### ГЛОБАЛЬНА ЕКОНОМІКА

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# CROSS-CULTURAL CONFLICTS: GLOBAL DIMENSIONS

The article deals with the main causes of conflicts in a multicultural environment. The types of cultures and styles of conflicts that arise between them are distinguished. Ukraine was compared with other European countries by cultural criteria (using Hofstede typology). The role of communication barriers in cross-cultural conflicts is analyzed. The ways of overcoming cross-cultural conflicts in the conditions of rapid development of globalization processes are presented.

Keywords: cross-cultural conflict, communication, culture, globalization.

Кандагура Е. Кросс-культурные конфликты: глобальные измерения. Рассмотрены основные причины возникновения конфликтов в мультикультурной среде. Определены типы культур и стили конфликтов, возникающих между ними. Проведено сравнение Украины с другими европейскими странами по культурным критериям (с использованием типологии Хофстеде). Проанализирована роль коммуникационных барьеров в межкультурных конфликтах. Представлены пути преодоления межкультурных конфликтов в условиях бурного развития глобализационных процессов.

*Ключевые слова*: кросс-культурный конфликт, коммуникация, культура, глобализация.

**Background.** Cultural knowledge and adaptation are the key words of today's globalization and business actions across countries. In today's fast growing of processes of delete boarders between countries, it is important to raise the awareness of intercultural understanding in order to become more capable of working in international environments and with different nationalities. In addition, conflicts and misunderstandings that might have negative consequences to business relations between countries are avoided when one is aware of cultural backgrounds and differences. According to principles, established in the Association Agreement between the European Union and Ukraine, our country and other Parties will enhance practical cooperation in the field of conflict prevention and crisis management. The Parties shall progressively establish a free trade area and collaboration in the way of development of other spheres of economic. The main problems in this way are cultural clashes and specifics of countries. It is the main cause of intercultural conflicts, which can take the form of

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contradiction or even open conflict. Since culturally modern society is a rather complicated phenomenon, it is quite natural for it to generate conflicts between different systems of norms and values.

Analysis of recent research and publications. The question of cross-cultural conflicts in the tourism industry is considered in the article by the national scientist L. Ustimenko [1], because it is very important for preparing journey. L. Shchetinina and S. Rudakova [2] tell about approaches to the interpretation of cross-cultural competence, as well as its components and applications. The work of O. Romanukha [3] is devoted to the question of the role of cross-cultural communication in the management of organizations.

The issue of cross-cultural conflict is more explored in the works of foreign scientists. G. Tillet [4] believes that conflict is manifested when the needs and values of two or more parties are incompatible. In the G. Hofstedes' [5] works, the cross-cultural conflict is considered through the prism of the types of cultures. E. Hall [6] tells about main causes of cross-cultural conflicts in his works, one of them is different communication styles of cultures.

The **aim** of the study is to identify peculiarities of countries and conflict situations that may arise as a result of not taking into account the differences between cultures.

In the process of achieving the goal, the following four tasks were set forth in the article, such as: to compare Ukraine with a sample of other European countries by cultural criteria (using the Hofstede typology); to substantiate the proposals to overcome cross-cultural conflicts in the conditions of rapid development of globalization processes; construct a model of the manifestation of the situation of a cross-cultural conflict and conduct a comparative analysis of conflict styles.

**Materials and methods.** Theoretical and methodological basis of researches were: scientific works of foreign economists in the problems of types of cultures, cross-cultural communication process, the category «conflict» and models of conflicts in different countries. Multidimensional nature of research has led to the use of complex of scientific methods, namely: systems approach, structural-functional analysis, comparative-typological analysis, induction and deduction, so on.

**Results.** The necessity of research of different types of countries and their business behavior to overcome the probable conflict situations is substantiated. The role of communication barriers in the event of conflict on the international level is highlighted. The models of conflict situations, typical for the most cultures, are distinguished. The countries are grouped according to the styles of conflict situations, which depend on the peculiarities of the countries and the ways to overcome them are suggested.

The question of conflict is the main category not only in theory of cross-cultural management. There are many scholars who have considered this topic in their own works. There are many definitions of the concept «conflict». Conflict is a feature of all human societies, and potentially an aspect of all social relationships. Mostly, the conflict means any kind of confrontation or discrepancy of interests. That's why this definition is a subject of study by social sciences, such as sociology, political science and conflictology. But the issue of this particular article is not an exception of this category; it is a conflict as a phenomenon arising from the ignorance of cultural characteristics of different countries.

There are also a variety of causes that cause conflicts in a crosscultural environment. The opinions of scientists in this aspect were divided. Representatives of the universalistic approach believe that the value of the cultural aspect is exaggerated and therefore it is not necessary to distinguish between cultures, because all people are identical. Contrary to this approach, there are those scientists who believe that the main difference between countries and the emergence of conflicts is economic growth. In our study we will follow the third approach, which points to the difference between cultures. On the example of Canada and Japan, we can see that countries with a high level of economic development have very different characteristics that are caused by cultural and historical factors.

One of the important criteria for intercultural misunderstanding is communication. We want to emphasize not only verbal communication, but also its non-verbal component, the style of filing a message and getting it through the barriers of perception, related to cultural peculiarities. In practice, the main barriers in transnational communications, which can cause cross-cultural conflicts, are the following: language barriers, stereotypes, ethics, perception, circumstances of place and time, information in the management system, nonverbal means of communication, ethnocentrism. The first and the natural barrier to effective communication in an international firm are often language barriers. The practice of international business has provided several basic recipes for solving this problem, and the first among them is the recognition of communication in the main language of international communications – English. Knowledge of English in an amount sufficient for serious business contacts is an absolute requirement for any manager in modern conditions. It is the one way to correct a cross-cultural misunderstanding.

From the point of view of the communications effectiveness, the work looks significantly worse through an interpreter because of personal and confidential arrangements, taking into account the nuances of a business conversation.

We consider it worthwhile to dwell on the G. Hofstede typology of cultures and to see what criteria a scientist applies to the characteristics of countries and how these groups of developing countries find common approaches to resolving conflict situations.

According to this, G. Hofstede has developed five «cultural dimensions» theory that distinguish one culture from another and include:

authority distance, individualism – collectivism, perception of uncertainty, masculinity – femininity, short-term – long-term focus on the future [5].

The criteria by which G. Hofstede distinguishes groups of countries serve as indicators of those values that are privileged in one or another country. The intersection of such values or their non-recognition or disregard of one of the countries in establishing cooperation is the cause of many conflict situations and slowing down their solution.

Relying on the principles of the Association Agreement between the European Union and Ukraine, let's consider the place of our country among the participating countries. We compare Ukraine with a sample of other European countries by cultural criteria (using the Hofstede typology) (*figure 1*): «power distance», «individualism» «masculinity», «uncertainty avoidance», «long term orientation», «indulgence».



Figure. 1. Compare Ukraine with different countries by criteria of Hofstede classification

Source: created by author basic on [5].

Power Distance is the criterion, which characterizes the degree of unevenness in the distribution of power that is acceptable to the population of a country. Low level is characterized by relative equality in society, and high level leads from patience to authoritarian management style. According to our diagram Austria has a very low figure in this dimension (11 points), Finland and Germany have the same situation, which means that these countries are dominated by the following characteristics in style: to be independent, the hierarchy is for convenience only, equal rights, accessible superiors, coaching leader, management facilitates and provides an opportunity.

Ukraine has the different situation (score 92), it means, that Ukraine is a country where power holders are very distant in society. Taking into

account the interior-economic and interior-policy guidelines of Ukraine towards the European Union, an important aspect is the inclusion of this criterion and its transformation towards a reduction.

An important indicator is the level of individualism in the country, indicating the level of independence in its actions and decisions. Criterion value characterizes the degree according to which the population of a country prefers individual rather than collective action. A high value indicates that the person is prompted mainly by the personal interests and the interests of family members. The main values in individualist societies are respect of human rights and high value of privacy. The low criterion value characterizes countries in which the individual feels psychologically comfortable as a member of the team. In collectivist societies, every person respects the interest of his groups and has no other views or judgments other than those accepted by the group. In exchange for this, the group protects its members, takes care of their problems. Ukraine has very low score and people in our country like to share responsibility for their actions with a different people. It is the main cause of slow development in all spheres in Ukraine. Probably it is also cause of low level of collaboration and conflict situation between Ukraine and European Union.

Criterion «long-term orientation» is characterized by an attempt to define plans for building a future, which manifested in persistence in achieving objectives. Short-term orientation is characterized by a view of the past and is manifested through respect to the traditions, implementation of social commitments. In this situation, Ukraine has the same position as Austria and it does not express a clear preference on this dimension.

Almost all of these indicators point to the difference between our culture and the cultures of European countries. As a result of comparison, Ukraine is close to Romania and is on the way to development. The reason for such disagreements is primarily the historical aspects of development and cultural characteristics. Under conditions when Ukraine is on the way of implementing European standards, an important aspect is the approximation of life-cycle criteria to the standards of developed countries.

Some researches on cross-cultural conflicts resolution are still concentrated on negotiation and negotiation style, not on third party processes such as mediation or facilitation, or more specialized forms such as the problem-solving workshop. These styles also depend on types of countries, but have different classification.

In the theory of cross-cultural management, it is possible to distinguish such types of cultures as high-context and low-context. For lowcontext cultures, the following characteristics are used that are not perceived by representatives of high context cultures, among which:

➢ frank and expressive manner of speech, distrust to silence;

 $\succ$  everything should be expressed and all should be given a clear assessment, innuendo associated with the lack of information about the speaker;

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➤ in some cases open expression of dissatisfaction is possible.

> On the contrary, high-context cultures have other characteristics:

> unexpressed, hidden manner of speech, multivalued and frequent pauses;

➤ serious importance to non-verbal communication and the ability to «say by eyes»;

> redundancy of information is unnecessary because it is so clear;

 $\succ$  open expression of dissatisfaction is unacceptable under any conditions.

It should also be noted, that low-context countries are mostly Western countries and for them creative conflict, as a discussion of identified problems and difficulties, helps to make the right decision. In that time for high context cultures (East countries) the conflict is destructive (representatives of these cultures do not like to clarify relationship directly and discuss problems).

Taking into account this classification, conflict situations between partners in different types of cultures may arise at the level of perception, without switching to partnership level. Different styles of representation and perception of information, emotional expression and ability to solve conflict situations are those characteristics that are completely opposite. Provided that such differences are added with other factors such as political, religious, the conflict situation is inevitable, even with the mutual benefit of cooperation between the two partners.

Based on this, it is necessary to note that there are three main groups of causes of communication conflicts [6]:

 $\succ$  personal reasons – pronounced willfulness and ambition, frustrated individual needs, low ability or willingness to adapt, repressed anger, intractability, careerism, lust for power or strong distrust. People endowed with such qualities often cause conflicts;

 $\succ$  social reasons – strongly pronounced rivalry, insufficient recognition of abilities, insufficient support or willingness to compromise, contrary to the goals and means to achieve them;

 $\succ$  organizational reasons – overwork at workplace, inaccurate instructions, unclear competences or responsibilities, conflicting goals, constant changes in rules and regulations for individual communication participants, profound changes or restructuring of entrenched positions and roles.

Since culture is one of the factors that influence the communication process, the establishment of partnerships, the study of cultural diversity must be a way of resolving conflicts. Within the framework of methodology of sources of cross-cultural conflicts, three basic positions exist there [5]:

 $\succ$  the first is represented by so-called universalizes: their point of view is that the value of the cultural factor is exaggerated, and since all people are more or less the same, one does not need to make any significant

adjustments to the culture and, moreover, expect them to significantly increase the effectiveness of national teams management;

> proponents of the second position argue that countries and nations differ not by cultural tradition, but mainly by the level of economic development. This approach is called: economic and cluster. In accordance with it, the international manager must seek answers to the questions of effective management precisely in the context of comparative economic development of the countries of residence and the country of the base;

 $\succ$  the third point of view defends the important role of the cultural background itself, believing that its study and the practical use of the relevant results enhance the effectiveness of cross-cultural management. Moreover, the peculiarities of countries that are completely dissimilar in the cultural and historical development, often give equally high final economic results, but are based on absolutely different principles of management.

After analyzing all the information mentioned above, it is possible to highlight the basic model of cross-cultural conflict situation (*figure 2*).



Figure 2. Model of cross-cultural conflict situation [5; 7; 8]

In case of a conflict situation happening, where you have conflicting interests and needs, you have to negotiate two things: self-interest (own agenda or position) and other's interest. Like any other aspect of intercultural communication, the style of conflict resolution is determined by the peculiarities of the cultures of the parties in the conflict. Modern conflictology asserts that any conflict can be resolved or significantly reduced if one of the five styles of behavior is consciously followed. In this case, there are distinguished five conflict styles (*table*).

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# Table

Conflict style	Characteristics
Dominating or	«The one who is stronger is right» – an active style that does not lead to
Competing	cooperation.
competing	This style is taking place in a situation where one of the parties achieves
	its goals and seeks to act in its own interests, regardless of the effect it
	has on others.
	Such a way of resolving a conflict is reduced to the subordination of one
	side to the other and usually is accompanied by the creation of a «win-
	lose» situation, the use of rivalry and playing from a position of strength
	to achieve own goals,
	High concern for self-interest goals and low concern for other's interest.
	Tend to be very assertive (sometimes even aggressive), taking care of
	own interests.
	Used by larger US mainstream cultures, Australia, Germany
Compromising	«Let's meet each other halfway» – with this style of behavior, both parties
	of the conflict make mutual concessions, partially abandoning their
	demands. In this case, no one wins and no one loses.
	Such a way out of the conflict is preceded by negotiations, the search for
	options and ways to mutually beneficial agreements.
	Moderate level of self-interest and moderate level of other's interest.
	From Western, individualistic viewpoint: needs to make a deal or
	concession (task oriented; «quick fix»).
	From Asian collectivistic viewpoint: for the sake of the relationship, you give in somewhat and I give in somewhat (focus on relationships)
Avoiding	«Leave me alone» – a passive, non-cooperative style. One of the parties
Avoiding	may recognize that a conflict exists, but chooses a style of behavior that
	allows you to avoid conflict or drown it, in the hope that the conflict will
	resolve itself. Therefore, the resolution of a conflict situation is set aside,
	half measures are used to drown out the conflict, or hidden measures in
	order to avoid a stronger confrontation.
	From Western-based, individualistic context, low concern for self-
	interest and low concern for other's interest.
	In many Asian collectivistic cultures, this is considered high concern of
	self-interest and high concern for other's interest.
	Used by most Asians and Mexicans
Obliging or	«Only after you» – a passive, cooperative style. In some cases, one of the
Accommodating	parties of the conflict may try to pacify the other side, putting its interests
	above its own.
	Such a desire to reassure the other implies pliability, submission and
	compliance.
	Low concern for self-interest («My interest doesn't count») and high
	concern for other's interest («I want to please others»).
Callaborativa	Used by most Asians and Mexicans
Collaborating or	«Let's solve it together» – an active, cooperative style. In this situation,
Integrating	both parties of the conflict seek to achieve their goals.
	This style of behavior is characterized by the desire to solve the problem, to clarify differences, to exchange information, to see in a conflict an
	incentive for constructive solutions that are beyond the scope of this
	conflict situation.
	Finding a solution that benefits both parties is considered a way out of a
	conflict; this strategy is often called «victory – victory».
	High concern for self-interest and high concern for other's interest.
	Most time-consuming conflict style. Takes lots of energy, patient
	dialogue so that both parties are happy with process and outcome.
	Use lots of mindful listening, self-disclosure, intentional reframing

Five conflict styles: an intercultural approach

*Source: created by the author on the basis of* [6; 8].

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Graphic interpretation of five conflict styles is given below (figure 3).

## Figure 3. Five conflict styles grid

*Source: created by the author on the basis of* [6; 8].

In addition, the best way to overcome the conflict – is to prevent it. Consequently, the main ways to prevent cross-cultural conflicts are the following: knowledge of the national language; studying the culture and traditions of the country you are in (you are dealing with); clarification of some customs and gestures; control of facial expressions; communication and familiarity with the team in an informal setting; an attempt to understand national opinion and idea.

**Conclusion.** In the 21<sup>st</sup> century, successful communication among people from different cultures demands consideration of cultural differences and respect for these differences, at least in order to find a common ground upon which it will be possible to build relationships and perform interactions. In today's fast growing globalization, it is important to raise the awareness of intercultural understanding in order to become more capable of working in international environments and with different nationalities. In addition, conflicts and misunderstandings that might have negative consequences to business relations are avoided when one is aware of cultural backgrounds and differences. That is why it has become significantly important to be acquainted with culture, customs and traditions, religion and other peculiarities of the country, which representatives you are dealing with. Further research can be based on the study of certain aspects of cross cultural conflicts, namely the role of communication in the formation of favorable relations between countries.

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### Кандагура К. Крос-культурні конфлікти: глобальні виміри.

Постановка проблеми. Знання культурних особливостей та швидка адаптація є ключовими викликами глобалізаційних змін у світі. У сьогоднішньому процесі зникнення кордонів між країнами важливо підвищити обізнаність про міжкультурне розуміння, щоб стати більш здатними працювати в міжнародному середовищі та з людьми різних національностей. Крім того, важливим є питання уникнення конфліктів, які можуть мати негативні наслідки для ділових відносин, внаслідок непорозумінь через відмінності у культурних особливостях, традиціях тощо.

**Метою** статті є дослідження особливостей країн і конфліктних ситуацій, які можуть виникнути в результаті неврахування відмінностей між культурами.

Відповідно до поставленої мети вирішено такі завдання, як: порівняти за культурними критеріями Україну з вибіркою інших європейських країн (з використанням типології Хофстеда); обґрунтувати пропозиції щодо подолання міжкультурних конфліктів в умовах бурхливого розвитку процесів глобалізації; побудувати модель прояву ситуації міжкультурного конфлікту і провести порівняльний аналіз стилів конфліктів.

Матеріали та методи. Теоретико-методологічною основою досліджень слугували: наукові праці іноземних та вітчизняних економістів з проблем типології культур, міжкультурного комунікаційного процесу, визначення категорії «конфлікт» та моделі конфліктів у різних країнах. Багатовимірний характер досліджень обумовив використання комплексу наукових методів, а саме: системного підходу, структурно-функціонального аналізу, порівняльно-типологічного аналізу, індукції, дедукції тощо.

**Результати дослідження.** Обтрунтовано необхідність дослідження різних типів країн та особливостей їх поведінки при веденні бізнесу для подолання ймовірних конфліктних ситуацій. Внаслідок порівняння країн за критеріями Г. Хофстеде розкрито місце України та окреслено перспективи розвитку на шляху до впровадження принципів Угоди про асоціацію між Україною та ЄС.

Визначено роль комунікаційних бар'єрів у виникненні конфліктних ситуацій при веденні бізнесу на міжнародній арені. Виділено моделі конфліктних ситуацій, які притаманні більшості культур. Країни згруповано відповідно до стилів конфліктних ситуацій, які залежать від особливостей країн та запропоновано способи їх подолання.

Висновки. Визначено, що ефективна комунікація між людьми різних культур вимагає розгляду культурних відмінностей і поваги до цих особливостей, принаймні для того, щоб знайти спільну основу, на якій можна буде будувати партнерські відносини і взаємодіяти між собою. Комунікаційні бар'єри, які виникають через незнання культурних, релігійних особливостей, а відтак – і правил ведення бізнесу в іншій країні, є основною причиною виникнення конфліктних ситуацій між партнерами. Тому дуже важливим є розуміння типів культур, моделей поведінки, що притаманні групам країн, а також особливостей ментальних характеристик.

*Ключові слова:* крос-культурний конфлікт, комунікація, культура, глобалізація.