GLOBAL LEADERSHIP COMPETENCES FOR THE FUTURE

TRUST AND CONFLICT IN GLOBAL WORK

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EXECUTIVE SUMMARY

The ability to manage issues related to trust and conflict is fundamental for the success of Danish global leaders. However, contrary to many Danish global leaders' perception, trust is not "just trust" and conflict is not "just conflict." Several different types of trust and conflict exist, all of which have different impact on global collaboration and, accordingly, need to be managed differently. Therefore, the aim of this report is to raise Danish leaders' general awareness of issues related to trust and conflict in global work and, based on new knowledge and viewpoints from Danish global leaders, provide tangible managerial advice in order to increase the effectiveness in global work. We focus on global work in teams and between international business units.

In order to explore how global leaders deal with trust and conflict related issues, we used a combination of quantitative surveys, qualitative observations, and interviews conducted in a range of Danish global organizations. Here, we found that trust has many positive effects on global teams, including increased performance and satisfaction. Our quantitative studies indicate that this positive effect can be sustained and heightened through job role clarity, a strong psychological contract, and organizational support. Yet, in order to give even more tangible advice to global leaders, we decided to distinguish between two different types of trust, i.e. cognitive and affective, and investigate how they relate to central aspects of global work, including language differences, cultural diversity, and geographical distance. This was done by use of qualitative research.

We found that cognitive trust, defined as a global worker's belief in a colleague's functional competence and expertise, was negatively impacted both by language differences in themselves, but also by the fact that workers tend to perceive lack of language skills as a lack of cognitive skills. Global leaders can address this via consistent use of English and English learning initiatives, but also by implementing language diversity policies to enhance members' openness to language diversity. Affective trust, defined as the confidence one places in a colleague on the basis of feelings generated by the level of care and concern the colleague demonstrates, was also impacted by language differences in a negative way. For example, when Danish leaders use Danish instead of English to communicate internally in global settings, foreign employees get suspicious of the leader's intentions. Also, Danish global leaders can appear harsh and too direct due to the lack of English vocabulary. Here, we suggest an increased focus on language skills among other things.

To avoid that cultural differences have a negative impact on cognitive trust, we suggest that global leaders screen for culturally intelligent individuals in recruitment procedures and display sensitivity to the fact that what counts as valid knowledge varies according to culture. The leader can even use this proactively when establishing his/her team so that members' differences in knowledge-emphasis will complement each other. We also found that Danish leaders put less emphasis on displaying emotions

in working relationships, which has a negative impact on affective trust. Here, it is important that global leaders display heightened awareness of affective issues when interacting with cultures that value this aspect of the relationship. Geographical distance, as a dimension of global work, also affects cognitive trust. In particular, informants report that it is difficult to "get a sense" of the knowledge of their colleagues.

We also explored how the same three dimensions of global work (language, culture, and geographical distance) impact relational conflict, i.e. interpersonal animosity or annoyance among team or unit members. Language differences function as a driver of conflict; however, our findings suggest that the global leaders can actively counter this by implementing language training and by screening for language abilities, both when recruiting employees and when setting up the team. Also, cultural differences exist both in relation to expressing conflict and in sensitivity towards conflict-ridden issues. In order to avoid relational conflict due to cultural differences, informants mention that the leader should display cultural awareness when addressing conflict, continuously strive to build personal relationships with employees, and apply a supportive leadership approach in situations where conflict-avoidant individuals seek to air personal concerns. Again, when leading from a distance, it is important that members meet face-to-face to build emotional bonds and that global leaders do not use e-mail to air negative personal sentiments. Contrary to relational conflict, task-related conflict, defined as disagreements concerning the solution of a given task, is often more neutral in relation to work outcome. Thus, the leader should allow such conflict, yet be aware that task conflict can easily become a relational conflict with negative impact on performance. To avoid this, informants suggest that the leader should establish "ground rules" for how members should engage in task related disagreements, or even use conflict tools and models to ensure that the discussion does not become personal.

Interestingly, we also identified a type of conflict, low-intensity conflict, which rarely becomes explicit and often stays hidden, which results in great negative impact on global collaboration. Low-intensity conflict springs from power differences, which in turn nurture certain attitudes in headquarter staff towards subordinates located at subsidiaries, these are labeled ignoring, bypassing, and educating. Ignoring occurs when HQ employees do not take subsidiary personnel into account and, consequently, exclude them from decision-making processes. Bypassing is when global leaders implement global management tools and procedures without being sensitive as to how this will impact personnel in the local unit. In order to ensure the effectiveness of the organization, we argue that global managers should allow for local alterations to ensure local adaptability and flexibility. Finally, it is found that Danish global leaders can display an educating attitude, which is often perceived as arrogant by subsidiary personnel. Here, it is important that global leaders bear in mind that local staff are the local experts and essential for the success of the global organization.

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Introduction

The purpose of this research project is to identify different types of trust and conflict in global work and understand how they impact collaboration and performance in virtual and co-located international organizational work. Specifically, we focus on how global leaders can deal with managing interpersonal trust and conflict in international settings. The target of our investigation is trust and conflict that occur where global leaders are present in 1) global teams (virtual or co-located) and 2) between different international business units (parent companies and subsidiaries).

The overall research question of the study is: *How do trust and conflict affect global leadership in face-to-face and virtual collaboration?* We use this insight to provide guidelines for what global leaders can do to overcome problems related to lack of trust and increased conflict. Those guidelines are based on 1) research and novel insights from our studies and 2) informants' suggestions and day-to-day leadership.

In relation to trust, the following questions serve to specify the research aim:

- How does trust affect performance and collaboration in virtual and co-located global work?
- What is the role of cognitive and affective trust in virtual and co-located global work?
- How do the global leaders address and manage trust related challenges in virtual and co-located global settings?

With regard to conflict, the research aim is further specified with the following questions:

- How do different types of conflict affect performance and collaboration in virtual and co-located global work?
- What is the role of relational and task oriented conflicts in virtual and co-located global work?
- What is the role of low-intensity conflict in global work?
- How do the global leaders address and manage conflict related challenges in virtual and co-located global settings?

RESEARCH PROJECT

The project "Global Leadership Competences for the Future" is a joint venture between DI (The Confederation of Danish Industry), Copenhagen Business School, and international Danish companies. The project is sponsored by Industriens Fond (The Danish Industry Foundation) and is scheduled to terminate in the summer of 2016. The purpose of the project is to *identify*, *develop, contribute to,* and *implement* global leadership competences in Danish organizations. The project is a mix of producing new knowledge and disseminating this knowledge through workshops, seminars, a newsletter, conferences, and training programs. The present research activity contributes to the generation of new knowledge and focuses on "trust and conflict in global work." The current report has been authored by researchers from Aarhus University and University of Southern Denmark.

Data

Data collection

The results presented in the report build on both qualitative and quantitative data. The qualitative data derive from 15 international organizations and has been obtained using a range of different data gathering techniques. Thus, 45 semi-structured interviews have been conducted with global professionals referring to Danish and non-Danish leaders' employees involved in global work. The interviewees are located in the following countries: Denmark, England, Holland, Japan, China, Korea, India, Spain, Latvia, Hungary, Poland, Mexico, and Serbia.

In addition to the extensive qualitative studies, two separate questionnaires were used.

Survey I was sent to 1,022 members of Danish multicultural co-located (face-to-face) work teams in 17 organizations. Eventually, we received 489 responses amounting to a response rate of 48 percent. The respondents had an average period of employment of 7.59 years with their respective multicultural team (SD=9.19), and the majority of the respondents were male (71.5%). Most team members were Danish citizens (62.9%), but a substantial minority was foreign nationals (37.1%), where respondents from non-EU countries made up 16.7% and team members from other EU countries than Denmark represented 20.4% of the sample. The share of foreign national respondents from each department ranged from 14.3% to 57.1%. The average age of the team members was 37.05 years (SD=11.34).

Survey II was sent to members of virtual teams situated in different international subsidiaries of one large Danish multinational corporation (MNC). A total of 261 individuals from 30 virtual teams responded (response rate 85.9%). The survey questions contained both open-ended and closed-ended questions. The vast majority of respondents were male (84%). The biggest group of respondents consisted of employees born in Denmark (58%). Chinese-born employees accounted for approximately 13% of the respondents. Other well-represented nationalities include American, Hungarian, and German born employees.

Data analysis

The transcribed data set from the qualitative survey was imported into Nvivo9®. The coding scheme was developed deductively from the interview grid and inductively from the answers from the participants. Codes were then combined into higher order codes so as to create aggregated categories. These aggregated categories were then assembled under main themes in order to organize the writing up of results. These main themes derived from the interview material are quoted in this report to illustrate our analyses.

Quantitative data were analyzed using hierarchical regression and ANCOVA/MANCOVA. The tables can be found in the Appendix.

RESEARCH RESULTS

Trust and conflict are known to be central concepts in organizational behavior. They both affect how individuals relate to each other and, therefore, are essential for understanding group collaboration and performance. Trust and conflict are not total opposites; nevertheless, the presence of one will often reduce the existence of the other. In other words, a high level of trust is likely to diminish conflict in the team. Conversely, a low level of trust is likely to increase conflict between individuals (Jehn & Bendersky, 2003; Jehn et al., 1999). This generic perception of the interrelation between trust and conflict, however, does not include the existence of different types of trust and conflict and that these do not necessarily affect each other in similar ways. This insight has motivated the exploration depicted below, where we identify different types of trust and conflict in global work, and how the global leader can manage issues related to trust and conflict in a global setting. The report is divided into two main parts: 1) trust and 2) conflict.

TRUST IN GLOBAL WORK

Interpersonal trust can be seen as confident, positive expectations about the actions of others. As such, trust can be defined as a psychological state comprising the intention to accept vulnerability based upon a positive expectation of the behavior of another. Therefore, positive expectations and suspension of uncertainty are central elements of interpersonal trust (De Jong & Elfring, 2010; Rousseau et al., 1998). While trust is an essential and much needed aspect of global work, it can be argued that it is more difficult to obtain in international than in domestic settings. This is so, since the most central dimensions of global work, including linguistic/cultural diversity and geographical distance, all are factors that can reduce trust. The consequences of lack of interpersonal trust include: group bias, lowered motivation to engage in interactions and discussion, lack of communication, and lowered job performance and satisfaction (Greer et al., 2011; Jehn & Bezrukova, 2010; Jehn et al., 2010).

In the quantitative survey included in the present study, we find that trust between virtual global workers has a strong positive effect on team members' satisfaction and well-being (Appendix Table 1). Similarly, we also find a positive effect of interpersonal trust on virtual team communication and job performance (Appendix Table 2). Additionally, our survey shows that women tend to trust their virtual team leader more than their male counterparts (Appendix Table 3). A similar tendency is found when focusing on co-located (face-to-face)

teams. Here, trust has a positive effect on performance and satisfaction. Moreover, trust affects how open individuals are to accepting different information and different values among team members. This is particularly interesting in global settings where members, due to their different cultural backgrounds, hold different values. Interpersonal trust also has a positive effect on team members' job engagement at the cognitive, behavioral, and emotional level. Finally, in teams characterized by a high level of trust, individuals are better at locating the knowledge they need.

It is clear that our results support and emphasize the importance of trust in global leadership activities. However, since our quantitative survey in line with existing research treats trust as a unitary rather than a multidimensional construct, we find it important to combine the relatively crude measures of a traditional survey with more exploratory qualitative techniques. This is done in order to gain an in-depth understanding of how the different dimensions of trust potentially affect central aspects of global work. In particular, we wish to focus on cognitive and affective trust[1] and explore how they relate to global leadership issues.

Cognitive trust

Cognitive trust is based on information about the individuals one has to work with. As such, the notion of cognitive trust refers to the extent to which a global worker believes he or she can rely on another colleague's functional competence and expertise. It stems from an accumulated knowledge that serves to help one in making predictions concerning the probability that others will live up to their obligations. This may be labeled predictability or reliability. Even though cognitive trust is knowledge-driven, the need to trust also supposes a degree of incomplete knowledge in the sense that if there was full certainty, there would be no need for trust (Johnson & Grayson, 2005; McAllister, 1995)

Cognitive trust is especially important in short term collaboration and in situations where individuals have to work across geographical distance and do not know each other in person. Therefore, cognitive trust is highly relevant in much global work. One type of cognitive trust on which there is particular focus in rapidly developed relations, such as in international negotiations or global project teams, is called swift trust and should be understood to be depersonalized and highly task and action related. This type of trust differs from forms of trust that are linked to relations developed over longer durations of time. Swift trust, therefore, is

[1] The academic definition of cognitive trust and affective trust will be provided under their respective sections in the report.

recognized as a cognitive form of trust that is based on categorical assumptions (stereotypes) concerning the trustee. To achieve swift trust, clearly expressed integrity and ability are highly important. In our data, we find three factors that have a negative impact on cognitive trust in global work: 1) language differences (mentioned by 71% of informants), 2) cultural differences (mentioned by 82% of informants), and 3) geographical distance (mentioned by 69% of informants). Hence, these areas should be central to managerial concerns in global organizations. Language differences refer to the communication between individuals who speak a different mother tongue. Hence, organizational members are forced to speak and write in a common language (e.g. English), which is not the native language of at least one of the team members. The term *cultural differences* describes the dissimilarities in basic aspects of culture, such as core values, beliefs, customs, and rituals, as well as legal, political, and economic systems. Finally, geographical distance refers to the physical separation of individuals in the global organization that necessitates communication using information and communication technology.

KEY POINTS

In general, trust is positive for all teams. However, there are differences between face-to-face and virtual teams. In the latter, trust enhances global workers' communication and well-being whereas in face-to-face teams trust increases members' willingness to accept different values and information.

Language diversity has a strong negative effect on cognitive trust. However, the negative effects can be addressed if members are open to each other's differences. In addition, language management and persistent use of the common corporate language has a positive effect on trust. Interestingly, global professionals also associate lack of language proficiency with poor overall cognitive skills, and individuals with poor English skills tend to be nervous and anxious about how they are evaluated by peers.

We suggest several steps that the global leader can take in order to address cognitive distrust based on language differences. These steps include the establishment of language policies and training. It is also important that global leaders lead by example and use English consistently when engaging with employees. Here, they should also display and promote a culture of acceptability towards language mistakes. This could be combined with incentive systems and the use of a language mediator. Our informants also suggested that patience when

communicating with a less proficient team member and use of visual aids could have a positive impact on the relation between language differences and cognitive trust.

Cultural differences are characteristic for the global organization and have a profound negative impact on trust. Thus, culture is a catalyst of cognitive distrust between global professionals. This is due to employees having difficulties interpreting unfamiliar cultural cues. Furthermore, culture also affects the way by which employees solve and evaluate different aspects of the task. However, since global professionals may be unaware of their own cultural bias, they tend to view foreigners as less professional.

Our findings suggest that global leaders need to take an open, transparent, and listening approach, create a learning environment for cultural differences, and maintain a dialogue about different ways of working. Moreover, it is essential that global professionals have a high awareness of individuals' culturally dependent capabilities in order to increase cognitive trust. However, despite these pitfalls it is also important to emphasize that even though trust is an important aspect in multi-cultural team effectiveness, team members tend to share knowledge even with low levels of trust since they perceive complementary knowledge as useful.

Finally, in relation to geographical distance, our results show that it is difficult for global team members to identify and gain an understanding of each other's skill level across a distance. Furthermore, global leaders also suggest that it is more difficult to exercise control and follow up when employees are situated in different locations. Consequently, we recommend that the global leader make it a priority to arrange face-to-face sessions and clarify the scope and role of each team member. Additionally, the global leader should always set clear targets for each individual to avoid distrust stemming from a lack of clarity concerning individuals' allocation of time used on the task.

Language

Language has a profound effect on cognitive trust because it affects our immediate communication and knowledge sharing. Thus, if global workers do not share their experiences and opinions with each other due to language barriers, they also know less about each other and thereby trust each other less.

In line with this, our statistical survey shows that trust increases if team members are open to each other's linguistic differences (accent and level of proficiency). Moreover, we find that consistent language management and number of daily job contacts improve interpersonal trust

(Appendix Table 4). This indicates that, although language differences seem to be a negative factor for trust, it is something that can be dealt with at the management level. In particular, the global leader can, based on our research, work actively with not only team members' level of English proficiency, but also their openness to other types of English and accents, as well as their own consistent use of English.

The qualitative data gathered for this study add complementary knowledge suggesting that global workers associate the lack of language skills with poor cognitive skills in general. This leads to a decrease in the overall cognitive trust between global workers. For example, this Danish global leader states that "The fact is, when you don't excel in language, you just end up sounding less intelligent. It might be that they [non-English proficient global workers] are ten times more intelligent in their own language, but you just don't know."

In addition, some individuals also perceive the lack of language skills as a lack of general professionalism. The implicit assumption is that if you do not speak English well, you are per definition not good at other aspects of your job either. Many global workers who do not have strong English language skills worry about how they will be perceived in the eyes of those who need to trust their skills. A Latvian employee mentions this in relation to speaking to her Danish boss: "I am thinking – oh my God… he is checking every single word. He is laughing at me right now in his mind." An employee from Korea expresses similar frustrations in connection with having to talk to people in HQ over the phone and being worried and unable to tell if they are making faces at him.

In order to minimize language proficiency differences and, thus, minimize the cognitive distrust existing between co-workers, global leaders use language intermediaries. This, however, often will not eradicate the problem entirely depending largely on the interpreter's personal and technical language skills. If these are poor, it is suggested by global leaders to use visual aids as a way to facilitate understanding combined with other means. Thus, to minimize the cognitive distrust emerging from differences in English language skills, some companies use "inpatriates." These are members from subsidiaries who are relocated to the parent company in order to facilitate communication between the globally distributed units. This situation and the potential benefits of such an approach are described by an Indian subsidiary employee:

> They [the Danes] cannot understand our slang and still we [the Indians] face communication problems. See, we have a man sitting there [in

> Denmark] and if we have issues he will take it directly with the Denmark people. He is a messenger, a mediator. We have improved by doing this. He knows the slang and can use the local language, Tamil. So, we can communicate with him. Then he will say to the Denmark people sitting next to him: "Can you please send this". And they can also give him details. Then he will come back here and then another person will go there and work. So that has improved a lot. (Indian employee, subsidiary)

Some global leaders also argue that it is particularly important to create trust by displaying patience when interacting with less language proficient global workers. As mentioned by a Danish global leader, "[…] it's a matter of dedicating more time for communication. To make sure to encourage that, although it may be difficult to find the words, you take the time to explain it properly."

From the above it becomes clear that language skills play an important role in facilitating cognitive trust because it affects the knowledge that you can obtain from others and because language skills are seen as an indication of other cognitive abilities. Generally, individuals who are not proficient in the home country language (e.g. Danish) or the corporate language (e.g. English) are perceived to be less able employees. Hence, there is a link between the ability to express oneself well and other people's perceptions of one's general competences. Therefore, less proficient individuals are not trusted in the same way as individuals with strong language skills.

We suggest some measures that can be taken in order to reduce the negative effect that language insufficiencies have on cognitive trust. First, using an intermediary or interpreter can be applied relatively quickly and provide at least a better knowledge of what kind of information the other party is trying to convey. However, in the long run language training is a better option as this will allow for a more direct access to the individual whom one needs to trust. Apart from formal language training, global leaders can, as informants suggest, implement "English Fridays" where employees are allowed to speak only English. This will be a way to get comfortable with the language and train basic skills in practice.

The quantitative results also suggest that if global leaders can affect the group dynamics and attitudes in the team, this will also have a positive effect. If managers can use the English language consistently and not switch to Danish all the time, they will increase the trust of foreign team members. This in turn will improve the team social environment of the team and

thereby also increase trust among Danish team members. Facilitating openness to differences in language use can, according to our survey, also increase trust among team members. Consequently, global leaders will have to create an open and accepting environment where it is acceptable to speak less-than-perfect English or Danish. One global leader did this by stating openly, "Our corporate language is poor English." This is a good way of showing that imperfection is acceptable even at the management level. Our results show that it is important that top managers set a good example by speaking English when foreigners are present, even if their language skills are not perfect.

Culture

Cultural differences can affect cognitive trust because different cultures perceive and evaluate knowledge and skills in different ways. Hence, global workers emphasize how cultural differences function as a source of distrust of other members' competences. In particular, due to cultural differences, global workers display discrepancies between what counts as valid knowledge. Employees from some countries will be more focused on the technical details while employees from other countries, including Denmark, will emphasize the importance of a process-oriented understanding. For example, Indian team members find that Danes do not pay sufficient attention to the details, which also leads to cognitive distrust. As described by this Indian employee, "The problem is that they [the Danes] think they know the details, but they do not. While working, I will find out that something is missing. […] Each and every case we are facing this problem."

In order to address such issues, global leaders can apply an open and listening approach when meeting employees with different cultural backgrounds. As noted by a Danish global leader: "You should […] have the attitude that you're not smarter than others. One needs to be a little humble […] open and listen to what they have to say because you can actually also get a lot of good things out of being culturally a little different."

One strategy that Danish leaders apply to raise cognitive trust is to acquire knowledge about other nationalities and the countries from which they come. In order to avoid "roadblocks," one Danish global leader uses a practice where Indian employees get to explain what it means to be Indian and make a presentation on the Indian culture and how collaboration would work best. Furthermore, the global managers highlight the necessity of knowing the capabilities and competences of each team member as a means to create cognitive trust.

Hence, there are specific means that global leaders apply to increase cognitive trust among organization members. Such a strategy is to have a dialogue about the cultural differences and thereby raising cultural awareness and members' belief in the counterparts' competences. We suggest that global leaders closely monitor and try to counteract negative outcome of cultural differences in relation to trust. As mentioned by informants, efficient counter-measures may include cross-cultural training especially focused on the pitfalls of working methods and types of knowledge viewed differently in different countries. Global leaders can try to map differences in implicit idealized work practices and valued knowledge and make these explicit to the whole organization so that how people work in varying ways will not come as a surprise to any organization member regardless of nationality.

The results from the quantitative survey show some problems with cultural differences in regard to trust. However, in our survey of multicultural co-located (face-to-face) teams in Denmark we find that the strong, positive effect of trust on knowledge-use is reduced for teams with many foreign employees (Appendix Table 5). In other words, trust is not that important for sharing knowledge if you are in a team with many foreigners. This can be explained by some advantages related to the knowledge that team members from different cultures hold.

Thus, one benefit of having different nationalities is that there will be a greater variety of knowledge resources available. Cultural diversity may be perceived as a task-relevant diversity in organizations because international members have been drawn to the global organization to use their specific abilities and therefore may offer complementary information and skills. In other words, according to our studies, intercultural knowledge sharing should be more valuable than knowledge sharing in more homogenous groups because members are more likely to encounter unique knowledge that has not previously been shared. Employees recruited from different parts of the world have different perspectives and possess different knowledge resources. Hence, as our results show, the usefulness of variation in these kinds of organizations fosters an environment where more available needed knowledge creates a more effective knowledge sharing behavior. Because the knowledge that individuals receive from culturally dissimilar colleagues is more useful than what they get from their national peers, this type of diversity has, in existing research, been shown to improve problem solving, information processing, decision-making, and creativity. This indicates that it is not so much trust that drives the knowledge sharing in highly diverse multicultural teams, but the need for the specific knowledge. Hence, although trust is lower in a culturally diverse environment, it is also less needed, at least in relation to knowledge sharing. Therefore, global managers need not concern

themselves so much with trust in highly culturally diverse teams than in less culturally diverse teams because team members will go where the needed knowledge exists, even though there is not always a high level of trust. In other words, the leadership strategy and the trust building strategy could be to bind people together via tasks that increase interdependence and collaboration.

Geographical distance

Individuals in the qualitative study also state that geographical distance decreases cognitive trust between themselves and their global colleagues. In particular, they mention difficulties of "getting a sense" of colleagues' skills and competences. As mentioned by a Danish global leader, "On the phone, you need to make sure that the person understands the message in the same way as you deliver it. If you have someone physically on-site, it is easier to point and say, 'This is the one I want.'"

In relation to this, another challenge is the problem of aligning expectations between colleagues at different geographical locations. Thus, geographical distance necessitates the use of technologies that challenge cognitive trust. As an informant notes, describing video conferences with the Indian subsidiary, "Perhaps I have a screen that I can show something on… but it's hard to see if they nod and if they really are nodding the right way."

In addition, individuals argue that it takes longer to build cognitive trust from a distance, and particularly so if people are not used to working across distances. Also, informants mention that the distance creates distrust towards others' cognitive capabilities and the extent to which members have the ability and will to follow the global leader. As this Danish team member explains:

> In an E-mail, you can just press "delete," and in a telephone conversation you can sit and say, "Sure, I will do that," and then go in the totally opposite direction. In a face-to-face meeting, you can also walk away from the meeting and then do something totally different. However, then you really need to have a good poker face. So, I think face-to-face meetings are more or less the ultimate weapon to make sure that everybody agrees on what to do. (Danish global leader)

Cognitive distrust from a distance also arises due to the fact that it is more difficult for the global leader to control and gain an understanding of why the worker is underperforming

professionally. As illustrated by this quote from a Danish global leader, “From a distance, the challenge is to actually see what is happening at the office. Is someone not delivering because he is standing by the coffee machine or because he is tearing himself apart for not knowing how to solve the task?”

Thus, informants continuously emphasize that the lacking visibility of global workers’ activities caused by the geographical distance will make global leaders distrust or at least doubt the cognitive capabilities of their team members. As noted by a global leader, “If there is no progress on a task, is it then because they sit and drink coffee all day, or because they actually are facing problems and are fighting to solve them?”

In order to address the cognitive distrust between team members stemming from cultural differences and geographical distribution, global leaders find it useful to meet face-to-face. Furthermore, they emphasize the need to establish goals as this makes it clearer, from a distance, if global workers are performing. In addition, global leaders argue that rather than acting as if doubt and distrust in the individual’s cognitive abilities do not exist, one should openly address issues related to breaches of trust:

> I have been in my current job in less than a year, so I have tried what it’s like to step into this role and build a relationship of trust with those in India and other parts of the world, but… it’s an important parameter in cooperation, trust… to establish it quickly and also close the gaps that may occur after any breach of trust. It is inevitable that it is varies a little over time; there may be some decisions that challenge trust in each other, which means that you will have to follow up and ensure that we still have trust in each other. (Danish global leader)

The findings of this study show that global leaders need to avoid some of the pitfalls of geographical distance in order to facilitate trust among global workers. Thus, a common perception by the global leaders when discussing issues related to cognitive trust is the challenge of gaining an in-depth and full understanding of team members’ cognitive skills. One global leadership strategy to address this is by planning, clarifying roles, processes and tasks, as well as providing training in virtual collaboration for managers and for team members.

Affective trust

The notion of affective trust draws attention to the fact that the confidence that one places in a colleague is based on the level of care and concern that the colleague demonstrates. Hence, affective trust is determined by feelings of security between two individuals and the strength of their relationship. In other words, affective trust means relying on another person based on emotions. Hence, affective trust is something that develops over time and is linked to interpersonal relationships (McAllister 1995; Johnson and Grayson 2005). Again, our data show how the three central aspects of global work, i.e. language differences, cultural differences, and geographical distance, impact the development of affective trust.

Key points

We find that the use of Danish language increases distrust as foreign individuals become uncertain of the content of what is being said. This leads non-Danish global professionals to doubt whether the Danish colleague has good or bad intentions with the communication, and it can have a devastating impact on team collaboration. We suggest addressing such issues by increasing communication in English and improving team members' ability to express themselves on more personal matters in the common corporate language.

We also find that cultural differences have a strong impact on affective trust. Hence, relationships between culturally different global professionals tend to become less personal. In particular, Danish global leaders struggle with this aspect. Contrary to most other nationalities they tend to take affective trust for granted, and therefore do not display sentiments of emotions or seek to build personal relationships. To address this issue, we suggest that Danish leaders acknowledge that relationship building across cultures takes effort and is an important aspect of global leadership. They could do so by taking more interest in personal communication and in building strong relationships across cultural divides.

Finally, our study suggests that Danish leaders struggle with creating affective trust between geographically distant team members. To create affective trust, it is suggested by global leaders to initiate face-to-face workshops and meetings and applying an "open door" policy in virtual collaboration.

Language

One central aspect of language differences that affects team members' emotional attachment towards each other is related to worries of what is being said. As a result, members express that

when global leaders or co-workers shift to a language they do not understand, it sparks sentiments of distrust, as this English leader states, “One thing which is really bad is when Danish people speak Danish when there are English people present. That is bad and it does happen. I have heard it on many occasions and just last week. It just makes you uncomfortable.”

Hence, not understanding the language can have a devastating impact on affective trust as exemplified in the following where workers in the subsidiaries suspected the Danish global leaders of functioning as “spies” for Danes in the parent company. An English leader explains, “For me, it looks like they have put Danes in all the departments. You have Danes in all the key positions. I think people are afraid they have a different communication system. I am just saying what it looks like to me.”

We also find that when having to speak in another language, relations become shallower because global workers simply speak less to each other across language barriers. As a Polish employee in a Danish global company mentions, “When you have to communicate in a language that you do not know to perfection, then one keeps to oneself the little remarks that would otherwise be more natural, for better or for worse.” A similar comment comes from a Danish global leader, “Personal discussions don’t go very deep, also because of the language.” Therefore, both global employees and managers tend to avoid speaking about informal and personal issues in the corporate language due to insufficient language proficiency. In consequence, it is more difficult to develop affective trust in global teams and work setting characterized by linguistic differences.

Although sometimes difficult to achieve, it seems likely that frequent contacts are beneficial to the social environment creating involvement and trust. Furthermore, this interaction may be helpful in improving the common language in terms of personal communication since involved and trusting group members are known to communicate more and, thus, develop the shared language. Personal communication in the common language can also downplay mutual frustration and anger, adding to the affective trust.

Culture

Cultural differences also, like language differences, tend to make relationships shallower. For example, a Danish global leader mentions that “Cultural differences will keep you focused on the assignment. It is due to not having to talk about which TV programs people watch, like if you were just a bunch of Danes.” Another Danish global leader conveyed a similar notion:

> Because of the diversity, you focus more on the professional. You don't think about where people come from, only whether they contribute their best no matter how they feel among themselves. You don't focus on people's mindset, but on the result. Whether people get on socially or not is unimportant. (Danish global leader)

For Danish global leaders it is more difficult to build affective trust with subordinates because they take this type of trust for granted, and thus to a lesser extend feel inclined to actively build this type of trust. As noted by this Danish global leader, "[…] in Denmark, we have basically a very high degree of trust in each other. That is not necessarily the case in India. Trust is important in India, but trust is something that must be established and built […] and it's just not something that you should take for granted from day one."

Several informants noted the perception that Danes tend to take trust for granted. For example, an English employee working in a subsidiary of a Danish global corporation stated that:

> When the Danes come over, they tend to say, "do this and do that," but they never realize that in England it has to be followed up. I always go back to check up on things. The Danes think that when they asked once they can just expect it to be done. The English managers don't trust their people in the same way. They always double check. (English employee, subsidiary)

The fact that the Danish global leaders take affective trust for granted is problematic, in particular when interacting with co-workers who culturally put great emphasis on displaying care and concern. Here, employees argue that Danish managers tend to emphasize the cognitive aspect of trust and neglect the more emotional and affective side of trust. In order to address this issue, some Danish global leaders force themselves to take interest in social and non-work related issues, as they know it will be valued by their subordinates. As this Danish global leader explains:

> I always do a "workaround" and try to make them relax, and when we have to be together ten minutes here and fifteen there, maybe it is nice if we use the first minute to talk about the dog or the wife or what happened on their last vacation. You have to take time to speak with people. It helps,

> and it works. If you add "cozy" things in the conversation, it makes things a lot easier. (Danish global leader)

Thus, in order to deal with cultural barriers for creating affective trust, global leaders need to do at least two things. First, they must acknowledge that cultural differences will make relationship building more difficult. Therefore, special measures has to be taken in comparison to domestic organizations. Second, global leaders and employees must understand that different cultures value relationships differently. While strong relationships are not so important for trust building in Northern Europe, it is central for trust in many other parts of the world. Hence, Danish managers must focus more on developing good relationships with their foreign co-workers than what they are used to.

Geographical distance

The lack of face-to-face interaction leaves employees to wonder whether their colleagues are also trustworthy on an emotional level. Therefore, they tend to display distrust towards the global worker whom they interact with from a distance. This is suggested by a global leader, "It's difficult to show how good you are [from a distance], not in the sense of performance, but in the sense of trust. Because, you know, you can trust a person, but he can still go behind your back or something."

Interestingly, the study also indicates that a high level of trust in distant colleagues' capabilities might actually lead to a decrease in affective trust due to competition for positions:

> If you have an underlying distrust or suspicion that the people we have abroad are sort of competing with us for the jobs, then it's not good, and, vice versa, if people abroad also think that, in Denmark, we just want to take as much as possible back to Denmark, then it's not good. So, therefore trust is very important… it may well be a little competitive in some way where you state what you want to be responsible for in one location and another location and then try to sort of extend one's responsibility and one's influence. It could be… if this struggle takes place […] it may well have a negative impact on the cooperation between the different [locations]. It is actually something we are dealing with at the moment. (Danish global leader)

According to global leaders, this type of distrust has the consequence that the team members stop collaborating with each other:

> There is still some distrust; the leaders are not doing the best job, and this frustrates the Chinese a great deal because they do not feel as appreciated as a Danish colleague in the same position. This is damaging in a virtual team in the sense that it is "us" and "them" and not just "all of us". It is not like a group; everybody thinks that the Danes are the best, and the others need to prove they can make it. (Chinese employee, subsidiary)

Global leaders argue that the lack of affective trust stems from a lack of communication between team members who are distributed both in time and between geography. To solve this issue, team leaders conduct face-to-face meetings and workshops. Also, team leaders argue for a proactive approach:

> Building trust happens over time. To begin with, I made sure to be present and come out and meet my colleagues… Not just my immediate subordinates, but everyone in the organization; give them a handshake and listen to what their competences were and what assignments they were working on. […] Well, there are many elements that go both ways; this thing about spending time together and being present in relation to the problems there may be, locally, and, when you have agreed on something, to make sure both parties keep to this agreement. This is constructive. (Danish global leader)

However, global leaders also emphasize how difficult it can be to create affective trust over short periods of time as, for example, in temporary project teams where members are geographically distributed. As one global leader describes it:

> In a permanent team, you can always get a much closer allegiance with persons because they get to know you… and this goes for you, too… When it's more temporary, when people come and go… then it's more difficult and you need to kind of hope that there'll be some sort of PR within the group, when new team members are included, so that they know what they can ask about. So, basically, it's using the same approach; an open dialogue. If somebody calls you, you need to remember to appreciate it,

> even if you don't find it interesting, but you need to appreciate it because it means that they have the trust to call you. And then you need to make sure not to abuse this trust when they call. (Danish global leader)

This indicates that attitudes of employees are central when dealing with trust issues. Hence, based on the above, we argue that global leaders have to encourage members to practice virtual communication in different forms and with different communication tools in order to increase affective trust. We suggest that global leaders actively support an appreciative and inquiring approach to communication. Leaders can nurture a feeling of being closer to each other by encouraging conversations where people share and reveal daily work-life issues. Promoting personal sharing of experiences and emotions enables all parties to empathize with each other and, thus, enhances interpersonal trust across distances.

Our study also suggests that an important task for global leaders is to also build a "shared context." For example, global leaders should work towards compatibility of processes, tools, models, and systems across sites. When team members have access to the same information and share the same tools, work processes, work concepts, and work cultures, the likelihood of emerging misunderstandings and divergent approaches is reduced. A shared context across international business units provides the grounding necessary to better understand and make sense of what is said, potentially mitigating harsh attributions and, in turn, reducing interpersonal tension. Alignment of context, systems, work concepts, and processes is, on the other hand, often a result of many years of effort; however, movement in this direction may strengthen global workers' platform for collaboration. When people believe they share some common characteristic or experience, they are likely to trust each other more.

Managing cognitive and affective trust

In this section, we outline the central insights from the study in relation to trust, in general, and more specifically to cognitive and affective trust. We also summarize and expand on the global leadership implications by focusing on the relation between trust inhibitors and trust drivers in global work.

The importance of facilitating trust cannot be stressed enough to global leaders. Regardless of whether team members are co-located or globally distributed, trust increases satisfaction and performance. Therefore, if global leaders want an effective and high performing team, they should continuously strive to increase the level of trust between team members. Research

shows that some of the key drivers for establishing general trust between members are transparency concerning members' job-role combined with a well-defined psychological contract and continuous organizational support. However, managing trust in a global environment is more complex than in a domestic setting. Thus, different dimensions of global work will impact trust in different ways depending on the type of trust. In order to better equip the Danish global leader to handle such challenges, we have focused on three central aspects of global work, i.e. language differences, cultural differences, and geographical distance, and how these dimensions impact cognitive and affective trust in global teams.

It is clear from the study that language differences, be it within the same language or between two national languages, have a negative impact on affective trust. In order to create this trust in a linguistically diverse environment we find that it is important that employees increase team member communication. Hence, the leader should facilitate social interaction between individuals. This is essential since increased interaction in itself increases trust as employees find that they have more similarities than differences. Additionally, interaction also increases the overall language proficiency level and thereby the affective trust between individuals. Furthermore, an often neglected aspect of global leadership is the necessity for raising the language proficiency level related to personal rather than professional vocabulary. This increases employees' ability to create emotional bonds across linguistic divides and thereby interpersonal affective trust. Finally, our results show that consistent use of the common corporate language is a necessity in order to emphasize openness. Language diversity also has a strong negative effect on cognitive trust. However, if members are open to diversity, the general level of trust increases. Here, the global leader plays a pivotal role in implementing policies that not only emphasize the acceptance of linguistic diversity in the organization, but also counters the commonly held perception by organizational members that a lack of language proficiency is equivalent to a general lack of cognitive skills. In cases where common language skills are very poor or non-existent, informants mention that the global leader can use visual aids as this leaves less room for misinterpretation or consider involving a language intermediary.

Cultural differences are also central to global leadership and also have a strong impact on trust. Danish global leaders in particular tend to have problems with gaining affective trust and tend to neglect the importance of this type of trust in other cultures. We suggest that an organizational initiative to address this issue could be the implementation of culture awareness classes. Such classes should be case-based and involve the active participation of the global

leader, for example through role plays as this type of learning style has proven to be most effective in equipping leaders for cross-cultural encounters. Cultural differences tend to have a negative impact on cognitive trust, partly due to behavioral misinterpretations and partly due to differences in what is considered valid knowledge. The global leader can proactively address such issues by creating an environment based on acceptance of cultural diversity. According to our results, global leaders should facilitate that both personal and professional knowledge is shared between team members since it is a fact that the more knowledge is shared, the less likely it is that subgroups will emerge, and the more team members with different cultural backgrounds will trust each other. This will also create more cognitive trust because individuals from other countries will seem more reliable. Hence, an increase in knowledge about how people from other cultures behave and think on a general basis as well as training team members' skills on how to collaborate across cultures will have a positive effect on trust.

Also, our study shows that it is difficult for Danish leaders to create affective trust between distant team members. From the onset, it is pivotal that the leader acknowledges that managing virtual teams is more challenging than managing a co-located team, not least due to the fact that geographical distance by default increases distrust. Establishing affective trust therefore necessitates face-to-face meetings, in particular in the beginning of a project life cycle. According to an informant, the global leader can capitalize on the trust built in face-to-face sessions throughout the project's lifetime. Moreover, as mentioned by a respondent, global leaders should be aware that for example Danish team members working with highly skilled foreign employees will distrust them out of fear of losing their job. This can be addressed by openly discussing such issues from the onset of the project and by creating a strong psychological contract. Furthermore, the global leader can create a virtual "open door" policy, as this will also have a positive impact on affective trust. In addition, leaders struggle with establishing affective trust between geographically distant members. We suggest that the global leader arranges face-to-face sessions, and clarify the scope and role of each team member. Similarly, an informant argues that the global leader should set clear targets for each individual in order to avoid distrust stemming from lack of clarity concerning individuals' allocation of time used on the task.

TABLE 4: TRUST IN GLOBAL WORK

In general, trust increases performance and satisfaction, and it can be obtained by job role clarity, strong psychological contract, and organizational support.			
TRUST INHIBITOR	**TYPE OF TRUST**	**CAUSE**	**TRUST DRIVER**
LANGUAGE DIFFERENCES	**Cognitive**	Language differences in themselves have a negative impact on cognitive trust.	The global leaders should use English consistently, and raise language proficiency level by implementing learning initiatives (class, "English Friday," etc.).
		Lack of language skills is associated with lack of cognitive and functional skill.	Implement diversity policies to raise organizational members' openness to difference.
		Little or no common language skills.	Use language intermediary and visual aids.
	Affective	Lack of English vocabulary to express sentiments of care and concern.	Expand language and vocabulary concerning personal issues.
		Lack of trust and suspicion arising from lack of understanding.	Increase communication through social interaction and use the common corporate language consistently.
CULTURAL DIFFERENCES	**Cognitive**	Cultural differences as a source of cognitive distrust.	Screen for cultural intelligence.
		Cultural differences between what counts as "valid" knowledge (detail vs. process-oriented).	Learn aspects of the knowledge that the counterpart perceives as valid as a means to increase cognitive trust.
		Subgroup formation based on cultural difference.	Facilitate interaction and knowledge sharing.
	Affective	Discrepancy between team members' perceptions of the importance of displaying emotions.	Cultural awareness about differences in importance placed on displaying affection and emotion through case-based cultural awareness classes and/or assimilation.
GEOGRAPHICAL DISTRIBUTION	**Cognitive**	Difficult to "get a sense" of global workers' cognitive skills.	Initiate face-to-face meetings and workshops throughout the projects. Implement a virtual "open door" policy. Set clear goals and define members' roles in the project.
	Affective	Lack of affective trust due to geographical distance.	Initiate face-to-face meetings at the beginning of the projects.
		High level of cognitive trust leads to internal competition, which decreases affective trust.	Address fears from the onset and establish a psychological contract.

Conflict in global work

Conflict in global teams and between global business units occurs when global professionals have contradictory professional and personal aims. In such situations, individuals may air grievances and display problematic behavior. Such conflicts arise when cognitive and affective trust is missing, and often spring from organizational pressure and the international context.

Organizational pressure can occur e.g. when global corporations are faced with continuous changes in the business environment and with technological advances that require them to constantly adjust both their strategy and their structure. This can be very demanding in global organizations because individuals have to communicate and collaborate across linguistic, cultural, and geographical boundaries. Moreover, different international teams and business units can be argued to operate in highly dissimilar environments and functional areas. All this can challenge the organization's ability to globally coordinate tasks (Schotter & Beamish, 2011). Accordingly, employees in different units of a global organization often face more or less contradictory managerial and social pressures causing organizational strain. Hence, due to problems such as increasing complexity of intra-organizational coordination demands, strong and varied stakeholder interests, and continuous organizational adjustment paired with linguistic and cultural differences as well as geographical distance, global organizations have been described as particularly conflict-ridden arenas (Blazejewski, 2012).

In relation to internal team processes, conflict develops when a person's actions goes against other individuals' interests. Moreover, conflict can be said to exist if two parties' interests and scopes of action collide in social interaction. Conflict between global business units happens when interests of individuals in one unit collide with interests of those in another unit. The conflict develops between individuals but is dispersed to the remaining unit members in social interaction. In other words, the conflict is first experienced directly by few unit members. Subsequently, this feeling is transmitted to more business unit members. Group identification will then affect all unit members so that the same emotions will develop in all individual business unit members to a greater or lesser extent. At this time, the conflict can be argued to be a group conflict, or in this case a "unitized" conflict.

While conflicts can be damaging to any organization, it has been argued that they are even more so in global corporations. The destructive capacity of international team or business unit conflict may be related to linguistic and cultural differences as well as physical distance often

leading to particularly harmful outcomes of developing conflicts. This can be due to misunderstandings and negative social categorization processes.

In recent years, conflict is being treated as having different dimensions. In particular, distinction has been made between relational conflict and task conflict. This will also be the theme of the coming sections dealing with dynamics of virtual and co-located multicultural teams. After this, we will focus on low-intensity conflicts as an understudied issue in global leadership. This section will mainly look at inter-unit conflict in global corporations (parent company vs. subsidiary).

Relational conflict

Relational conflict is when conflict arises between individuals for personal reasons. It is interpersonal animosity or annoyance among team or unit members. Relational conflict is generally perceived to have negative effects on group processes, performance, and individual well-being. Relational conflict has been associated with breakdown in cooperation and is negatively related to positive social processes and known to lead to reduced group creativity. Relational conflict can distract team and unit members from task accomplishment, decreasing productivity and task efficiency (Behfar et al., 2008; Behfar et al., 2011). In our quantitative study, we find that relational conflict lowers team members' performance, engagement, and satisfaction (Appendix Table 6). Furthermore, there is a negative effect on knowledge sharing and the extent to which team members are open to other cultures (Appendix Table 7). This is in line with existing research where such conflicts have been found to cause decreased individual satisfaction as well as increased negative emotions such as anger, frustration, or resentment. Consequently, relational conflicts should be avoided at all costs by leaders of virtual or co-located multicultural teams.

Key points

Our study confirms that relational conflict lowers most favorable organizational outcomes such as performance, engagement, and satisfaction. Conflict increases with the amount of languages spoken in the organization. Our data suggest that global leaders should use the common corporate language consistently and implement language policies and training.

Cultural differences are also a cause for conflict. In such circumstances, it is important that the global leader acknowledges such differences and incorporates them into his/her leadership style.

Finally, geographical distance also sparks relational conflict. Thus, globally distributed individuals tend to use harsh language and often escalate the conflict to the managerial level. Here, it is important to meet face-to-face to defuse conflict and to implement guidelines and policies concerning proper behavior in virtual settings.

Language

Language differences can lead to relational conflict because misunderstandings can occur and language-based subgroupings can develop. In our study, organizational members describe how teams consisting of individuals with different languages tend to cluster in groups based on national language, particularly in more informal settings. As noted by this Italian employee working in a Danish HQ, "When it comes to social issues, like lunch, often the international group goes together.... I often go for lunch with the other Italians." Such language-based group formations occur because it is more difficult and more stressful to get a message across when having to speak in a language that one does not master to perfection. Languages that are acquired later than in early childhood will require the use of substantially more cognitive resources since speaking processes are not automated as they are for one's native language (Kane & Engle, 2003). Hence, individuals will tend to speak mostly to those mastering their native tongue. An English manager in a subsidiary state, "Communication is only for the Danes. No question. Nothing has changed in that respect. As you have seen it here in formal or informal get-togethers, inevitably, the conversation moves into Danish."

In such situations, global leaders have to continuously emphasize the importance of using a common corporate language and not be biased towards his/her own national language. This strategy, however, is not unproblematic since conflict may also occur due to misunderstanding unfamiliar vocabulary, unusual accent, slow speech rhythm, or frequent grammatical mistakes in the common corporate language. This can make it difficult to understand each other and cause frustration and conflict. A global leader describes the situation:

> There can be many types of conflict that arise on the basis of language in communication... from misunderstanding one another. We have, for example, some Chinese colleagues who have difficulty with the English language and this can cause misunderstandings. Simple, quite trivial misunderstandings about how many pieces or at what time. Completely factual information that you miss. There may be other circumstances, take India for example, where it is uncommon in the Indian culture to say

> no to a task. It is also uncommon to point out one's mistakes to one's immediate superior, or the things that have the potential to derail operations or a project or something. Right now, we focus on helping each other to tell "the inconvenient truth"… bring it out in the open. And I know it's not something you can change overnight, but perhaps, over time, it will become better and promote a better cooperation where they have conflicts. (Danish global leader)

In terms of avoiding relational conflict due to language differences, global leaders need to reduce misunderstandings and language-based group formations. We suggest that misunderstandings are best alleviated by improving the language skills of organization members. This can be done by formal and informal training in the organization. Also, it is important to display patience and continuously use the common corporate language in interaction. As this Danish global leader explains:

> We can find many really talented people in China, but they are not necessarily good at English, and this we can improve… We can improve their English skills, which we do in respect to China, but, offhand, it's a matter of dedicating more time for communication. To make sure to encourage that, although it may be difficult to find the words, you take the time to explain it properly. (Danish global leader)

Finally, language-based group formations can be avoided if global leaders enforce a policy of consistently using the common language. Our research indicates that mixing groups, so that many nationalities work together rather than e.g. one or two different language groups, is also an effective strategy. Then the English language, rather than the national languages of the majority of the group, will be used as the common means of communication.

Culture

Relational conflict also emerges from cultural differences. For example, the communication styles, values, and work tone are different from nationality to nationality. One Danish global leader describes the full spectrum ranging from places where people openly express their displeasure to places where people absolutely do not, "It can be very different, because you see anything from people almost getting into a fight, to someone falling completely silent… say nothing and withdraw into oneself. […] And neither is very effective."

In relation to this issue, findings in our study suggest that Danish global leaders are often perceived to be too direct in their way of approaching others. A problem that may be enhanced due to language issues on both sides of the conflict. An English manager located in a subsidiary of a Danish company explains, "English people use a lot of humor in the language, which Danes don't do. In the beginning, the Danes will be very abrupt and that pisses people off and makes them do the opposite of what you request."

This indicates that different nationalities also view the existence of conflict differently. In some countries, such as in East Asia, conflict is perceived to be more problematic than in Denmark. As noted by this Chinese employee located in a Danish subsidiary, "We use humor perhaps to avoid conflict, but the Danes don't seem to bother about conflict, not without difficulty anyway. And they are perhaps much more open than people here."

Hence, global leaders have to acknowledge that differences in norms and values can lead to conflict that can develop into relational conflict over time. Danish global leaders are often perceived by other nationalities to be very abrupt and absent of politeness in their interaction style. This is an indication that not all cultures are equally concerned with conflict and have different cultural understandings of the level of interpersonal tension that constitutes a conflict. Particularly in Asian countries, it is important to keep harmony in the relations and avoid open conflict in order for employees not to lose face. We suggest that a sensitivity towards culturally different ways of handling conflict should be something that global leaders include in their leadership style.

Geographical distance

In relation to geographical distance conflict is intrinsically linked to team members' use of media. In particular on E-mail, global professionals tend to use more direct and harsh language compared to telephone conversations or face-to-face interaction. This can escalate the conflict to a point where it becomes problematic for the performance of e.g. the team:

> Yes, sure, then these tennis mails, as I call them, will show up where they sit and wrangle with each other via e-mail and, "well, now he said this," and, "it isn't good enough," and, "it's not our corporate values to talk like this to each other," and… Well, it escalates to the point where it is more about telling how mistaken the counterpart is instead of trying to understand and trying to talk. Then it, even if it is not at a distance, turns

> into not listening to what the other person has to say because one is only waiting for one's chance to say what one wants to say. Then one is focused on making counterarguments rather than really trying to listen to what the other person has to say. Then one is not really listening, but only trying to win the argument. This is not particularly productive in any way. (Danish global leader)

In addition, our findings show that team members have a tendency to escalate the conflict by including global leaders in "cc" in order to document their actions. Besides giving the leaders an information overload, it also adds to the conflict in the team. As noted by this Danish global leader, "E-mails have a tendency to quickly become political, especially when there is a lot of cc'ing in them; it turns into 'cover my ass.' More and more people, I find, are often doing this… the other week, I had an E-mail dialogue with a colleague and a couple of cc's and that turned into 'cover my ass.'" When such disruptive conflicts emerge based on geographical distribution, global leaders argue that it is necessary to meet face-to-face and, thereby, also argue that it is difficult to resolve disruptive conflicts via communication technologies.

In combination with face-to-face meetings and clear guidelines, global leaders suggest that it is important to establish virtual policies and a "code of conduct" for how to deal with relational conflict from a distance. This will give global virtual team members a guideline for how to behave in a virtual setting and ensure that conflict is only escalated to the managerial level when necessary.

Task conflict

In comparison with relational conflict, task conflict is a more debated theme since both constructive and negative effects have been found (Behfar et al., 2011). Task conflict could stimulate members' engagement in and commitment to the group's task in organizational settings. Groups that do not always come up with the same solutions and disagree on how to solve problems are more likely to arrive at higher quality decisions (Ely & Thomas, 2001).

On the one hand, debate concerning tasks in a group has been found to lead to better problem solution and more positive interpersonal emotions and attitudes. On the other hand, task conflict does not necessarily increase positive group processes since they can be time-consuming and result in relational problems.

Key points

Relational conflict is substantially more negative than task conflict. Our quantitative results show that older team members and women tend to experience more relational conflict. Finally, Danes tend to report more conflict while at the same time displaying higher levels of trust.

The qualitative results show how task conflict often turns into relational conflict. In order to avoid such situations, the global professionals argue that it is important to establish clear rules of how to solve disruptive task conflict before it turns personal, keeping in mind that a constructive level of task conflict can benefit the team. Also informants indicate that global leaders can use conflict tools and formulate clear guidelines. They also mention that the leader can try to facilitate openness to diverse viewpoints and opinions as this reduces conflict.

Findings

In our survey on co-located teams, we compare the effect of relational conflict with that of task conflict. While we find strong negative effects of relational problems on most important team outcomes (performance, satisfaction, engagement, knowledge sharing, and openness to other cultures), the effect of task conflict is less strongly negative or neutral (Appendix Table 8). Hence, although we did not find a positive effect of task conflict, we can safely assume that for global work task conflict is substantially less negative than relational conflict.

We also compare the level of relational and task conflict between different groups. We find that older team members experience significantly more relational and task conflict than younger team members (Appendix Table 9). Women experience more relational conflict, but not more task conflict than men (Appendix Table 10). An interesting finding is that although Danish team members show a similar level of trust in their co-workers as foreigners, they report more conflict indicating that Danes might be more open towards taking about and reporting conflict (Appendix Table 11).

In our qualitative results, we also find clear indications of task conflict being different from relational conflict. As one leader puts it:

> Sometimes people in the team have different ideas of how to solve a problem and that can lead to some problems and someone may get upset if the others don't listen. But good things can also be the result of this process. At one point, we settled on a new process for product development because two new team members were used to something

> different. That has actually increased the speed of our work. (Danish global leader)

Our qualitative results provide additional information to the quantitative results, showing how task conflict can lead to relational conflict over time. One global leader explains, "[…] where you have misunderstandings or controversy. They can turn into something that is more personal. 'This person is not easy to work with,' sort of becomes the conclusion."

In order to address this, global leaders in the survey suggest a range of different initiatives. For example, one global leader argues that it is important to have transparency on how to deal with task disagreements in order for them not to become relational conflicts:

> Even people, whom I would normally consider extremely reasonable on the personal side […], can actually get into a discussion and then the conflict can escalate. So, I basically think it starts with if there is ambiguity about who is allowed to do what, if you haven't defined this well enough, I think it starts here, rather than it starts with people disagreeing strongly on a personal level. (Danish global leader)

However, global leaders also argue that a certain degree of task conflict should also be allowed so that the team learns how to solve problems:

> Sometimes things are getting resolved by themselves, not because you are not willing to help, but sometimes you just say, "Well, let's see how this person or this group of people will resolve this issue." It's not always about running and providing help, it's also about educating how to solve the problem. (Global leader)

In relation to the team level, one Danish global leader mentions that it is important to use an impersonal model when solving conflict in global teams. This can make the conflict resolution more focused on task aspects and less on personal aspects:

> When I experience conflict, it is always a good idea to use a model; because it is impersonal in that there is no "you are" and "you are." In this sense, we can discuss what the model says, and then people can reflect on where they are in all this and what they actually need to do… And I've always used this trust and distrust in relation to agreement and

> disagreement because it makes sense in helping to bring people back to a stage of development. “Yes, we don’t always have to agree, but we must never lose trust in each other.” [...] Because, taught by experience from working in Eastern Europe, you do not talk about such things. (Danish global leader)

Another Danish leader focuses especially on formulating guidelines for task conflict so that they do not develop into something personal:

> I think it starts with that it’s quite central to “draw up the battlelines” and say, “At this location we are responsible for such and such, at the other location, we are responsible for such and such. This location is allowed to fiddle with these elements; the other location is allowed to fiddle with those elements. Here we just need to be in complete agreement.” So, that you really have everything straight. Otherwise, it can just escalate. (Danish global leader)

Therefore, while task conflicts can be time consuming and can lead to some negative emotions, they are much less destructive than relational conflicts. They may even function as constructive conflicts that can be useful for the organization. However, there is always a danger that task conflict may spill over to relational conflict, thus, having a negative effect on organizational outcomes. Hence, we suggest that a central leadership task is to find a suitable balance where task conflict can exist without turning into relational conflict.

Managing relational and task conflict

It is clear that relational conflict has a negative impact on central aspects of team work. In general, our quantitative studies show that this type of conflict lowers team members’ performance, engagement, knowledge sharing, and satisfaction. Furthermore, and of particular relevance to global work, it also impacts individuals’ openness to other cultures. From this, we suggest that, in order to avoid relational conflict, interventions may be carried out at the individual, team, and organizational level. At the individual level, processes such as training, coaching, and mentoring could assist in keeping relational conflict low. At the team level, teambuilding activities could improve social relations and clarify team member roles. Teambuilding is especially effective in the case of teams facing affective issues. At the organizational level, strategies and policies can be implemented to counteract conflict. This can

be done in the form of missions, evaluations, and reward structures. Obviously, the best way to develop the global team is to apply individual, team, and organizational interventions simultaneously.

Focusing on central aspects of global work, it is clear that lack of language skills and differences in the language proficiency level function as conflict drivers in social interactions and are likely to spark relational conflict. Here, it is not only of importance that language policies and training are implemented, but also that recruitment strategy reflects that English language is a key skill in global work and, thus, should be put on the same footing as other skills entailed in the job description. Furthermore, our findings indicate that it is important that global leaders include language skills when considering team composition. Since subgroups fostering relational conflict are likely to emerge if two language groups exist within the team, the leader should seek to include more language groups so that the dialogue will be in English. Finally, we suggest that the global leader emphasizes that language differences are not an abnormal aspect of working internationally so that team members see language challenges as part of a normal work day in a global organization.

Our study also shows that cultural differences function as a relational conflict driver in global work. First and foremost, culture impacts the way in which individuals express disagreement. What is perceived as a small critical comment by some cultures is perceived as a harsh personal insult in other cultures. In such circumstances, we recommend that the global leader acknowledges such differences and through his/her attitude displays sensitivity to such issues. For Danish leaders, working with for example Asians, it is important not to be too direct as this will easily be perceived as an offense and function as an obstacle for a constructive relationship. Furthermore, as informants suggest, it is important to address interpersonal issues at the beginning of the relationship in order to avoid potential affective conflict. Also, global leaders should show their willingness and commitment to engage in the personal relationship through an open attitude as this will minimize the possibility of conflict. Some cultures are also more sensitive towards conflict and, thus, seek to avoid conflict-ridden issues. Here, informants mention that the global leader, while respecting the cultural differences, creates an environment where organizational members feel it is allowed to address issues that everyone might not agree on. This can be done with a supportive leadership style when members from more conflict avoidant cultures come with input.

Furthermore, geographical distance tends to spark relational conflict. As a consequence, globally distributed individuals tend to use harsh language and often escalate the conflict to the managerial level. In order for Danish global leaders to avoid conflict, informants mention that it is important to recognize that individuals find it more difficult to start a conflict with someone they have met face-to-face compared to having only interacted from a distance. Also, our research shows that members will use less harsh language if they have been geographically co-located. Thus, it can hardly be overstated how important it is for the team to meet face-to-face.

Our quantitative study suggests that task conflict is much less damaging than relational conflict. Therefore, it is important that the global leader is not too conflict avoidant concerning task-related conflict, but rather creates a transparent environment and nourishes team members' ability to express task-related disagreements. Here, we suggest that the global leader shows an openness towards diverse viewpoints through his/her behavior as this will be copied in team members' behavior. The challenge for the global leader is to confine disagreements to task-related issues so that they do not evolve into relational conflict. Here, it is important to realize that our data show that older organizational members and women tend to experience more emotional conflict. Thus, leaders should be particularly aware of these two groupings when conflict emerges in the team. Furthermore, as suggested by an informant, the leader can establish some "ground rules" at the beginning of the project concerning how the team should discuss task-related challenges. For example, we suggest that the leader can ban the use of certain words that team members might find offensive. In addition, an informant states that global leaders can use conflict tools and models in order to depersonalize the task conflict.

TABLE 10: CONFLICT IN GLOBAL WORK

General: Relational conflict lowers performance, satisfaction, knowledge sharing, and openness to other cultures. Relational conflict can be reduced through recruitment, training/coaching/mentoring, teambuilding, organizational missions/evaluations, and reward structures.			
CONFLICT DRIVER	**TYPE OF CONFLICT**	**CHALLENGE**	**CONFLICT INHIBITOR**
LANGUAGE DIFFERENCES	**Relational**	Conflict due to difference in language proficiency level.	Language policies, training, and recruitment.
		Subgroup formation based on language differences.	Screen for language abilities when establishing the team.
		Language differences as a perceived obstacle.	Emphasize that language differences are a normal aspect of global work.
CULTURAL DIFFERENCES	**Relational**	Cultural differences in expressing conflict.	Show cultural awareness when addressing potential conflict-laden issues. If relational conflicts occur, make sure to address them in the beginning of the relationship. Continuously build personal relationships with co-workers.
		Heightened cultural sensitivity towards conflict.	Apply a supportive leadership style towards conflict avoidant individuals in order to create a safe environment for disagreement.
GEOGRAPHICAL DISTANCE	**Relational**	Geographical distance makes it easier to commence relational conflict and use inflammatory language.	Meet face-to-face to create an emotional bond, making it less likely for conflict to emerge. Do not send personal negative statements via e-mail. Use telephone or face-to-face meeting to address relational conflict.
TASK DISAGREEMENT	**Task conflict**	Task-related conflict existing within the team.	Display a non-conflict avoidant leadership style. Display openness towards diverse viewpoints.
		Task-related conflict can become a relational conflict.	Focus in particular on older members and women as they experience a higher degree of emotional conflict. Establish “ground rules” for expressing task disagreement. Use conflict models to depersonalize comments and critique towards members’ task suggestions.

Low-intensity conflict

Since conflict is ever present, much of it is expressed in a low-intensity form actualized as avoidance, alliance forming, gossip, conspiracies, and subtle vengeance-directed activities (Kolb & Putnam, 1992). Low intensity conflict can be described as conflict that is not openly voiced by any of the involved parties and most often the importance of the conflict theme is not equally acknowledged by all parties.

The appearance of a conflict between groups is generally a dual-stage process. The first stage involves subjective evaluations regarding the in-group's goals, other groups' goals, and the interaction between them. In the second stage, the evaluation is expressed in a motivation and readiness to act in a certain way. In open conflict, the second stage will lead to explicit actions taken by one or both of the groups. This is not necessarily the case in low-intensity conflict where one party may not voice the disagreement to the other party or may do so only in vague or implicit terms (Halperin et al., 2011). The reason for this should often be found in the power relations between the two groups where one group is dependent upon the goodwill of the other group. For this reason, low-intensity conflict exists especially between global business units such as parent companies and subsidiaries.

Key points

Low-intensity conflict is relatively common in international organizations and can have strong negative impact on collaboration in the global organization. Such conflicts often spring from different power positions in the company. Thus, it is characteristic that the superior partner, often located in the parent company, has a tendency to look the other way in conflict situations. However, this conduct is highly problematic since our study shows that low-intensity conflict in some instances can delay projects and lead to dismissals of employees. In our study, we identified three types of leadership behavior that can lead to low-intensity conflict. The first behavior we identified is *ignoring*, which occurs when subordinates perceive that the global leader does not listen or take their advice into account. We also identified a second behavior labeled *bypassing*, which is particularly prevalent in global organizations. Such conflict occurs when parent company managers think that the input of local leaders and subsidiary units is irrelevant for implementing global policies and procedures. Conversely, subsidiary personnel often perceive such initiatives as obstacles and, consequently, conflict occurs. Finally, we identified an *educating* behavior of the parent company managers. While this is often done

with the best of intensions, it is perceived as arrogant and may lead to self-silencing among subordinate personnel.

Findings

Low-intensity conflicts are often some type of task conflict since relational conflict tends to quicker become open conflicts. Low-intensity conflicts can be expressed by subsidiary personnel as degrading jokes about "the Vikings," the "German Danes," or the "Luftwaffe type of guys" which can be overheard in the cafeteria, in the corridors, and during meetings in subsidiaries. However, it is characteristic that jokes or negative views are not voiced openly when HQ representatives are present. Instead, individuals use such phrases when only subsidiary employees are present and for example utter, "Well I hope they don't have a microphone in this meeting room." We have also detected more subtle expressions of low-intensity conflict in our data, such as subsidiaries ignoring, altering, or postponing the implementation of HQ initiatives.

It is clear from interviews at HQs that managers are not aware of any existing conflict or they see them as irrelevant or expressions of foolishness. However, for people in the parent company, it is also relatively easy to carry on with one's work even though they know that a low-intensity conflict exists:

> "It is probably easier because you are here in Denmark. So it's easier just to close your eyes and say, 'Well, I'm so busy focusing on my own tasks.' […] It would have been different if it was him who sat next to you in the office. Then you could see how frustrated he is when you meet him at the coffee machine." (Danish global leader)

A global leader describes what types of reaction a low-intensity conflict can lead to in a global project team. He argues that these conflicts can be seen for example at a specific meeting where some people behave in a certain unhelpful way. He also mentions that subsidiary employees may return to the subsidiary and either neglect the project or begin to mobilize the local subsidiary management against it:

> It's a bit like it is done in secret, right, there's a man who works 70 percent on a project and all of a sudden, "Oh, I have to go on a business trip, and then I just couldn't make it," and then, finally, "Sorry, I just couldn't do it

> in time," and so on. There are many soft ways to opt out of global project work without just making it formal. (Danish global leader)

According to interviewees, low-intensity conflict also results in projects that never actually get finalized. This is especially a problem when working across global business units. As one global leader says, "Then you feel that someone is not being constructive." Another issue is that low-intensity conflicts may not appear too problematic at first, but they can lead to drastic outcomes and it can be difficult to actually deal with them openly, especially from a distance:

> There are many subtle conflicts. It is not something that people are really upset about here [at the parent company]. But over time, the small things turn into a dismissal here and a project that is abandoned there. But it is these little everyday things. Perhaps they build up more. It's harder to get them aired out in relation to those who work from a distance. (Danish global leader)

The examples above demonstrate that low-intensity conflict can clearly be harmful in global inter-unit relations. In order to provide solutions for problems related to low-intensity conflict, we seek to identify causes of this type of conflict. We find three types of attitudes that can lead to low-intensity conflict between global business units. These are *ignoring*, *bypassing*, and *educating*.

Ignoring

Informants describe how it often leads to conflict when individuals or units in power positions do not listen to advice or learn from subordinate units and persons. In the following quote, a manager from an English subsidiary describes how HQ representatives do not listen to their concerns about what they feel are mistaken expectations concerning the English market, "Just because it is a big seller in Denmark it is not necessarily the same here. They don't get that. You see them throw all this money around and you think to yourself, 'No wonder we are losing money.' I don't think they are really listening."

Even if it may often be non-deliberate, our study shows that subsidiary managers and employees feel that global leaders, through their attitudes and actions, tend to suppress critical inputs from outside HQ boundaries and that they are not receptive to influence, learning potentials, and new perspectives developed in the subsidiaries.

Another recurrent theme is the use of the parent company home country language (Danish) in corporate communication. Corporate strategies or value statements are sometimes not translated. In the eyes of subsidiary employees, this sends the signal that the parent company managers are not interested in their comments or viewpoints since material in Danish is inaccessible to most subsidiary employees. As remarked by an English subsidiary manager, "When they send something like this out, it just becomes so evident that they do not care at all about what we can contribute. This just makes me more and more certain that, next time, I will not work for a foreign company."

The overall impression is that subsidiary employees often find themselves not being taken seriously and not being heard by parent company global leaders. According to individuals in the subsidiaries, important issues are devaluated, problems overlooked, and arguments overheard. Since such an attitude and mode of conduct are performed by individuals with a greater power base, any criticism can be discarded; thus, rejecting attempts to initiate more open confrontations.

Bypassing

In the qualitative data, subsidiary staffs also mention that they feel bypassed because Danish global leaders in the parent company often think that procedures can be more effective if they do not involve subsidiary personnel. In such instances, subsidiary employees interpret the situation as a result of Danish managers believing that the subsidiaries are unnecessary intermediaries, even in the foreign market. From a parent company point of view, it typically has the purpose of standardizing or streamlining activities and information at a corporate level, but subsidiary employees often feel that the actions reflect an attitude of indifference when HQ representatives interact directly with local customers.

In one case, the Danish top management designed and implemented a new online system aimed at standardizing information and processes between the MNC and local customers. In doing so, they ignored the fact that implementation would alter the dialogue between subsidiary employees and their customers by shifting a substantial part of the daily communication with customers to outside of the local sales rep-customer relationship. However, an important criterion for success for sales reps is to maintain a close dialogue with customers so as to develop the best possible customer portfolio. In this case, the centrally designed online system, while increasing standardization and efficiency at HQ level, restricts

personal dialogue with customers, resulting in subsidiaries perceiving it to some extent an obstacle.

For subsidiary staff, the problem with bypassing is that the parent company initiatives aimed to increase global efficiency, for instance through centralization and standardization, clash with the daily requirements facing subsidiary managers. Subsidiary representatives see the initiatives described above as a threat to their functioning but worry that open conflict will result in their strategic role being downgraded even further. Conversely, the fear of being bypassed is not found in subsidiaries exclusively. Because of significant differences in wages between countries, HQ staff may worry about their future in the company and see subsidiary staff as a threat to their position as one Danish senior manager explains, "Yes, there is also conflict between the Danes and the Ukrainians. If we compare the wages, then they are different which is part of the reason why we use Ukraine and, yes, what is underlying here… Well, there can be undertones of 'if I make this work, will I have a job tomorrow, then?'"

Although such a concern related to bypassing is rarely voiced openly, it does affect team dynamics negatively since individuals will have a tendency to withhold information from colleagues they perceive as competitors.

Educating

There are also examples in the qualitative data of educating behavior, which compared to ignoring and bypassing is a more direct behavior. HQ representatives of the case companies seem each in their way to assume that the domestic culture, values, and practices of the HQ are superior to those of any of the subsidiaries.

It is argued that Danish global leaders make great efforts to disseminate and teach the Danish corporate values and practices globally. There are numerous examples of how HQ managers' efforts to align and coordinate within the organization are perceived as expressions of an ignorant or arrogant attitude. Another example of how this HQ attitude leads to subtle conflict behavior among subsidiary employees is given by an individual who reports that HQ managers coming to visit from Denmark have the expectation that information from the parent company is not to be questioned.

Low-intensity conflict arises because subsidiary employees feel that the parent company manager believes that there is only one right way: "the HQ way," and the objective of the parent company manager seems to be to teach the rest of the world. Subsidiary employees are

perceived to be less knowledgeable than employees in the parent company and, therefore, they are to learn from the higher standards and values of parent company managers.

The local personnel also complain about being given ridiculous advice by HQ executives, like, "Just tell the retailers to put our product on the best shelves," or, "Just hire the best graduates." While this may be possible in Denmark, owing to the dominating home market position of the MNC there, it is not considered achievable in England or Singapore, for instance, where competition is much tougher.

As the above illustrates, Danish global leaders in parent companies sometimes cause low-intensity conflict behavior in subsidiary employees because of a "we know better how things are to be done"-attitude in the organization and because they are often very direct and demanding in their attempt to disseminate this "right way." Subsidiary managers sometimes feel that HQ representatives constantly make demands without taking into consideration how this will affect subsidiary practices. The feeling that the power position and perceived superiority of HQ representatives make them think they can dictate how to do business leads to great frustration among subsidiary staff. This frustration is not expressed openly and HQ managers do not pay attention to any subtle concerns or discontent.

Managing low-intensity conflict

Our findings suggest that global leaders in the HQ should **1) be aware** that ignoring, bypassing, and educating attitudes have negative consequences for the organization; 2) **monitor** negative sentiments and signs of discontent towards the HQ in subsidiaries and 3) **counteract** by engaging in a dialogue with subsidiary personnel concerning e.g. the implementation of HQ-initiated corporate policies.

Being in a superior power position, it can be tempting for HQ representatives to ignore subtle signs of conflict behavior. This, however, can have long-term negative consequences. As such, all signs of subtle conflict behavior should be taken seriously and dealt with openly. Transparency through dialogue and increased interaction should have a positive impact. Thus, more frequent communication diminishes the negative inter-group perceptions that may build up among discontented subsidiary employees. In this regard, neutral parties or people that are respected in both units (e.g. expatriates) may be particularly useful for identifying and solving hidden low-intensity conflicts because they often have gained the trust of members in both

units. However, for this to work, parent company managers have to accept the viewpoints that these 'boundary spanners' present.

The global leader can also more specifically work with removing the causes of low-intensity conflict in global organizations. To prevent low-intensity conflict related to ignoring from emerging, which may happen when the parent company managers display an attitude of valuing to a lesser extent opinions from subordinates, it is important to include subsidiary personnel in the decision-making process. Particularly in global organizations, this is of importance since the leader wishes to make sure that organizational initiatives are adapted to the local market. Low-intensity conflict can also arise when subordinates feel that they are bypassed by their superiors, in particular when for example HQ seek to implement common strategies and procedures. Here, it is important that the management tools and practices are generic and flexible enough so that local personnel can adopt only the aspect that makes sense in the given context. Finally, educating behavior which is perceived as arrogance by subordinates can have a devastating impact on collaboration in a global organization. Here it is important that the leader recognizes that the global profitability of the company is based on a balance between global integration and local adaption. So, while HQ personnel might be in a power position and ensure effective collaboration across units, they need to do so and yet respect that it is the local subordinates who are the local experts and have to adopt such initiatives to the local environment.

TABLE 11: LOW-INTENSITY CONFLICT IN GLOBAL WORK

Low-intensity conflict is problematic as it often remains hidden and out of sight. The global leader can reduce low-intensity conflict by increasing communication and dialogue and through the use of boundary spanners.			
ROOT CAUSE	**ATTITUDINAL CONFLICT DRIVER**	**CHALLENGE**	**CONFLICT INHIBITOR**
INTER-UNIT POWER DIFFERENCES	**Ignoring**	The leader does not take subordinates' opinions into account.	Include key personnel in the local unit in the decision-making process.
		HQ uses their own language when distributing key organizational documents.	Ensure that the common corporate language is used for all written documentation.
	Bypassing	Bypassing by the HQ when implementing global management tools and practices.	Allow for local deviation and alterations to ensure subsidiary effectiveness.
	Educating	Global leaders behave with superiority and arrogance.	Remember that the local employees are also local experts and essential for the profitability of the global organization.

CONCLUSION AND CONTACT

The purpose of this research project was to identify different types of conflict in global collaboration and how they impact performance in teams. In addition, the study sought to identify issues that potentially come to influence trust in virtual and co-located settings in both large and small Danish organizations working globally. In order to reach this aim, we conducted 45 qualitative interviews and observations in 15 international organizations. Furthermore, quantitative data from two separate surveys in different Danish-owned international organizations were obtained. As a general rule, names of individuals and companies are kept anonymous, and we only disclose whether the respondents are global leaders or employees in subsidiaries and the national origin of the informant.

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APPENDIX: TABLES

TRUST IN GLOBAL WORK

QUANTITATIVE RESULTS RELATED TO TRUST

TABLE 1: RESULTS OF HIERARCHICAL MULTIPLE REGRESSION FOR MEMBERS' SATISFACTION AND WELL-BEING ON TRUST	
	Interpersonal Trust
	β
Step 1 Control	
Gender	0.14*
Adjusted R^2	0.01
Step 2	
Job Satisfaction	0.26***
Well-Being	0.42***
Adjusted R^2	0.35
Change in R^2	0.34

All standardized regression coefficients are from the last model of the analyses.
* p<.05; ** p<.01; *** p<.001; two-tailed

TABLE 2: RESULTS OF HIERARCHICAL MULTIPLE REGRESSION FOR VIRTUAL TEAM COMMUNICATION AND PERFORMANCE ON INTERPERSONAL TRUST	
	Interpersonal Trust
	β
Step 1 Control	
Gender	0.14*
Adjusted R^2	0.01
Step 2	

Virtual Team Communication	0.14*
Job Performance	0.18*
Adjusted R^2	0.06
Change in R^2	0.05

All standardized regression coefficients are from the last model of the analyses.
* p<.05; ** p<.01; *** p<.001; two-tailed

TABLE 3: ANCOVA FOR GENDER

Dependent Variables	Male		Female		Univariate
	N = 189		N = 38		
	Mean	SD	Mean	SD	F Ratio
Interpersonal Trust	22.50	3.72	23.82	2.38	4.19*
Covariate: Age					

TABLE 4: RESULTS OF HIERARCHICAL MULTIPLE REGRESSION FOR LANGUAGE AND TRUST

	Interpersonal Trust
	β
Step 1 Control	
Tenure	0,06
Adjusted R^2	0
Step 2	
Openness to Linguistic Diversity	0,28***
Management Language	0,16**
Daily Job Contacts	0,12*
Adjusted R^2	0,19
Change in R^2	0,19

All standardized regression coefficients are from the last model of the analyses.
* p<.05; ** p<.01; *** p<.001; two-tailed

TABLE 5: REGRESSION: TRUST AND KNOWLEDGE USE MODERATED BY NUMBER OF FOREIGNERS	
	Knowledge used
	ββ
Step 1 Control	
Percentage of foreigners	0.22***
Adjusted R^2	0.05
Step 2	
Trust	0.26***
Interpersonal trust_Perc of foreigners_mod	-0.13**
Adjusted R^2	0.35
Change in R^2	0.30

All standardized regression coefficients are from the last model of the analyses.
* p<.05; ** p<.01; *** p<.001; two-tailed

CONFLICT IN GLOBAL WORK

QUANTITATIVE RESULTS RELATED TO RELATIONAL CONFLICT

TABLE 6: RESULTS OF HIERARCHICAL MULTIPLE REGRESSION FOR RELATIONAL CONFLICT	
	Relational conflict
	β
Step 1 Control	
Gender	-0.10*
Adjusted R^2	0.01
Step 2	
Performance	-0.60***
Engagement	-0.18***
Satisfaction	0.03

Adjusted R^2	0.48
Change in R^2	0.47

All standardized regression coefficients are from the last model of the analyses.
* p<.05; ** p<.01; *** p<.001; two-tailed

TABLE 7: RESULTS OF HIERARCHICAL MULTIPLE REGRESSION FOR RELATIONAL CONFLICT	
	Relational Conflict
	β
Step 1 Control	
Gender	-0.10*
Adjusted R^2	0.01
Step 2	
Knowing Each Other's Knowledge	-0.41***
Openness to Linguistic Diversity	-0.06
Openness to Visible Diversity	-0.16**
Adjusted R^2	0.27
Change in R^2	0.26

All standardized regression coefficients are from the last model of the analyses.
* p<.05; ** p<.01; *** p<.001; two-tailed

QUANTITATIVE RESULTS RELATED TO TASK CONFLICT

TABLE 8: RESULTS OF HIERARCHICAL MULTIPLE REGRESSION FOR RELATIONAL CONFLICT & TASK CONFLICT						
	Performance	Satisfaction	Engagement	Knowledge Sharing	Openness to Linguistic Diversity	Openness to Visible Diversity
	β	β	β	β	β	β
Step 1 Control						
Gender	0.07	0.03	0.06	0.16***	0.12*	-0.02

Adjusted R^2	0	0	0	0.02	0.01	0
Step 2						
Task Conflict	-0.22***	-0.05	-0.03	-0.24***	-0.1	-0.09
Emotional Conflict	-0.54***	-0.44***	-0.36***	-0.33***	-0.22***	-0.30***
Adjusted R^2	0.49	0.22	0.14	0.29	0.1	0.13
Change in R^2	0.49	0.22	0.14	0.27	0.09	0.13

All standardized regression coefficients are from the last model of the analyses.
* p<.05; ** p<.01; *** p<.001; two-tailed

TABLE 9: MANCOVA FOR AGE						
Dependent Variables	Younger		Older		Multivariate Effect	Univariate F Ratios
	N = 298		N = 178			
	Mean	SD	Mean	SD		
Task conflict	3.40	1.25	3.67	1.35	3.46*	5.28*
Emotional conflict	3.02	1.51	3.32	1.38		6.16*
Covariate: Gender						

TABLE 10: MANCOVA FOR GENDER						
Dependent Variables	Male		Female		Multivariate Effect	Univariate F Ratios
	N = 337		N = 137			
	Mean	SD	Mean	SD		
Task conflict	3.48	1.32	3.55	1.23	3.95*	0.62
Emotional conflict	3.03	1.41	3.34	1.57		6.54*
Covariate: Age						

TABLE 11 MANCOVA FOR NATIONALITY						
Dependent Variables	Denmark		Non-Denmark		Multivariate Effect	Univariate F Ratios
	N = 284		N = 192			
	Mean	SD	Mean	SD		
Trust	5,67	0,92	5,70	0,94	16,50***	0,20
Task conflict	3,80	1,31	3,05	1,13		39,17***
Emotional conflict	3,39	1,48	2,72	1,34		21,11***
Covariate: Age						