Influence of Cultural Diversity on Team Integration in Organizations

Ramaz Issa

1 Executive Summary

This paper argues the significance of cultural diversity in enhancing team integration within organizations in terms of creativity and innovation, organizational flexibility and group’s cohesiveness using a conceptual model built based on previous literature; it defines cultural diversity within the organizational culture.

Furthermore, it studies some organizations assumptions that culture diversity doesn’t play an important aspect in business, taking into account other arguments which state that cultural diversity increases complexity, confusion, difficulty in communication and it has no effect on teams’ performance. Finally, it examines the influence of cultural diversity on group’s integration in construction organizations, by analyzing a selected team using the cultural diversity model from the findings of the literature review.

It aims to guide project managers to the main concept of cultural diversity and it encourages organizations to emphasize on enhancing organizational culture and organizational behavior to expect better results than less diverse organizations.

2 Introduction

(Cox, 1994) Stated in his book “The Cultural diversity in organizations: Theory, research and practice” that the emphasis on global marketing and multinational business is increasing and it is one of the major factors for organizations to grow and expand. United Arab Emirates is one the fastest growing countries in the world; hence it has one of the highest rates of diversity in the world with more than 202 Nationalities (Times, 2006).

Cultural diversity in terms of business in the United Arab Emirates is a major matter to deal with, although economy is growing so fast, the need to expand is essential, however some organizations assume that culture diversity doesn’t play a significant aspect in business, however, many organizations in the UAE succeeded in using this diversity for the benefit of the business like “Emirates Airline” with more than 48,000 employees (Gale, 2009).

(Vidhi Agrawal, 2012) Defined Diversity as “Otherness”, differences in human qualities from outside the groups and our own, this means diversity among individuals who are different in age, origin, physical appearance, gender, education, culture and regional origin …etc.

Diversity in a project can be organizational, functional, geographical or cultural, it is a challenge that project managers should be familiar with in terms of controlling and directing his/her team.

Scholars argued that in organizations cultural diversity provides three essential elements; interaction, awareness and perception, which allow employees to share similar interests or goals, and come together to achieve tasks (Coetzer, et al. 2007; Eisenberg, December 1999; Gladwell,
2008; Merchant; Bartels, January 2005; Llopis, 2011; Chavan, 2005). However, others argued that cultural diversity in organizations can affect these elements and create conflicts or miscommunication because of differences in dimensions like nationality, religion, race, color, and age...etc. (Fershtman et al., 2003; Thomas & Ely, 1996; Alesina et al., 2002; Fearon, 2002).

In this paper we are going to study the team integration in cultural diverse organizations, the influence of Cultural diversity in organizational behavior in the United Arab Emirates and cultural diversity reinforcement with groups and teams integration. Furthermore, how individuals and groups would behave with such diversity, moreover we are going to recommend and promote cultural diversity in the United Arab Emirates.

3 Critical analysis of Cultural diversity management

3.1 Literature Review

(Cox, 1994) Argued that Cultural diversity has great positive influence on team integration in organizational culture in any business to boost team performance among employees so they can acknowledge and interact with each other, and by acknowledging the cultural diversity, organizational behavior will be influenced optimistically too. In addition cultural diversity increases creativity, problem solving skills, and flexibility; it has different perspectives, multiple interpretations and more alternatives and ideas.

On the other hand, (Chen, 1992; Michel, 1992) argued that cultural diversity has no impact or has negative impact on performance of organizations, it slows the organizational development and team performance speed, reduces integration between teams and perhaps affect team attitudes and interpersonal relations, moreover cultural diversity might generate conflicts.

Other arguments discussed that the increasing of cultural diversity might lead to increasing social disintegration within groups and as a result decrease abilities engage teams effectively to be creative (Chatman et al., 1998).

(Agrawal, 2014; Crombie, 1974) Found that team integration is enhanced in the organizational culture. (Crombie, 1974) Defined organizational culture as “The unique configuration of norms, values beliefs, ways of behaving and so on, that characterize the manner in which groups and individuals combine to get things done”.

Culture of the organization helps culture diversity to integrate internally and adapt externally to survive; permeating a culture for an organization is essential and can be created through, knowledge acquisition, organizational symbols, organizational stories and organizational rites (Bartels, January 2005).

One example for organizational culture integration is the corporate Walt Disney, that’s Roy Disney on 1958 said “Integration is the key word around here”. Disney has self-reinforces culture, as an example Mickey Mouse was added in almost everything, like buildings, furniture, toilet papers and logos...etc. However, organizational culture has different types, whether it’s Power culture, Person culture, Role culture, Task culture, depending on business or outcome that it delivers and the need of the business (Merchant, 2002).
Cultural diversity in the other hand is having different cultures or differences in groups or members of an organization whether it’s nationality, gender, color, race religion…etc., respect group’s members each other differences and having more human cultures in a specific region or organization, managing these cultures is challenging to any project manager to keep project successful.

One example of a business that depended on cultural diversity for its growth is IBM, Ronald C. Glover Vice President, and Diversity & Workforce Programs Human Resources Said:

“Diversity is a core belief of IBM in how we succeed in business, in order for IBM to successfully expand globally; we need a workforce that understands the local market, our clients are as diverse as our employees, and there are now 5 generations in the workplace, We must focus on building communities inside of IBM to embrace differences to drive innovation globally.” (Llopis, 2011)

IBM found that the cultural diversity enhances team performance significantly, they transferred those differences into opportunities, when they created global diverse leaders to maximize their teams effectively, and they found out that building diverse teams across the company in different countries is essential for those who are looking for business expansion, however the challenge that faces any project manager is integrating teams together to produce the expected results.

The Influence of Cultural Diversity Conceptual Model

United Arab Emirates has a significant cultural diversity, and in order to gain best outcomes from it, organizations should manage it wisely and effectively. (Cox, 1994) Emphasized on the outcome of the cultural differences in terms of problem solving, organizational flexibility and group cohesiveness where this model views certain cultural diversity outcomes and recognizes the variability of the outcomes in term of individuals and groups.

Creativity and Innovation

(Roni Reiter Palman, 2011) Studied Team Creativity and Innovation rather than individuals, since competition and globalization is increasing and individuals are not capable alone to solve problems of organizations as a result the emphasis on group innovation is critical, he added that it gives extra performance benefits, team adaption and team emergence.

(Cox, 1994) In his book “Cultural diversity in organizations” summarized the impact of cultural diversity model in terms of group creativity and innovation that cultural diverse groups have potential in solving problems because of some factors:

- Higher perspectives.
- Greater level of critical analysis of alternatives.
- A lower probability of groupthink.

Moreover, (Cox, 1994) found that in order to bring heterogeneous groups together to have better performance, it is important for the group to have awareness of the attitudinal differences of all members. (Fleming, 2004) In a study included more than 17,000 patents found that innovations are more likely to come out from teams with diverse back grounds.
Group Cohesiveness

(Coetzer, Bushe, & Graeme, 2007) Theorized that the competence phase problems in a group is limited to be resolved until the membership phase is resolved quickly to be effective, they think in their model that the more the group face obstacles to resolve membership phase, the more members think the group will be competent, they claimed that groups which not attached with team effectiveness, discrepancy begins to occur.

The effect of heterogeneity on the quality of group making decisions is “Groupthink” phenomena, it is referred to the absence of critical thinking in groups, caused because of excessive preoccupation with maintaining cohesiveness (Cox, 1994; Bantel and Jackson, 1989; Jackson, 1992), one disastrous example of groupthink is when Kennedy administration took a decision to attack Cuba on 1961.

It is stated that level of homogeneity is related to group cohesiveness which affects groupthink as a result the more the groups are culturally diverse, the less the probability of groupthink.

Team Performance

(Agrawal, 2014) Discussed the importance of diversity in work place, when working in an organization where human resources are equally treated, persons tend to have more motivation to produce and work harder, which decrease the training and development costs.

In addition, work place which has more range of skills, styles, expertise and perspectives can lead to wider opinions as a result opinions of cultural diversity workplace can lead to better quality decisions (Cox, 1994; McLeod et al., 1996). (Leonard et al., 2004) also stated that teams with cultural diversity can boost performance because they have access to the information needed to solve complex problems.

Discussion
It is concluded that cultural diversity reduces the cohesiveness of groups based on the idea that people are more attracted and comfortable to people who are like them, however it is the management responsibility to manage these differences effectively to overcome such conflicts, moreover it was stated that cultural diversity increases the level of creativity and innovation and solving problems because of several aspects, like higher perspectives, focuses on critical thinking alternatives and lower groupthink probability.

Groups and teams integration is highly important in organizations to produce high end results; however this article emphasizes on cultural diversity influence in construction industry to increase team performance, creativity and innovation and teams’ integration in organizations.

Managing Cultural Diversity

(Hofstede, 2001) Studied 6 Dimensional theory and use it to control and manage team integration in the diverse cultures, Geert conducted a research in IBM world when he surveyed more than 100,000 employees in more than 50 countries around the world, this search was one of the kind in quantity wise, he created a framework for cross cultural studies.

Definition of Hofstede Theory:

Hofstede in the beginning defined four dimensions and then added two more which is long term orientation and indulgence to guide project managers to lead cultural diversity In organizations. See Error! Reference source not found.

Arab Society Analysis

As per

Table 1 Hofstede cultural dimensions in Arab world

<table>
<thead>
<tr>
<th>Country</th>
<th>Power Distance</th>
<th>Uncertainty Avoidance</th>
<th>Individualism</th>
<th>Masculinity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arab World</td>
<td>80</td>
<td>68</td>
<td>38</td>
<td>53</td>
</tr>
</tbody>
</table>
In terms of group work this culture in collective which means very emotional to their tradition and families and their extended families, where the individualism is 25 as per The Hofstede Center see Error! Reference source not found., Arab society in general has a strong group bonds including extended families, and tend to be more respectful and loyal to their families,
and has deep relations with each other, they maintain with each other, have a strong relationship, moreover they know their responsibility for other members or groups.

Uncertainty avoidance in the Arab World scored high, since people are emotional and ambitious, so they try to minimize the risks and consequences by adding rules, regulations, and safety and security measures, project managers here should understand this dimension and make rules and regulations in workplace and be straightforward to show their employees that everything under control and future risks are controlled.

On the hand masculinity in Arab organizational culture is 50, people with assertive and competitive attitude tend to be masculine and societies with modest and careful attitude tend to be feminine, its quantity of life versus the quality of life, however it’s neither masculine nor feminine according to The Hofstede Center, as per Hofstede results in masculine culture, Arab society faces conflicts in terms of competition and assertiveness, which positive opportunity for the project manager motivation.

4 Team Analysis

4.1 Team analysis in construction field workplace (2013303020):

This paper case study is a construction project of a complex of four residential towers in United Arab Emirates; number of participants of this project is more than 1900 persons including:

- Project management firm.
- Developer team.
- Consultants.
- Main contractor project teams.
- Subcontractors’ teams.

The purpose of this analysis is to examine workers behavior in the organization and the influence of cultural diversity on them in terms on creativity and innovation, team performance and group cohesiveness, a questionnaire was conducted on 100 workers, and it was applied to the main contractor’s workforce in Tower-A. The contractor is a subsidiary company from a well known cooperation which has more than 25,000 employees worldwide with more 2.353 Billion AED revenues in the construction field. The scope of this project which worth 400M AED is building 2000 units, three basement levels, ground floor and two parking levels with the facilities in 20 months, the total area of the project is approximately 180,000 m2.
Methodology

In order to detect the impact of cultural diversity on creativity and innovation, group cohesiveness and team performance, a questionnaire conducted on 100 workers, most workers are mainly from three nationalities which are; Pakistan, India, and Bangladesh who are occupying three categories; Masonry work, Carpentry, and steel fixing as per following:
Table 2 Nationalities Vs Three Teams

<table>
<thead>
<tr>
<th>Nationalities</th>
<th>Masonry</th>
<th>Carpentry</th>
<th>Steel Fixing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pakistanis</td>
<td>32</td>
<td>8</td>
<td>4</td>
<td>44</td>
</tr>
<tr>
<td>Indians</td>
<td>9</td>
<td>21</td>
<td>15</td>
<td>45</td>
</tr>
<tr>
<td>Bangladeshis</td>
<td>6</td>
<td>2</td>
<td>3</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>47</strong></td>
<td><strong>31</strong></td>
<td><strong>22</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Figure 4 Workers Nationalities Vs Three Teams
Influence of Cultural Diversity on Team Integration in Organizations


by Ramaz Issa

www.pmworldjournal.net

Featured Paper

PM World Journal

© 2015 Ramaz Issa

www.pmworldlibrary.net

Page 10 of 20

Creativity/Innovation

Masons

Carpenters

Steel Fixers

<table>
<thead>
<tr>
<th></th>
<th>Pakistanis</th>
<th>Indians</th>
<th>Bengalis</th>
<th>Pakistanis</th>
<th>Indians</th>
<th>Bengalis</th>
<th>Pakistanis</th>
<th>Indians</th>
<th>Bengalis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listen To each other’s ideas</td>
<td>9</td>
<td>8</td>
<td>3</td>
<td>7</td>
<td>11</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>28%</td>
<td>88%</td>
<td>50%</td>
<td>88%</td>
<td>52%</td>
<td>100%</td>
<td>75%</td>
<td>60%</td>
<td>33%</td>
</tr>
<tr>
<td>Know where they fit into the team</td>
<td>26</td>
<td>9</td>
<td>4</td>
<td>3</td>
<td>19</td>
<td>1</td>
<td>2</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>81%</td>
<td>100%</td>
<td>67%</td>
<td>38%</td>
<td>90%</td>
<td>50%</td>
<td>50%</td>
<td>73%</td>
<td>67%</td>
</tr>
<tr>
<td>Solve problems without supervisors help</td>
<td>14</td>
<td>7</td>
<td>2</td>
<td>5</td>
<td>7</td>
<td>0</td>
<td>1</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>43%</td>
<td>78%</td>
<td>34%</td>
<td>63%</td>
<td>33%</td>
<td>0%</td>
<td>25%</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>Come up with ideas to increase Production</td>
<td>11</td>
<td>6</td>
<td>1</td>
<td>3</td>
<td>13</td>
<td>1</td>
<td>4</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>34%</td>
<td>67%</td>
<td>17%</td>
<td>38%</td>
<td>62%</td>
<td>50%</td>
<td>100%</td>
<td>53%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Table 3 Responses of Creativity/Innovation of the Different Teams- Yes/Agree responses

Group Cohesiveness

Masons

Carpenters

Steel Fixers

<table>
<thead>
<tr>
<th></th>
<th>Pakistanis</th>
<th>Indians</th>
<th>Bengalis</th>
<th>Pakistanis</th>
<th>Indians</th>
<th>Bengalis</th>
<th>Pakistanis</th>
<th>Indians</th>
<th>Bengalis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support each others in performing their duties</td>
<td>31</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>19</td>
<td>0</td>
<td>2</td>
<td>15</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>97%</td>
<td>33%</td>
<td>33%</td>
<td>62%</td>
<td>90%</td>
<td>0%</td>
<td>50%</td>
<td>100%</td>
<td>33%</td>
</tr>
<tr>
<td>Form alliances</td>
<td>30</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>20</td>
<td>1</td>
<td>1</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>94%</td>
<td>22%</td>
<td>17%</td>
<td>37%</td>
<td>95%</td>
<td>50%</td>
<td>25%</td>
<td>87%</td>
<td>0%</td>
</tr>
<tr>
<td>Enjoy working as team</td>
<td>28</td>
<td>6</td>
<td>2</td>
<td>3</td>
<td>20</td>
<td>0</td>
<td>1</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>87%</td>
<td>67%</td>
<td>33%</td>
<td>37%</td>
<td>95%</td>
<td>0%</td>
<td>25%</td>
<td>93%</td>
<td>33%</td>
</tr>
<tr>
<td>All team have same goal</td>
<td>24</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>15</td>
<td>1</td>
<td>1</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>75%</td>
<td>55%</td>
<td>67%</td>
<td>50%</td>
<td>71%</td>
<td>50%</td>
<td>25%</td>
<td>87%</td>
<td>67%</td>
</tr>
</tbody>
</table>

Table 4 Responses of Group Cohesiveness of the Different Teams- Yes/Agree responses
Table 5 Responses of Team Performance of the Different Teams - Yes/Agree responses

Results and findings:

We found out through the study that Pakistani workers occupying the masonry work, Indians occupied the carpentry and steel fixing work as per chart; see Figure 4 Workers Nationalities Vs Three Teams; however Bangladeshi workers were distributed between the three categories.

Creativity and Innovation

Masons Team

It is indicated that this team is not diverse, the responses of Pakistanis masons in terms of creativity and Innovation is significantly high, this shows that they can be independent and fewer supervision is required than other nationalities, however, the Indians and Bengalis masons require more supervision and follow up to achieve their targets.
It is indicated in this team that, Bengalis are the least integrated and most team require training and engagement due to dominance of other nationalities, however, Indians are most confident and in control of this team, moreover Indians require least supervision and follow up from the supervisors comparing to the other nationalities.

This team analysis shows that it is the most stable team in terms of sharing each other’s ideas, solving problems and where to fit into the team, it is indicated that due to high competition between two nationalities; Indians and Pakistanis, the solving problems and coming with new ideas are higher than the Bengalis.
It is indicated that Pakistani masons are the most dominant in this team, and the most likely able to form alliances, enjoying working with same nationalities and least cooperative with other nationalities however, the results showed that all team have same goal. The organization should take the necessarily measures to avoid groupthink of “Pakistanis” masons, to avoid strikes that they may create.
Carpenters Team

This team results also show that all nationalities have same goal, however, the dominant workers in this team are Indians, most supportive to each other, and most likely able to form alliances.

![Carpenters Team Group Cohesiveness Responses](image)

**Figure 8** Carpenters Team Group Cohesiveness Responses

Steel Fixers Team

In this team, the Indians steel fixers are most likely to form alliances, support each others’ ideas and enjoy working together. The results show that other workers with different nationalities are most likely to follow the dominance of the Indians or have no impact in the group. Organization is advised to supervise and control this team in terms of group think and strikes that might be created.
In terms of cultural diversity influence on team performance, it is indicated that all workers have a lower enthusiasm to work together, however, they believe that they are doing more than what is expected from them, in addition they all enjoy working together and they have no language problems.

Figure 9 Steel fixers Group Cohesiveness Responses

Team Performance

Masons Team

In terms of cultural diversity influence on team performance, it is indicated that all workers have a lower enthusiasm to work together, however, they believe that they are doing more than what is expected from them, in addition they all enjoy working together and they have no language problems.

Figure 10 Masons Team “Team Performance” responses
Carpenters Team

This team results, show a difference between Indians and other nationalities in terms of supervisors expectation of them, enjoying work with others and language. Pakistanis and Bengalis have more problems in language than Indians; however, they share same working habits, and approximately have same enthusiasm to work in teams.

Figure 11 Carpenters “Team Performance” Responses

Steel Fixers Team

Results showed a better understanding of team expectations but less enthusiasm of working as teams and fewer language problems from the Indians workers side.

Figure 12 Steel Fixers “Team Performance” Responses.
6 Recommendations and Conclusions

Cultural diversity might be an obstacle for a lot of organizations; others find it key criteria for team integration, since United Arab of Emirates has a very high cultural diversity the need of understanding cultural background of stakeholders is essential to manage this diversity properly and integrate those teams together to lead any organization to success.

Although, cultural diversity is getting more attention these days, some organizations avoid it. They believe that it can create conflicts, lower team performance, decrease creativity of employees, and hamper the functioning of the organization; moreover some scholars argued that it increases complexity, confusion, difficulty in communication and it has no effect on teams’ performance.

This paper illustrated the positive influence of cultural diversity in construction organizations in UAE, in terms of creativity and innovation, group cohesiveness and team performance. Previous lessons and examples were showed in this paper; Geert Hofstede six dimensions theory was introduced as a guide for managers to manage the diversity of their workforce effectively.

The analysis of the selected team indicated several issues that block the wheel of team performance, creativity and innovation, and that organization represented by project manager can make his teams more diverse to reach the desired and efficient results.

It is shown that due to lack of diversity, the maximum benefits are fewer to be obtained from teams, lack of cooperation within the teams, and preferring to work with same nationality category. Teamwork to be effective requires members to consider the team united to reach same goals, norms and values (Lembke and Wilson, 1998).

The more identification of team members with one another, the more likely they are to achieve similar goals, norms and values, and the more willing to cooperate with each other. A member identifies himself as a team member is more likely to identify the destiny of the team as their own (Ashforth and Mael, 1989).

As a result cultural diversity in organizations can enhance teams’ performance, innovation and production and it should be useful in gaining insights regarding the team work ability of the people of the organizations, and about the values, beliefs and behavior of the people. Organizations are advised to use this diversity of cultures to create development, competition, and opportunities.
Bibliography


Bartels, R. (January 2005). (The cultural diversity is actually something positive). *The power of culture*.


About the Author

Ramaz Issa
Dubai, UAE

Ramaz S. Issa is a Civil Engineer, Masters of Science in project management student in the British university in Dubai, and PMP candidate. Ramaz S. Issa is a Civil Project Engineer in Dubai, UAE and has participated in managing more than four multimillion Dollars projects which includes, complex of four residential buildings, container terminal works building package that includes offices & various Industrial buildings, and four stars hotel, and 282 luxurious villas. He earned his bachelor’s degree in civil engineering from University of Sharjah and aims to finish his Master of Science degree in project management from the British University in Dubai in 2016.

Email: Ramaz_244@hotmail.com