural Integration Management on O4*

### *Learning coping with changes*

The Head of Cultural Integration, Mrs. Z - managing the integration of employees from newly acquired companies into the organizational culture - explained that at O4, no training was offered on the issue 'How do I deal with organizational changes'. In agreement with participants questioning the effectiveness of classroom learning, she considered the facilitation of ongoing workshops, matching the issues arising during the change process or whenever the need arose, as more effective. She thought, support for employees also needed to be personalized since the changes were experienced differently by individuals. The workshops also offered the opportunity for employees to voice their expectations of supportive leadership.

### *Perceived problems: Communication*

Mrs. Z further explained that, for management, ongoing communication to disseminate news on the change process and to discuss arising problems was high on the priority list in O4. However, she stated that, different to those interviewees who experienced the communication to be insufficient, employees complained about an *overflow* of information. Employees felt overwhelmed by an abundance of information – some of it not relevant to their field of work. Her statement did not contradict the account of the interviewees, since she mainly referred to information via emails generated within the organization, while the interviewees talked about communication with superiors.

Mrs. Z pointed out that resulting from their participation in ongoing workshops, the employees' level of awareness concerning the quality of communication and leadership skills was raised and expectations were high. Therefore, dissatisfaction with communication processes might not necessarily indicate problems, but instead, a gap between employees' expectations and reality.

## *Culture*

She then pointed out the differing ways that the organization's branches in different countries facilitated meetings, discussed issues, and came to agreement. In contrast to the Germans, the French, for example, did not always arrive at a decision by the end of the meeting. In O4, she thought, that those employees who worked closely together with organizational members of other cultures also integrated some of the others' 'ways of doing things' into their own repertoire of strategies. Confirming the account of those who had lived abroad for a longer period, and who reported an interest in other cultures, she thought that cultural experience contributed to people's flexibility and openness to change. In congruence with the results of the interviews, she had not observed that persons' cultural status alone would advantage them in coping with change. O4, since it was part of a multinational corporation, employed many employees of differing cultural groups who would vary individually in their attitudes, philosophies, and coping strategies concerning the recent acquisition.

She further noticed that those who showed an interest in learning foreign languages – used in O4 to communicate with the branches abroad – adjusted easier to new situations, especially to the cultural changes in generated by the fusion with the new partner.

## *Philosophy and coping skill*

Mrs. Z noticed that, besides an interest in other cultures and languages, people's beliefs about themselves and about their needs played an important – if not the most important – role in accommodating changes. To her, 'avoidance of uncertainty' seemed a significant obstacle to adjusting to new situations. This notion matched the reports of those interviewees who perceived their openness and curiosity to explore new situations, together with their motivation to overcome the barriers of uncertainty, as their major coping skills.

## *Resilience*

While she acknowledged work-family balance as a buffer towards change-related stress, Mrs. Z disagreed with the idea that mature age would be of advantage to the

individual in organizational change processes. She noticed that with increasing age employees found it increasingly harder to adjust to changes.

In summary, the Head of Cultural Integration Management's views of the 'limited effectiveness of classroom learning' and the value of 'personal experiences' were congruent with the general experiences of the interviewees. In accordance with the results from the interviews she had observed that, while a person's cultural status might not generate superior coping skills, those who had an 'interest in other cultures' and gathered 'work experience abroad' also adjusted well to changes. In addition, she thought, agreeing with the interviewees, that a person's ability to challenge their need for security and an 'openness to exploring new opportunities' constituted major coping skills in change situations.

While she perceived the flood of company information generated by the Internet as the main communication problem at O4, she did not invalidate the perceptions of those interviewees, who had *experienced* the 'face-to-face communication' in O4 as unsatisfactory. Different to some interviewees, Mrs. Z regarded 'mature age' as instigating inflexibility and making adjust processes more difficult rather than generating resilience against change-related stress.

### **Summary of the results**

The interviews with cultural minority and majority group members in four organizations in two countries have shown more similarities across people, groups, organizations, and countries, and fewer differences, in coping with organizational changes.

#### *Culture*

The analysis of the interviews in all four organizations indicated that the respondents' majority and minority group membership alone did not relate to better or worse coping with changes. There was an indication that those respondents who had a) traveled extensively, b) socialized with persons of other culture, c) worked with team members or related to customers of other cultures, and d) showed an awareness of the

varying practices across cultures had more coping strategies at hand, or had prominent, effective strategies at their disposal. The amount of traveling was not related to cultural minority or majority membership of the respondents participating in this study, though.

### *Philosophy about change*

In all four organizations, participants across various cultures regarded change as an opportunity and as adding to their personal development. Some German participants related more to hypothetical than to experienced gains. Generally, fewer respondents referred to change as a risk or threat. There were individual differences in responding to change as a choice and to imposed change. In one German organization, all participants were opposed to imposed change. In the other organizations, respondents treated optional and non-optional change similarly. Some respondents' reports on positive perceptions might not be congruent with how they actually approached the changes in their organization.

### *Perceptions of control*

Respondents of differing cultures in all four organizations preferred an active, participative role and perceived their internal forces as influencing the change process. There were individual differences across respondents in referring either to 'controlling' or to 'influencing' the change process. In one New Zealand organization, more cultural minority members used the term 'participation' and more majority members 'control'. In the other, participants generally referred to 'control'. In one German organization, respondents referred to having a 'voice' in the change process. Only a few participants regarded external forces as having a major influence on their changes. Others acknowledged the influences of a combination of internal and external forces playing a role in some situations.

### *Coping strategies and skills*

Openness to learning and acceptance of inevitable changes were favored attitudes by participants of various cultures in all organizations. Strategic planning of change processes was valued in three organizations and much emphasized in one German organization. A



number of participants engaged in reflection and reconsidered their strategies or used their intuition. In one organization in Germany, it was suggested that people overrated their skills and engaged in social desirability behavior. Listening to others' ideas was important to some participants in New Zealand and in-depth assessment of the change situation was one of the preferred strategies in German organizations. Talking to others about their concerns was important to participants in all organizations. Generally, those respondents who had gathered ample experiences with other cultures and socialized with persons of differing cultural background reported specifically helpful strategies or a wide variety of coping skills. Some of the skills might have been over-reported, due to social desirability issues, and less present in some of the organizations.

### *Learning of coping skills*

Real life experiences – the smaller ones as well as the key experiences – were valued as sources for learning adjustment to change by respondents of all cultures across all organizations. Respondents in all organizations did not give much emphasis to academic education or organizational training on change skills. More participants in New Zealand, and fewer in Germany, referred to learning opportunities on the job. Learning from role models and redundancies was mentioned in three organizations as factors that push people into learning adjustment skills in New Zealand and Germany.

### *Resilience to stressful accommodation processes*

The mastery of previous life changes and family-work balance as a buffer against change-related stress played important roles for respondents of differing cultures in all organizations. Respondents in New Zealand referred more to self-initiated changes and German participants more to imposed changes. Fewer respondents regarded work-related changes as contributors to resilience. A few respondents in Germany and New Zealand considered mature age as an advantage in change situations; on the other hand, age was thought to foster inflexibility. Only a few persons talked about deficiency of resilience in conjunction either with increased stress or with increased awareness of one's inner processes.

Respondents in all organizations saw insufficient communication – promoting feelings of uncertainty and anxiety – as the main problem, more so in one organization in Germany where respondents perceived pending job loss. Other respondents perceived an increase in job security -this, however was thought to be based on ‘wishful thinking’. Other problematic effects were changed work procedures under unchanged conditions, loss of identity and peace of mind, loss of colleagues, or loss of career opportunities.

## **DISCUSSION**

### **Resume of findings**

The current research explored the coping of cultural minority and mainstream members with organizational mergers and acquisitions. Contrary to my expectations based on Nemeth’s (e.g., 1995; Nemeth & Wachtler, 1983), Berry’s (e.g., 1984), and Ward’s (e.g., 1996) minority theories, participants of cultural minority groups – compared to participants of cultural majority groups – did not show obviously superior, or different, coping skills in dealing with organizational change. Generally, the minority group members’ reports did not indicate a higher level of tolerating ambiguity and adapting new work procedures into their existing routine. These findings applied across two countries and four different organizations. Altogether, the results showed more similarities than differences across people from minority and majority cultures, organizations, and countries in coping with changes.

In general, respondents referred to similar patterns of philosophies, coping skills, perceptions of internalized and external control, sources of learning, and factors building up resilience against change-related stress. Differences in responding to change became apparent, however, between those respondents who were culturally experienced and versatile on one hand and those who were less culturally experienced on the other hand. The culturally experienced employees reported either a wider range of coping skills or specific strategies, which they had effectively used over time. I believe that these findings are important particularly to organizations undergoing change processes, because they might benefit from these findings, which not only produced information about the value of

cultural versatility for developing change-related coping skills, but also showed *which* skills were most helpful to the respondents and *how* they had been acquired.

### Identification and acculturation theory

Acculturation and adjustment to new environments were defined by Berry, Kim and Boski (1988) – renowned experts on acculturation and identity processes in change situations – as psychological adaptation by which individuals change their attitudes, the context surrounding the changes, or the amount of contact with people in the new environment in order to achieve a better outcome. Similarly, Brickson (2000) suggested that individuals with a *relational* orientation – for example interpersonal contacts to persons of other cultures – are most likely to hold a whole array of identities because they are able to connect to and identify with a wide variety of individuals. Such identification processes, according to Brickson, generally assist people's adjustment to new environments.

Many experts in the field of acculturation agree that acculturation and identification processes play a central role in organizational change (e.g., Hermans & Kempen, 1998; Nkomo & Cox, 1996; Triandis, 1995; Ward, 1996) and influence employees' adjustment to post-change environments (Brickson (2000). Berry, for example, (1997) explained that individuals able to hold a number of identities could identify with the old as well as with the new settings and would have it easier – compared to others who are less flexible – to adjust to changes. Those persons who were able to establish relationships with people of varying cultures, and who could establish an identity in a new environment – in addition to their original cultural identity – were found to have less acculturation problems later on in life than others who did not establish intercultural relationships (Brickson, 2000; Spiess & Bruech, 2002).

In line with the above-mentioned theories, the results of my study – rather than matching Nemeth's (1995), Berry's (1984), and Ward's (1996) minority theories – seem to center around identification and acculturation processes. However, the effectiveness of acculturation processes depends also on a variety of variables such as people's philosophies,

coping strategies, perceptions of control over changes, learning, and resilience towards change-related stress (Adler & Gielen, 2001). These links will be discussed next.

#### Cultural group membership and ‘sameness’

Contrary to the expectations based on minority theories (e.g., Berry, 1984; Nemeth, 1986; 1995) postulating that people from cultural minority groups have superior coping strategies at their disposal compared to those individuals with a cultural mainstream background, in the present study, respondents of both groups showed similar beliefs and coping strategies in change situations.

While it needs to be appreciated that cultural orientation affects people’s cognitive and behavioral processes (Haslam, 2001), it is equally important to understand the similarities among cultural groups (Gilliand, 1993; Ofori-Dankwa & Tierman, 2002). Ofori-Dankwa and Tierman (2002) pointed out that these days, cultural groups increasingly share a wide range of international experiences and have access to similar information through modern media. Therefore, they often identify with a number of culturally diverse values and beliefs, and show culturally divergent patterns of thinking and behaving. Or, as Carr (2003a) put it, employees today are culturally diverse in themselves.

Cultural diversity might explain the similarities in beliefs, attitudes, thoughts, and feelings around coping with changes across various cultures in this study. Cultural minority members may have adopted some of the majority members’ coping strategies and, in return, cultural majority members might have started to develop some of the originality in problem-solving modeled by their cultural minority members (Carr, 2003b). Even so, Ofori-Dankwa and Tierman (2002) stressed that cross-cultural researchers should avoid overrating ‘sameness’ and ‘ignoring culture-specific variables’ in people. While respondents in the present study showed ‘similarities’ in the shape of coping patterns, cultural factors also played a role – not in conjunction with employees’ cultural group membership though, but with their ‘cultural experience’.

### Cultural experience

Researchers on acculturation agree on the notion that effective acculturation processes involve psychological adjustment which usually occurs by learning new interpersonal and social behaviors, new values, and new cultural practices – in short, taking on other identities in addition to the existing one (e.g., Heine & Lehmann, 2003). In accordance with this notion, those respondents in the present study who showed a large variety of strategies or very effective coping skills in adjusting to change, had also gathered ample experience with people, practices, and beliefs from other cultures and maintained social contacts with friends from other cultures. In contrast to Ward and Kennedy's (1993) study – where New Zealand expatriates who maintained high levels of contact with their foreign hosts experienced adjustment difficulties to new situations – the respondents in the present study, who had high levels of intercultural contact, had developed effective adjustment skills.

A number of researchers exploring acculturation processes found – similar to the results in the present study – positive psychological outcomes in adjustment to new conditions for people who had contact with other cultures (e.g., Berry, Kim, Minde, & Mok, 1987; Brickson, 2000; Ward & Rana-Deuba, 1999). For example, greater contact led to appreciation of different perspectives between travelers and hosts of other cultures, which, in return, reduced adjustment problems (Berry, Kim, Minde, & Mok, 1987). Ward and Rana-Deuba's (1999) study also supports the idea that the quality of people's relations with other cultures was related to adjustive outcomes. Personal interactions enable individuals to move beyond their original cultural identities (Brickson, 2000) and people who integrate beliefs and practices of other cultures in transitional situations generally fare better psychologically than others who are less receptive of other cultures (Deller, 2000).

To maintain psychological well-being in change situations, Berry (1997) found that those who not only entered relations with other cultural groups, but also at the same time preserved their original cultural identity fared best. Berry (1990) explained that individuals could develop more than one identity and combine their native and their host country's cultures into a multicultural identity. In accordance with Berry's (1990; 1997) observations, a number of respondents from cultural minorities in the present study reported that they

identified with more than one culture without experiencing identity conflict. Integrating a variety of cultural perspectives – gained by lengthy journeys, work experiences abroad, leisure time activities with persons of other cultures, and also by interacting with colleagues and customers from other countries at work – may have helped the respondents in my study to upgrade their skills in adjusting to change (Spiess & Bruech, 2002).

### Cultural networks

On one hand, researchers explained that cultural minority networks have the potential to generate culture-specific knowledge (e.g., Fischer & Moradi, 2001; Phinney, 1993). On the other hand, strong cultural networks may account for the *absence* of culture-specific strategies in coping with change. Beckman and Haunschild (2002) suggest a downside to strong cultural networks: due to a lack of new experiences entering the network - for example, from *outside* the cultural group - a reduction in diversity may occur. Close, long-term cultural relationships are likely to result in network homogeneity reducing the diversity of experiences and turnover in the network (Uzzi, 2002). It is not known, but cannot be ruled out, whether cultural minorities in the present study were part of such closely-knit cultural networks and whether network homogeneity played a role in this study. If so, network homogeneity would be an additional explanation - together with the debatable degree of applicability of minority theories - for the absence of obvious minority-specific problem-solving skills in my study.

Then again, considering the strong influences of acculturation and identity processes (Ward, 1996), it seems likely that cultural minority members, as a result from acculturation processes and identification with the mainstream culture, drew on coping skills learned outside their networks. Coping skills acquired inside *and* outside their cultural network would further explain the similarities in coping skills and strategies across cultural minority and majority members in the present study.

### Philosophy: change as an opportunity for personal development

In this research project, half of all respondents across cultures in all four organizations reported that they had experienced change as an ‘opportunity’ for potential



gain and 'personal growth'. Similarly, Buergelt (2003) found in her study that German immigrants adjusted better to New Zealand culture if they perceived a need for self-knowledge and, in addition, believed in their chance to explore new opportunities that added quality to life.

Yet, in contrast to the outcome of the present study, Gerdes and Schewe (2003) found that generally, employees focused on the potential risks of change, since fear of the unknown drove them to hold on to the status quo. Their view would support the view of the focus group in Organization 3 in Germany, suspiciously suggesting that social desirability issues motivated some respondents to inflate such positive views. This point will be discussed in more detail under 'possible limitations – social desirability issues'. It would be difficult, though, to assess to what degree the respondents' self-reports of their personal perceptions were congruent with their innermost feelings around change.

However, despite the debatable level of congruence between reported perceptions and innermost feelings, I think that the fact that respondents chose to report *optimistic* views - such as an interest in their personal development - instead of negative perceptions should be acknowledged. Such choice might be the starting point for an organization to further stimulate employees' interest in their personal development, for example, through training and education programs, which can bring out people's full range of personal potential (Thomas & Ely, 1996). Since the respondents in the present study perceived holding positive views as helpful in coping with change, management might want to support and encourage such views especially in organizational change situations. As suggested by the manager for cultural integration in Organization 4 in Germany<sup>14</sup>, such encouragement might be most effective in face-to-face communication between management and employees.

#### Self-efficacy and perception of level of personal control

Ward and Kennedy (1992; 1993) examined locus of control in conjunction with life changes like acculturation processes of expatriates and found that an internal locus of control predicted psychological well-being during adjustment to change. Similarly, the

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<sup>14</sup> See results section, *Validity Check*, O4

respondents in the present study who indicated an internal seat of control by, for example, favoring an active role in change processes and participating in decision making, also were among those respondents who had a wider variety of very effective change strategies at their disposal.

A number of respondents in the present study, irrespective of their national culture, felt more at ease with change if they drew on their inner resources and took on an active, control-oriented role in adjusting to new situations. Some respondents of minority cultures – who favored an active role in the change process – referred to ‘participation’ or ‘influence’, rather than to ‘control’, in change-related decisions. However, in both cases, whether they referred to influence or control, respondents perceived the need to draw on their inner resources and contribute to problem solving. Their belief in mastery of change-related challenges indicated a high level of ‘self-efficacy’ – defined as individuals’ potential to adjust to unknown and uncertain situations (Bandura (1997). Individuals high in self-efficacy generally allocate their achievements to internal resources (Rotter, 1990).

People’s reference to ‘internal resources and control’ is, specifically in Western cultures, often linked to better adaptation and coping with uncertainty (Carr, 1998). In the present study, however, not only the respondents from Western cultures, but also those from Eastern cultures, for example, from India or Iran, referred to ‘internalized resources’. The reason could be that members of the latter group grew up and identified with their host country’s Western values and beliefs. Since a number of respondents from minority cultures reported identifying with more than one culture, it seems possible that the combining of their local culture and mainstream culture may have facilitated a shift from a previously externalized seat of control to a perception of internal control over change processes (Jensen Arnett, 2002).

There may be an alternative explanation for my results regarding minority and majority group members’ references - from Eastern *and* Western cultures - to an internalized seat of control. Previous studies, which showed that persons of Eastern cultures externalized their seat of control, were often conducted with respondents of minority

cultures with a strong group orientation. However, people with a strong collective (or group-) orientation often feel uncomfortable in relating control and efficacy levels to the *self* (van Oudenhoven & van der Zee, 2002). In contrast, the respondents from Eastern cultures in my study, for example from India or Iran, seemed comfortable with relating to individual achievements and personal control. Obviously, not all minority members from Eastern cultures refer to an externalized locus of control. In the present study, some indicated an individualist orientation, for instance by talking about taking personal responsibility for their education and achievements. Thus, cross-cultural differences may account for variation, together with individuals' bi-cultural experiences, for example gathered in their home *and* host countries (Jensen Arnett, 2002).

#### Acceptance, flexibility, and open-mindedness

In general, people from both cultural majorities and minorities reported similar change-related problem-solving skills and strategies across organizations and countries. Several respondents across various cultures and organizations perceived 'acceptance and flexibility' and 'openness to learning' as their most helpful coping skills in accommodating change. Nemeth and Owens' (1996) research substantiated that 'acceptance', in the sense of open-mindedness towards the fact that culture and routines were going to be different, together with 'flexibility' enabled people to explore their situation from a number of perspectives. However, while a number of researchers referred to 'adaptability and flexibility' in persons of cultural minorities (e.g., Berry, 1984; Ward, 1996; Ward & Leong, 2000), in the present study, these attributes were not specifically held by minority members, but by those who had in common that they were culturally experienced and had traveled extensively.

Similarly, Brislin (1981) – another expert on factors involved in acculturation processes – observed that, generally, people who showed 'acceptance' of ambiguity and 'openness' to learning about the behaviors and thoughts of others, adjusted better – compared to others who confined themselves to merely their own perspectives – to functioning in a new environment.

‘Acceptance’ and ‘openness to learning’ were among the most helpful change skills of respondents in the present study, which indicates that ‘acceptance of change’ and ‘learning’ allows people greater freedom to explore their options and experiment with a wider variety of perspectives and strategies (Risberg, 2001). Therefore, organizations should encourage employees’ openness to learning by instilling tolerance and support for experimentation with a variety of strategies in coping with organizational change like post-merger and – acquisition situations (Thomas & Ely, 1996).

#### Strategic planning and listening to others

While participants across all organizations reported similar strategies, ‘listening to others’ suggestions’ was favored in New Zealand and ‘evaluating’ the change factors and ‘strategic planning’ of adjustment processes to change was slightly more often reported in German organizations. Similarly, Strohschneider (1999) observed in his cross-cultural research on problem-solving styles that German participants drew on their strategic and tactical competencies.

Strohschneider (1999) found that participants from different countries differed in their problem-solving techniques; this, he related back to their different learning environments. He explained that people in different cultures are exposed to different kinds of learning experiences, which promote different skills. Variations in cultural context, thus, might explain the varying expertise factors – listening to others’ suggestions vs. strategic planning – across the two countries in the present study. Such knowledge about personal and cultural variations in skills could assist organizations to support their employees in developing the change skills that are most helpful to them.

#### Talking to others

Respondents of both genders of varying cultures emphasized ‘sharing their thoughts, emotions, and experiences around changes’ with others as a helpful coping skill. Previous research, in contrast, provided ample support for gender differences in communicating emotions or problems, showing women to be more at ease with self-disclosure (e.g., McAdams, 1985). The differing results across studies might be context-dependent. In the

present study, experienced levels of uncertainty, lack of information, and changed work procedures were equally relevant and unsettling to male and female respondents and affected them similarly. Thus, self-disclosure and empathic listening by others seemed to meet the needs of respondents of both female and male respondents. Perceived empathy in situations of uncertainty - related to the basics in Maslow's hierarchy of needs - is generally related to a sense of well-being (Hartup & Stevens, 1997) and therefore, empathy is likely to be perceived as helpful by persons of *both* genders undergoing change.

### Sources of learning

While not all respondents in this study could recall specific, 'major' change experiences that had shaped their coping skills, all of them had experienced a vast 'amount' of smaller changes that had taught them to adjust to new conditions. The respondents put less value on education and theories - compared to real life change experiences - as contributors to improving their change skills; they regarded theory as a preparation for future changes at the most. In agreement with their preference, Williams and Bent (1996) – specialists in the field of acculturation of expatriates – explained that rather than applying learned theories and fitting one's experiences into these, an open-minded person would create their *own* theory and integrate new knowledge as they undergo new change experiences.

Many respondents in my study doubted the value of organizational training for managing change. In one organization, the focus group thought that employees in a post-acquisition environment would fare better with an intercultural orientation training specific to the characteristics of the buying organization, rather than learning general change skills. Various researchers seem to be in agreement with this suggestion. For example, Feuerstein (1991) linked people's success in adaptation to new situations mainly to their degree of exposure to formal and informal training about the new, changed environment.

In accordance, Thomas and Schenk (1999) used cultural orientation training to prepare German managers for working with Chinese managers. They used videos of critical incidents between Germans and Chinese, role play in negotiation and solving conflict, an

overview of history and culture, demonstrations of culturally appropriate methods of discussion and an introduction to values, gestures, and rituals in interpersonal communication. At the same time, to ensure a smooth transition to a new environment, employees would need to explore their own culture-specific beliefs and values influencing their adaptation to changes so that they, if appropriate, can replace them with more supportive views (Bhawuk & Brislin, 2000).

To commit themselves to supporting the employees in their learning and to assist them in their acculturation processes, management in organizations undergoing mergers and acquisitions might want to make more use of cultural orientation training (Thomas & Ely, 1996).

### Communication

In all organizations, respondents reported that ‘insufficient communication’ constituted a problem during acquisition and merger processes. As Schweiger, Ivancevich, and Power (1985) pointed out; it is common for employees to struggle with lack of communication during organizational acquisition processes. In the present study, lack of information from the top level of the participating organizations generated assumptions and rumors that intensified feelings of uncertainty in a number of employees. Irrespective of their cultural background, the lack of information affected employees’ adjustment processes. People arrived at different interpretations of the events, which might partly explain why they differed in their reactions and actions.

Managers generally know about the importance of communicating the current state of an organizational change process to employees to support them in their adjustment; yet, the flow of information seems to be a weak spot in many organizations (Risberg, 2001). Some of the participating organizations may not have understood *how* essential empathic listening and understanding their worries and fears are for employees to perceive that their well-being matters to top level management (Golemean, Boyatzis, & McKee, 2002). The need for empathic communication differs across employees and is situation-dependent, though (Risberg, 2001). Therefore, as pointed out by the Manager for Cultural Integration



in Organization 4 in Germany, effective communication in organizations as an exchange of information between top-level management and employees must accommodate the specific needs of individuals and should occur on a one-to-one basis.

As participants in Organization 4 put it, it was not the outcome of the change, but having a say and being heard – in order to feel part of the organization – that mattered most to them. From an identity maintenance perspective, if people feel dominated, i.e., not talked to, this might cause them *not* to identify with the merged organization (van Knippenberg, van Knippenberg, Monden, & de Lima, 2002). Mayo (2000) also pointed out that organizational identity can only develop when individuals perceive themselves as part of the organization. Beyond fulfilling organizational needs, organizational identity also meets social and psychological needs since it serves as a frame of reference that assists individuals to locate themselves within the organization. Identification with organizational processes - such as change - is, among other factors, contingent on the fulfilment of people's needs for inclusion and distinctiveness (Brewer & Brown, 1998).

Therefore, effective communication and information dissemination are prerequisites to let employees feel part of the organization and included in its change processes (Goleman, Boyatzis, & McKee, 2002). If employees feel heard and talked to, they feel valued and, in return, committed to the organization - which increases their motivation to apply their skills and experiences to support the organizational changes (Thomas & Ely, 1996).

#### Work-family balance and well-being

It seemed surprising to me that the respondents, regardless of cultural background, in all participating organizations reported only few stress symptoms. However, according to previous studies, the absence of adjustment stress in organizational change situations is not unusual. First, people in organizations are often expected to adjust to changes reasonably fast and therefore, as a self-protective, affirming strategy, verbally minimize the discomfort around the change and, instead, overemphasize the positive factors (Branscombe & Wann,

1994). Self-affirming thoughts, even if fabricated, have the potential in people to invite positive outcomes of challenging situations (Erickson, 1982).

Second, as Bender, Szymanski, and Hesse (1987) explained, stress experiences depend very much on personal variables, such as the level of openness to changes, perceived attachment to the pre-change organizational culture, and work-family balance. Bender, Szymanski, and Hesse also found in their literature review that researchers' assumptions of adjustment processes inevitably inflicting stress on individuals could not be substantiated.

Third, 'work-family balance' seemed to play an important role in resilience to change-related stress for a number of respondents of various cultures in the present study. For example, van Oudenhoven, van der Zee, and van Kooten (2001) found that for many expatriates, the family worked as a buffer against problems at work and as a core variable in adjusting to new conditions. A supportive family with a minimum of role conflict and a level of satisfaction seem to be critical factors to employees' adjustment and functioning at work (Clark, 2001). Generally, a satisfactory home life seems to spill over into work life. Therefore, especially when promoting employees' well-being in challenging change situations, organizations would be wise to support their employees in meeting their family needs – for example by offering flexible work hours or working-from-home options.

#### Differences in coping skills – organizational factors

Overall, while the outcome of this study showed more similarities than differences in regard to employees' change management strategies, some skills in change-related decision making, like 'strategic planning' in Germany and 'seeking advice' in New Zealand, were slightly more represented in one country than in the other. Also, respondents in the two New Zealand organizations perceived more 'learning opportunities on the job' than respondents in the German organizations. Further, the results showed a few organizational differences. 'Reflection on previous mastery of changes' as a coping strategy was represented exclusively in one organization in New Zealand. Then, cultural minority and majority members differed in their use of terminology like 'participation' or 'control' particularly in

one organization. Altogether, while this study indicates that there *may* be a few national and organizational factors generating differences in coping – it did not show that a person's 'cultural status' was related to differences in the quality of coping with change situations.

It is possible that contextual variables in the researched organizations influenced employees' perceptions and meaning of being a member of a minority group (Alderfer, 1987; Wharton, 1992). For example, as Thomas and Ely (1996) suggested, the organizational culture must encourage tolerance for differing views. Insufficient openness towards deviating opinions – as outlined in chapter 4 – is one way to discourage minorities from contributing their differing views (Eigel & Kuhnert, 1996). While there is a strong indication in this study that not cultural status, but cultural experience in employees enhanced their change management skills, the possibility that insufficient openness towards deviating problem-solving played a role in the absence of obvious unique change skills in cultural minority members cannot be entirely excluded. In any case, organizations should stimulate an exchange of skills, for instance, through training programs to benefit from the wide array of employees' skills. The organizational culture should allow all its employees to feel equally comfortable in applying their knowledge in innovative ways in team performance (Thomas & Ely, 1996).

Further, experts on change management proposed that, to promote the exchange of creative and innovative ideas of employees, and to encourage strategies deviating from 'the usual way of doing things', the organization must have a relatively non-bureaucratic structure (Thomas & Ely, 1996). In three out of four participating organizations, some respondents perceived their work environment as 'autocratic' concerning the 'chain of command' and 'communication systems'. Such conditions may have stifled employees' attempts to contribute knowledge, such as innovative problem-solutions (Fiske, 1998), in any of these organizations. An autocratic work environment could be part of the explanation for the absence of 'cultural differences in coping with changes' in the present study.

Last, while cultural minority members may not have superior change management skills at their disposal compared to majority members, they still may have *culture-specific*

knowledge that could be beneficial in change situations (Thomas & Ely, 1996). To support minority members in sharing their culture-specific knowledge with other groups, management needs to understand how cultural diversity affects relationships among employees and how it influences their work (Edelson & Berg, 1999). As explained in chapter 5, if diversity is not understood and managed well, it would not show its benefits (Mayo, 1999).

### **Possible limitations**

#### **Generalizability**

Quantitative researchers commonly criticize qualitative studies for their lack of objectivity and generalizability. As outlined in the method section under validation, qualitative researchers acknowledge that it is impossible to rule out the influences of the researcher's perceptions on data collection or analysis (Maxwell, 1998). In the present study, as in other qualitative research, facts and values in interpretation of the data cannot be completely divided (Habermas, 1971). Also, as Tajfel (1982) pointed out, the generalizations of research in psychology are limited by the diversity of human behavior.

However, it would be wrong to assume that the knowledge generated in this study was not applicable to people outside the four researched organizations. My exploration of people's perceptions and responses to 'change' showed patterns of similar attitudes, strategies, skills, and emotional processes across individuals, cultures and - to a great extent - organizations. Since people have coping patterns in common - as this study showed - and since organizations generally share similar change-related problems (Gerds & Schewe, 2003), I would think that the findings of my study can be of use to organizations other than the ones, which participated in my research.

#### **Sample and setting**

Another potential limitation concerns the selection of the research sample. First, the ethnic similarity between persons of cultural majorities and persons from a number of cultural minorities, for example West Germans and East Germans, or New Zealanders and

South Africans, could have had idiosyncratic influences on the results. Second, because the sample was drawn from a limited number of organizations, the level of organizational tuition may have influenced the participants' responses. Therefore, in future research projects, I would investigate 'accommodation of change' across distinctly differing groups in a greater variety of settings.

### Social desirability issues

It is commonly known in research in psychology that respondents like to be evaluated positively and, correspondingly, tend to think positively about themselves (Mummendey, Klink, Mielke, Wenzel, & Blanz, 1999). Such intrapersonal dynamics – known as social desirability behavior – may have played a role in the present study. In fact, the focus group in one of the organizations thought that some respondents overrated their own flexibility, open-mindedness, need for participation, and strategic planning skills in organizational change situations. In contrast to the respondents' self-report, the focus group had observed inflexibility, resistance, and passivity. Such incongruity between people's self-concepts and others' observations on their behavior is not uncommon.

On the other hand, it is possible that it was not the respondents', but the focus group's views that were biased. As Tajfel and Turner (1979) observed, people in groups strive for a positive comparison outcome and, while they emphasize their own achievements positively, view other groups' efforts negatively. It would be impossible to establish which group - the interviewees or the focus group - engaged to what degree in biased judgments. What can be said is that people tend to view their skills and their selves subjectively (Triandis, 1995).

### Subjective experiences of 'helpful strategies'

People are likely to differ in how strong they experience the degree of 'helpfulness' of a change-related strategy. To explain such differing perceptions, Triandis (1995, p. 21) used the metaphor of handling weights, '...people who handle heavy weights judge most objects as 'light', and those whose job makes them deal with light weights judge the very same objects as 'heavy'.' Thus, the threshold for 'perceived helpfulness' in a person who is

used to changes should be higher than that of someone who is less experienced with change situations. Since experiences of such nature are personal and most meaningful to the experiencer, it would be preposterous to assume that a researcher could objectively assess the degree of 'helpfulness'. It can be suggested, though, that the respondents perceived some strategies more helpful than others in coping with changes.

### Intrapersonal research approach

In the present study, I used individual interviews to explore employees' coping with changes at a personal level. At the same time, my aim was to compare whether persons of minority culture groups differed from persons of majority culture groups in their coping. Some researchers argued, though, that the individual approach to researching 'adjustment to change' in relation to 'cultural status' (minority and majority groups) would circumvent some of the broader factors relevant to the group-level components and, thus, would bear its limitations (e.g., Ward, 1996). They explained that the exploration of intrapersonal (or individual) perspectives would limit theory to the experience of change at the *individual* level and might not be applicable to groups (e.g., Ward & Leong, 2000). However, since a number of respondents with similar characteristics – cultural experience and versatility – in different environments showed very similar coping skills, it seemed justifiable to me to propose that 'experience in adjusting to other cultural practices' might generally be of advantage for people in change situations. To further support my idea, this study might benefit from extending my research to a on a group level, for example by including group discussions.

### Contextual influences

The amalgamation processes in the four organizations happened in different contexts and, at the point of research, had reached different stages. While one organization was at the stage of planning, other organizations had arrived at the integration stage, and yet another had adjusted to the second acquisition in three years. Such contextual influences may have influenced respondents' perceptions of the organizational changes. For example, in one organization, employees were negatively affected by pending job loss after their organization's merger, whereas in other organizations, restructuring was not yet, or not any



longer, an issue. In situations where individuals fear negative outcomes, their reports on perceptions of change might be expected to be influenced by their concerns (Bies, 1987). In fact, in Organization 3 in Germany, where pending job loss was an issue, respondents reported more problems. However, irrespective of the differing organizational context, the respondents across all organizations still referred to similar skills, strategies, and sources of learning concerning change.

### Socio-cultural support in organizations

In this study, most of the cultural minority groups – different to the cultural majorities – were represented by just a few group members in their organization. Thus, in comparison to the cultural majority members in the participating organizations, the minority members did not have access to socio-cultural support to the same degree. Socio-cultural support can largely influence the quality of adjustment to changes, though (Ward, Okura, Kennedy, & Kojima, 1998). Gilliland (1993), for example, found that access to cultural support and a sense of belonging played a role in the development of strategies in coping with change. Similarly, Zeynep (1997) – applying Berry's (1985) acculturation theories and examining the factors influencing Turkish immigrants' adjustment to Canadian work environments - found that social support moderated the relationship among psychological well-being and acculturation/adaptation of these immigrants. It can, therefore, not be excluded that the differing prerequisites in access to social support for respondents may have influenced my findings on change management skills of cultural majority and minority members.

While the objectives of this study – to explore what skills and strategies are helpful in change situations, how they were acquired, and which characteristics persons who cope well share – have been met, a number of potentially limiting factors have also been suggested. Future researchers might like to pay attention to these factors.

## Suggestions for future research

### Self-definition processes of cultural minority members

While some researchers suggested that teams consisting of culturally diverse members might be more effective in problem-solving than homogenous teams (Martin & Hewstone (1999); Nemeth & Owens, 1996), other researchers pointed out that the mere presence of cultural minority members in organizations may not adequately reflect the influences of 'diversity' in decision-making processes (Cox; 1995, Thomas & Ely, 1996). For example, cultural minority members who strictly adhere to mono-cultural views would not be doing better in 'perspective taking' than some of their mono-culturally oriented mainstream counterparts. Cox (1995) argued that to understand how diversity can be of benefit to teams, its components – such as a person's cultural identity – needed to be closely defined.

As outlined in chapter 4, cultural identity and how people define themselves can influence their behavior - therefore possibly having implications for how people integrate into organizational processes (e.g., Baumeister, 1986; Berry, 1990). Further, it may also play a role in how people arrive at their cultural identity (Triandis, 1995). An *additive* approach to cultural identity – different to replacing one's cultural heritage with other cultural views – for example, was found to enrich a person's perspective taking (Triandis, 1995). It should be interesting for future researchers exploring coping with organizational mergers to further explore how the process of arriving at one's cultural identity influences people's coping attitudes.

### Data gathering over time

This study has based its conclusions on employees' coping with changes on their statements taken at one point of time; thus, the results could not provide any information on the stability of coping skills over time. Human behaviors are subject to change, though (Cartwright & Cooper, 1990). Therefore, future researchers in the field of organizational changes and coping skills might want to explore employees' responses to change over time by collecting data at the onset of change, during the implementation of the changes, and during the completion stage of changes. Such a research approach could explore whether

the coping skills remain constant over time and, at the same time, whether phase-specific problems elicit different responses and require different coping strategies (Bies, 1987).

#### Levels of prejudice and discrimination

Research in the past has largely ignored the reactions of employees of mainstream cultures to increased numbers of cultural minority members. The influences of such reactions would be particularly important in finding out how employees' attitudes towards cultural minorities determine whether increased workplace diversity increases effectiveness in managing change situations or, instead, fosters feelings of resentment and increase conflict (Barnes Nacoste, 1994; Cox & Blake, 1991). Demographic diversity, as explained in chapters 3 and 4, would not be likely to generate any advantages if minority members felt discouraged from contributing their views and ideas (Mayo, 1999; Triandis, 1995).

While it seems that organizations can counterbalance prejudice to a degree by including minority members in their work teams, they need – as Thomas and Ely (1996) pointed out –, to go beyond the simple concern with *numbers* of employees of differing cultures. Thomas and Ely's concern is that the staff becomes diversified, while a 'we are all the same' attitude still prevails.

Altogether, the well-being and functioning of cultural minority members can be affected by the quality of their relationships with mainstream members (Gilliand, 1993; Wards & Leong, 2000). To account for influences of, for example, discrimination and prejudice, future research might explore - in addition to cultural minority members' coping with change - variables like covert prejudiced attitudes and current levels of discrimination in the organization.

#### Cultural differences between merger partners

In one participating organization – Organization 3 in Germany, which was taken over by a corporation of different organizational *and national* culture – respondents referred far more to encountered problems compared to those in the other three organizations.

National differences between alliance partners are known to have affected the outcome of acquisitions in many organizations (Risberg, 2001). Such national differences are among the factors most often cited as causing problems on the 'psychological side' (the human side) of mergers, since they constitute a threat to employees' pre-merger identity (Cartwright & Cooper, 1992). One aim of future research on mergers in conjunction with employees' well-being might be to explore and identify problematic influences of national differences - compared to the influences of just organizational differences - of merger partners.

### Positive effects of traveling and cultural experience

Last, since travel experience seemed to play an important role for a number of respondents' development of their change skills, I like to suggest that researchers further exploring this field might like to focus on what motivates individuals to travel and expand their cultural knowledge. Once more is known about how the factors positively influencing people's flexibility to accommodate change develop – for example what motivates people to travel and explore new environments - this knowledge could be useful not only in education but also in organizations undergoing changes.

### Implications for organizations

- The organizational culture must encourage openness towards diversity. Such a culture instills a tolerance for different perceptions and views and supports constructive conflict resolution.
- An organizational culture, which stimulates personal development across members of all cultural groups, brings out people's full range of useful knowledge and change skills.
- Organizational culture must make all workers in their differing approaches to problem-solving feel appreciated. If this precondition is met, workers might feel motivated to support the organizational change process and take the initiative to apply their skills and experiences.
- The organization must have an egalitarian, non-bureaucratic structure that promotes the exchange of ideas and welcomes alternatives to the usual way of doing things.

- An organization undergoing change must have well-communicated and understood objectives. Such objectives enable people to be clear about what changes the company is planning to implement.
- Clear communication about the intended changes helps keep uncertainty and anxiety among employees to a minimum.
- Sufficient information about the change process provides a focal point that keeps employees' speculations at bay and their focus on supporting the changes.

Organizations need to understand how employees' sense of belongingness - in the shape of organizational identity and cultural group membership - take on social meaning in the organization, and how those meanings influence the ways employees operate and feel in change situations.

## **CONCLUSION**

The present study has - drawing on the social psychological literature on cultural minorities, diversity, and social identity - considered cultural variations in employees' coping with organizational change. The findings suggest that it is not the cultural minority status alone that equips employees with efficient, wide-ranging coping skills, but their cultural versatility. Although the study is of an exploratory nature and may be limited by its sample and design, the findings can be considered as applicable to persons and organizations in similar situations.

In a globalizing environment, cultural influences on coping with changes deserve further attention in future investigations of organizational transitions and employees' well-being. Cross-cultural studies in organizations, including ethnicity and culture-related variables, increase the understanding of human behavior and how differences and similarities can be used as sources of individual well-being and organizational effectiveness (Triandis & Brislin, 1984).



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## Appendix 1

### **Organizational Change: Coping Strategies In Cultural Minority And Majority Groups In New Zealand And Germany**

#### **INFORMATION SHEET**

Researcher: Karin Menon School of Psychology, Massey University Private Bag 102 904 North Shore MSC, AUCKLAND E-mail: [REDACTED] [REDACTED]	Supervisor: Dr. Stuart Carr School of Psychology, Massey University Private Bag 102 904 North Shore MSC AUCKLAND E-mail: <a href="mailto:S.C.Carr@massey.ac.nz">S.C.Carr@massey.ac.nz</a> 09 414 0800 extn 9180
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#### **What is this study about and who is doing it:**

I am a Massey University Masters student in psychology. My name is Karin Menon, I am a graduate student at Massey University, and I am the principle researcher of this research project. This research is conducted as part of my Masters degree in Psychology. My supervisor for this research is Dr. Stuart Carr, Senior Lecturer at the School of Psychology at Massey University. It is the objective of this study to explore employees' differences in coping with situations of organizational change.

#### **Type and purpose of this project**

In this project, participants will describe their perceptions on organizational changes in interviews. It is my aim to contribute to the general understanding of how people of differing cultural background cope with organizational changes.

#### **Participant Recruitment**

- Participants will be recruited in organizations that have undergone changes lately.
- The group of participants shall reflect the cultural diversity of the organizational members.
- I have obtained the organization's consent to conduct the interviews with you. Today, I will explain the voluntary nature of your participation and the potential benefits for you and your team. I will explain the nature of the interview and the precautions taken to preserve your anonymity. You will not be put at risk or suffer any disadvantages if you choose to participate. You can leave the interview at any time.
- Anyone can participate; there are no exclusion criteria in regard to age, ethnicity, or gender. Your participation is voluntary.
- To compare participants' coping strategies in different settings, I am recruiting 16 participants representing cultural minorities and majorities in Germany as well as in New Zealand. This number of participants, when using personal interviews, is generally sufficient to generate in-depth information.
- The nature of the interviews, semi-structured questions, is not expected to inflict physiological or any sort of harm. However, should disturbing emotions be triggered during the interview, I will interrupt the questions to ensure your recovering and well-being. The interview will only be continued if you confirm that you are well and wish to continue.

#### **Project Procedures**

- Your information will be used solely for research purposes
- Your responses will be compared for similarities and differences and accordingly grouped into categories. The constant comparison of these categories will make themes, theories and conclusions apparent. The process of evaluation is supported by the use of notes to record key items of information.
- No other persons but my supervisor and I will have access to the tapes or written notes.

- The information will be stored at all times in a lockable, password-protected cabinet file in my home.
- The data will be kept for 5 years in a written, summarized form not containing any information, which could reveal your identity. After that, an appropriate member of the Massey University staff will dispose of the information. The audio-tapes will be destroyed as soon as the project is completed.
- Due to concerns for your anonymity and confidentiality, you are asked *not* to disclose any personal information, such as your name or address, in the interview. Instead, you are kindly asked to send the signed consent form including your permission to be audio-taped. Your participation in the interview will be regarded as the confirmation of your written consent. You will be asked at the start of the interview if you *have* given your permission and are still consenting for your answers to be audio-taped. I also would like to ask you to contact me *independently from - and only after - the interview* via email or mail to receive a summary of the conclusions of this study. Since personal names have not been mentioned during the interviews, your address or email address could not be linked to your person. Copies of the summary will also be available from the team leaders or management.

#### **Participant involvement and timing of the interview**

- The interview will take 30 minutes time and will consist of a set of questions, asking you to describe your personal perceptions of the current organizational changes.

#### **What are your rights as a participant in this research? You have the right to:**

- decline to participate in this study or, should you have agreed, leave the interview at any time
- decline to answer any number of particular questions
- withdraw your consent for your data to be used for this project at any time during the interview
- ask for the audio tape to be turned off at any time during the interview
- ask any questions about the study at any time during participation
- contact my supervisor or me to discuss aspects related to this study or ask questions
- provide information on the understanding that your name, or any details that could lead to your identification, will *not* be revealed during the recording of your answers and during the project
- request a summary of the project findings when it is concluded.

*'I also understand that I have the right to ask for the audio/video tape to be turned off at any time during the interview'.*

#### **Support Processes**

Should you experience feelings of discomfort around issues related to this project – the exploration of coping with the organizational change situation, please contact me via email or phone and discuss the issue with me. With your permission, I may contact my supervisor to obtain guidance on how to proceed.

#### **Project Contacts**

Please do not hesitate to contact either my supervisor or myself should you have any questions or concerns regarding this research. Please find the contact details at the top of the sheet on page one.

**I THANK YOU FOR YOUR ATTENTION AND YOUR TIME.**

#### **Committee Approval Statement**

This project has been reviewed and approved by the Massey University Human Ethics Committee, ALB Protocol NO/NO (*insert protocol number*). If you have any concerns about the conduct of this research, please contact Associate Professor Kerry P Chamberlain, Chair, Massey University Campus Human Ethics Committee: Albany, telephone 09 414 0800 x9078, email K.Chamberlain@massey.ac.nz.



**Appendix 2**

**Organizational Change: Coping Strategies In Cultural Minority And Majority Groups In New Zealand And Germany**

**CONSENT FORM**

**THIS CONSENT FORM WILL BE HELD FOR A PERIOD OF FIVE (5) YEARS**

I have read the Information Sheet and have had the details of the study explained to me. My questions have been answered to my satisfaction, and I understand that I may ask further questions at any time.

**I agree [ ]      do not agree [ ]      to the interview being audio taped.**

**I agree to participate in this study under the conditions set out in the Information Sheet.**

**PARTICIPANT**

**Signature:**

**Date:**

**Full Name - printed**

### **Appendix 3**

#### **LETTER OF INFORMATION TO THE ORGANIZATION**

##### **To Whom It may Concern**

I am a Massey University student and currently completing my Masters of Arts Degree in psychology. I have completed my Bachelor of Arts in Business Psychology and my Bachelor with First Class Honors in Psychology. My BA Honors project (on academic procrastination) provided me with the opportunity to gather experience in conducting research, analyzing information, and drawing conclusions.

Currently, I am conducting a cross-cultural study on diversity among organizational members and the implications for conflict resolution. I am familiar with a variety of cultures and am knowledgeable not only in psychology and management, but also in counseling, sociology, and anthropology. In addition, I have several years of overseas work and supervision experience. My interest lies in exploring group processes in association with organizational change. My objective is to gather information in different environments – New Zealand and Germany - on differing strategies in coping with conflict in culturally diverse work groups.

To conduct my study, ‘Organizational change: differing coping strategies in cultural minority and majority groups in New Zealand and Germany’ under real world conditions, it is essential for me to gain access to participants in organizations.

I would like to introduce my project to you.

## **Summary of the intended research**

### **Globalization**

Several demographic and business trends have combined to push diversity to the top of the business agenda, since increasing diversity is a worldwide trend. People in organization need to be geared towards an *integration* of values and norms from diverse cultures, since globalization necessitates an understanding and accepting of cultural differences to make inter-cultural relationships and networks work.

Increasingly, organizations' efforts to understand inter-cultural relationships and value workforce diversity are the topics of vigorous debate in both psychological and organizational arenas. Diversity occurs at all levels of organizations today and is considered to contribute to increased quality of problem-solving, better coping with changes, more flexibility in identification with a new group, and, thus, constitutes a competitive advantage for the organization. However, recent findings indicate that diversity can only be beneficial to organizations when it is understood and managed effectively.

### **Organizational mergers and acquisitions**

A prime example of globalization in the work place is the occurrence of acquisitions and mergers in organizations, which can be frequently observed in the business world today. Often, such amalgamations are not successful, because work teams have problems in adjusting to the post-merger environment. In cases of organizational mergers, strong identification with one's own group can lead to hostility towards the other group and rejection can lead to escalation. A group with strong organizational identity may hold on to their pre-merger identity, especially when they perceive themselves as superior to the new group.

Often, organizational psychologists are consulted in post-merger situations to assist organizational members in making the transition from holding on to pre-merger identity towards *adding* openness to the changes. According to experts, *combining* the pre-merger identity with the new organizational conditions assist to generate most successful transitions in change situations.

The well-being of employees and the organization cannot be separated. Thus, employees' conflict experiences during post-merger or -acquisition situations may impact on the success of organizational fusions. In fact, 50-80% of all mergers and amalgamations fail because too little attention has been give to human factors. Usually, this has not only implications, such as stress, for the well-being of the involved organizational members, but also financial consequences for the organization.

### **Research on diversity in Teams**

If managed properly, diversity in teams can be the basis of a globally competitive organization. Thus, it is imperative that organizations are prepared to recognize the benefits as well as the challenges of diversity at the workplace. Traditional diversity programs, such as sensitivity training for executives, have integrated more minorities into the workplace than in the past.

Diversity amongst work team members is associated with better coping with changes. Overall, research supports the notion that cultural minorities' skills in problem-solving and decision making may eventually promote a smoother transition and adaptation of new conditions in change situations.

A number of researchers emphasize, as the organizational environment becomes more complex in the day and age of globalization, that new approaches in diversity research must strongly focus on the dynamics and relationships across different groups. The reason for such a claim is that there is a rapid increase in mergers and acquisitions by which organizations attempt to attain growth and diversification of their activities. The *extent* to which the skills of employees of different background can be beneficial to transition processes of the involved organization has been neglected in research, though, and is not yet well understood.

Thus, to turn mergers or acquisitions into a success, it seems crucial for organizations not only to understand and predict employees' responses to organizational mergers and acquisitions, but also to learn to utilize diversity in teams to optimize the process. It is the objective of this study to add to the body of knowledge on the positive effects of diversity on organizational changes, including mergers and acquisitions.

### **Objective of this study**

I am conducting this project with the aim to explore the links between diversity in organizations, in the form of cultural membership, and the members' coping strategies in post-merger situations. Cultural minority members, as compared to majority members, have been found to be more flexible in change situations, to maintain permeable group boundaries, to generate a wealth of solutions in problem situations, to exhibit creativity in decision-making when under pressure, and thus to adjust better to new situations. Based on these theories, I would assume that cultural minority members would be more resilient than majority members to stress and conflict in post-merger situations.

I am intending to conduct interviews, using open-ended questions, among male and female organizational members of all cultures and ages. To compare the applicability of the above-mentioned theories in different settings, I am recruiting participants in Germany as well as in New Zealand. I am aiming at obtaining a sample of 16 participants in each country. The participation will be of voluntary nature. The project details will be listed below.

### ***Participants***

I intend to introduce my project in a team meeting to explain the type of questions, length of interview, and precautions I will take to preserve the anonymity and well being of the participants. They will not be put at risk or suffer any disadvantages if they chose to participate and can discontinue participating at any time.

- Participation is entirely voluntary and employees can leave and withdraw any time from participation.
- Any employee can participate, as there are no restrictions to age, ethnicity, or gender.
- I intend to conduct interviews with respondents representing cultural minority and majority members in two different settings. Therefore, 16 participants will be recruited in Germany and 16 in New Zealand. This number of participants is regarded as

acceptable when conducting personal interviews that have the potential to generate rich, in-depth information.

- The nature of the interviews, semi-structured questions, is not expected to inflict physiological or any sort of harm, including psychological discomfort. However, should disturbing emotions be triggered during the interview, I will interrupt the questions to ensure the well-being of the participant. The interview will only be continued if the participant confirmed that he/she was well and wanted to continue.
- The name of the participating organization will not be revealed in any part of the research report, unless the organization explicitly expresses the wish to be named.

### ***Project Procedures***

- The data will be used solely for research purposes.
- Participants' responses will be compared for similarities and differences in coping with changes, and accordingly grouped into categories. By constantly assessing the information, the formation of core themes will be generated. This process of evaluation will be supported by the use of notes to record key information, new ideas, and relating propositions. This process of noting patterns will support the construction of theory.
- No other persons but my supervisor and myself will have access to the data.
- The information will be stored at all times in a lockable, password-protected cabinet file in the researcher's home.
- An appropriate member of the Massey University staff will dispose of the data after it had been safely stored for the required period of five years. The audio tapes will be destroyed after the project has been completed.
- Due to concerns for their anonymity and confidentiality, participants will be asked *not* to disclose any personal information, such as their name or address, in the interview.

### **Human rights and Ethics**

- Confidentiality - in that the data will only be used for the research and that no confidential organizational or personal details will be shared with third persons or parties - can be assured to the organization's management and to all organizational members.
- Each participant will receive an information sheet containing the above listed points about the researcher's background, nature and purpose of the study, participant recruitment, project procedures, their involvement, and their rights (Massey University Human Rights and Ethics Committee standards will be applied) as participants.
- At the start of the interview, the participants will be reminded again that their participation in the interviews is voluntarily. Anonymity and confidentiality will be assured. Names or any kind of information, which might identify the participants, will not appear anywhere on notes or scripts or tape recordings.
- The participants' rights will include the refusal to answer specific questions, to have their answers tape-recorded, or to continue participation. They have the right to contact the researcher to ask questions related to the study, and the option to receive a summary of the conclusions of the study.

### **Uses of information:**

*The obtained information will be utilized entirely for research purposes and possibly for publication in an academic journal without conveying the identity of the participants or the organization.*



### **Potential benefits for the organization**

It is aspired that organization and its members will benefit from the conclusions drawn from this research on diversity and coping with change. This study is intended to contribute to the understanding of the advantages of diversity in demanding organizational conflict situations.

To allow the organization and the participants to benefit from this study, I am offering written feedback in form of a summary of the conclusions on differing strategies of cultural minority and majority members on coping with post-merger situations. The summary will be mailed to participants on receipt of an email or a self-addressed envelope and will also be distributed to the team leaders and management.

The summary will include information about differing coping strategies that may be most effective in conflict resolution. Further, the summary is intended to assist in understanding *how* effective strategies have been acquired, *how* they can be integrated in diversity training and *how* they can assist in upgrading problem solving skills.

An expansion of conflict resolution skills could take on the form of an exchange of skills via a mentoring and role-modeling scheme amongst team members. Altogether, I would expect that the feedback on the employees' perception of their coping with changes could be utilized to reduce conflict and stress - possibly triggered by the current organizational changes – in teams.

### **My interests**

It is my interest to explore my ideas on diversity and conflict resolution while considering the applicability of topic-related theories *across* differing cultural settings. I would like to regard my work as an inspiration for other students to expand their boundaries and conduct research that goes beyond the regional confines. Further, conclusions on one issue drawn in different settings may make theory profound and more generalizable and, thus, stabilize theory on the influences of diversity in organizations.

This study is also conducted to complete my Masters Degree. Like many other women at Massey University, I am completing my degree after having gathered extensive work experience. This experience, together with other skills, enabled me to achieve good results at University. I would like to apply my knowledge in the near future. For that, I am reliant on the cooperation of others to support me in the completion of my degree.

I should be pleased if you considered my request to obtain access to participants in your organization. Should you have any questions or wish to obtain further information about my project, please do not hesitate to contact my supervisor or me. Please find the contact details listed on page one.

I thank you for your time.

Sincerely,  
Karin Menon.



## Appendix 4

### **Memorandum of Understanding**

#### **1. Parties to Memorandum:**

Karin Menon, student at the School of Psychology at Massey University  
And

#### **2. Title of Project:**

Organizational Change: Coping Strategies In Cultural Minority And Majority Groups  
In New Zealand And Germany

#### **3. Project Objectives:**

The collection of data (information derived from personal interviews) for Karin Menon's Masters thesis.

#### **4. Agreement:**

This memorandum formalizes the agreement of your organization to allow staff to volunteer to participate and respond to questions outlined in the interview draft provided to you.

A copy of the interview questions, which have been approved for use for academic purposes by the Massey University Ethics committee, will be provided to you in advance of the proposed visit to your site.

Written consent and participation in the interview by each participant is taken as consent to use the information in this study.

All participants will remain anonymous and data generated will not be traceable to a participant. Confidentiality is guaranteed to all participants.

Karin Menon retains the rights to publish the results of the study and will on request provide a summary of the conclusions to the participants. The name of this organization will not be revealed. However, if requested by the organization, the company will be identified in any publications as acknowledgment of their agreement to allow their staff to participate. In this case, the second sentence in this paragraph will be deleted. The right to use the results of the project for further research and educational purposes is also retained.

Karin Menon agrees to comply with any applicable company policies while on site.

#### **Signed:**

Karin Menon

.....  
Company Representative

Name: .....

Date:.....

Date: .....

## Appendix 5

### **THE INTERVIEW QUESTIONS**

(prompting/supplementary questions in brackets)

#### **Phase 0: Preparation:**

- Do I have a preliminary understanding of my topic?
- Have I covered the relevant parts of the area under study:
  - Respondent's biography*
  - Everyday life at work*
  - Special tasks, challenges, team specifications*
  - More general information related to changes in the organization*
  - The consequences for the respondent (expectations, fears, changes in the team, org. culture ...)*
- Are my questions open enough that new aspects may emerge?
- Do my questions keep the focus on my topic?

#### **Phase 1: Introducing the area of interest and the interview principle (2 min.)**

'The organization you have worked for has undergone a fusion with another organization and this process has had a number of implications for the employees. In this interview, I will ask you repeatedly to recount situations in which you have had certain experiences with the changes your organization has undergone lately.'

'I am interested in hearing about which changes you personally have noticed and experienced, what these changes mean to *you*, and how *you* cope with the changes.'

'I would like you to tell me, how *you* personally perceive the situation. For example, when you talk about the implications for your team, then I would prefer if you talked about *your* perceptions and experiences rather than someone else's'.

'I would like to ask you now, if you have understood my introduction. Do you have any questions at this point?'

**Phase 2:** The participant's biography and his/her perception of the changes and its challenges (3min.)

- May I ask you what age category you belong to? 20-30, 30-40, 40-50, 50-60 years?
- What is your position in this organization? Please describe your tasks/ your teams' tasks.
- For how many years have you been working here?
- Would you please tell me how important your work is, compared with other parts of your life, to you
- Please tell me, what is your country of origin; your family/parents' cultural background?
- Would you please tell me about your contacts to people from other cultures (have you traveled to other countries or do you socialize with persons from other cultures?)

**Phase 3: The meaning of 'changes' (challenges/coping/coping strategies) for the participant's everyday life (7 min.)**

- Could you please recount how your *last week* has been for you? (In what ways did you cope and what may have helped you?)
- When you look back, how have you reacted towards *previous* 'changes' in your life? (Would you please tell me about a typical situation that comes to your mind?)
- If you look back at your work life, do you have the impression that your coping with changes is different *now*? (In what ways?)
- Could you please recall an incident in your life where you thought you coped particularly *well* with 'change'? (What do you think, why did you cope particularly well in that situation?)

**Phase 4: Participant's personal relation to the issue (participant's principles or philosophy on changes, previous experiences of change and coping strategies) (7 min)**

- What *strategies* (attitudes, procedures) are you using to cope with the changes going on – or to be expected – here in your organization? (Which strategies have been helpful to you?)
- What is your philosophy/your principles on 'changes' in life - what does it *mean* for you when you are confronted with 'change'?
- Would you please recount how 'change' influenced, or even changed, you or your life in the past?
- Can you recall if it made a difference in your coping for you when change for you was *not optional* (when it seemed forced on you) or when *you initiated* the change?

**Phase 5: More general issues referring to the changes and coping strategies (4 min.)**

- *How/where* have you learned your strategies to cope with 'change'?
- Could you think of anything that *you* could do differently to cope better with the changes here at work? (What would it be that you would like to do differently?)
- Considering *your experience* in coping with change, what advice would you give others to assist them in their coping?

**Phase 6: Evaluation/participant's feedback and questions (5 min.)**

- (If applicable) There are a few things you have mentioned where I am not sure if I understood that right. Would you please clarify for me the following...?
- Was there anything missing for you in the interview that you would consider as relevant to the topic of 'changes'? (Anything that you would like to add?)
- Was there anything you felt uncomfortable about in the interview?
- If some issues, related to what we have talked about today, arise for you over the next days you like to talk about, please do not hesitate to give me a call. You will find my phone number on the information sheet.

I appreciate your participation and thank you for your time and cooperation.

**Phase 7: Documentation after the interview**

Documentation of data not captured on the recording, i.e. gender; my impression of the situation, i.e., where there any disturbances or interruptions; did the participant appear nervous or anxious; were there any astonishing or unexpected, noteworthy incidences or peculiarities?

### **Phase 8: Qualitative Analysis of the interview:**

Theoretical background and qualitative research methods:

*'Editing'*(Constant comparison and contrasting): Coding and categorizing method, constant searching for meaningful segments, and rearranging until a summary reveals the interpretive 'truth', as suggested by Casell & Symon, (1994); Denzin & Lincoln, 1994; Miles & Huberman,, 1994; *Stages* of the coding process comparable to Grounded Theory, Pigeon, N., (1996), Strauss & Corbin, (1996).

## Appendix 6

### CODING PROCESS

1. <b>Generative Questions</b>	<b>Open coding process</b>
Distinctions/Differences & Comparisons/Sameness	[labeling of data and grouping into categories]
2. <b>Provisional Linkages/Links</b>	[constant comparison, label of best fit]
• Related to...category?	
• Same category as...?	
• Move data to more suitable category	
• Add concepts that fit with the categories	
3. <b>Developing conceptually dense theory</b>	<b>Axial Coding (stronger relationships)</b>
• Deeper relationships between categories	[categorize concepts]
• Need to unify some of the concepts?	[Reorganize concepts]
• Or split them?	
• Check data again for the bits relevant to Emerging theory	[integration and 'exploitation' of relationships]
• Are the data refuting the emerging theory?	
4. <b>Elaboration &amp; Distinction</b>	<b>Selective Coding (select core categories)</b>
• Find recurrent themes	[Which categories are most important]
5. <b>Integration</b>	
• Themes > Major Themes > Core Themes	[Which ones make a theme]
	[Which categories have implications for my evolving theory]
6. <b>Memo-Writing</b>	
• Additional ideas	[Evaluation of my ideas]
• More support for my ideas	
• Refutation?	
• Summing up	
7. <b>Recycling</b>	
• Repeat steps if necessary	<b>Repeat Triad Operation: collect-code-memo</b>
8. <b>Writing Theory</b>	
• Going back to collected data	<b>Generating theory</b>
• Do I need additional data/are there holes?	[Building a web out of my themes; are more links/
• Fill the gaps	Data needed?
• Saturation: Have I fully 'exploited' my data? and have I filled all the gaps in my theory-web?	

## **Appendix 7**

### **Content categories and their properties used to sort employee comments**

(Subcategories will be added once interviews are further interpreted)

#### **Demographic Data**

Age group

Sex

Position/tasks

Duration of organizational membership

Cultural background/ethnicity

- **Personal evaluation of the change situation:**
- Does it make a difference whether it was optional or imposed? Self-perceived personal empowerment; opportunity of participation in designing the change environment or situation; acculturation style (assimilation, marginalization, integration, co-existence)
- **Personal philosophy on 'change':**
- Is it regarded as an opportunity or as a threat; personal development ideas; spiritual attitudes supportive of personal growth issues; ideas counterproductive to perceiving change as a chance
- **Resilience to acculturation stress:**
- Self-perceived stress levels during and after the implementation of change, i.e., expectations, anticipation, hopes, fears, anxiety; excitement; avoidance of uncertainty; level of risk-taking
- **Locus of control; internal/external:**
- Degree of self-responsibility and accountability regarding who is responsible for a positive outcome of 'change'; self-perceived decision-making control
- **Self-perceived valuable coping skills:**
- Coping skills attributed to the self, personal strengths in dealing with 'change', i.e., self-trust, proactive and active behavior; any strategies that are perceived as helpful; processing of feelings of loss and grief; degree of acknowledgement of grief; defense mechanisms (rationalizing, repression...)
- **Cultural self-categorization/Identity:**
- Cultural status/minority/power status; voluntary or involuntary minority; domination of mainstream/minority; coping style with cult. differences (assimilation/ integration/ separation/ marginal./ alternation)
- **Intercultural experience:**
- In-group – out group distinctions (singular or multiple culture group membership); permeability of one's perceived group boundaries; how much contact/socializing is there with other culture groups - at work/private
- **Personal learning of coping skills:**
- Learning style/how were the skills acquired; participants' suggestions for improvement of their coping skills, what they would suggest to others
- **Other issues relevant to the topic of 'change'**
- Explicitly or implicitly mentioned by the participants



## **Appendix 8**

### **Coding list: Main categories and subcategories**

#### **CULTURE:**

##### Respondent's identification/categorization

###### Work:

- Exposure and contact to international customers
- Exposure and contact to colleagues of other cultures
- No exposure and contact to international customers
- No exposure and contact to colleagues of other cultures

###### Outside work:

- Socializing with persons of other culture
- Socializing mainly with persons of one's own culture
- Monocultural upbringing and family

###### In general:

- Understanding of the similarities and differences of own and other culture(s)
- Little understanding of similarities and differences of other cultures; avoidance of persons of other cultures, or preference of own culture
- Mixed perceptions (positive and negative comments about persons of other cultures)
- Interest in foreign languages
- Interest in traveling; having traveled extensively (several times to different countries) and taken an interest in the other cultures
- Overseas experiences; long-term stays in other cultures (6 months or several stays)
- Appreciation and acknowledgment of values and beliefs from people of other culture
- Rejection of values and beliefs from people of other culture

#### **PHILOSOPHY, MEANING, VIEWS, BELIEFS ABOUT 'CHANGE'**

##### Change perceived as a positive experience:

- An opportunity or change to gain something; i.e. 'As one door closes, another opens'
- An experience with deeper meaning, i.e., it happens for a purpose
- An experience adding to one's personal development and growth; i.e. references to autonomy or independence or mastery
- A natural occurrence; part of life i.e. change seen as an ongoing process
- A necessity; adaptation of changes as self-protection and survival value (i.e. reference to evolutionary change processes);
- Excitement and thrill; preventing boredom in life, adding color to life

##### Change perceived as an unpleasant unsettling experience:

- A risk-laden challenge, perceived as threatening, as bearing uncertainty, or as connected mainly to losses

### Mixed perceptions

- Differentiation between change as optional and a choice seen as easier to deal with, or change as enforced seen as more difficult to handle
- Varying views about short-term or long-term change; the latter as more difficult to accept and adapt to
- Acceptance of change when it bears obvious personal rewards; change as the price to pay for additional conveniences
- No differentiation at all, the same process is applied to all types of change

## **SEAT OF LOCUS OF CONTROL**

### INTERNAL LOC:

- Taking responsibility for the outcome of the change process, acknowledging one's own input leading or contributing the outcomes
- Seeking the change for personal gain and rewards
- References to need for

- Action and proactive attitude
  - Participation in the design of the change or decision-making
  - Exertion of influence
  - Empowerment or to self-empowerment
  - Exertion of control
  - Resisting and fighting changes
  - Swimming against the stream
  - Autonomy and independence; i.e. not wanting to rely on others

### EXTERNAL LOC:

- Leaving the decision about change-related activities to others
- Swimming with the stream for reasons of convenience
- Avoidance of arguing and dispute and rather playing along
- Accepting the changes because of feelings of powerlessness; i.e. 'Why struggle?'
- Environmental influences regarded as stronger than one's own influences or control
- References to:

- Fate as the determinant of the outcome of change, i.e. to luck, astrology
- Analogies like life as a lottery
- Undefined other powers, i.e. asking, why this, why me, why now

### MIXED LOC:

- Acknowledging both factors (internal and external powers) playing a role in the dynamics of change

- Referring to an internal LOC in work related changes (which are regarded as more controllable by one's thoughts and actions) and to an external LOC for changes in private life (i.e. loss of partner seen as not controllable and eliciting emotional reactions)

## COPING STRATEGIES OR SKILLS PERCEIVED AS HELPFUL IN CHANGE SITUATIONS

### Acquired attitude and behavior

Acceptance through flexibility, openness, or tolerance towards change and uncertainty

Motivation to learn; i.e. expressed as one's curiosity to find out about new things

Intuition, one's gut feelings; connectedness to one's inner wisdom

Patience to go through the change process; delay of immediate rewards

Rewarding oneself for the changes one has been through

Admitting one's need for assistance, advice, help, or counseling

Maintenance of support network and relationships with people; mentors

Taking time out to reflect on the process and visualizing where to go next

Choice to ignore stress and discomfort; denial and repression

Preference of future-orientation defined as not dwelling on mistakes and looking forward or as avoiding time-consuming reflection

Resisting to adjust to unwanted changes

### Thought processes

Assessment or evaluation of the pros and cons of the pending changes; gains and losses list (what does this change mean to me; how does it change my life)

Strategic planning of one's priorities in the change process; actions/steps in the adjustment process

Brainstorming for resolutions and alternatives; mind mapping of own ideas

Recall of similar, previously experienced changes and their mastery

Considering other people's ideas and perspectives

Looking at the bigger picture; assessing how the changes fit into one's life and wider environment

Engaging in thoughts related to negative change outcome, concentrating on disadvantages

### Emotional processing

Talking to others about one's feelings and thoughts, listening to what others have to say

Sharing experiences with colleagues who are in the same boat; perceived solidarity

Allowing time for grieving over losses

Awareness of discomfort; paying attention to one's feelings and internal processes

Processing one's discomfort like fears or anxiety until one reaches a state of acceptance

Self-talk and self empowerment ; 'You can do it; you will get through this situation'

Applying humor, laughing, and looking at the bright side of life (the glass of water)

Repression and denial of emotions, no perceived or expressed awareness

## **HOW HAVE THE COPING STRATEGIES BEEN LEARNED**

### **At work:**

At training seminars and workshops  
From role models like superiors or colleagues  
During previous organizational change situations and other post-merger situations  
At previous jobs; new jobs and having had to adjust to those  
References to the whole organization as a role model for disseminating coping strategies

### **Outside work:**

Through education like academic education, studies, books  
During a variety of previous change experiences; life experience  
Through major key experiences like illness, losses, separation; challenging experiences during childhood  
Through role models like family, teachers, people in the community, friends; vicarious learning

### **Other comments:**

Coping skills can't be learned, they come with one's personality and are innate

## **RESILIENCE TO NEGATIVE EFFECTS OF THE CHALLENGES BY CHANGE SITUATIONS**

### **Self-perceived resilience:**

Previous exposure to change situations; getting used to change  
Previous redundancies or change of jobs or other change situations at work  
The tasks at work are change related themselves, i.e. IT as an ever-changing work field  
Major key experiences in the past served as a preparation for the changes to come  
A number of smaller change experiences in the past  
One's upbringing and life circumstances  
Reference to one's personality (courage, strength, stability), i.e., 'I have always been like that'  
Reference to one's age or life stage; becoming calmer/more patient as one gets older  
Reference to one's youth, i.e. that younger people learn more easily and are less affected in a negative way by change  
Family-work balance as an 'island of consistency to fall back on'  
Spirituality and peace of mind; feeling unattached from the outcomes of the change

### **Lack of resilience as a disadvantage:**

Experiencing emotional stress like anxiety or fear of the uncertain situation  
Experiencing physical illness  
Undefined discomfort, i.e. expressed as wishing to be more resilient  
Not perceiving lack of resilience, but experiencing stress symptoms

### **Lack of resilience as an advantage:**

Lack of resilience towards the effects of change perceived as preserves one's sensitivity towards internal processes and one's needs

## **EXPERIENCED EFFECTS OF THE CHANGE (WORK AND PRIVATE**

### **A Perceived losses:**

#### **Work:**

- Career and self-actualization opportunities
- Perceived security and peace of mind
- Self esteem and feelings of empowerment
- Pending loss of job
- Colleagues as friends and relationships (#17)
- One's organizational identity
- Decision making power and autonomy; exertion of influence
- Familiar procedures; the way things used to be
- Team spirit and morale
- Loss of spare time

#### **General losses:**

- Peace and tranquillity at home, the situation affects home as well
- Reduced time for hobbies and family
- Well-being and health

### **B Perceived gains :**

#### **Work:**

- New career opportunity
- Increased security
- Increased job enrichment
- Increased job Satisfaction
- Increase of team spirit
- Mutual supporting the sense of expressed solidarity
- Opportunity to learn new skills
- More efficient procedures and rules

#### **General gains**

- Experienced growth and mastery
- Feelings of autonomy and independence
- Discovery of one's dormant skills and interests

### **C Perceived difficulties before, during, and after the changes at work**

#### **Reasons perceived as originated within the self:**

- My habits and inflexibility make an adjustment difficult
- My fear and anxiety about loosing the job cause me discomfort
- My aversion to new situations and risks cause me discomfort
- My strong need for guidance/lack of autonomy make me feel powerless
- I feel influenced by others' fear and anxiety about loosing their jobs
- Perceived stress makes the uncertainty situation worse
- Physical reactions to the changes cause me discomfort

Reasons perceived as originated in the organization:

Lack of information and communication, not enough transparency why things happen  
Lack of organizational support and guidance  
Insufficient leadership  
Ethnocentrism and not catering for diversity resulting in friction  
High expectations from the new organization (partner)  
Having to adhere to new rules under old conditions  
Poorly defined objectives  
Dependence on the new partner, less autonomy and decision making power  
Demotivation and low morale in teams, i.e. because of lack of rewards  
Increased bureaucracy and autocracy  
Too much information