UNIVERSITY OF CAPE COAST

EFFECTS OF CULTURAL DIVERSTY ON EMPLOYEE RELATIONSHIPS AND

PERFORMANCE IN MULTINATIONAL COMPANIES IN

WESTERN REGION, GHANA

MARY KORKOR GBERBIE

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PERFORMANCE IN MULTINATIONAL COMPANIES IN

WESTERN REGION, GHANA

BY

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## DECLARATION

**Candidate's Declaration**

*I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.*

Candidate's Signature: ……………………….    Date: ………………………

Name: Mary Korkor Gberbie

**Supervisor's Declaration**

*I hereby declare that the preparation and presentation of this dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.*

Supervisor's Signature:……………………….    Date………………….

Name: Dr Simon Mariwah

ABSTRACT


Employees in Ghanaian organisations now work with people from diverse cultures and backgrounds. Even companies who decide to recruit exclusively Ghanaian work force will still have to contend with the same interpersonal cross cultural challenges that confront multinational organisations. This is because within the national culture are sub cultures that significantly affect the behaviours of Ghanaians. It is against this backdrop that this study seeks to examine the effects of cultural diversity on interpersonal relationship of employees, and hence the performance of such organisations.

The study adopted a cross sectional design and used questionnaire to collect data from 121 randomly selected respondents in twenty multicultural organisations in the Western region of Ghana.

It was realized from the study that all Ghanaian organisations were culturally diversified. Culture, especially intra- cultural diversity in organisation, plays no important role in the nature of interpersonal relationships in a multicultural organisation when choosing work mates but the opposite is true when choosing work mates as friends. The issue of interpersonal communication was the major cause of conflict in multicultural organisations in Ghana.

It is therefore recommended that multicultural organisations should educate their staff on variations in non – verbal communication. Foreign workers should also be given an intensive orientation on the cultural background of Ghanaians and the meaning they attach to certain gestures.

# ACKNOWLEDGEMENTS

## DEDICATION

To my Dear Father, Mr Ferdinard Narh- Gberbie.

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# CHAPTER ONE

# INTRODUCTION

## Background to the Study

The wave of trade liberalisation has blown across most parts of the world including Ghana; this has led to the creation of common markets, and the general dissolution of international borders. In order to be competitive in globalisation conditions, businesses and corporations have restructured themselves to be more flexible and less hierarchical in nature. Production practices and organisational patterns have become more flexible. Partnering arrangement with other firms and participation in worldwide distribution networks is inevitable for doing business in a rapidly changing global market.

Subsequently, most companies across the world are interdependent on one another, whether or not multinational. Others are also making frantic efforts to become global companies. A multinational company is one which has substantial investment outside its home country and which operates across national borders (Cascio, 1999). A company expanding its operations across national borders is much more than a step across a geographical line. It is also a "gigantic and sometimes frightening step into different social, political, and economic environments."

The spread of multinational organisation gives rise to what Moorhead and Griffin (1995) define as multicultural organisations, that is, organisations in which employees of different backgrounds, experiences, and cultures can contribute to achieve their fullest potential for the benefit of themselves and organisation. This diverse composition of the workforce in business organisations over the past decade, apart from bringing with it the

advantage of creativity and innovativeness, also poses a lot of challenge to managers of today.

Organisations, according to Randall (1998) consist of multiple, potentially conflicting cultures that influence the way in which individuals in the organisation relate to one another. This multiplicity of cultures stems from the fact that each individual brings into the organisation his own set of beliefs, values, attitude, etc. that is shaped by the culture of the society to which he/she belongs. Culture is the shared system of beliefs, attitudes, possessions, attributes, customs and values that define group behaviour (Holt, 1998). It also determines how people behave and relate to one another. Employees of different cultures will interact with each other on regular basis and as such, managers of today need to ensure that result from these interactions will promote favourable work conditions for employees to be able to contribute effectively to the wellbeing of the organisation.

The role of Human Resource Managers in the 21st century is, among other things, to provide the platform for the fusion of cultures in which both parties adjust to new situations, avoid conflict and seek greater productivity for the benefit of both the organization and the citizens of the country in which it operates. It is therefore incumbent on present day human resource managers to critically probe into the impact of culture on international human resource management.

Niskala (2004) explains that the culture in which people grow up largely determinates their behaviour, perception and the way they communicate, and express themselves. When people from different cultural background interact, it is natural that misunderstandings occur. It should be remembered that managing cultural differences is a long process which requires intense and systematic work from both parties. Human relationships in organisations involves pattern of interaction between people, individuals, and groups in the workplace. Good human relations according to Luthans (1995) is how to treat people as human beings and not

machines in the productive processes by acknowledging their need to belong and feel important. This will help boost the morale of workers in achieving higher productivity.

The success of any business ultimately depends on the efforts of human beings; hence all organisations depend on the successful management of people (Abnory, 2003). This statement implies that despite the challenges faced by employees of different cultural backgrounds, building good human relationships in organisations is very important. Failure to take cognizance of human behaviour and attitude often affect productivity in organisations. Both employees and employers must endeavour to minimise all elements that pose potential threats to the peace of their organisation. Cohen, Fink, Gadon and Willits (1995) assert that whenever two people get together to do a job, the outcome depends on how they get along. If they build grudges and backbite each other, they are less likely to be productive than if they enjoy being together and are mutually supportive and appreciative of one another. Inter departmental rivalry or corporation among staff of different units can create good or bad working relationships. Respectively, cooperation among the staff of an organisation impacts positively on it whereas an unhealthy relationship has a negative effect on the image of the organisation.

Within every relationship process, there is a way in which people who relate to one another must operate. It is a process of give-and-take. (Abnory, 2003). This is to say that the fundamental of peaceful co-existence is the extent to which people you relate with will return in similar manner. Psychologically there are differences among people and to create good relationships in organisation these differences must be realised and managed accordingly. People do not have the same desires, goals, and interest.

According to Abnory (2003), it is important to understand the make-up and sensitivity of individuals in order to come up with good human relation. A good staff relationship is a mutual understanding and cordiality link that exists among a group of people working

together in an organisation. Employees in general, are the pivot on which high productivity revolves. Staff should therefore be able to work together to get job done. Unproductive and dysfunctional attitudes like disagreement, heckling, discourtesy, carelessness among others, hinder the smooth operation of business activities.

To be successful in organisations, management and workers must show courtesy, concern, tact, consideration, genuine respect and liking for all employees. These qualities are human ingredients that are expected of all who work in any level of the organisation. The human touch contributes immensely to the achievement of organisational targets and the overall viability of commercial enterprise (Abnory, 2003).

According to Hocker and Wilmot (2010), not all conflicts are bad and not all conflicts are good. People tend to view conflict as a negative force operating against successful completion of group or common goals, conflict can create negative impact to groups but may also lead to positive effects depending on the nature of the conflict. The positive effects of conflict are: improving the quality of decisions, stimulating involvement in the discussion, and building group cohesion. . Hocker and Wilmot (2010) further stated that conflict is a means by which groups bring about radical change. It is an effective device by which management can drastically change the existing power structure, current interaction patterns, and entrenched attitudes. Conflict facilitates group cohesiveness. While conflict increases hostility between groups, external threats tend to cause a group to pull together as a unit. Inter group conflicts raise the extent to which members identify with their own group and increases feelings of solidarity. Conflict improves group and organisational effectiveness.   The stimulation of conflict initiates the search for new means and goals and clears the way for innovation. The successful solution of a conflict leads to greater effectiveness, to more trust and openness, to greater attraction of members for each other, and to depersonalization of future conflicts.

**Statement of the Problem**

The wave of multi-nationalisation of organisations and the efforts by successive governments in Ghana to encourage foreign investment imply that the work force in Ghanaian organisations will increasingly become culturally diversified. Cascio (1999) argues that human resource managers will need to consider the impact of culture on international human resource management - a phenomenon which has arisen due to the multi-nationalisation of organisations.

Employees in Ghanaian organisations now work with people from diverse cultures and backgrounds. Even companies who decide to recruit exclusively Ghanaian workforce will still have to contend with the same interpersonal cross cultural challenges that confront multinational organisations. This is because within the national culture are sub cultures that significantly affect the behaviours of Ghanaians. Some Ghanaians organisations face several challenges which are cultural in nature. Example, The prescribed dress code worn on Fridays by a Nigerian based financial institution has created some problems for the Ghanaian employees. This is because per the Nigerian culture, the three piece cloth (agbada) together with the hat is what they consider a complete traditional outfit and as such must be worn on Fridays as a complete Friday wear. This has created some HR issues since the Ghanaians employees finds that outfit cumbersome. In Ghana, tribalism runs through politics as well as public and private organisations. The tribal rivalry among the Ewes and Ashantis cannot be overemphasised. These negative ethnocentric behaviours have affected some civil and public organisations. Example the Ghana armed forces is said to be in a mess because of such tribal sentiments (Ghana web, 2009). It is against this backdrop that this study seeks to examine the effects of cultural diversity on interpersonal relationship of employees, and hence the performance of such organisations.

**Objectives of the Study**

The main objective of this study is to examine the effects of cultural diversity on interpersonal relationship of employees, and hence the performance of organisations.

Specifically, the study seeks to:

1. identify major causes of conflicts in multicultural organisations;

2. examine the nature of interpersonal relationship among employees in multicultural organisation;

3. examine the efficiency of conflict resolution mechanisms in multicultural organisations; and

4. assess the effects of conflict on employee performance.

**Research Questions**

To achieve the objectives of the study, the following research questions have been formulated:

1. What is the nature of interpersonal relationship among employees in multicultural organisations?

2. What are the major causes of conflict in multicultural organisations?

3. Are conflict resolution mechanisms in multicultural organisations efficient?

4. What are the effects of conflict on employee performance?

**Significance of the Study**

The significance of the study will include the following:

1. It will help mangers gain an insight into cultural diversity the subtle issue that has so much influence on interpersonal relations in organisations and hence equip managers to better manage conflict in multinational organisations.

2. Specifically, this study will inspire managers to develop appropriate strategies on how to minimise conflicts in their organisations.

3. The information gathered will help employees in multinational organisations to adjust and adapt to each other in other to achieve the goals of the organisation.

4. It will also add to knowledge already gathered on the subject and form a basis for further research into the area of cultural diversity.

**Scope and Delimitation of the Study**

Given that this study is time bound and the study of cultural diversity is a very broad area of research, attention of the study will not so much be on why people relate to one another the way they do but rather on whether or not cultural differences influence the interpersonal relationships in organisations.

The emphasis of this study will therefore be shifted from the individual and his personality to the influence of culture as the determinant of interpersonal relationship. This study will not be concerned with the definitional variations given to the concept of culture since they have little influence on the different variations that exist among the different cultural groups.

For the lack of time, the researcher's definition of efficiency in the use of conflict resolution mechanisms, in their respective organisations, is limited to speed, documentation, and how fair employees are treated when they use these conflict resolution mechanisms.

Again, the study of interpersonal relationships can be done at different levels but this study will be limited to interpersonal relations within some selected organisations in the Western Region of Ghana. Finally, this study will not seek to research into the different cultures represented in one particular organisation in Ghana. Rather, it will sample workers

views on whether or not cultural differences impact on how they relate to one another in the work environment.

**Organisation of the Study**

The study was organised in five chapters. Chapter one covers the background studies, objectives of the study, significance of the study, scope and delimitation. Chapter two covers the review of related literature. Literature was reviewed on culture, cultural diversity in organisations, classification of culture, patterns of cultural differences, diversity at the work place and relationship development across culture. Chapter three deals with the methodology of the study and topics treated were sources of data, method of data collection as well as how data will be analysed. In chapter four data was analysed and research findings were discussed. Conclusions and recommendations based on the findings were made in chapter five

# CHAPTER TWO

# REVIEW OF RELATED LITERATURE

**Introduction**

This chapter reveals existing body of knowledge in the field of interpersonal relations and culture. The chapter is divided into four sections. The first section looks at interpersonal relations in organisation, its definition and factors that affect the way people relate to one another in organisations. Section two reviews existing literature on culture, its definitions, features and dimensions. Section three considers the notion of diversity in the workplace and the factors that have led to the phenomenon of an increasingly diverse workforce. The final section focuses on relationship development across cultures. It looks at how relationships are developed in different cultures around the world and some factors that are considered important when it comes to developing business relationships in different cultures.

**Interpersonal relations in multicultural organisation.**

All of us are different. Nature and nurture influence people differently. We all have come from different cultures, traditions, environments, societies or communities, climate etc. These differences make people view phenomena in their own perspective. Therefore in any organisation, there are bound to be misunderstanding with other employees. This is because you may be assigned to accomplish a job with people who have different perception and understanding of things. Cohen et al (1995) attest to this fact as he believes that when two or more people get together to do a job, the outcome depends on how they get along. If they backbite, build grudges or avoid one another, they are less likely to be productive or satisfied than if they enjoy being together and are mutually supportive and appreciative of one another. Stack (2005) argues this statement out in a different angle. She believes that some form of

interpersonal conflict is necessary as it generally indicates commitment to organisational goals.

Interpersonal relations in organisations are defined as the way in which employees within an organisation feel and behave towards each other or how they get along (Moorhead & Griffins, 1999). According to M.S.G (2012), interpersonal relationship in an organisation is an association of individuals working together in the same organisation. Each individual brings to the organisation a unique set of personal background, characteristics and experiences. Individuals do not, however work in isolation. They come into contact with other employees in varieties of ways. Points of contact include managers, Team mates, co workers among others. (Moohead & Griffin ,1999) and Cohen et al (1995) asserted that interpersonal relationships occur at all levels of the organisation. Furthermore, they posit that an organisation can be thought of consisting of a network of interconnected relationships. This is so because most works either require or encourage interaction among individuals. This relationship according to the writers of the management study guide, (M.S.G., 2012) is termed professional relationship and individuals sharing this professional relationships are called colleagues. Furthermore, colleagues must share common interest and values and must come from the same background. The more a job requires two or more people to work together' the more important is the kind of relationships that develops. Interpersonal relationships help us to notice distinctions among others, in particular, their moods, temperaments, sources of motivation, intentions etc.

Different authors have come up with factors affecting interpersonal relations in organisations. Some of which are: job requirement, background factors, personal system and management style. Some form of interpersonal difficulties arises from the demands of the job. Cohen et al (1995) shared this view by affirming that a job's required activities, interaction and attitudes will have an important influence on relationships as they so directly

determine what a person does, with whom it is done, and the feelings that will be brought along. Moorhead & Griffin (1999) also came up with these questions to help expatiate on the impact of job requirement on interpersonal relations, they are, to what extent and in what ways does the job require that two or more people interact to get the work done? Are the required activities spelt out in such a way as to make it easy or difficult for the people involved to cooperate? What attitudes are required of each individual so that they will be able to work towards a common goal, resolve disagreement and share information? Furthermore the background factors which include the organisational culture dictate the general climate and ways of doing things in the organisations, and hence, the way people relate to one another within the organisation. Steele & Jenks (1977) asserted that the more open the usual interpersonal style in the organisation, the greater the likelihood of any two members to be open with interaction. Technology and layout also affect the relationship that exists between people in the organisation. Computers for instance, have been widely criticised for having adverse effect on interpersonal relationship in organisations since they drastically reduce the extent to which people interact to be able to build good relations. Another background factor affecting interpersonal relations is the reward system. There is likely to be poor relationships between employees in organisations where the reward system is not fair. This is because those who feel unfairly treated will tend to strain the relationships that exist between them.

Furthermore, Cohen et al (1995) referred to the personal system as the most important factor that affects interpersonal relations in organisations. The personal system of an individual forms the major characteristics that distinguish him from all other individuals. It is to a large extent, the underpinning feature of cultural diversity. It consists of a person's values, believe, competences and goals. Values are the basic assumptions about how things should be in a society. Husted (1999) agreed that, it is difficult to change a cultural value as such policy makers should endeavour to take into account policies that will encourage

integrity and discourage cultural features which lend themselves to corruption. Beliefs are the ideas people have about the world and how it operates. To Cohen et al (1997) goals are the future objects or events that we strive for in order to meet live challenges. In the work environment, things like promotion, challenging new projects, salary increments, etc may serve as goals for employees. These goals explain a significant part of human behaviour in organisations.

The personal system also influences a person's personality. Boon (2004) identified some personality traits as introverted or extroverted types, thinking or feeling types, sensing or intuitive, perceiving or judging types.

Extroverts are typically oriented to the outer world of people and things, whereas introverts are oriented towards their inner world of ideas and feelings. In the work place, extroverts tend to develop relationships with people easily. They also tend to adapt to situations faster than introverts. Whereas the sensing person shows preference for facts, an intuitive person finds appeal in and enjoys vivid imagery. Words such as sensible, down to earth and practical will be used to describe a sensing person, whereas imaginative, innovative and ingenious will be used to describe an intuitive person. The thinking – feeling dimension encompasses the basis for people's decision making in life. While thinkers like to decide things logically and objectively, feelers base their decision on more subjective grounds. Perceivers want to be flexible in life, always wanting life to be in the pending, gathering data and in a flexible mood. Judgers, on the other hand, prefer to be settled, decided and fixed. They, unlike perceivers, prefer organising and controlling events of the outside world whereas the latter are primarily interested in observing and understanding events. He further observed that the national culture shapes the personality of its people and that a society characterised by strong uncertainty avoidance would have relatively more judging types in the population than perceivers.

Matlay (1999) in his article 'Employee relations in small firms – a micro business perspective' mentioned management styles as another factor affecting interpersonal relationships in organisations. His article is a three year comparative study of employee relations in small, medium –size and large organisations in Britain. In it he identifies, records and analyses the nature and extent of employee relations in micro- businesses. From the study, he concluded that close scrutiny of employee relations in micro-businesses that were managed informally highlighted a number of important issues, some of which are discussed below:

Typically, recruitment procedures in this type of firm involved the use of an owner/manager personal network, which could comprise family members, friends, relatives, neighbours, associates as well as existing or former employees. Occasionally, suppliers and customers would give useful information regarding suitably qualified or experienced individuals. Informality dominated the training and human resource development strategies of these micro businesses. Current and future training needs were evaluated informally, mainly on the basis of personal perception or expectation. These respondents also adopted an informal approach to salary bargaining. In these types of firms, employees could approach the owner or manager individually to try to negotiate pay rises or new 'piece rate'. These owners or managers resorted to informal discussions or meetings in order to resolve work related grievances. The informality inherent in their management styles resulted in amicable solutions to difficult work related situations. Similarly, they prefer informal dismissal and termination procedures and claimed that they managed to remain on good terms with most of their former employees. Predictably, these owners or managers claimed that their approach was most conducive to good relationships and improved communication at the work place.

According to Abnory (2009) the success of any organisation ultimately depends upon the efforts of human beings; hence all organisations also depend on the successful

management of the people. Failure to take cognisance of human behaviour and attitude will definitely make management ineffective. Human relations approach to management emphasises the important role that individuals play in determining the success or failure of an organisation. Cole (1993) has suggested that the term human relations can be synonymous with employees' relations. When this happens, the term can be used to describe the regulation of management-employee relations. As management can simply be said to be getting things done trough people , it therefore means that human relations in business is a vital discipline. Without a well constructed human relation, work in an organisation cannot go on smoothly and the establishment would find it difficult to achieve its objectives. Managerial activities will go off if proper human relations are not established.

Abnory (2003) admitted that in all spheres of life and human endeavour, be it commerce, education or church, we are bound to meet people and interact with them. To be able to achieve the intended objective there must be good human relation among all parties concerned. Human relations therefore can be defined as a study of how people interact with each other in the organisation, institution or community. The main aim of improving good human relations is to achieve the goals of the organisation in a harmonious and conducive environment. Employee relationships need to be the prime aim in all organisations. Since human beings are from different backgrounds and ethnic groups, their relationships are sometimes characterised with squabbles. These differences normally occur between management and workers. On the part of management and workers, these squabbles are as a result of management's excessive concern for profit maximisation and expansion vi-a-vie workers agitation for increases in wages, salaries or allowances.

The scope of human relation does not only cover managers and subordinates. It also embodies relationship between manager and supervisor on either the vertical or horizontal lines, between supervisor and foreman, or among shop - floor employees. Problems occur

when people tend to disregard each other's views. Good human relations among employees can be improved if people who have certain favourable qualities are recruited. A person with identifiable human relations deficiencies and inadequacies, like negative dispositions and unpleasant impressions when recruited to fill a human resource management vacancy, will surely fail since his innate behaviour will create unacceptable human relations in the organisations.

Good human relationships in organisations do not only benefit the people in the institution but goes a long way to give good image, good will and reputation to the institution This can be achieved only when there exists positive attributes of human relations such as understanding, respect, love, tolerance and constructive criticism among workers and management. Hence good listening, unity and understanding will always enhance strength and progress.

To foster employee relations in organisations, line managers must be aware of personnel function in relation to employee relations. Human relations are said to be positive when employees think highly of their jobs and are co-operative and eager to get work done. This leads to efficiency of the work force.

Abnory (2003) discussed five bases for good human relations in organisations.

1. He states that recognition and status are of prime importance to most people. In view of this, for good human relations to be achieved, people should be given the opportunity to express themselves. Titles, recognition and accomplishment appeal to people because they want to feel important.

2. Psychologically there are differences among people and to create good human relations, these need to be realised and managed. People do not have the same desires, goals and interests. It is therefore important to understand the makeup and sensitivity of employees in order to come up with good human relations.

3.  Arguments do not settle differences but rather broadens the original differences. The winner of an argument feels great but nothing is won and the looser is never convinced of the view point of the winner. Dispassionate discussions among employees should be encouraged.

4.  Human beings are usually quite sentimental about their emotions and experiences. A manager who disregards the sentiments of employees will not create a good human relations environment in his organisation. Employees should also learn to know the deep feelings of their fellow employees and not look down on them no matter their status, ethnicity or religious background in the organisation. Words that demean other employees should be avoided.

5.  Each individual should be given a chance to express and decide for him or herself. Domineering mechanisms will surely promote poor relations. There should be a chance for free expressions and a positive role in decision – making.

**Culture**

Although culture has become part of management terminology, no consensus has emerged to give clear definition to the term 'culture'. Comprehensive anthropological studies reaching back more than a century have only narrowed the field to cover only 160 definitions (Holt, 1998). Kuada (1994) agreed with this position by asserting that the concept of culture which has now gained an established position in management literature, having its origin in anthropology and sociology is still subjected to definitional variations, with definitions depending on the theoretical preferences of the users. For the purposes of this study, the following definitions have been adopted from the literature:

Kuada & Chachah (1999) defined culture as the relationship existing between people within a given community as well as between them and their environment. These relationship

they continue, are based on shared assumption that develop over time to solve problems that people face as social units and in their adoption to the physical environmental demands. Similarly Crappo (2002) asserted that culture 'is a learned system of beliefs, customs, feelings and rules for living, around which a group of people organise their lives. Consequently, Cohen (1995) views culture as a person's environment of human created beliefs, customs, knowledge and practices. Furthermore The Cambridge international Dictionary of English (2002) posits that culture is the way of life, especially, general customs and beliefs of particular groups of people at a particular time. Holt (1998) defined culture as everything people have, think and do as members of their society.

The definition of culture that is considered relevant to this study is the one given by Hofstede (1980) and adopted by Griffith, Da, Hu, Ryans & J.K jnr, (2000) in their research on the topic ' Process standardisation across intra- cultural and inter- cultural relationships'. He defined culture as the homogeneity of characteristics that separates one human group from the other.

From the gamut of definitions given to the concept of culture, it is evident that it is a difficult subject to deal with. This study will therefore not be concerned with the variations since they have little influence on the different variations that exist among the different cultural groups.

**Common features of culture**

In spite of the definitional variations of the term 'culture', all the definitions reveal similar, if not the same, features of cultures as given by Kuada (1994) in his book 'Managerial behaviour in Ghana and Kenya – A cultural concept'. To him the common features of culture as per the definitions are relationship culture, cultural concept of value and culture as a collective phenomenon.

Culture defines the relationship between people in a given community as well as between them and their environment. To him, therefore, it is important to study culture relationally, giving attention to the multiple interconnections between the different cultural groups. Hofstede (1980) grouped these into six namely: power distance, uncertainty avoidance, individualism, collectivism, masculinity and feminity.   The assumption underlying a given culture signifies that value, that is 'the beliefs that legitimises the existence and importance of specific social structures and the kind of behaviour that transpires in social structures or in simpler terms the cultural concept of value is what defines the dos and don'ts in any society, this forms a significant foundation of a given culture. The third common feature of culture that can be discerned from the various definitions is that of Kuada (1994). He   defined culture as the body of knowledge, values and understanding underlining a given culture. It is not an individual prerogative, it is shared through the process of transmission and acquisition. Culture is therefore described as a system of socially transmitted behaviour patterns that serve to relate human communities to their environment as well as other relations among individuals.

**Classification of culture**

Kuada (1994) in establishing organisations position within a broader cultural context came up with four classes of culture. The macro or national culture refers to the culture of a country from which the workforces come from. He says it is the 'ambient of society from which the organisation's participants derive their values and fundamental guidelines of behaviour'. This type of culture shapes the expectation of members of the broader society with which the organisation interact and affects the way the organisation as a whole is run. The previous statement is similar to Ross (2000) way of thinking, he states that the national culture has some effect on the cooperate culture of an organisation. To him, some values and norms that are formed in the national culture do apply in the cooperate culture. She further sited

instances where managers of an international pharmaceutical company discovered that a major challenge in China, Korea and Taiwan was to persuade managers there to accept promotion. This was so because their cultural values were such that they do not want to compete with their peers for rewards. Abnory, 2009 gave a different meaning to the term Macro – Culture. He termed the macro culture as social culture. He further states that the people who belong to an organisation represent different cultures and this may pose unique opportunities and challenges for managers. He refers to the broad issues as multiculturalism.

The second class of culture is what Kuada (1994) refers to as the industry culture. Industry refers to the economic aspect of the country. Business organisation operates within an industrial framework made up of their immediate competitors and prospective entrants. As Kuada (1995) puts it, industry culture is therefore, the economic subset of the macro culture. It includes the values, beliefs and rules of behaviour governing economic activities in general. It is undoubtedly influenced by the macro culture. Example in a typical Moslem country like Saudi Arabia, renting a hotel room to a female who is unmarried will be considered strange and unacceptable, whereas this will be common in other countries like the US. Similarly Kelm (2012) in his book, industry versus cooperate culture argued that a company's culture is heavily impacted on the national origin of the company.

The third class is organisational culture. This refers to the set of important understanding such as norms, values, attitudes and beliefs shared by organisational members. Abnory's (2009) stated that the culture of an organisation helps the members to know what they stand for, how things are done and what is considered important. It determines the way things are done in an organisation. It is shaped among other things by the macro culture which influences the policies and actions that an organisation takes in order to attain its objectives. With regards to national culture, the term sub culture refers to sub grouping of people in a society who possess characteristics or traits that sets them apart. It is important for businesses

to consider the cultural differences within a country when examining business outcome. Lenartowics and Roth (2001) similarly believe that it is important to consider the cultural variations of businesses when considering the outcome. This was based on a data from four regional sub – cultures in Brazil. Abnory (2009) termed these sub – cultures as diversity. He states that diversity exists in a community of people when its members differ from one another along one or more important dimensions.
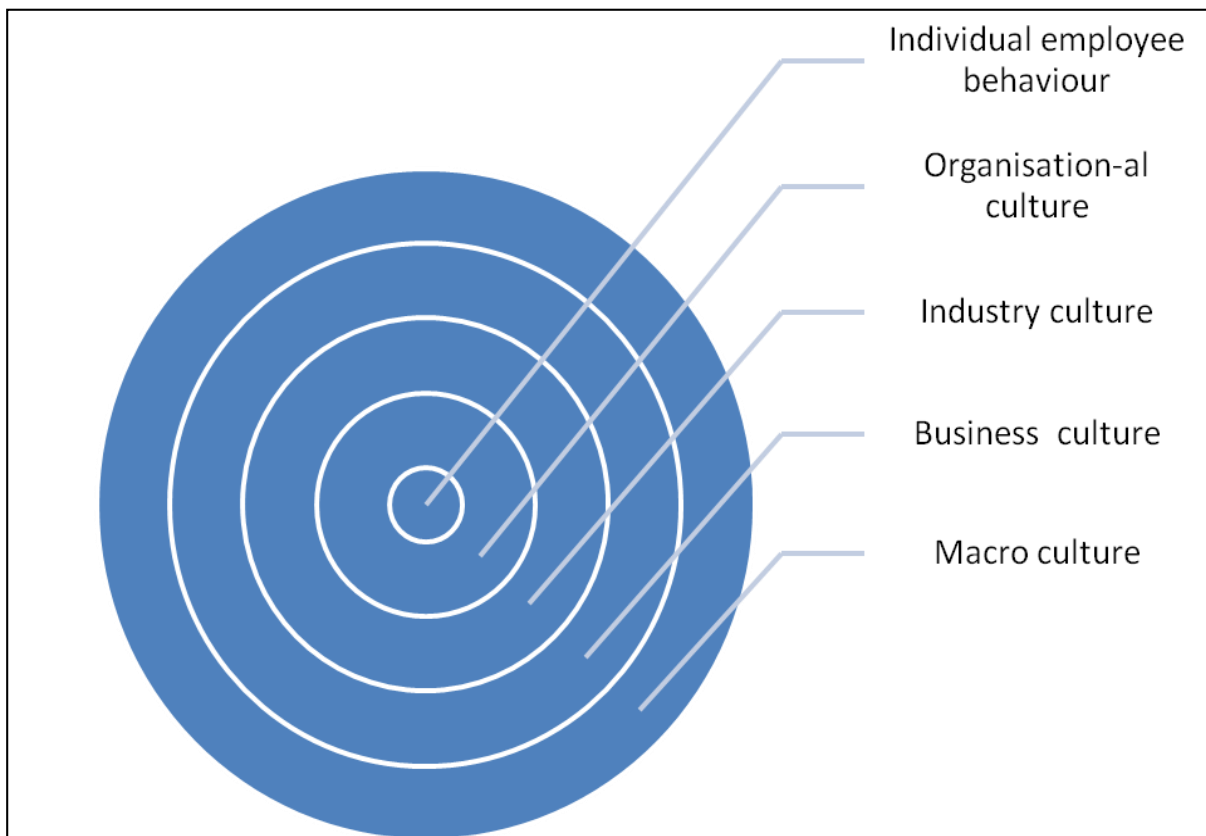


**Figure 1: The locus of sub- cultures, represented by individuals in an organisation, within the broader cultural framework.**
Source: Adopted from Kuada (1995).

Figure 1 shows how the national culture influences all the other sub cultures that exist within it, in particular, the organisational culture as well as the behaviour and hence the interpersonal relations between people within the organisation.

The behaviour of individual employees is at the centre of the framework, surrounded by the different sub- cultures within a given macro culture. This is because the behaviour of individuals, which determine how they relate to others in their organisation, is influenced by national culture and its sub cultures as presented in the diagram above.

**Patterns of cultural differences**

Glaser (2005) in his article, resolving conflict in multicultural organisation stated that conflict arises because of the differences in values and norms of behaviour of people from different cultures. To him many people resist assimilation in order to preserve their cultural differences.

This section delves into the different element that distinguish one culture from another and which in my opinion is the basis for conflict arising from cultural diversity. In their article 'working on common cross- cultural communication challenges', Dupaw& Axner (1997) identified six fundamental patterns of cultural differences. These differences are very important in studying the impact of culture on interpersonal relations in the organisations, in that it gives an insight into how culture affects the way people relate to one another, not only in the organisations, but also wherever they may come together. These differences are discussed below:

**Different communication styles**

Successful multicultural communication is more than just dictionary translation but rather the translation must entail culturally sensitive imagery. The way people communicate varies widely between and even within cultures.

One aspect of communication style is language usage. Across cultures some words and phrases are used in different ways. For example, even in countries that share the English

language, the meaning of 'yes' varies from 'maybe', 'I'll consider it' to 'definitely so', with many shades in between.

Another major aspect of communication style is the degree of importance given to non- verbal communication. Non – verbal communication includes not only facial expressions and gestures; it also involves seating arrangement, personal distance, and sense of time. In addition, different norms regarding the appropriate degree of assertiveness in communicating can add to cultural misunderstanding. For instance, some white Americans typically consider raised voices to be a sign that a fight has begun, while some black, Jewish and Italian often feel that an increased in voice is a sign of an exciting conversation among friends. Thus a white American in an organisation may react with greater alarm to a loud discussion than an Italian employee. Addressing people varies widely within cultures. In the office for instance, whereas in countries with small power distance like the USA, a subordinate can address the superior with the first name, and no matter the age difference, titles are hardly used. In countries with large power distance, addressing an older person or a superior by the first name is considered insolent and is likely to cause human relations problems if not checked.

**Different Attitudes toward conflict**

Some cultures view conflict as a positive thing, while others view it as something to be avoided. In the US, conflict is not usually desirable; but people often are encouraged to deal directly with conflicts that do arise. In fact, face – to - face meetings customarily are recommended as the way to work through whatever problems exist. In contrast, in many eastern countries, open conflict is considered as embarrassing or demeaning; as a rule, differences are worked out quietly. A written exchange might be the favoured means to address the conflict. This assertion agrees with that made by Griffith et al (2000) in their article 'process standardization across intra- and inter – cultural relationship'. They observed

that where as in type 1 cultures (small power distance, weak uncertainty avoidance, and individualistic) members of a group were likely to use confrontation in problem solving, those in type 2 cultures (high power distance, strong uncertainty avoidance, collectivist) cultures were more likely to employ compromising and avoidance styles.

## Different approaches to completing a task

From culture to culture, there are different ways that people move towards completing tasks. Some reasons include access to resources, different judgement of the rewards with different notions of time, and varied ideas about how relationship-building and task- oriented go together. A case in point, Asian and Hispanic, which are collectivist high power distance and high uncertainty avoidance cultures tend to attach more value to developing relationships than  of a shared project and more emphasis on task completion towards the end as compared with European- American who are individualistic, low power- distance and low uncertainty avoidance. European – American tend to focus immediately on task at hand and let relationship develop as they work on task. This does not mean that people from any one of these cultural backgrounds are more or less committed to accomplishing task or value relationships more or less; it means they pursue them differently.

## Different Decision – making styles

The roles individuals play in decision- making vary widely from culture to culture. For example, in the U.S, an official assigns responsibility for a particular matter to a subordinate. In many Southern – European and Latin American countries, which tend to be high in power distance, there is a strong value placed on holding decision making responsibility to oneself. As Graeme, et al (2000) put it in their article 'Cultural influence on fluid work groups'', the dictates of high power culture mean that both authority and responsibility for leadership rest in the formally constituted hierarchy. When decisions are made by groups of people, majority rule is a common approach in the U.S. In Japan, consensus is the preferred mode.  Be aware

that individual expectations about their own roles in shaping a decision may be influenced by their own cultural frame of reference.

**Different Approaches to Knowing**

Notable difference occurs among cultural groups when it comes to epistemology- that is, the ways people come to know things. European cultures tend to consider information acquired through cognitive means, such as counting and measuring, more valid than other ways of coming to know things. Compare that to African cultures' preference for affective ways of knowing, symbolic imagery and rhythm. Asian cultures' epistemology tends to emphasise the validity of knowledge gained through striving toward transcendence (Nicholes, 1976). Different approaches to knowing could affect ways of analysing a problem or finding ways to resolve it, be it at work place or elsewhere. Whereas some people may want to do library research to understand a shared problem better and identify possible solutions, others may prefer to visit places that have experienced challenges like the one they are facing, and touch, taste and listen to what has happened elsewhere.

**Diversity in the work place**

Giving the recent spate of globalisation, the issue of diversity in the work place and its consequent implications to the field of human resource management, especially in the area of managing a multicultural workforce has become commonplace in recent publications in human resource management. It is important that employees from different cultural background are managed such that destructive conflicts resulting from cultural differences are kept to the minimum. This sub section therefore, deals with the various issues concerning diversity in the work place. These include the definition for the various terms relating to work force diversity as well as the reasons for this phenomenon. This section is important in view of the fact that cultural diversity in the workplace impacts the interpersonal relations that arise out of workforce diversity.

**Definition of key terms relating to workforce diversity**.

Workforce diversity relates to differences such as in age, gender, ethics, heritage, physical ability or disability, race, culture and sexual orientation that make up employees in an organisation. This study will only concentrate on cultural diversity in the organisation.

A multicultural organisation is the one in which employees of different backgrounds and cultures can contribute to achieve their fullest potential for the benefit of both themselves and the organisation.

Moorhead & Griffin (1999) defined a multicultural workforce as a coordinated workforce composed of members drawn from distinct or different cultures that represent the full range of multinational companies' interest and capabilities.

Multiculturalism occurs when the employee in two or more cultures interact with each other on a regular basis. In terms of organisational behaviour, there are important contrasts across cultures regarding employees' attitude, values and beliefs that influence how they will act on the job. Managers and employees in multinational organisation, therefore, need to adjust their leadership styles, communication patterns and other practises to ensure that there is a harmonious interpersonal relation in organisations.

**Reasons for workforce diversity**

Researchers such as (Cohen et al 1995;Cox 2000; Holt 1998; Kerby & Burns 2012, Moorhead & Griffin 1999) posited that five trends allow for workforce diversity in any organisations.

These include:

1  Tight job markets make it important to find the best workers and utilize them for the improvement of the organisation.

2    Also more companies are focusing their market effort on the growing buyer power in the minority markets. A diverse or segmented effort requires a marketing team that represented the markets being segmented.

3    More companies that want to expand their markets around the world takes more diverse thinking to reach global markets.

4    Companies that want to expand globally through mergers and acquisition must inevitably consolidate their operations to reduce duplication of effort and capitalise on the advantages of cross border operations. Consolidation means employees from around the world are put together in newly streamlined units. This creates a diverse workforce.

5    Cultural diversity is an important source of synergy in enhancing organisational effectiveness. More and more organisations are therefore growing to appreciate the virtues of a culturally diverse workforce although they still know little about managing it.

**Relationship development across cultures**

An individual spends about seven (7) to eight (8) hours in the work place and is practically impossible for a person to work in isolation. Some form of relationships will develop as people work. In relationships, Griffith et al (2000) sought to investigate the theoretical validity of the assertion that culture may hinder the ability to effectively standardise the process of relationship development strategy across inter- and intra – cultural relationships. The purpose of the study was to better understand how culture influences the ability of businesses to effectively establish inter and intra cultural relationships with their international partners and more importantly, whether or not the process of establishing these relationships could be standardised across different cultures. In their methodology, they used Hofstede's

cultural dimensions, arguing that these dimensions were theoretically linked to the behavioural perspective of relationship development. They added another aspect to Hofstede's cultural dimension which is cultural types. They grouped the countries into two main cultural types namely types 1 and cultural type 2. Type one are individualistic, small power distance and weak uncertainty avoidance. Countries they selected as type 1 culture are the USA and Canada. Type 2 cultures are collectivist, large power distance and strong uncertainty avoidance.

Their hypothesis was built on four parameters, namely, satisfaction, trust, commitment and conflict. They posit that these parameters formed the basis of relationship development. They tested the relationship between trust and commitment, commitment and conflict, commitment and satisfaction and conflict and satisfaction among two cultural types, first, inter culturally and then intra culturally.

From their research, they came out with the finding that standardised process for relationship building could be used inter- culturally, that is to say, in countries of the same cultural types, for instance Mexico and Chile, or USA and Canada. However, different relationship building process could not be used intra- culturally, that is, in countries with different cultures, for instance, USA and in Chile.

Acquah (2005) in her research on culture diversity and employee interrelationships sought to identify the impact of culture on relationships in organisations. Her hypothesis was built on the premise that, ''the higher the level of cultural diversity in an organisation, the less harmonious the interpersonal relationship that will exist among workers and effective management of cultural diversity will improve interpersonal relationships in organisations. From the research, she came up with the findings that her two hypothesis were valid and that culture had influence on interpersonal relationships in multicultural organisation. The reasons were that since those from the same culture spoke the same language they tended to relate

better because they better understood each other's behaviours and as such were more tolerant of each other and saw themselves as one people. She further observed that some of the influences that culture had on interpersonal relationship was the emergence of informal groups in multicultural organisations (Those who spoke the same language tend to cluster together).

**Summary**

This chapter has reviewed literature on interpersonal relationship in organisation and culture respectively. It is evident that a lot of factors influence interpersonal relationships. Little attention however was paid on culture. This view informs the objectives and formulation of the research questions in chapter one.

# CHAPTER THREE

## METHODOLOGY

### Introduction

Issues included profile of the study area, research design, sources of data, target population, sample size and sampling procedure, research instrument, data collection procedure, pretesting, ethical issues and data processing and analysis.

### Profile of the study area

The Western Region covers an area of approximately 21,391 square kilometers, which is about 10 per cent of Ghana's total land area. The region has about 75 per cent of its vegetation within the high forest zone of Ghana, and lies in the equatorial climatic zone that is characterised by moderate temperatures. It is also the wettest part of Ghana with an average rainfall of 1,600mm per annum. It is bordered on the east by the Central Region, to the west by the Ivory Coast (Cote D'Ivoire), to the north by Ashanti and Brong-Ahafo Regions, and to the south by the Gulf of Guinea. The southernmost part of Ghana lies in the region, at Cape Three Points near Busua, in the Ahanta West District. Sekondi-Takoradi which is also called the twin city is the capital of the Western Region. There is a vast range of economic activities in this metropolis. The financial institutions, hospitality industries, the ports, the airlines and most recently supporting companies to the oil industry are but a few of the organisations. This gave the researcher the flexibility of choice of company.

**Research design**

The study used a cross sectional research design. Cross sectional studies form a class of research methods that involved observation of all the population or a representative subset only once at a defined time. This design is appropriate because of the large sample size the researcher intends to use and the fact that the researcher used representatives from the population and made generalisations.

**Sources of data**

Data were gathered from two main sources; the secondary and primary data. Primary data were responses from employees of multicultural organisations using questionnaires. Secondary sources of information included published and unpublished articles from the internet, journals and books.

**Target population**

The target population of the study comprised employees of multinational companies in the Western Region of Ghana. These included oil companies, the shipping agencies, the airline agencies, the hospitality industries, the banks and NGOs. These organisations have foreign and local employees which gave the researcher the needed respondents for the study.

**Sample and sampling procedure**

The total number of respondents the researcher used is 121 respondents. The factors that informed the selection of the organisation included proximity and the nationality of workers in the organisations. Given that the estimated sample size, and the information

needed were from a varied number of people in the organisation, the convenience sampling technique was used in collecting data.

The main criterion for choosing respondent was on availability basis. That is to say the researcher went to organisations with the aim of selecting respondents who were available to fill questionnaires. Twenty organisations were used in the study. At most eight employees were chosen from each of the organisation used in the study. In situations where less than five employees agree to respond to the questionnaires, all of them were selected as respondents. On the contrary where the respondents in an organisation were more than ten, the researcher groups employees into two, Africans and Non Africans, then assign numbers to members in each group. The researcher then selects the first four respondents from each group. The researchers personally went to the organisations and administered questionnaires.

**Research instruments**

Questionnaire was the main instrument for data collection for the study. The questionnaire was divided into four main parts. The first part ascertained the background of respondents. Questions asked included nationality, ethnicity and position occupied at work. The second part verified from respondents 'the variety of people 'in terms of nationality and ethnicity with whom they work in their organisation. The third part collected data on how employees from different nationalities and ethnic groups related to each other in their work environment. The section 'a' of this part was based specifically on their relationship when they had to work together on the same job or office. Questions included whether employees were comfortable to seek assistance from employees of different ethnic group or nationality and respondent gave reasons for their answer. This part also aimed at studying the interpersonal relationship among colleagues of different nationality and ethnic groups outside the work situation. For instance the employees they easily go to for help when faced with

problems, whether their best friends were employees from the same nationality or ethnicity etc. This was done to ascertain the extent to which national or ethnical differences affected interpersonal relationship in organisations. Section 'b' of this part aimed at studying how conflicts were resolved in multinational organisation and whether the conflict resolution mechanisms in the organisations were efficient enough to resolve conflict. Section 'c' this section ascertained the impact of conflict on performance and section 'd' of this part studied the causes of conflicts in multicultural organisations it also sought to ascertain whether cultural differences among employees posed peculiar problems in organisations.

In the final part, respondents answered 'yes' or 'no' questions and  further went on to give reasons for their answers. This part is aimed soliciting the views of respondents on the importance or other wise of having a culturally diverse workforce as well as the effects of conflicts on performance in an organisation.

**Pre-testing of data collection instrument**

In other to minimise possible errors, the data collection instrument was pretested in an organisation which was not included in the main research. For reliability, the procedure the researcher adopted to collect data from respondents in the research was used as a pre-test. Any error or ambiguity that was detected was noted and corrected. The researcher also took note of items in the questionnaires that may fail to elicit the response needed to achieve the stated objectives. These items was checked and rephrased.

**Data collection procedure**

The researcher personally went to the organisations and administered questionnaires. The researcher called organisations involved and booked appointment with managers where necessary. The researcher went to the organisations based on the appointment dates given, introduced herself to managers and gave a brief overview of the research topic and benefits to the organisation. When allowed to proceed on the research, the researcher explained items in

the questionnaires that seemed ambiguous to some respondents. Questionnaires were administered to the selected employees and collected on a scheduled date. However, 108 out of the 121 questionnaires were retrieved, representing a response rate of 89%.

**Ethical issues**

Organisations and individual employees were assured of anonymity and confidentiality so that selected respondents answered questions objectively without fear of victimisation. This was achieved by eliminating names of respondent from the questionnaires. Their personal data only included their sex, age, and country of origin. This concealed the identification of the respondents as much as possible.

**Data processing and analysis**

Collected questionnaires were coded and the data entered in the Statistical Package for Service Solution (SPSS). The data was analysed using frequencies and cross tabulation, to provide information for the generalisation of findings.

# CHAPTER FOUR

## RESULTS AND DISCUSSION

**Introduction**

The main objective of this study was to investigate the impact of cultural diversity on interpersonal relations in organisations and hence performance. This chapter therefore presents the results and discussion of the study under the following sub- headings: socio-demographic characteristic of respondents; cultural diversity in Ghanaian organisations; nature of interpersonal relationships among employees; causes of conflict in multicultural organisation; efficiency of conflict resolution mechanisms in multicultural organisation; and impact of conflict on performance.

**Socio – demographic characteristics of respondents**

The socio-demographic characteristics included in the research are: the employees' age, sex and position held in the organisation. Table 1 reveals that out of the 108 respondents, 64 of them were between the ages 20 and 39. This implies that the majority of workers are quite young. The obvious reason could be that most companies employ people at younger age because they are perceived to have younger minds and are able to deliver. When younger people are employed they are likely to stay for a longer period than the elderly.

**Table 1: Age of Respondents**

| Age | Frequency | Percent |
|---|---|---|
| 20 – 29 | 34 | 31.49 |
| 30 - 39 | 34 | 31.49 |
| 40 - 40 | 29 | 26.85 |
| 50 – 59 | 10 | 9.25 |
| Non response | 1 | 0.92 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

Table 2 shows that the majority (59.3%) of the employees interviewed were males. The reason for the imbalance in the sex distribution could be attributed to the fact that, in Ghana, the majority of women lacked formal education and hence formal employment.

**Table 2:  Sex of Employees**

| Sex | Frequency | Percent |
|---|---|---|
| Male | 64 | 59.3 |
| Female | 44 | 40.7 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

In Table 3, the positions of respondents are as follows. Employees in the senior level were 16.7%, those at the middle level 62% and senior staff formed 21.3%. Middle level staff dominated the total number of respondents.

**Table 3: Position of Respondents:**

| Position | Frequency | Percent |
|---|---|---|
| Senior level | 18 | 16.7 |
| Middle level | 67 | 62.0 |
| Junior  level | 23 | 21.3 |
| Total | 108 | 100.0 |

Source Fieldwork, 2011

Table 4 shows that at the senior levels, there are 14 males and 4 females, at the middle level, there are 35 males and 32 females whilst at the junior level, and there are 15 males and 8 females. The male respondents dominated all the three different levels of management the researcher sampled. This is obvious because the males dominated the total number of respondents (infer from Table 3).

**Table 4: Sex and Position of Respondents**

| | Position | | |
|---|---|---|---|
| Sex | Senior level | Middle level | Junior level |
| Male | 14 | 35 | 15 |
| Female | 4 | 32 | 8 |
| Total | 18 | 67 | 23 |

Source: Fieldwork, 2011.

**Cultural diversity in Ghanaian organisations**

This part of the study seeks to ascertain whether Ghanaian organisations are predominantly diversified in terms of culture. The investigation was in two folds. That is, to ascertain the extent of inter - cultural diversity and intra- cultural diversity in Ghanaian organisations. This investigation will serve as the basis to achieving the major objectives in

the study that seek to examine the impact of cultural diversity on interpersonal relationships among employees.

**Inter-cultural diversity in organisations**

Moorhead and Griffin (1999) defined a multicultural workforce as a coordinated workforce composed of members drawn from distinct or different cultures that represent the full range of multinational companies' interest and capabilities. Inter-cultural diversity in an organisation refers to the situation where there are employees of different nationalities working together in that organisation. This can also be called a global or Trans -national organisation.

To be able to ascertain how culturally diverse Ghanaian organisations were, the study posed some questions, the responses of which were analysed using tables.

As Table 5 reveals, Ghanaian organisations are, to a large extent, inter culturally diverse taking inference from Moorhead's and Griffin's (1999) definition of a multicultural organisation. Of the 108 respondent, 81 representing 75% worked in organisations that engaged employees from different countries. This finding supports the assertion of Holt (1998) that given the recent spate of globalisation and the effort of most countries especially the developed ones to exploit new markets in developing countries like Ghana, companies throughout the world will tend to have more and more diverse work force. The presence of a highly inter culturally diverse workforce in Ghanaian organisations could be a result of the move by the Ghanaian government to attract more foreign investors into the country, as well as the divestiture programmes undertaken by the government in a bid to increase foreign private participation in Ghanaian businesses. The recent oil find in the Western Region has also given rise to an influx of oil companies, service providers for the oil companies, financial institutions etc. These organisations are predominantly managed by foreigners.

**Table 5: Work with people from different nationalities**

| Response | Frequency | Percentage |
|----------|-----------|------------|
| Yes | 81 | 75.0 |
| No | 27 | 25.0 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

   Table 6 further justifies the claim that some Ghanaian organisations are multicultural in nature. Apart from Ghanaians who are the highest (47.22%) nationalities, there are employees coming from America (11.11%), Britain (10.63%), Lebanon (8.33%), China and India (7.41% each), Nigeria (4.63%) and France (3.70%).

**Table 6: Nationalities of Employee in Organisations**

| Nationality | Frequency | Percentage |
|-------------|-----------|------------|
| Ghanaian | 51 | 47.22 |
| French | 4 | 3.70 |
| Nigerian | 5 | 4.63 |
| British | 11 | 10.19 |
| Chinese | 8 | 7.41 |
| Indian | 8 | 7.41 |
| Lebanese | 9 | 8.33 |
| American | 12 | 11.11 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

**Intra – Cultural diversity in organisations**

The study also sought to find out the extent to which the different ethnic groups were represented in the different organisation. The study was interested in the different ethnic groups because each group has its unique way of 'doing things'. Employees who work in a purely Ghanaian organisation also have the challenge of coping with the cultural differences that each colleague brings into the organisation.

All the respondents worked with people from different cultural backgrounds. The main reason for this is that every individual identifies him or herself to a particular ethnic group. These employees come together to form the human resource in the organisation. Multinational organisations in Ghana, apart from being faced with the issue of inter- cultural differences (i.e. Employees from different nationalities), has the added responsibility of dealing with intra- cultural (different ethnic groups) differences as well.

From Table 7, the major ethnic groups – Ewe, Akan, Northners (including Mole/Dagbani, Gruni and Dagaaba) and Ga- Adangbe are all represented in all the organisations selected. The majority (53.8%) are the foreign employees who could not identify themselves with any of the Ghanaian ethnic groups listed in the questionnaire.

**Table 7: Ethnicity of Employees in Ghanaian Organisation**

| Ethnicity | Frequency | Percentage |
|---|---|---|
| Akan | 25 | 23.15 |
| Ga/Adangbe | 3 | 2.78 |
| Ewe | 10 | 9.26 Northerners |
| 11 | 10.19 Foreign Nationalities | 57 |
| 52.77 | | |
| Non response | 2 | 1.85 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011.

**Nature of interpersonal relationships in multicultural organisations**

Interpersonal relations in organisations are defined as the way in which employees within an organisation feel and behave towards each other or how they get along (Moorhead and Griffins, 1999). Humans are highly social in their behaviour. They interact with others in a variety of ways, ranging from just being together to most intimate forms of socializing. A healthy organisation is one in which an obvious effort is made to get people with different backgrounds, skills and abilities to work together towards the goal of the organisation (Bruhn, 1996). A healthy relationship existing among employees is that which is built on trust, where employees are free to share feeling with each other without fear of betrayal or prejudice. This does not, however, rule out the fact that culture comes to play in interpersonal relations when two or more employees have to work together on the same job. People are normally comfortable when relating to those they efficiently communicate both verbally and non-verbally with. The study therefore sought to explore the basis on which relationships are built in organisation and as to whether the issue of culture has any effect on how employees behave towards each other in the work environment.

From Table 8, 34 (32.5%) out of the 108 respondents agreed that given the opportunity, they will choose a work mate from the same country as them, 34.3 % disagreed with the assertion and 34.3% were passive on this issue. People were indifferent to the cultural background of people when choosing work mates. People loved to work with those they are comfortable with and not necessarily the cultural background of an employee.

Table 9 further reveals that, in contemporary Ghanaian organisations, person's cultural background (inter and intra cultural diversity) may not necessarily be an important consideration when it comes to the choice of a work mate. Secondly relating with a work

mate usually boarders around the technology employed at work, management style and the overall organisational culture at the work place rather than the cultural background of an employee. It is therefore easier to relate to an employee of a different cultural background as just a work mate than probably a close friend.  Abnory (2009) is also of the view that titles, recognition and accomplishment appeal to people because they want to feel important.

Cultural diversity is an important source of synergy in enhancing organisational effectiveness. More and more organisations are therefore growing to appreciate the virtues of a culturally diverse workforce although they still know little about managing it (Holt, 1998).

**Table 8:Responents'views on the choice of work mate from the same country**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 22 | 20.37 |
| Agree | 12 | 11.11 |
| Neither agree or disagree | 37 | 34.26 |
| Disagree | 10 | 9.26 |
| Strongly disagree | 27 | 25.0 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

Table 9 indicates that only 20 out of 108 respondents agreed to the assertion that when given the opportunity, they would choose a work mate from the same ethnic group as theirs. A majority 60 (55.6%) disagreed to this assertion. This indicates that employees do not consider the ethnicity of an employee as important variable when choosing someone to work with.

**Table 9: Respondents' views on the choice of Work Mate from the same**

**ethnic Group**

| Response | Frequency | Percent |
|---|---|---|
| Strongly agree | 13 | 12.0 |
| Agree | 7 | 6.5 |
| Neither agree nor disagree | 28 | 25.9 |
| Strongly disagree | 49 | 45.4 |
| Disagree | 11 | 10.2 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

To further probe into the nature of interpersonal relationships in these organisations the study sought to find out how far employees are willing to they relate to each other in the work place. Table 11 shows that a majority, 59, (54.63%) of employees are not comfortable discussing any personal problems and sharing moments of joy and sorrow with their colleagues at the work place. The nature of relationships among colleagues could therefore be formal and strictly official. This may be as a result of low level of trust existing among colleagues. Interpersonal relationships are adversely affected when there is low level of trust because as Williams (2010) puts it, trust is an essential prerequisite for effective interpersonal communication.

**Table 10: Respondents' views of sharing personal issues/emotional**

  **conditions with colleagues at work.**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 17 | 15.74 |
| Agree | 7 | 6.48 |
| Neither agree  nor disagree | 25 | 23.15 |
| Disagree | 43 | 39.81 |
| Strongly disagree | 16 | 14.82 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

In Table 11, colleagues will not want to discuss their personal issues with their colleagues at work. This finding supports the fact that the nature of relationships at the work place is official and strictly formal. This situation will affect the general 'climate' in the organisation and hence good interpersonal relationships. A strict and rigid organisational climate where employees only have formal relationship with each other does not enhance a positive interrelationship among employees in an organisation.

**Table 11: Respondents' view on whether they are at ease in Discussing Personal Issues with Colleagues at Work**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 9 | 8.33 |
| Agree | 20 | 18.52 |
| Neither agree nor disagree | 10 | 9.26 |
| Strongly disagree | 60 | 55.56 |
| Disagree | 9 | 8.33 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

Table 12 attests to the fact that indeed culture has a role to play in employee interrelationships. The majority (71.3%) agreed that the cultural background of the individual affects the way they relate to each other, with 13.3% disagreeing with that assertion. Thus, workers are more critical of a person's cultural background when choosing close friends in the organisation as well as team mates.

**Table 12: Respondents' view on how  Employees' Cultural Background Influence the way they Relate with each other**

| Response | Frequency | percentage |
|---|---|---|
| Yes | 77 | 71.3 |
| No | 14 | 13.0 |
| No response | 17 | 15.7 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

This fact (responses in Table 12) was made clearer when employees were asked to give reasons for their response in table 12 in an open ended question. It was revealed in this

section that most employees were not comfortable in the way their foreign counterparts approached issues and this affected interpersonal relationships. Some of the cultural issues raised include the following:

Different attitudes towards addressing conflict – Respondents (especially the Ghanaians) complained that when conflict arose between them, some of the foreign colleagues especially the Nigerians had a way of going about issues they find very uncomfortable and sometimes disgusting. Most Nigerians were fun of using open confrontation, harsh words and sometimes insults to address conflict in the organisation. This approach had an adverse impact on relationships. The Ghanaians males especially found insults like ''that is foolish'' very disgusting no matter their rank in the organisation. They therefore protect themselves by avoiding interactions with their foreign counterpart in other to prevent further confrontation.

The Nigerians on the other hand felt that their Ghanaian counterparts were too diplomatic in confronting conflicts in the organisation as commented by one Nigerian that "*Ghanaians are afraid to call a spade a spade'*". Some bosses from other cultural backgrounds also prefer face-to-face confrontation whilst others preferred a written exchange. This had consequent effect on boss - subordinate relationship depending on their respective cultural background. This finding is in conformity with that of Griffith et al (2000) who observed that small power distance, weak uncertainty avoidance and individualistic cultures are likely to use confrontation in problem solving whilst high power distance, strong uncertainty avoidance and collectivist cultures were more likely to employ compromising and avoidance styles.

From the assertions made so far it can be deduced that the nature of interpersonal relationships in multicultural organisation is most often based on official lines; employees are not ready to go any further than that probably due to lack of trust among them. Although

respondent did not explicitly state that culture had influence on interpersonal relationships, it was implied in instances when respondents were given the chance to give their own comments. Culture especially intra-cultural diversity has effect on relationships in a multicultural organisation.

**Major causes of conflict in multicultural organisation**

The conflicts that arise in workplaces may be shaped by the unique aspect of the environment, including long hours, the hierarchical structure of the organisation, cultural background of workers etc. As Cohen et al. (1992) put it, whenever two people get together to do jobs, the outcome depends on how they get along. If they backbite, build grudges or avoid one another, they are less likely to be productive or develop than if they enjoy being together at the workplace. There is the need for cordial relationships at the work place among workers to enable them develop the feeling of belongingness. Cultural conflict arises because of the differences in values and norms of behaviour of people from different cultures (Williams, 2005).

To ascertain this from the employees in the various multicultural organisations, the researcher asked direct questions to probe if the main cause of conflict could be as a result of cultural difference. The results are presented in Table 14.

As depicted in Table 13, only 7% agreed whilst 71% disagreed to the statement that they are more likely to have conflict with colleagues from different cultural background. The analysis indicates that the ethnic background of a colleague is not the only 'ingredient' for conflict ensuing among workers. Personal traits, values, and believe system which may be shaped by the individuals experiences in life, religion, family status among others could be a fertile ground for breeding conflicts. This supports the cultural framework adopted by Kuada (1995). He asserted that the individuals in the organisation, apart from the national culture,

possess characteristics or traits that set them apart. He called these sub – cultures. Another plausible point for consideration is that employing people from different cultural background may enhance employee relationship more than causing conflict in the organisation. This could be because when employees from different cultural background come together, they concentrate on the work more and do not expect any extraordinary favour from colleagues. Since their expectations are low, they accept situations as they are and work their best to maintain relationships especially with their bosses.

**Table 13: Respondents' view on the ethnicity of colleagues they usually have conflict with**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly Agree | 4 | 3.7 |
| Agree | 3 | 2.8 |
| Neither agree nor disagree | 30 | 27.8 |
| Disagree | 47 | 43.5 |
| Strongly disagree | 24 | 22.2 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

In table 14 employees agree that there will still be conflict if employees are from the same cultural background. The majority of respondent disagreed to the statement that when employees are from the same cultural background, there will not be conflict. This result is in conformity with that of (Cohen et al 1998; Holt1998; Kuada 1995 Moorhead and Griffin 1999) who agreed that cultural diversity is an important source of synergy in enhancing organisational effectiveness.

**Table 14: Respondents' view on the fact that There will not be Conflict if Employees had the same Cultural Background**

| Response | Frequency | Percent |
|---|---|---|
| Strongly agree | 4 | 3.7 |
| Agree | 8 | 7.4 |
| Neither agree nor disagree | 22 | 20.4 |
| Disagree | 31 | 28.7 |
| Strongly disagree | 43 | 39.8 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

The study further explored other cultural variables that may cause conflict in organisations and the results are presented in Tables 15, 16 and 17.

As indicated in Table 15 communication is a major problem facing multicultural organisations in Ghana. A majority 81 (75.0%) of the respondent believe that they cannot communicate efficiently with employees from a different cultural background. This agrees with Dupaw and Axner (1997) who believe that the way people communicate varies widely between and even within cultures. One aspect of communication style is language usage. Across cultures some words and phrases are used in different ways. For example, even in countries that share the English language, the meaning of 'yes' varies from 'maybe', 'I'll consider it' to 'definitely so', with many shades in between.

**Table 15: Respondents' view on whether communicating with employees from Different Cultural Background is difficult**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 53 | 49.1 |
| Agree | 28 | 25.9 |
| Neither agree nor disagree | 15 | 13.9 |
| Strongly disagree | 8 | 7.4 |
| Disagree | 4 | 3.7 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

Another major aspect of communication style is the degree of importance given to non-verbal communication. Non – verbal communication includes not only facial expressions and gestures; it also involves seating arrangement, personal distance, and sense of time. In addition, different norms regarding the appropriate degree of assertiveness in communication can add to cultural misunderstanding. Some of the problems respondents encounter in relation to communication is discussed below:

1  The culture of greetings was different depending on an employee's cultural background. Employees form the French speaking countries commented that they had problems with the way other people greet them at work and vice- versa. According to them, they found giving pecks on both cheeks more appropriate to the shaking of hands. To them blowing pecks on both cheeks was just a sign of friendship. The opposite was true for employees from the African countries that view pecks or kisses on the cheeks as reserved for intimate relationships. A Ghanaian lady secretary commented that his boss was fond of kissing her on both cheeks each morning. That made her shy and uncomfortable. She believed it was a form sexual advance from

him. This situation has led to a strain in relationship between her and the boss. Some Americans also revealed they had problems greeting and waiting for a response form a co worker. They believed in greeting without necessarily waiting for a reply or response. To them 'hello', 'hi' and 'how are you? is more of a routine activity than rituals like kissing on both cheeks, pecking or hand shake which tend to waste time. This situation had adverse effect on the relationships.

2   Secondly, respondents commented on how the tone of coworkers or bosses' voice meant to them depending on their country of origin. Nigerians for instance were not offended by a raised tone and would not mind shouting the name of a colleague or even their bosses across a distance, others from a different cultural background see that as very offensive. Whilst most African employees (junior management) will like to sit during breaks and chat without consideration to an increased tone, their foreign bosses found that offensive and usually confronted them about it. They comment that a friendly conversation should be done undertone. The subordinates on the other hand found nothing wrong with that. A statement like '*even common conversation during break offended our bosses'* were made. This is in support to Griffin (1995) who states that different norms regarding the appropriate degree of assertiveness in communication can add to cultural misunderstanding. Some white Americans consider raised voices as a sign that a fight has begun whilst others believe that it is a sign of exciting conversation among friends.

3   Thirdly some of the employees from different cultural background had problems when a counterpart came to sit facing him or her during break period and makes eye contact. To them that amounted to some sort of sexual harassment. This agrees with Dupaw and Axner (1997) who believe that the way people communicate varies widely between and even within cultures.  Non – verbal communication includes not

only facial expressions and gestures; it also involves seating arrangement, personal distance, and sense of time.

It can be deduced from this assertion that when colleagues are uncomfortable communicating with employees of different cultural background, then, the obvious alternative will be to befriend those from the same cultural backgrounds with whom they can understand better and are more comfortable communicating with. This situation may lead to the formation of cliques in the organisation. These informal groupings when left to grow will drain the trust from the larger organisation by fostering a culture of exclusivity. This is because the members of a particular clique enjoy some kind of informal support which may allow them to poke fun or do things to the disadvantage of the outsiders. This situation directly creates disharmony and hence cause serious conflict in the organisation and if left unattended to can lead to the total failure of the organisation.

From Table 16, a majority 76 of 108 respondents disagree with the assertion that they get angrier when employees from other cultures offend them. This indicates that expressing emotions like anger which leads to conflict is not dependent on an employee's cultural background.

**Table 16:** **Respondents' view on whether they get angrier when a Colleague from a different Cultural Background offends them**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 3 | 2.78 |
| Agree | 8 | 7.41 |
| Neither agree nor Disagree | 21 | 19.44 |
| Disagree | 48 | 44.44 |
| Strongly Disagree | 28 | 25.93 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

Forgiveness is a virtue needed to resolve conflict effectively. As in table 18, majority of respondent (81.4%) disagree with the statement that they easily forgive colleagues from the same cultural background who offend them. Respondents are able to forgive colleagues who offend them no matter their cultural affiliation. In sum, communication can be cited as the major source of conflict in multicultural organisation.

**Table 17: Respondents' view on whether they are able to Easily forgive Colleagues of the same Ethnic Group who offends them**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 5 | 4.6 |
| Agree | 1 | 0.9 |
| Neither agree or disagree | 14 | 13.0 |
| Disagree | 52 | 48.1 |
| Strongly disagree | 36 | 33.3 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

**Efficiency of conflict resolution mechanism in multicultural organisations**

Conflict is a natural element of any organisation and more if it is a democratic organisation where independent thinking is encouraged. The acknowledgement of the existence of conflict underscores the importance of conflict management (Vij, 2010). For any conflict to be resolved well, the conflict resolution mechanisms in the organisations must be efficient. For the lack of time and other resources, researcher definition of efficiency was limited to speed, documentation, and how fair employees are treated when they use these conflict resolution mechanisms.

Table 19 reveals that 73.1% of the respondents in the multicultural organisations affirm that they have a well-documented conflict resolution channels in their organisations. This shows that such organisations take the issue of conflict resolution seriously and are aware of the dangers unresolved conflict may pose to the effectiveness of the organisations.

**Table 18: Respondents' view on whether their organisation has a**
**Documented way of Resolving Conflict**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 14 | 13.0 |
| Agree | 58 | 53.7 |
| Neither agree nor disagree | 24 | 22.2 |
| Disagree | 3 | 2.8 |
| Strongly disagree | 9 | 8.3 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

Slightly more than half (53.71%) of the respondents agree that they are treated fairly when they use the resolutions mechanisms in their organisations (Table 20). Employees' acknowledgement of effective conflict resolution mechanisms in their work place is an indication that they will be more comfortable to channel their grievances through such mechanisms in their organisation than taking informal measures to resolving conflicts.

**Table 19: Respondents' views on whether they are fairly treated when they use the conflict resolution mechanism in the organisation**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 8 | 7.41 |
| Agree | 50 | 46.30 |
| Neither agree nor disagree | 33 | 30.55 |
| Disagree | 11 | 10.19 |
| Strongly disagree | 6 | 5.55 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

As indicated in Table 20, about 47% agree that the conflict resolution mechanism in their organisation is not time consuming. This indirectly shows that employees will be motivated to use the conflict resolution mechanisms in their organisation. 25.0% agree that they will not want to use this mechanism because they feel it will waste their time and 27.8 % are passive on the issue. Though it is encouraging to note that majority will use the conflict resolution mechanisms in their organisation, the rest who are passive and those who disagree are more than half of the total respondents for the study and that those employees are more likely to resort to other means of resolving conflict among them which could be disastrous to the success of the organisation.

**Table 20: Respondents' views on whether the conflict resolution mechanism is time consuming**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 10 | 9.3 |
| Agree | 17 | 15.7 |
| Neither agree nor disagree | 30 | 27.8 |
| Disagree | 40 | 37.0 |
| Strongly disagree | 11 | 10.2 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

**Effects of conflict on employee performance**

As Griffin and Moorhead (1995) put it, the extent to which a job requires that two or more people work together influences the extent of interpersonal relations that develop between them. This is because for work to be completed on time and at a faster rate, the relationship among the workers should be cordial and as much as possible devoid of destructive conflicts. Subsequently, the study sought to ascertain the impact of conflict on performance.

Table 21 reveals that most workers will do their best in a conflict free working environment. About 81% of the respondents agreed that they will not be able to put out their best in situations where there is conflict among workers. This revelation confirms the view of Cohen et al (1995) who state that job's required activities, interaction and attitudes will have an important role to play on relationships as they so directly determine what a person does, with whom it is done and what feeling will be brought along.

**Table 21: Respondents view on the fact that they work efficiently in a**

**Conflict Free Environment**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 49 | 45.4 |
| Agree | 38 | 35.2 |
| Neither agree or disagree | 1 | 0.9 |
| Disagree | 19 | 17.6 |
| Strongly disagree | 1 | 0.9 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

Table 22 gives a different view on the impact of conflict in organisations in that 69.44% agree that they will be careful with their jobs when there is conflict between them and their bosses. This shows that some form of conflict in organisation is positive and can enhance performance. This supports the statement made by Vij (2010) who states that conflict is not unnecessarily unhealthy, but energy consumed by all kinds of conflicts ought to be channelled for furthering the organisational objectives. Successful organisations generally deal with conflict in a positive, proactive manner. Superior conflict management skills can develop into a core competence, enabling organisations to gain a continuing competitive advantage in its industry. If operating units focus their response to internal conflicts towards finding creative, productive solutions, the organisation will function at an accelerated level of efficiency (Kahn, 2003).

**Table 22: Respondents are Careful in executing their duties when there is**

**Conflict between them and their Boss**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 19 | 17.59 |
| Agree | 56 | 51.85 |
| Neither agree nor disagree | 12 | 11.11 |
| Disagree | 11 | 10.19 |
| Strongly disagree | 10 | 9.26 |
| Total | 108 | 100.0 |

Source: Fieldwork, 2011

However, as shown in Table 23, 77.8% (84 out of 108) of the respondents disagreed with the statement that conflict has a positive impact on their performance at work. Most of them believe that conflict is detrimental to organisational performance.

**Table 23: Respondents' views on the fact that conflict has a Positive**

**Impact on Performance**

| Response | Frequency | Percentage |
|---|---|---|
| Strongly agree | 11 | 10.2 |
| Agree | 4 | 3.7 |
| Neither agree nor disagree | 9 | 8.3 |
| Disagree | 50 | 46.3 |
| Strongly disagree | 34 | 31.5 |
| Response | 108 | 100.0 |

Source: Fieldwork, 2011

Inferring from the discussion on the effect of conflict on employee performance, it can be deduced that conflict among colleagues (horizontal relationships) has some negative effects on job performance whereas conflict between bosses and subordinates (vertical

relationships) can have some positive impact on performance. The effects of conflict in an organisation can therefore have both positive and negative effect on employee performance.

**Ways of improving interpersonal relationships in organisations**

Knowing the effects of conflict on an organisation, respondents were asked to suggest ways of improving interpersonal relationships in their organisations. The following is a summary of the suggestions they made.

1. Bosses should seek the views of employees before implementing policies that concern them.

2. Employers should be fair to all no matter the cultural or religious affiliations of employees.

3. Employees should respect each other's views and suggestion.

4. There should be a forum, other than the conflict resolution channels, to air views on matters relating to employees.

5. Employers should be flexible with rules and regulation in the organisation to avoid unnecessary tensions which generate strives among employers.

6. Promotions, prizes and recommendations should be strictly based on output and nothing else.

7. Gossips and remarks that are detrimental to the personality of other employees should be avoided

8. Gestures and other non-verbal communications that seem to demean another employee should be avoided

# CHAPTER FIVE

# SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

## Introduction

This final chapter of the study presents the summary of the major findings, draws conclusions based on the findings and gives recommendations on how cultural diversity could be managed to ensure maximum organisational performance.

## Summary

The main objective of this study was to examine the effects of cultural diversity on interpersonal relationship of employees, and hence the performance of organisations. The study used a cross sectional research design which sampled 108 respondents from 20 organisations in the western region. Questionnaires were administered to the selected employees and collected on a scheduled date. However, 108 out of the 121 questionnaires were retrieved, representing a response rate of 89%.

The majority of the respondents were males between the ages of 20 and 39. All the organisations sampled are inter - culturally diversified. Apart from Ghana, employees were sampled from other countries like Lebanon, America, China, India, France and Nigeria. All the Ghanaian employees identified themselves with one of the major ethnic groups in Ghana.

Employees from multicultural organisations related to each other officially. Relationships existed only when there was work to do. This situation relates to all the employees no matter their cultural background. Cultures especially inter- cultural diversity in organisation has an effect on the nature of interpersonal relationships in a multicultural organisation. Cultural variations and how conflicts are addressed and resolved were some of the issues that had an adverse effect on interpersonal relationships.

The major source of conflict in multinational organisations is boarded around communication. This is because employees from other nationalities find it difficult to grasp what a colleague says. This situation is aggravated when employees misinterpreted non verbal communications. This situation is similar to the findings by Acquah (2005) who found out in her research that those who spoke the same language tend to relate better since they understand each other's behaviours

All the organisations sampled had a well documented conflict resolution mechanisms, respondents were treated fairly when they assess the conflict resolution mechanisms in their respective organisation but halve of the respondents were likely not to use these mechanisms because they believed it will was time consuming.

Although employees strongly agreed that conflict had a negative impact on performance, some of them believed that conflict increases productivity when it is between the boss and a subordinate. The opposite is true when the conflict is between colleagues of the same rank.

**Conclusions**

The analysis indicated that all Ghanaian organisations where culturally diversified but the nature of interpersonal relationships in such organisations are usually formal. Employees are not ready to go any further than the official relationship probably due to lack of trust. Culture plays an important role in the nature of interpersonal relationships in a multicultural organisation.

Communication is a major cause of conflict facing multicultural organisations in Ghana. This is because employees find it difficult to understand the meaning of some phrases and sentences when communicating with foreigners. This becomes more problematic in the case of non-verbal communications. Across cultures some words and phrases are used in

different ways. For example, even in countries that share the English language, the meaning of 'yes' varies from 'maybe', 'I'll consider it' to 'definitely so', with many shades in between.

Conflict resolution mechanisms in multicultural organisation are efficient. There is a well documented conflict resolution mechanism in multicultural organisation, people are also treated fairly but halve of the respondents are not willing to use these mechanisms because it is time consuming. These employees therefore resort to other means of resolving conflict at the work place.

It can also be concluded that conflict has both negative and positive impact on performance. Conflict helps to increase productivity when it is between bosses and their subordinates. Employees will not want any further conflict with their bosses and therefore do make sure that they work to the satisfaction of the boss. Conflict on the other hand has a negative influence on performance when it occurs among colleagues of the same rank.

**Recommendations**

In view of the findings and conclusions of the study, the following policy recommendations are offered for informed decision:

1   Human Resource Managers must ensure that employees of all categories undergo cross cultural education to enable them better appreciate and embrace other cultures so as to reduce the incidence of destructive conflict that could be caused by cultural diversity.

2   Cultural relativism is the view that all beliefs, customs, and ethics are relative to the individual within his social context. In other words '' right'' and '' wrong'' are cultural specific, that is, what is considered moral in one society may be considered immoral in another, and, since no universal standard of morality exists, no one has the

right to judge another society's custom. Human Resource Managers should make it their aim to employ people who understand and appreciate cultural relativism. That is, they do not see their own culture as superior to that of others, but rather, see other cultures as different and strive to understand and appreciate these differences.

3   Policy makers should endeavour to design policy instruments that will encourage integrity and discourage cultural features such as clique formation which lend themselves to corruption.

4   An organisation must put in structures in their conflict resolutions mechanisms to make it less bureaucratic and less time consuming. Committees for conflict resolution can be formed on departmental basis instead of just one for the whole organisation. This will reduce the time in resolving conflict.

5   Conflict between colleagues of the same rank should be given much attention since it has a negative consequence on the organisation.

6   A feedback mechanism is necessary to evaluate the conflict management process and help minimise the chances that conflict will reoccur.

7   A multicultural organisation should make it a point to employ people who at least understand two or more foreign languages. Foreign workers should be given an intensive orientation on the cultural background of Ghanaians and the meaning we attach to certain gestures. This will go a long way to curb the major cause of conflict in multicultural organisation (communication).

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UNIVERSITY OF CAPE-COAST

INSTITUTE FOR DEVELOPMENT STUDIES

QUESTIONNAIRE

**TOPIC: The Effects of Cultural Diversity on Interpersonal Relations and performance**

The aim of this questionnaire is to investigate the impact of cultural diversity (the presence of employees from different cultural backgrounds) on interpersonal relations and performance in organisations. It is purely for academic purpose and any information provided will be treated confidentially. You have been chosen as a respondent. Please answer the questions presented below by ticking where applicable.

**A. Background Information:**

1. Nationality:………………………………………….

2. Ethnicity …………………………..

3. Sex:   Male ( )       Female ( )

4. Age:   ………………..

5. Position you occupy at work   …………………………………………………………..

**B: Variety of People working in your organisation**

6. Do you work with people from different countries?   a. Yes ( )      b. No ( )

7.   If   yes,   which   countries   do   your   colleagues   come   from? ……………………………………….

8. Please indicate the different countries of origin of your colleagues…………………………

9. Do you work with people from different ethnic groups in Ghana?  a. yes ( )  b.no ( )

If yes, indicate ethnic groups Akans ( )      Gas  ( )

Ewes ( )    Dagbanis ( )   Others, please specify …………………………………………

| THE NATURE OF INTERPERSONAL RELATIONSHIPS AMONG EMPLOYEESS | Strongly Agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree |
|---|---|---|---|---|---|
| 1. If I have the option to choose who to work with, I will choose someone from my country. | | | | | |
| 2. If I have the option to choose my work partner, I will choose one from my ethnic group because we understand each other better. | | | | | |
| 3. I am able to work better and faster when working on the same task with someone from my country. | | | | | |
| 4. I am able to work better and faster when working on the same task with someone from my ethnic group. | | | | | |
| 5. I prefer expatriate bosses to those from my own country. | | | | | |
| 6. Most of those I have problems with at the office are those from my ethnic group | | | | | |
| 7. I tend to be more committed to my job when working for someone from my country | | | | | |
| 8. I tend to be more committed to my job when working for someone from a different country | | | | | |
| 9. I like my boss because we are from the same country. | | | | | |
| 10. I like my boss because we are from the same ethnic group. | | | | | |
| 11. I easily discuss my joy, sorrows, problems and challenges with colleagues without fear of betrayal. | | | | | |
| 12. I am comfortable discussing official and unofficial issues with my colleagues | | | | | |

| YOUR RELATIONSHIP WITH COLLEAGUES WHEN YOU ARE WORKING TOGETHER AS A TEAM. | Strongly Agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 13. When I have problems with my work, I prefer to ask help from people from my country. | | | | | |
| 14. When I have problems with my work, I prefer to ask help from people from my ethnic hometown. | | | | | |
| 15. The conflict I have with colleagues in organization is usually with colleagues from different country or ethnic group. | | | | | |
| 16. I get angrier when a person from a different ethnicity offends me than one from mine | | | | | |
| 17. I like to share jokes with people who are from the same cultural background as mine. | | | | | |
| 18. My closest friend at work is from my country. | | | | | |
| 19. My closest friend at work is from my ethnic group. | | | | | |
| 20. I will cooperate with people from the same country as myself. | | | | | |
| 21. I will cooperate with people from the same ethnic group as myself. | | | | | |
| 22. I always discuss my personal problems with a colleague from a different cultural background. | | | | | |
| **CONFLICT RESOLUTION MECHANISMS IN YOUR ORGSNISATION.** | **Strongly Agree** | **Agree** | **Neither agree nor disagree** | **Disagree** | **Strongly disagree** |
| 23. My company has a well documented way of resolving conflicts | | | | | |
| 24.I believe these mechanisms are adequate | | | | | |
| 25. I am treated fairly when I make use of these conflict resolution channels | | | | | |
| 26. I prefer resolving conflicts informally | | | | | |
| 27. I will love to use the conflict resolution channels but it is time consuming. | | | | | |
| **IMPACT OF CONFLICT ON ORGANISATIONAL ON PERFORMANCE.** | **Strongly Agree** | **Agree** | **Neither agree nor disagree** | **Disagree** | **Strongly disagree** |
| 28. I am more efficient when I work in a conflict free environment | | | | | |
| 29. I am careful to do my work well when there is conflict between me and my boss or colleague to avoid any further confrontation | | | | | |
| 30. I strive to exceed my target when there | | | | | |

| | Strongly Agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree |
|---|---|---|---|---|---|
| competition among me and colleagues in other to gain approval from my boss | | | | | |
| 31. I am committed more to my work when I have good inter personal relationship with my bosses and colleagues in the organization. | | | | | |
| 32 conflict has a positive impact on performance in my organization. | | | | | |
| 33. Conflict has a negative impact on organizational output. | | | | | |
| **CAUSES OF CONFLICT IN MULTICULTURAL ORGANISATION** | **Strongly Agree** | **Agree** | **Neither agree nor disagree** | **Disagree** | **Strongly disagree** |
| 34. I cannot adjust with colleagues from of different culture which bring conflict | | | | | |
| 35. It is difficult to communicate well with employees from different background | | | | | |
| 36. I get angrier when a colleague from different cultural background offends me | | | | | |
| 37 I believe that there will not be conflicts if all employees are of the same cultural background | | | | | |
| 38 cultural difference is the major cause of conflict in multicultural organizations. | | | | | |
| 39 I will corporate more with colleagues of the same ethnic group | | | | | |
| 40 I will easily forgive colleagues of the same ethnic group when they offend me | | | | | |

**D. Your general views on how cultural diversity affects interpersonal relations in your**

**organisations and hence performance.**

1. Do you think employees cultural backgrounds influence the way they relate to each other

in your organisation? Yes / No. Please comment.

a.……………………………………………………………………………………

……………………………………………………………………………..………………

………………………………………………………………….

b.………………………………………………………………………………………………

…………………………………………………………………………………………………

………………………………………………………………………..

2. Do you think employing people from the same cultural background will reduce the extent of interpersonal conflicts in organisations?

a.………………………………………………………………………………………………

…………………………………………………………………………………………………

………………………………………………………………………

b.………………………………………………………………………………………………

…………………………………………………………………………………………………

………………………………………………………………………

3. Do you believe that conflict always have a negative impact to the performance of your organisations? Yes or No. please comment.

…………………………………………………………………………………………………

………………………………………………………………………………………

…………………………………………………………………………………………………

………………………………………………………………………………………

…………………………………………………………………………………………………

………………………………………………………………………………………

4. Interpersonal relationship in my organisation is

a. good ( )   b. average ( )    c. bad ( )

5. Suggest ways of improving interpersonal relations in your organisation

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Thank you very much for your cooperation.