A STUDY ON TRUST AND CONFLICT RESOLUTION IN CROSS-CULTURE

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ABSTRACT

Given the notion that trust may be viewed as a continuum, and that different modes of conflict management exist, this paper proposes that different modes of conflict management are likely to be associated with different levels of trust. While culture is typically viewed as the overarching variable in cross-cultural negotiations and that trust operates in the background as a decisive factor. We are considering the essential factor in cross-cultural negotiation is the level of trust that both parties have developed as part of their relationship. The important idea of this paper is to study the role of culture and trust while handling conflict in cross-culture scenario.

Key words: Trust, Conflict, Culture, Cross-Culture, Negotiation, Resolution

INTRODUCTION

Conflict is normal and healthy part of relationships. After all, managers and subordinates can’t be expected to agree on everything at all times. In cross-culture scenario conflict is inevitable. To resolve it immediately is the important task for managers. Trust helps
the managers to resolve the conflict easily. It has been observed that a sense of belief becomes the route of trust among managers and subordinates in an organization. The original point of this route of trust begins with the cultural similarities of the concerned individuals. In an organization dissimilar types of people are working from different corners of the nation with diverse cultural background and in this cross-culture scenario culture stands as an instrument to build up trust among the individual employees which inter alia becomes a major factor for conflict negotiation. Culture has been identified as a potential source of conflict negotiations (Varner & Beamer, 2006; Lewicki et al., 1992; Graham, 1985; Tung, 1991). When managers are oblivious to cultural differences there may be significant obstacles to negotiation success. Negotiating with individuals from other cultures, for example, means that behavioural prediction and interpretation become more difficult (Casse, 1981; Ting-Toomey, 1985) thus increases the possibility of conflict and reducing the likelihood of successfully managing conflict. To derive successful outcomes, participants in cross-cultural negotiations are advised to learn how their counterparts view and manage conflict (Tinsley, 2001). We know that cultural sensitivity and adaptation are relevant in cross-cultural negotiations; other factors are operative as well. There are many instances where negotiators fail to reach an agreement despite the fact that all participants possess excellent cultural adaptation skills or come from the same culture. Such observation implies that cultural sensitivity in negotiations may not be the single most important factor in cross-cultural negotiation. That is, cultural sensitivity and awareness must be bolstered by trust in order to build the foundation critical for successful cross-cultural negotiation (Yeung & Tung, 1996; Samovar & Porter, 1994).

OBJECTIVE OF THE STUDY

* To understand the impact of the trust, and culture in conflict negotiation in cross-culture.

LITERATURE REVIEW

First, trust occurs within individuals and it can properly be viewed by a psychological event. The key assumption underlying psychological perspective is that trust is based on strong cognitive and emotional bases that result from close interpersonal relationships. Madhok (1995), trust is based on the history of interactions between the partners that provides the social “glue” within which economic exchange occurs. The concept of trust has recently received growing attention among management scholars (Sheppard & Sherman, 1998; Lewicki et al., 1998; Zaheer & Vankatraman, 1995). Both economic and sociological standpoints emphasized trust. While economists tend to emphasize trust in reducing transaction costs in business transactions (Williamson, 1993; Barney & Hansesn, 1994; Ring, 1996), sociology tradition recognizes the value of trust in term of embedded (Granovetter, 1985). Ring (1996) refers to the first type of trust “fragile”trust while he defines latter type of trust as “resilient”trust. Fragile trust is associated with the concept of risk assumed to be a consequence of the threat of opportunistic behavior. Meanwhile, resilient trust is non-calculative reliance in the moral integrity or goodwill of others on whom economic actors depend for the realization of collective and individual goals (Ring, 1996: 156). Parkhe (1998), reviewing past literature, argues that extant literature recognizes three components of trust: psychological, sociological, and economic components. Using different terms, Inkpen et al. (1998) also identifies three different aspects
of trust: structural property, social property, and psychological property. This paper applies the how the level of trust is helpful to resolve conflicts in cross-cultural negotiations.

METHODOLOGY

A questionnaire was developed in order to investigate the relationship between different levels of trust and different modes of resolving conflict in cross-cultural negotiations. Five-point Likert scale questions were developed for collecting the respondent’s perpetual views in this matter to measure the level of trust both at the company and individual level as suggested by the existing research (Inkpen & Currall, 1998, Zaheer et al, 1998). To assess the level of trust in the model, the questionnaire described the quality and past experiences of the relationship and asked the respondents to choose the one that best captured the nature of their relationship with a particular partner. To develop multiple measures of trust at the two levels, measurement relied primarily on an instrument created and validated by Rempel at al. (1985) as modified Rempel and Holmes (1986). The questionnaires were distributed among the 500 respondents in five different (three IT and two other) kinds of organizations randomly. Out of 500 we have only got 180 (36%) duly filled in questionnaires, 99 and 81 respondents from IT and non IT Organizations. To justify the study we used some statistical tools such as analysis F-ratio) and coefficient correlation between trust and conflict and culture and conflict.

DATA ANALYSIS AND INTERPRETATION

The primary as well as the secondary data so collected for the purpose is classified tabulated and analysed the perpetual views of the respondents. For analysis purpose we have opted factors like role of trust in conflict redress, cultural potency, relationship, team task and job satisfaction.

<table>
<thead>
<tr>
<th>Parameters</th>
<th>SA</th>
<th>A</th>
<th>N</th>
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<th>SDA</th>
<th>Mean</th>
<th>SD</th>
<th>r</th>
<th>F-ratio</th>
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<tbody>
<tr>
<td>Do you agree the role of trust on conflict redress</td>
<td>42</td>
<td>20</td>
<td>07</td>
<td>16</td>
<td>15</td>
<td>3.57</td>
<td>23.34</td>
<td>0.715</td>
<td>0.113</td>
</tr>
<tr>
<td>Do you agree the influence of culture on trust</td>
<td>28</td>
<td>18</td>
<td>22</td>
<td>17</td>
<td>15</td>
<td>3.28</td>
<td>9.59</td>
<td>0.715</td>
<td>0.113</td>
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Source: Compilation of data
### Table No. 2 Respondents’ perpetual views on cultural potency on conflict management and influence of culture

<table>
<thead>
<tr>
<th>Parameters</th>
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<th>Mean</th>
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<th>r</th>
<th>F-ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree the role of cultural potency on conflict redress</td>
<td>20</td>
<td>32</td>
<td>12</td>
<td>18</td>
<td>17</td>
<td>3.22</td>
<td>14.14</td>
<td>0.907</td>
<td>0.861</td>
</tr>
<tr>
<td>Do you agree the influence of culture on potency</td>
<td>16</td>
<td>31</td>
<td>13</td>
<td>22</td>
<td>18</td>
<td>3.08</td>
<td>12.89</td>
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</tr>
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</table>

Source: Compilation of data

### Table No. 3 Respondents’ perpetual views on relationship in conflict redress and influence of culture

<table>
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<tr>
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<th>SDA</th>
<th>Mean</th>
<th>SD</th>
<th>r</th>
<th>F-ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree the role of relationship on conflict redress</td>
<td>35</td>
<td>13</td>
<td>23</td>
<td>10</td>
<td>19</td>
<td>3.34</td>
<td>17.43</td>
<td>0.353</td>
<td>0.907</td>
</tr>
<tr>
<td>Do you agree the influence of culture on relationship</td>
<td>19</td>
<td>15</td>
<td>24</td>
<td>07</td>
<td>35</td>
<td>2.76</td>
<td>18.54</td>
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</tr>
</tbody>
</table>

Source: Compilation of data

### Table No. 4 Respondents’ perpetual views on team task in conflict redress and influence of culture

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<th>SDA</th>
<th>Mean</th>
<th>SD</th>
<th>r</th>
<th>F-ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree the role of team task on conflict redress</td>
<td>11</td>
<td>19</td>
<td>22</td>
<td>23</td>
<td>25</td>
<td>2.66</td>
<td>10.05</td>
<td>0.832</td>
<td>0.389</td>
</tr>
<tr>
<td>Do you agree the influence of culture on team task</td>
<td>11</td>
<td>13</td>
<td>20</td>
<td>22</td>
<td>34</td>
<td>2.43</td>
<td>16.91</td>
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</tr>
</tbody>
</table>

Source: Compilation of data

### Table No. 5 Respondents’ Perpetual views on job satisfaction in conflict management and influence of culture

<table>
<thead>
<tr>
<th>Parameters</th>
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<th>DA</th>
<th>SDA</th>
<th>Mean</th>
<th>SD</th>
<th>r</th>
<th>F-ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree the role of job satisfaction on conflict redress</td>
<td>31</td>
<td>20</td>
<td>16</td>
<td>15</td>
<td>18</td>
<td>3.29</td>
<td>11.18</td>
<td>0.057</td>
<td>0.448</td>
</tr>
<tr>
<td>Do you agree the influence of culture on job satisfaction</td>
<td>19</td>
<td>16</td>
<td>11</td>
<td>18</td>
<td>36</td>
<td>2.65</td>
<td>16.82</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Compilation of data
Table 1 depicts that role of trust on conflict redress and cultural influence on trust r=0.715. In Table 2, r=0.861 which shows the relationship between cultural potency and conflict redress, the table 3 indicates r=0.907 which shows the influence of conflict management and cultural influence on individual relationship, and in table 4 r=0.832 which indicates team task on conflict management and cultural influence on team task.

The main idea of this paper is that different types of conflict resolution are likely to be related with different levels of trust. To study the impact of the trust, relationship, team task, job satisfaction and culture in conflict negotiation in cross-culture, mean, standard deviation, correlation and f-test analysis was conducted with trust and culture as the dependent variable and the conflict management as the independent variable. Positive significance was found in all the factors that related to trust and culture. The perpetual views of respondents with regard to role of trust, cultural potency, relationship between employee and employer, team task and job satisfaction in conflict redress and influence of culture correlation and f-test values are 0.715 and 0.448, 0.907 and 0.113, 0.353 and 0.861, 0.832 and 907, and 0.057 and 0.359 correspondingly at 5% level with the degree of freedom 04 in both ways.

The result indicates that both the category of organizations rely on the similar types of conflict resolving modes depending on the level of trust they have developed between the employer and employee. However, low degree of positive significance was found in job satisfaction in conflict redress and influence of culture. Overall, the results support that there is an impact of trust and culture in conflict resolution. All respondents’ perpetual view shows that all believe on concession. Other variables such as the relative importance of the issue under negotiation may also influence the conflict-resolving modes. For example, a party may choose to concede to the other party regardless of the level of trust when the issue at stake is relatively unimportant. While these exceptions may occur, the role of trust is normally paramount in cross-cultural negotiations. A model of cross-cultural negotiation based on trust can be better understood in this matter. Whatever it may be, further research is necessary to provide more complete explanations in this matter.

CONCLUSION

Where there are human beings there are conflicts. Conflict is a feature of all human societies, and potentially an aspect of all social relationships. Conflict is competition by groups or individuals over incompatible goals, scarce resources or the sources of power needed to acquire them. Conflict and its systematic resolution is the pillar of success in modern organization. For smooth management of conflict in cross-cultural organization understanding the impact of cultural difference is especially important for analysts of conflict resolution who work in intercultural contexts, since culture affects many of the communicational or interlocutory processes that lie at the heart of most conflict resolution techniques. Trust comes into play in two main areas: professional and personal. Professional relationships are normally task-oriented and aimed at achieving objectives, while personal relationships deal more in the social/emotional realm and focus on the relationship itself. As relationships are based on differing levels of trust, when that trust breaks down, conflict may arise between the parties involved. The Handbook of Conflict Resolution: Theory & Practice (Deutsch, M. & Coleman, P. T., 2000), Lewicki & Wiethoff look at the relationship between trust and conflict in relationships. Hence, trust among the employee and employer plays a key role in conflict resolution in cross-cultural organization.
REFERENCES