Master of Business: Thesis

The influence of acculturation on conflict management styles of Chinese and Indian SME owners in Auckland metropolitan

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Abbreviations

SME - Small and medium sized enterprises
NZ - New Zealand
HBE - Home Based Entrepreneurs
GEM - Global Entrepreneurship Monitor
NE - Necessity entrepreneurs
OE – Opportunity entrepreneurs
IDV index – Individualism index
PDI index – Power Distance Index
UAI index – Uncertainty Avoidance Index
MAS index – Masculinity index
LTO – Long-Term Orientation
CVS – Chinese Value Survey
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CHAPTER ONE – Introduction

Background

“The demand for entrepreneurs depends upon the pace of change in the economy. The faster change occurs, the greater will be the demand and higher the reward to the entrepreneur.

(Casson, 2003, p. 337)

Entrepreneurship and innovation were the generators of vigorous economic growth of New Zealand in late 19th century and early 20th century. Small and medium-sized enterprises (SMEs) generate public and private capital, making SMEs of major importance in the New Zealand economy. The Global Entrepreneurship Monitor 2012 highlights “Entrepreneurship and migration” as one of the crucial factors that influence entrepreneurship globally. There are currently more than 210 million international migrants with a further increase expected within the next decade. In innovation and factor-driven economies like New Zealand migrants exhibit higher rates of entrepreneurship than non-migrants making significant contributions to economic and global competitiveness in their host and home economies (Xavier, Kelley, Kew, Herrington & Vorderwülbecke, 2013).

SMEs are small to medium-sized enterprises with fewer than 20 employees. The SME sector dominates the New Zealand economy, and many Asian immigrants end up owning SMEs. The Auckland region is known to have the major distribution of SMEs. Statistical data shows the growing contribution of Chinese and Indian owned SMEs in the employment of the New Zealand workforce (Ministry of Business, Innovation & Employment, 2015; Ministry of Economic Development, 2011; Statistics New Zealand, July 2013).

According to the last report published by Statistics New Zealand in 2012 on demographic trends, the Asian population will comprise 16% of New Zealand’s total population by 2026. The Asian population increased from 10% in 2006 due to increased migration of Asians to New Zealand. This increase in the Asian population in New Zealand will impact on SMEs (Ministry of Economic Development, 2011).
Commonly SMEs are owned and managed by a working owner who makes most of management decisions. Most of these SMEs do not have access to specialist staff with management expertise nor are they a part of large businesses or group of companies with managerial expertise. Most of SME owners commonly rely on building their management expertise through experience (Ministry of Business, Innovation & Employment, 2012). An organisation’s culture and management practice usually ascend from beliefs, values and assumptions of the founder’s learning experience of group members as an organisation evolves. An organisation’s culture evolves from the founder’s own cultural identity, personality, self-confidence and determination (Schein, 1992).

Conflict is inevitable in organisations Jehn, Rispens, Jonsen, and Greer (2013). The researcher perceives that cultural values, beliefs and attitudes influence SME owner’s conflict management style. Apart from cultural influence, the researcher intends to explore the impact of the process of acculturation (the cultural adaptation of foreigners) on conflict management in Chinese and Indian immigrant-owned SMEs in Auckland metropolitan.

The approach would be to select Chinese and Indian immigrant SME owners residing in Auckland metropolitan region for over five years. The researcher will interview them to identify if acculturation (cultural adaptation) has influenced their conflict management style.

**1.1 Immigration into New Zealand**

New Zealand is a traditional settlement country having large numbers of immigrants. Immigration has increased in New Zealand, especially since 1991 with the introduction of point system based on characteristics like age, advanced degrees, language skills, employment and other personal characteristics (Benson - Rea & Rawlinson, 2003; North, 2007).

Increased mobility of population and globalisation has resulted in cross-culturally diverse work teams functioning in one cultural context (Schalk et al., 2010). Jones, Pringle, and Shepherd (2000) consider New Zealand
originally as a culturally diverse society with Māori and Pakeha (non-Māori primarily British) population. New Zealand like other western countries has become culturally diverse with increased immigration from Europe, South East Asia, India and Middle East.

There has been a high influx of migrants with statistics showing migrants from India (10,800), China (7,600), the United Kingdom (5,100) and the Philippines (3,800) as noted in January 2015 statistics data. There was a net gain of 5,500 migrants in January 2015 surpassing the October 2014 peak of 5,200 migrants with India as the largest source of skilled migrants. Nearly all regions of New Zealand had a net gain of migrants in January 2015, lead by Auckland region (24,600) (Statistics New Zealand, 2015).

Asians have a long history of settlement in New Zealand. Chinese and Indians were two of the major Asian communities who migrated to New Zealand in the nineteenth century. Auckland has a high multi-ethnic presence and is home to many Pacific and Asian people who have settled in New Zealand in past fifty years. As per the numbers from 2013 census, almost two out of every five people living in the Auckland region or around 39% were born overseas. Migrant population in Auckland region is the highest proportion of all regions in New Zealand. Auckland region has highest proportion (15%) of its residents born in Asia. Auckland is considered a key destination point for Asians arriving or returning to New Zealand. Auckland city attracted more people of Asian ethnicity in all age groups than any other area in New Zealand (Auckland Council, 2014; Statistics New Zealand, 2015).

The Asian population in the Auckland region covering four major areas within the Auckland metropolitan council, being: Manukau, Auckland City, North Shore and Waitakere, will rise by two-thirds during the period 2006 – 2021. The number of Chinese migrants in New Zealand doubled to 53,694 comprising 55% of the ethnic Chinese population of Auckland. The Indian population has quadrupled in size since the last census in 2006. Over two-thirds of New Zealand’s Indians live in Auckland with the majority of them in suburbs of New Lynn, Avondale, Sandringham and Hillsborough (Cain & Spoonley, 2013).
1.2 SMEs in New Zealand

SMEs have a key role in the New Zealand economy. SMEs make up about 97% of businesses in New Zealand. SME employs fewer than 20 employees and one in three New Zealand worker is employed in an SME. Combined SMEs contribute over a third of New Zealand’s Gross Domestic Product (Ministry of Business, Innovation & Employment, 2014).

Below given diagram further highlights the size of enterprise regarding employees appointed with their percentage share in the industry.

<table>
<thead>
<tr>
<th>Employment Size Group</th>
<th>Total</th>
<th>Percentage</th>
<th>Employee Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>537405</td>
<td>100%</td>
<td>2045610</td>
</tr>
<tr>
<td>1 to 5</td>
<td>110562</td>
<td>20.6%</td>
<td>266480</td>
</tr>
<tr>
<td>6 to 9</td>
<td>26958</td>
<td>5.0%</td>
<td>195240</td>
</tr>
<tr>
<td>10 to 19</td>
<td>22155</td>
<td>4.1%</td>
<td>378320</td>
</tr>
<tr>
<td>20 to 49</td>
<td>12696</td>
<td>2.4%</td>
<td>267500</td>
</tr>
<tr>
<td>50 to 99</td>
<td>3885</td>
<td>0.7%</td>
<td>267500</td>
</tr>
<tr>
<td>100+</td>
<td>2562</td>
<td>0.4%</td>
<td>642950</td>
</tr>
</tbody>
</table>

Many Chinese and Indian migrants are self-employed and own businesses throughout Auckland due to less occupation mobility, difficulty in getting jobs, ease in business start-up due to support and assistance from their family, friends, community networks and government assistance (Cain & Spoonley, 2013).

1.3 Entrepreneurs in New Zealand

An entrepreneur is an individual who does something new that is either related to a product, service, idea, technology or market by creating a new organisation. Entrepreneur activity creates value and growth. Entrepreneurs are the owner and managers of their businesses and possess unique characteristics and abilities. Entrepreneurship consists of elements like risk...
taking, innovation, value creation, growth, opportunity and proactivity
(Massey, 2011).

Following are some of the major highlights on New Zealand entrepreneurship from Global Entrepreneurship Monitor (GEM) 2003-2004 New Zealand report (Frederick, 2004):

• GEM sees entrepreneur activities in term of core drivers like finance, technology, education, culture and economic climate in New Zealand. Out of 2.4 million adult New Zealanders, there are 330,784 entrepreneurs. Two-thirds of New Zealand entrepreneurs are HBE (Home Based Entrepreneurs) operating their businesses in isolation and out of view. They engage in a range of business activities especially in service industries requiring low capital.

• Opportunity entrepreneurs are those who identify opportunities and exploit them. Out of 13.6% New Zealand entrepreneurs, 11.5% were opportunity entrepreneurs in 2003.

• In the GEM report, world necessity entrepreneurs (ones who creates jobs in the absence of factors for work in an economy) average to 2.72% of the population. New Zealand has moderate 1.7% rate of necessity entrepreneurs comparable to Greece, US, Australia, South Africa and six other nations for moderate rates of NE (Necessity Entrepreneurs).

• SMEs employ 30.2% (581,540) employees out of 1,926,580 people employed (Ministry of Business, Innovation & Employment, 2013).

New Zealand is one of the most entrepreneurial nations in the world with 15.1% of the adult population being either opportunity or necessity-driven entrepreneurs. Start-up rate of businesses in New Zealand in 2008 was 17.5%. Opportunity entrepreneurs report higher rates of satisfaction with new venture start-ups than necessity entrepreneurs.

New Zealand enterprises are mainly small and medium sized with 97% of all enterprises employing fewer than 20 employees. Statistics shows that SMEs not only account for employment but contribute to total output in the economy that is known as “value added”. SMEs contribution to the total
value added output was 40% (Ministry of Business, Innovation & Employment, 2012).

SMEs in New Zealand not only employ around half of the labour force but also provide the large population of New Zealand with goods and services particularly in retailing and restaurants. The growth of SMEs in New Zealand has economic and social significance. Small firms are a sign of flexibility and dynamism in the economy. SMEs in New Zealand have created an enterprising, flexible and self-reliant population capable of solving problems while maintaining sustainability (Massey, 2011).

1.4 **Entrepreneurs from Collectivist backgrounds**

OECD (2010) Entrepreneurship and Migrants report points cultural and personal bias, supportive regulations for entrepreneurs, easy access to capital for commercially viable ideas and alternative employment options for some common reasons, which influence migrants to become entrepreneurs.

**Culture and personal factors**

According to OECD (2010) culture inclination plays a vital role in determining if a migrant becomes an entrepreneur or starts a business. Many migrants are international students and workers that have left their native countries for better economic opportunities making them more risk takers, ambitious and independent than their counterparts who chose to stay in their native country. Secondly they may have a long history of ethnic discrimination or may perceive discrimination influencing their ability to trust others and a dislike of the risk involved in working with other ethnicities. This results in a business savvy attitude in many migrants. Many migrants even come from an entrepreneurial culture making them more likely to start a business than the locals in the host country. Along with culture, there can be personal factors like the length of time in the host country, their immigration status and personal characteristics playing a role in understanding their entrepreneurial interests (Benson - Rea & Rawlinson, 2003; North, 2007).
Social networks

Migrants tend to form a strong social network with fellow nationals. Access to these social networks boosts entrepreneurship. These networks facilitate entrepreneurship by providing capital, support, knowledge, customer base, supply and mentoring on local understanding of regulations and legislation to start a business (OECD, 2010).

Lack of job options

As highlighted in OECD (2010) some factors like language barriers, inability to recognise foreign qualifications and experience, lack of domestic contacts impacting job opportunities and referrals, limitations in communication, lack of interpersonal skills, been overqualified, lack of New Zealand work experience, cultural differences, and racial or ethnic stereotyping may lead to lack of employment opportunities for migrants. Becoming an entrepreneur can evade these obstacles, and new ventures started can provide jobs to other migrants who are facing similar problems (Benson - Rea & Rawlinson, 2003; North, 2007).

Regulations in the host country and access to capital

Nature of regulations in the host country influences migrants’ decisions to become entrepreneurs. Doing Business report from the World Bank ranks New Zealand overall on top regarding doing business as compared to other OECD countries. This ranking is based on the business-friendly environment in New Zealand. The regulatory environment in New Zealand supports business operations. The impact of regulations for starting a business, ease of getting construction permits, electricity, registration of property and credit, protection of investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency make New Zealand as a business friendly country ("Doing Business 2013," 2013).

Emerson, Gunaratne, Hebblethwaite, and Paulose (2011) identified independence, money, work and family related factors, inability to get a job in the mainstream sectors, gap in the market, work flexibility, lower job satisfaction, discrimination, underpayment and possibility of redundancy as
some of the motivating factors for entrepreneurship in migrants in New Zealand.

According to the census data outlined in the Ministry of Economic Development (2011) report, 8.1% of Chinese were recorded as employers in SMEs and 12.6% being self-employed without employees. 4.5% of Indians were recorded as employers and 10.5% as self-employed without employees. The same report identifies Auckland as a major urban centre with most SMEs having up to 19 employees and accounting for 147,578 SMEs, which is the largest distribution of SMEs throughout New Zealand.

Khakimova, Zhang, and Hall (2012) explained conflict as a disagreement and expressed struggle between two or more parties in situations where the difference in viewpoints, interests and goals prevails. Ma, Erkus, and Tabak (2010) outlines assertiveness and cooperativeness as two major dimensions with competing, collaborating, compromising, accommodating and avoiding as individual conflict resolution styles. Leaders from individualist and collectivist societies have different behavioural intentions while facing conflict and, prefer different conflict management styles.

1.5 Statement of the problem

Based on the researcher’s observation, reading of existing literature and experience, the researcher is of the opinion that cultural values impact the managing conflict style. The following question, therefore, arises: Can acculturation (cultural adaptation) impact conflict management style of Chinese and Indian immigrant entrepreneurs?

Therefore, there appears to be a need to investigate the impact of acculturation on conflict management style of Chinese and Indian entrepreneurs. The researcher investigates the influence of acculturation on the parameters of Chinese and Indian immigrants, who have resided for a minimum of five years in New Zealand and to explore the impact of acculturation on their preferences for conflict management style and strategies.
1.6 Research aim, objectives and questions

Jogulu (2010) observes that cultural norms and beliefs influence views of individuals in a given society in the way they perform management tasks. People from a different culture demonstrate different leadership and management styles (Daft & Pirola-Merlo, 2009).

Individuals from a similar culture share common meaning and are likely to interpret and evaluate management practices in similar ways. Culture influences leaders to filter information and guides them towards using particular strategies for conflict resolution (Gibson & McDaniel, 2010; Ohbuchi & Atsumi, 2010).

Aim of this research, therefore, is to

“Explore the influence of acculturation on managing conflict styles of Chinese and Indians SME owners in Auckland metropolitan”.

The researcher perceives that impact of acculturation on preferences of conflict management strategies used by the SME owners will depend on the extent of business owner’s experience at different levels of management, their knowledge, skills, cultural beliefs, attitude, age, time spent in New Zealand, and local networking.

Research objectives are to investigate:

1. Acculturation strategy preferred by Chinese and Indian SME owners
2. Conflict management style preferred by SME owners – avoiding, accommodating, compromising, collaborating or competing
3. Influence of acculturation on conflict management style?

Following are the research questions to address the research aim:

RQ1. Which conflict management styles do Chinese SME owners/managers prefer to manage conflicts in their daily business dealings?

RQ2. Which conflict management styles do Indian SME owners/managers prefer to manage conflicts in their daily business dealing?
RQ3. Which acculturation strategy do Chinese and Indian immigrant SME owners/managers prefer?

RQ4. Does acculturation impact conflict management styles preferred by Chinese and Indian SME owners/managers?

1.7 Organisation of the thesis

Chapter two set the theoretical context by discussing conflict, conflict management styles and strategies. There are discussions on the culture and cultural dimensions, conflict management styles of collectivist and individualist societies, conflict management styles preferred by Chinese, conflict management styles preferred by Indians, the process of acculturation, acculturation of Asians in New Zealand and moderating effects of New Zealand business environment on conflict management practices in this chapter. This context is crucial, as it will lead to the impact of acculturation of Chinese and Indian SME owners in New Zealand on conflict management after residing in New Zealand for some years.

Preferred leadership styles of collectivist and individualist cultures, communication preferences, other cultural preferences in management practices and organisational culture influenced by the leader or manager will also be explored to set a theoretical context for the study to discuss the impact of acculturation on conflict management and other management practices. This theoretical foundation will then lead to the development of the methodology as discussed in chapter three.

Chapter three highlights research methodology, data collection, selection of the sample, data analysis and ethical issues associated with this research. Research comprises of nineteen in-depth interviews of nineteen SME owners/managers in Auckland metropolitan region.

Chapter four discusses the results and analysis of nineteen in-depth interviews conducted. The researcher discusses themes, subthemes and their variables from the data collected and analysed.
Chapter five is the concluding chapter of this research, which discusses findings and compares them with existing literature to identify areas of agreement and dispute. This chapter further addresses four research questions, implications of this research, limitations of this research and recommendations for future research followed by the conclusion of this research.

1.8 Chapter summary

This chapter establishes the research aim, objectives and research questions to build on subsequent chapters. Next chapter discussed the literature available on conflict management, acculturation and collectivist approach of conflict management to address the four research questions:

**RQ1.** Which conflict management styles do Chinese SME owners/managers prefer to manage conflicts in their daily business dealings?

**RQ2.** Which conflict management styles do Indian SME owners/managers prefer to manage conflicts in their daily business dealing?

**RQ3.** Which acculturation strategy do Chinese and Indian immigrant SME owners/managers prefer?

**RQ4.** Does acculturation impact conflict management styles preferred by Chinese and Indian SME owners/managers?
CHAPTER TWO – Literature Review

Background

The purpose of this chapter is to conduct a comprehensive review of the existing conflict management and acculturation literature. While the thesis focuses on conflict management in the context of Chinese and Indian owned SMEs in New Zealand, this literature review will discuss conflict management styles preferred by Chinese and Indian culturally followed by the discussion on the moderating effect of New Zealand business environment on conflict management strategies used by these SME owners.

In the following discussion, the researcher defines the construct of conflict followed by a review of sources of conflict, process of conflict, types of conflicts, conflict management styles and strategies, culture and cultural dimensions, conflict management in individualist and collectivist cultures covering communication, leadership and management styles related to both cultural societies, conflict management styles preferred culturally by Chinese and Indians, acculturation, acculturation of Chinese and Indians in New Zealand, and moderating effect of New Zealand business environment on Chinese and Indian business owners.

2.1 What is a conflict?

Conflicts are quite common in organisations and it begins when individuals or parties engage in actions or activities, that are incompatible with colleagues in the network or members from other organisations, for resource utilisation and fulfilling of organisation’s goals (Copley, 2008; Spaho, 2013; Williams, 2011). Parties or individuals involved in conflict perceive that their interest is being opposed or negatively affected by another individual or party (McShane, Olekalns, & Travaglione, 2010; McShane & Travaglione, 2003; Speakman & Ryals, 2010). Even though conflicts leads to disturbed work schedules with decreased productivity and satisfaction, organisations can enhance its decision making, creativity and performance through conflicts. Thus having too many or not having any conflicts can be dangerous for any organisation (Shih & Susanto, 2010; Spaho, 2013).
Another definition of conflict is “an interactive process manifested in incompatibility, disagreement, or dissonance within or between social entities (i.e., individual, group, organisation, etc)” (Rahim, 2001, p. 18).

Conflicts begin from the source of conflict making parties involved in a conflict to perceive conflict and experience conflict emotions (McShane & Travaglione, 2003).

2.1.1 Conflict sources

Eunson (1997), Rahim (2001) & McShane et al. (2010) list incompatible goals, differences in values and beliefs, task interdependence, scarce resources, ambiguous rules, faulty communication, biological factors, health factors and environmental factors as major sources of conflict in organisations. Differences in cultural values could even lead to misunderstandings and potential conflict between people from diverse cultural backgrounds (Eunson, 1997; Komarraju, Dollinger, & Lovell, 2008).

Wall and Callister (1995) group these sources generating conflict into three categories – individual characteristics, interpersonal or social factors and issues. Individual characteristics include differences in personality characteristics, values -individuals from various societies value conflict differently, high goals and aspirations, high commitment to goals, stress and anger. Interpersonal factors include perceptions of others, communications, behaviour and structure of organisation and; issues can be simple, complex, multiple or few in size.

2.1.2 Conflict process

Sources of conflict lead to conflict perception and conflict emotions, which interact with others to manifest themselves to the behaviour and the decision of the parties involved, resulting into positive and negative conflict outputs (McShane & Travaglione, 2003).
2.1.3 Conflict models

A concept, outcomes, causes and models of conflict have been debated by several conflict researchers, social psychologist and theorist, with no definition appearing predominant (Lewicki, Weiss, & Lewin, 1992). Williams (2011) & Putnam and Poole (1987) highlight Pondy’s model articulated in 1967, Thomas’s model in 1976, Putnam & Poole model in 1987 and Wall & Callister model in 1995. These models have evolved over the time and developed based on extensive studies done on a wide range of conflicts in organisations, societies, international fronts, small groups and in relationships (Putnam & Poole, 1987).

The outline of the development of conflict process models

<table>
<thead>
<tr>
<th>Causes</th>
<th>Core Processes</th>
<th>Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pondy (1967)</td>
<td>Perceived Conflict</td>
<td>Felt Conflict</td>
</tr>
<tr>
<td>Thomas (1976)</td>
<td>Perceptions</td>
<td>Feeling Emotions</td>
</tr>
<tr>
<td>Putnam &amp; Poole (1987)</td>
<td>Interdependence</td>
<td>Perceived Opposition</td>
</tr>
</tbody>
</table>

Figure 3: The outline of the development of conflict process model. (Williams, 2011, p. 151)
**Pondy’s Model**

Williams (2011); Folger, Poole, and Stutman (2009) & Lewicki et al. (1992) explain Pondy’s five-stage model first articulated in 1967. Pondy’s model incorporates five stages of the conflict. The first stage is the latent conflict having sources of conflict not yet identified by parties. In the second stage of perceived conflict, parties become aware of a disagreement between them. Felt conflict is the third stage in which feelings change as the conflict becomes personalised resulting in anxiety, mistrust or hostility towards the other. Manifest conflict is the fourth stage in which parties’ act on perceived and felt differences through behaviours like hostility, and conflict aftermath is the last stage involving the outcome of the conflict incident.

**Thomas’s Model**

Consistent with Pondy’s model of five stages was Thomas's model of four stages, articulated in 1976. There were two models of conflict developed by Thomas in 1976. Process model outlined the dynamics of conflict whereas structural model considered underlying and environmental influences on conflict. The four stages in Thomas’s model are perceptions, emotions, behaviours and outcomes, but in different terminology (Liu, Fu, & Liu, 2009; Speakman & Ryals, 2010).

Putnam and Poole in 1987 highlighted a model with three stages – interdependence, perceived opposition and interaction covering interpersonal, intergroup and inter-organisational levels of conflicts (Wall & Callister, 1995; Williams, 2011).

Wall and Callister (1995) articulated one of the most recent models of conflict in which core processes formed from intermediary stages leads to effects. In any situation of conflict, there are causes of conflict with core processes, which have results or effects affecting feedback to affect the causes making a cycle, which in an organisational context goes through several iterative phases.
Further researches in the field of conflict had the focus shifted from behaviour related conflict process to research relating to perception of conflict and how conflict is handled. Jehn & Chatman (2000) highlighted task and relationship conflict based on perceived conflict characteristics of previous conflict models and interpersonal conflict.

### 2.2 Types of conflicts

Task, relationship and process conflicts are the three major types of conflict. High performing and satisfied teams in organisations have high levels of task conflict as compared to relationship and process conflict (Jehn & Chatman, 2000; Jehn, Greer, Levine, & Szulanski, 2008).

Task conflict or cognitive conflict is a perception of disagreement between team members involving the difference of viewpoints, ideas and opinions while accomplishing some tasks in an organisation (McShane et al., 2010; Simons & Peterson, 2000; Sonnentag, Unger, & Nägel, 2013).

Relationship or emotional conflict is a perception of mutual incompatibility; focusing on personal values, individual styles, gossips, personality and personal taste; and results in tension, annoyance and animosity between group members (Jehn et al., 2013; McShane et al., 2010; Simons & Peterson, 2000). Sources of relationship conflict are characteristics of other individuals rather than issues. Relationship conflict is less likely to arise when employees or parties have high emotional intelligence (McShane et al., 2010).

Process conflict has been less examined as compared to task and relationship conflict. Process conflict is related to logistical and delegation
issues like how to accomplish the task, responsibility and delegation of
tasks. Task conflict is over the content of the task, whereas process conflict
is about how to get the task done and results in the inability of team
members to perform their work efficiently (Jehn et al., 2008; Jehn & Mannix,
2001; Jehn et al., 2013).

Several studies have investigated the relationship between task and
relationship conflict, and its outcomes – satisfaction, tension or group
commitment (Medina, Munduate, Dorado, Martínez, & Guerra, 2005).
According to De Dreu and Weingart (2003), Simon & Peterson (2000) &
Jehn and Chatman (2000) task conflict tends to yields positive
consequences, while relationship conflict tends to yield negative
consequences.

As highlighted by Simon & Peterson (2000) relationship conflict, the
perception of animosity and incompatibility is the shadow of task conflict
with perhaps some adverse effects on group commitment and satisfaction.
Group decision-making ability during relationship conflict is affected due to
stress and anxiety, limited information processing ability as group members
are focusing more on each other rather than problems and conflict
escalation (De Dreu & Weingart, 2003).

Discussions on conflict resulting from disagreement or incompatibility, the
process of conflict, different models of conflict and three types of conflict
builds the base for discussion on conflict management styles and strategies
in the following section.

### 2.3 Conflict management styles and strategies

Eunson (1997) state that the pattern of conflict may lead to differences and
similarities in the way people react to conflicts. Individual differences play an
important role in managing conflicts.

Conflict management style is the pattern or consistent orientation during
conflicts through responses demonstrated in observable behaviours in a
variety of situations (Montes, Rodríguez, & Serrano, 2012; Ting-Toomey et
The concept of conflict style originated with Blake and Mouton in 1964 and Jay Hall in 1969 who identified five distinct conflict styles. Blake and Mouton’s dual concern model was based on two dimensions – “concern for production” and “concern for people” to explain conflict behaviour.

Riaz and Jamal (2012) suggested later in 1970, the other Blake and Mouton model related more to conflict behaviours for social conflicts and stated five conflict management styles: forcing, withdrawing, smoothing, compromising and confrontation.

Thomas in 1976 as cited by Riaz and Jamal (2012) & Folger et al. (2009) redesigned the dimensions to two independent conflict behaviour components as “assertiveness” and “cooperation” related to “concern for self” and “concern for other”. These dimensions combine to specify the five distinct styles – competing, accommodating, avoiding, collaborating and compromising. These styles reflect individual’s motivation in resolving conflict while approaching another party in the conflict situation (Folger et al., 2009; Ma, 2007; Ma et al., 2010; McShane & Travaglione, 2003).

Riaz and Jamal (2012) and Riaz, Zulkifal, and Jamal (2012) discusses some conflict management models. For this study, Thomas’ two-dimensional model of conflict management (Liu et al., 2009) is used with assertiveness and cooperation as two dimensions to explain five distinct conflict management styles as illustrated in the below diagram:

Figure 5: A two-dimensional model of the styles of handling interpersonal conflict (Liu et al., 2009, p. 232).
Win-win and win-lose are two orientations influencing conflict management styles. Individuals choose different conflict management styles based on these orientations. These styles reflect behavioural intentions when individuals face conflict and provide the basis for selecting a conflict management style (Ma et al., 2010; McShane & Travaglione, 2003).

### 2.3.1 Competing style

The competing style is marked by high assertiveness and low cooperativeness, as the individual seeks to satisfy their interest regardless of the impact on other parties in the conflict. It is a closed style in which parties often represent a desire to defeat others and compel them to do what the party wants. This style has a win-lose orientation with forcing behaviour to win his/her objective and is even known as forcing or dominating (Folger et al., 2009; Ma et al., 2010; McShane & Travaglione, 2003; Rahim, 2001).

Forcing and contending are the two variants of the competing style. Forcing has least flexibility and intention to communicate, have no understanding or concern for other’s position and with no effort to maintain the future relationship. Contending is a softer form of competing with some flexibility and moderate intention to communicate as parties explain reasons they are compelling others, and there is sympathy for others feelings, with a concern for the future relationship. Competing style of conflict management is favoured when outcomes of conflict are important and reaching consensus through other means is not likely. But competing style could create resentment, which possibly could lead to future conflicts (Folger et al., 2009).

### 2.3.2 Accommodating style

In this style, the individuals put the opponent parties interests above their interests, as there is low concern for self but high concern for others, with loose-win orientation. Accommodating style thus has low assertiveness and high cooperativeness with parties or individuals willing to give in to others at the cost of their concerns (Folger et al., 2009; Ma et al., 2010; McShane & Travaglione, 2003).
Accommodating is a useful strategy when parties are willing to leave issue behind to maintain a relationship. Accommodating conveys the message of understanding for other’s needs and at times helps to improve a bad or unstable relationship, when an issue is less important. Accommodating is even useful when one of the parties is weaker and will lose if the parties compete. The only drawback of accommodating is that it may be taken as a sign of weaknesses and compliance encouraging the other party to take a stronger approach assuming that the accommodator fears confrontation (Folger et al., 2009).

There are two variations of accommodating – yielding and conceding. Yielding is high in flexibility and low in activeness. Yielding means disengaging oneself from the situation and going along with what the other party wants. Conceding is the firmer version of accommodating, with the higher level of activeness, as the party accommodates to the other party’s concern but is still active and involved in the conflict (Folger et al., 2009).

2.3.3 Avoiding style

In this style, the individual withdraws from or suppresses the conflict. There is low concern for self and others, with loose-loose orientation. This style is least effective in resolving conflict as it disempowers others by denying them possibility of dealing with conflict (Ma et al., 2010; McShane & Travaglione, 2003).

Avoiding is also known as withdrawing or supressing as the party tries to avoid the conflict by withdrawing from the threatening situation or postponing an issue until a better time. This style is often characterised by an unconcerned attitude for parties involved in the conflict and for the issue, due to fear of losing. The person involved in conflict simply refuses to admit in public that there is a conflict and it needs to be dealt with. As a result of which the issue remains unresolved and could re-emerge in the future (Folger et al., 2009; Rahim, 2001).

Depending on the party’s level of control there are three variations of avoiding – protecting, withdrawing and smoothing. Protecting is used when parties are determined to avoid conflict by all means denying that conflict
exists. Withdrawing is softer variation of avoiding with more flexibility than protecting. In withdrawing parties keep issues aside and may even acknowledge the part of criticism or attack. Third variation smoothing is when parties give up differences and focus on issues with common grounds but avoid issues, which might arouse anger or hurt someone. Most of the variations of avoiding leaves issues behind conflict unaddressed which may spring out again with negative consequences and low satisfaction (Folger et al., 2009).

2.3.4 Collaborating style

The collaborating style is also known as problem-solving and integrating as it involves collaboration between the parties with open communication, high flexibility and active involvement of parties (Folger et al., 2009; Rahim, 2001). There is high concern for self and others in collaborating as the parties involved in the conflict intend to reach to a solution that would satisfy important needs or concerns of those involved. There is information sharing between the parties and the parties identify the common ground with a potential solution satisfying them. Thus, this style has win-win orientation in which both parties are generally pleased and enthusiastic about the resolution (Folger et al., 2009; Ma et al., 2010; McShane & Travaglione, 2003; Robbins, 1996).

Following are the key characteristics of collaborating style:

• Focus is the issues and interests of those involved rather than their personalities
• Parties tend to be problem minded rather than solution minded
• Parties recognise potential strength and weakness of each other making neither of them completely right or wrong
• Parties are considerate with other's needs and show understanding of other's points of view
• Explore and evaluate range of options in terms of their strengths and weaknesses considering interests of all Parties consider themselves equal by minimising effects of status and power differences, and help each other preserve face (Folger et al., 2009).
2.3.5 Compromising style

In this style, the parties involved in the conflict are willing to give up something to make a mutually acceptable decision. There is a moderate concern for self and for others and moderate degree of assertiveness and collaboration. Compromising is appropriate in situations where resolving conflict is more important than finding the best solution, as issue is not explored in-depth as done in the collaborating style. Each party in compromising gain something and has to give up something to look for a solution, which satisfies both parties partially (Daft & Noe, 2001; Folger et al., 2009; Rahim, 2001).

Compromising is high in activeness as in some conflicts a great deal of energy and involvement is required for parties to arrive to an acceptable compromise. Compromise has moderate level of flexibility, as compromisers are willing to give up some of their demands but not all as in accommodating. Compromising has moderate to moderately high level of disclosiveness as parties are often willing to discuss or trade but may not always explain reasons behind it. Compromising empowers both parties to establish shared control necessary to establish give and take in a conflict situation (Folger et al., 2009).

Thus, the researcher has discussed five conflict management styles using Thomas’ two-dimensional conflict management model with assertiveness and cooperativeness as two major dimensions. The researcher examines the five conflict management styles – competing, accommodating, avoiding, collaborating and compromising using assertiveness and cooperativeness dimensions. Following sections will discuss different cultural dimensions and relate these conflict management styles with Individualist and collectivist cultures.

2.4 Culture and cultural dimensions

The earliest definition of culture was given by Tylor (Soares, Farhangmehr, & Shoham, 2007) as the complex whole, which includes morals, beliefs,
values, learning, art and customs acquired by a man being a member of society.

Schein (2010), p.18, defines “culture of a group as a pattern of shared basic assumptions learned by a group as it solved its problems related to external adaption and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as a correct way to perceive, think, and feel in relation to problems”.

(Hofstede, Hofstede, & Minkov, 2010), pg 6. define “culture is the collective programming of mind that distinguishes the member of one group or category of people from other”. Culture cast its broadest influence on many dimensions of human behaviour making it difficult to define culture. Culture is a collective phenomenon partly shared with the people who lived or live in the same social environment. An individual carries a set of common mental programmes constituting its culture, as the individual belongs to some different groups and categories at national, regional, gender, generation, social class level and at organisational level, for those who are employed. Different societies conserve their distinctive culture for generations despite various forces of change, which sweeps the surface of culture leaving deeper layers of culture quite stable (Hofstede, 1980, 2001; Hofstede et al., 2010).

Differences in cultural values are one of the important reasons for behavioural differences or styles in conflict situation (Wei, 2001). There are several models or paradigms explained in order to understand cultural differences and values. For example – Schwartz, Milton Rokeach1973, Hofstede model 1980, studies by Schwartz & Bilsky 1987, Trompenaars 1993, and GLOBE project undertaken by Robert House in 1991 (Hofstede et al., 2010; Shi & Wang, 2011).

Of all these models mentioned, Hofstede’s model of cultural dimension is largely applied in cross-cultural studies to describe culture (Jandt, 2015; McSweeney, 2002; Shi & Wang, 2011).

Hofstede (1980) & Hofstede et al. (2010), and as cited in (Dickson, Castaño, Magomaeva, & Den Hartog, 2012) identified four cultural dimensions
labelled as individualism, uncertainty avoidance, power distance and masculinity. Hofstede later added long term – short term orientation in 2001 as the fifth dimension (Dickson et al., 2012; Hofstede et al., 2010).

Hofstede (2001) & (Hofstede et al., 2010) explains the following five cultural dimensions:

**2.4.1 Individualism- Collectivism**

Concept of individualism and collectivism has been discussed in social science since 1950 (Riaz & Jamal, 2012). Individualist versus collectivism is the societal differences based on independence versus interdependence, explaining how people define themselves and their relationship with others (Hopkins, 1997).

Individualist societies are expected to look after themselves and their own interests, and his/her immediate family only. In collectivist societies, people are expected to place collective interest before personal interest. People are born into extended family or other in-groups, which continue protecting them in return for their loyalty (Hofstede, 1980, 2001; Hofstede et al., 2010).

In collectivist society, workplace management is mainly management of groups, relationship is more important than tasks, employees are considered as members of in-group pursuing in-group interest and hiring or promotion decisions are based on employee’s in-group. In individualist societies, workplace management is management of individuals, tasks prevail over relationship, employees are economic persons who will pursue employer’s interest if it coincides with their self-interest, and hiring and promotion decisions are based on skills and rules only (Hofstede, 1980, 2001; Hofstede et al., 2010).

**2.4.2 Power distance**

Power distance is the extent to which less powerful members of institutions and organisations in a country expect and accept power to be unequally distributed. Institutions can either be family, school and the community; and organisations are workplace. Power distance is based on the value system
of less powerful members and the way power is distributed can be explained from the behaviour of powerful members leading rather than those who are led (Hofstede, 1980, 2001; Hofstede et al., 2010).

Polarised relation between superior-subordinate, fear to disagree with managers, centralisation of power with tall pyramid structures in organisations, reluctance to trust each other, weaker perceived work ethics, etc are some of major features of workplace in large power distance (Dickson et al., 2012; Hofstede, 1980, 2001; Hopkins, 1997).

2.4.3 Uncertainty avoidance

Hofstede (1980); (Hofstede, 2001) & Hofstede et al. (2010) defines uncertainty avoidance as the extent to which members of a culture feel threatened by unknown or ambiguous situations. In workplace of low uncertainty avoidance societies, employees are optimistic about organisation’s motives, are ready to break rules in organisations for pragmatic reasons, like taking risks, have tolerance for ambiguity, work hard only when needed, focus on decision process, have a stronger achievement motivation and there is a hope for success in employees. In workplace of high uncertainty avoidance societies, employees are pessimistic about organisation’s motives, are less likely to take risks, there is need for formalisation, need to work hard, focus on decision content, have weaker achievement motivation and there is a higher fear of failure amongst employees (Dickson et al., 2012; Hofstede, 1980, 2001; Hopkins, 1997).

2.4.4 Masculinity versus femininity

It is the extent to which cultures value masculine pursuits like strength, competitiveness, recognition, challenges and material achievement versus pursuits like quality of life, relationship, concern for others, modesty, tenderness and job security. Major key differences in workplace of both societies include – societies with high masculinity prefer influential and aggressive management, stronger party wins in a conflict situation, rewards are based on equity, people prefer large organisations, more money is preferred over more holidays and careers are compulsory for men but optional for women. Some of the characteristics of low masculine society
are intuition and consensus based management, cooperation at work, negotiation and compromise to resolve conflicts, rewards based on equality, preference to work in smaller organisations, etc. (Hofstede, 2001; Hofstede et al., 2010).

2.4.5 Long/short term orientations

Long-term orientation of life versus short-term orientation is the extension of Confucian work dynamism. It is the extent to which people fulfil social obligations, respect traditions and protect one’s self-esteem. Short-term orientation work values include freedom, rights, achievement and thinking for oneself with focus on the bottom line, standard guidelines about good and evil, and managers and workers are psychologically in different camps. Long term orientation values honesty, self-discipline, adaptiveness and accountability with focus on market position, good and evil depends on circumstances, and managers-owners and workers share the same aspirations (Hofstede, 2001; Hofstede et al., 2010).

Culture can have a profound impact on conflict and conflict management. Conflict management is defined as a culturally bound event as relationship between conflict management styles and actual behaviour is affected by cultural values (Ma, 2007). Cultural values cause people to perceive a conflict, whereas others may not perceive conflict. Two people from different cultures in the same conflict situation act differently as their behaviour, thoughts and emotions are influenced by their personal and cultural values. These personal and cultural values influence leaders or managers during conflict management (McShane & Travaglione, 2003).

Shi and Wang (2011) state that cultural models define patterns defining relation to authority, self-conception and dilemma of conflict and dealing with them. Individuals learn about the norms of effective conflict conduct and behaviour from their ethnic and cultural environment (Ting-Toomey & Yee-Jung et al., 2000).

Effective leadership in any situation is culture-bound and takes into consideration the unique culture in which it operates. Leaders with a
western individualist orientation perceive things differently than those with collectivist cultures (Hernandez, Eberly, Avolio, & Johnson, 2011). Thus, after examining five cultural dimensions and conflict management process, the following sections will discuss collectivist cultures and conflict management with the focus on Chinese and Indian societies. The researcher will further compare them with individualist cultures and conflict management practice in western society.

2.5 Collectivist culture and conflict management

As mentioned earlier, the collectivist societies value interdependence over independence. Differences in cultural values between collectivists and individualists impact attitudes towards conflict and conflict management. Collectivists tend to see more differences between in-group and out-group conflicts. Conflict with out-groups is perceived as natural by collectivists (Schalk et al., 2010).

Guirdham (2005) explains the role of low-context and high-context communication in conflict situations. Collectivist societies use high-context communication, having most information during communication in physical context or adopted; and a little is coded, transmitted and explicit. Conflict can arise due to misunderstandings between users of low and high context communication. When speakers use high context communication and receivers are from low-context communication, they grasp the meaning, as too much is unsaid. And, when receivers from high-context communication receive information from low-context communication speakers, they get loaded with information and may be offended by directness, or concentrate on actual content (Guirdham, 2005). Busch (2012) explains that to interact smoothly across cultures, parties in interaction have to internalise culture-specific forms of communication. Collectivist and people from high context cultures are unlikely to share information directly and they prefer using formal channels of communication during the negotiation along with the application of general principles and emotions to strengthen their case. Collectivists are less comfortable in resolving differences in conflict.
situations by direct and open communication as they emphasise more on how negotiation affects mutual liking and trust (McShane et al., 2010).

In-group relation being essential for collectivist, they give greater consideration to in-group relationship during conflict than individualists (Cai & Fink, 2002). For collectivist and high context communicators, conflict follows “face maintenance model” viewing conflict as dysfunctional, interpersonally embarrassing, distressing, group related face loss and face humiliation (Oetzel & Ting-Toomey, 2001)

Collectivist societies being reliant more on group goals than individual goals are motivated to maintain harmonious relations making them rely more on passive styles like avoidance or compromising or third party intervention to manage conflict. They prefer these styles, as it is most consistent with harmony and saving face. Direct communication is considered as a high-risk strategy threatening the need to save face and maintaining peace (Croucher, Holody, Hicks, Oommen, & DeMaris, 2011; McShane et al., 2010; McShane & Travaglione, 2003; Schalk et al., 2010; Wei, 2001). Accommodating/obliging and avoiding is thus a way to “give face” and “save face” for both conflict parties in most Asian cultures. Asian cultures, unlike Western cultures, do not view obliging/accommodating and avoiding as negative styles but consider them positively valuing traditions and agreement (Ting-Toomey et al., 2000).

Collectivist cultures can be competitive with people outside their group, but a collectivist is more likely to avoid confrontation or be less confrontational than individualists (Cai & Fink, 2002; McShane & Travaglione, 2003).

2.5.1 Chinese society – leadership, communication patterns and conflict management

It would be significant to understand Confucian’s ideas that have survived as guidelines for proper behaviour for Chinese people to this day to understand communication style, leadership and conflict management in Chinese society. Confucianism is not a religion but set of practical rules for daily life and practical ethics derived from Chinese history. Key principles of Confucianism teaching are – the stability of society based on unequal status
relationships between ruler-subject, father-son, older brother-younger
brother, husband-wife and senior friend-junior friend. A person is not mainly
an individual but is a member of family and having a sense of shame;
human benevolence towards others; and trying to acquire skills, educations,
working hard, not spending more than necessary, perseverance and
patience, are the primary tasks of life (Hofstede et al., 2010)

The below-given table illustrates the summary of cultural dimensions for
China:

**Cultural dimensions scores for China**

<table>
<thead>
<tr>
<th>Power distance</th>
<th>Individualism</th>
<th>Masculinity</th>
<th>Uncertainty avoidance</th>
<th>Long term orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>80</td>
<td>20</td>
<td>66</td>
<td>30</td>
<td>118</td>
</tr>
</tbody>
</table>

*Table 1: Cultural dimensions scores of China. (Hofstede et al., 2010, pp. 57, 97, 141, 194
and 240).*

As illustrated above, the Chinese society scores upper medium on power
distance, collectivism, long-term orientation and medium to a low score on
uncertainty avoidance. These scores suggest the selection of autocracy
versus democracy, group goals and attitude towards risk, ambiguity and
uncertain situations. Yu and Miller (2005) believe that the doctrines of
Buddhism influence the Chinese business environment (obey, trust, morals
and stable mentality), Taoism (control, collectivism and hierarchy), and
Confucianism (friendship, network and loyalty). Leadership style preferred
by Chinese leaders reflects these cultural variations. Chinese expect their
leaders to serve as a model for integrity and honesty and serve as a public
servant. They expect them to be visionary, decisive, mature, sophisticated,
good in social skills, effective in persuading others, straightforward,
multitalented or versatile, easily approachable and willing to take risks (Ling,
Chia, & Fang, 2000).

highlights acceptance of paternalistic leadership style in Chinese society.
Authoritarianism, benevolence and moral leadership displaying authority,
control and image building characterises paternalistic leadership style. Pun et al. (2000) point out that paternalistic leadership will remain the dominant leadership style in Chinese society with high power distance, centralisation, hierarchical structures, informal coordination and control mechanism prevailing in Mainland China and overseas Chinese enterprises. Although, Chinese organisations may follow transactional western procedures or requirements, social procedures and relationship through which managers’ function are likely to remain Chinese.

Chinese conflict management focuses on Confucianism and collectivism (Lin, 2010). Emphasis on showing respect to others, to have particular communication rules and pattern to avoid conflicts and embarrassment in social interactions, and controlling emotions, impulse and desire impact on communication style in Chinese society. Communication practices and processes influence conflict management strategy used by an individual in the Chinese society. Critical factors like the intention to find a win-win resolution to a conflict, mutual responsibilities in social interactions, preserving harmony, being courteous before using force and power associated with authority, seniority or expertise affect people’s use of conflict management strategies in Chinese society. Chinese may select to embed any of the mentioned factors to resolve conflict depending on their individual characteristics and relationships between conflicting parties in the organisation (Nguyen & Yang, 2012).

Many Chinese researchers believe that a western conflict management model based on dual concern may not be sufficient to encompass cultural differences, as collectivist and individualist apart from “competing or dominating” perceive all other conflict management styles in a different manner (Cai & Fink, 2002). Oetzel, Garcia, and Ting-Toomey (2008) explain integrating, avoiding and compromising conflict styles are associated with concern for other-face and dominating conflict style is associated with an interest of self-face. West may consider avoiding style of conflict management as a passive style but the Chinese society considers avoiding as a positive approach to maintaining the harmonious relationship in Chinese society. Avoiding as one of the preferred styles of conflict management for many Chinese managers (Lin, 2010; Ma, 2007). Avoiding
is also widely used to look for better opportunities to resolve the conflict by maintaining harmony. Chinese even tend to use dominating and accommodating approaches when decisions have to be made immediately in urgent circumstances. Chinese are considered to be very practical, and they tend to find a win-win solution in a conflict situation. They can collaborate or integrate as well to establish a win-win situation satisfying the interest of both parties (Fu, Yan, Li, Wang, & Peng, 2008; Kim, Wang, Kondo, & Kim, 2007; Wang, Jing, & Klossek, 2007).

If in situations when integrating or collaborating doesn’t seem to be effective in resolving conflict then Chinese managers tend to use traditional styles like compromising and avoiding or may even at times use a non-traditional style like dominating in emotional conflicts. Third party mediation is quite often used by Chinese managers to manage conflict and for sustaining good relationships. If third party mediation fails, then Chinese managers are likely to ignore the problem (avoiding). Avoiding helps to save their face and reduce the fear of disrespect (Wang et al., 2007).

2.5.2 Indian society – leadership, communication patterns and conflict management

There is sparse research available on conflict management and leadership styles of managers/leaders in Indian society.

Culturally Indian society is made up of various ethnic, religious, linguistic, caste and regional groups. Social-cultural patterns and history further differentiate these groups (Budhwar, Woldu, & Ogbonna, 2008). There are around three thousand communities in India, making India a vibrant national culture with a large and diverse population. Indians believe in spirituality with the notion of “Karma” which means that everything happens for a reason, which is quite evident in decision-making influencing the concept of time, as a result of which negotiations may take longer, and people don’t rush negotiations. Indian society has a strong sense of community and group orientation with importance given to interpersonal contacts, making Indians adopt an indirect approach to communication and avoiding conflict (Ndubisi, 2011).
According to Hofstede et al. (2010) Indian society places more importance on continuity of business with patriotism and national pride, power and growth of the enterprise regarding profit for ten years from now. Indian society places less emphasis on family interest, staying within the law, game and gambling spirit, this year’s profit and respecting ethical norms.

The below-given table illustrates the summary of cultural dimensions of India:

**Cultural dimensions scores of India**

<table>
<thead>
<tr>
<th>Cultural dimension</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power distance</td>
<td>77</td>
</tr>
<tr>
<td>Individualism</td>
<td>48</td>
</tr>
<tr>
<td>Masculinity</td>
<td>56</td>
</tr>
<tr>
<td>Uncertainty avoidance</td>
<td>40</td>
</tr>
<tr>
<td>Long term orientation</td>
<td>61</td>
</tr>
</tbody>
</table>

*Table 2: Cultural dimensions scores of India (Hofstede et al., 2010, pp. 57, 96, 142, 194, 240).*

Indian and Chinese societies score fairly close on cultural orientations, apart from Long term orientation. Indian society scores medium at 61 in long-term orientation showing medium value placed on perseverance and commitment over quick results (Ndubisi, 2011). Budhwar, Woldu & Ogbonna (2008) discussed Hofstede’s cultural dimensions for India. India demonstrates strong uncertainty avoidance and high power distance. The presence of caste system outlawed since 1947 still shows its presence in Indian society. The caste system is one of the fundamental reasons behind traditional socio-economic context leading to high power distance. Traditional hierarchical social structure based on principles of Hinduism emphasises on respect for teachers, elders and superiors at work. Managers and subordinates accept their position in the organisational hierarchy and operate from that position. Even though being collectivist with high power distance culture, India is clustered with weak uncertainty avoidance countries making Indian culture quite complex. Indians tend to accept change is intrinsic to live and take each day as it comes. India scores high on Masculinity index showing male dominance in the major social and females are controlled by male dominance in the power structure. Traditionally Indian culture emphasises on collectivism demonstrated by
stable social relations, caste and cultural crescendos but there is a rise of individualism in India (Hannah 2013). Indian society accepts leader of nurturing type taking the interest in subordinates well being that encourages subordinate participation (Budhwar et al., 2008). Transformational, charismatic and paternalistic leadership models are amongst the popular models of leadership in Indian society associated with nurturing, family values and paternalistic values (Budhwar et al., 2008; Pellegrini, Scandura, & Jayaraman, 2010). Paternalistic leadership combines benevolence with authority. Paternalistic leadership style enforces hierarchical structure and gender inegalitarianism in workplaces making it accepted in the traditional male-dominated Indian society (Pellegrini et al., 2010). In transformational leadership, managers and subordinates build a relationship encouraging loyalty from subordinates. Simple living, high thinking, communication of high order values, self-sacrificing behaviour and ‘giving’ model of motivation are some of the themes of transformational leadership described by Indian respondents in their leaders (Singh & Krishnan, 2005).

Indian national culture has a persuasive influence on management and workers affecting many critical areas of management like staffing restricted by political, familial and communal considerations; authority being one sided and motivational tools are mainly spiritual, interpersonal and social. Managerial thinking in younger generations is influenced by the conflict of cultures as young Indians get the education from the West or different institutes train them to adapt to the western ways. Indian managers thus adopt two sets of values – one inherited traditionally from the family and community, and those drawn from modern education and technology (Budhwar et al., 2008).

In Indian society, religion affects conflict management styles along with cultural dimensions. India is a secular nation with Hinduism and Islam as two major religions. Findings derived from the study of Hindus and Muslims conflict styles indicate that Indian Hindus have more inclination towards integrating/collaborating and dominating/competing styles in conflict, and low preference for avoiding and obliging/accommodating styles. Whereas, Indian Muslims have more preference towards integrating/collaborating and
compromising conflict management style and have less preference for avoiding and dominating/competing styles. Demographic variables like age, gender, and to some extent education affect preferences for conflict management styles (Croucher et al., 2011). Young Indians are more likely to avoid conflict and prefer conflict management styles that are not as competitive. Females prefer compromising, accommodating and integrating/collaborating conflict management styles. Less educated tend to dominate in conflict whereas educated tend to integrate/collaborate, accommodate, avoid and compromise in conflict situations. Individuals in India, who are more masculine, less educated and older in age, prefer dominating or competing conflict management styles (Croucher, 2013).

2.6 Individualist culture and conflict management

According to Hofstede (Hopkins, 1997) individualist societies value independence, egalitarianism, freedom and challenges. Individualist societies rely on low-context communication where most of information is precise, explicit and in a verbal content of messages. Individualist prefers using personalised styles of communication emphasising personal identity to social position. There is less importance on role relationships and status differences making communication more intimate and less formal. Individualists prefer informal logic and reasoning during negotiations in conflict situations (Guirdham, 2005).

For individualist and low context communicators, conflict follows “problem-solving model” viewing conflict as potentially functional, personally liberating and open forum for parties to discuss issues they are struggling with or struggling against to fight conflict (Oetzel & Ting-Toomey, 2001).

Individualists view interactions between two groups and within relationship as occurring between two independent individuals, making them accept disagreement or conflict as a natural aspect of social life. Conflict management styles of both societies differ significantly. In contrast to avoiding or compromising styles adopted by collectivist, as individualist societies value autonomy, assertiveness, individual achievement and
personal satisfaction, they tend to strive for personal satisfaction and achievement at the cost of social relationship during conflict (Ma, 2007). This tends to make individualists likely to apply more active, assertive, direct and confrontational styles like collaborating/integrating, and competing/dominating/controlling styles for managing conflict (Folger et al., 2009; Ma, 2007; Ting-Toomey et al., 2000). Individualist societies are comfortable in resolving differences in conflict situations by direct and open communication with less use of context in communication. They emphasise more on how negotiation affects personal goals. They believe in conflict resolution because of expected outcomes related to economic capital and on create and claim value (McShane et al., 2010). Individualists have a higher tolerance for in-group conflict than collectivists. Individualists have a lower tendency to avoid conflict or adopt a third party strategy during conflict (Schalk et al., 2010).

After examining the literature on conflict management styles commonly used in collectivist and individualist societies, the researcher now discusses acculturation (which is cultural adaptation) and acculturation strategies.

2.7 Acculturation

Acculturative change takes place when one’s culture of origin and culture of residence is not same (Fox, Merz, Solórzano, & Roesch, 2013). According to the Merriam-Webster (ND) online dictionary, “acculturation is a cultural modification of an individual, group, or people by adapting to or borrowing qualities from another culture.” Acculturation is the phenomenon of value, attitudinal and behavioural change in an individual having one culture, coming into continuous contact with another culture (Cheung-Blunden & Juang, 2008; Kang, 2006; Matsudaira, 2006; Miller & Kerlow-Myers, 2009).

Hofstede (2001) & Hofstede et al. (2010) suggest people residing in foreign countries undergo some form of cultural shock, as they follow a unique culture with values acquired quite early in life forming the basis of their conscious. These values are learnt so early in life makes it difficult for a foreigner to change them, as they need to relearn by returning to a mental
state as an infant. It’s easier for foreigners to learn some superficial manifestations like symbols and rituals of the host culture rather than changing values. These challenges from the new society can lead to feelings of distress, depression, weak emotional state, helplessness, and hostility towards the new environment (Connor, 2012).

![Figure 6: The acculturation curve. (Hofstede, 2001, p. 385).](image)

Above illustrated is the acculturation curve in which vertical axis represents feelings (positive or negative) and the horizontal axis represents phases in terms of time which are variable for different individuals. The first phase is euphoria, which is usually short and is about the excitement of seeing a new place. The second phase is cultural shock when real life starts in the new environment. In phase three, acculturation, the individual has slowly learnt to function in the new environment, has adopted some values, finds increased self-confidence and becomes integrated into a new social network. In phase four the individual reaches a stable state of mind, state (4a) is negative with individual still feeling alienated, or may feel (4b) state in which an individual becomes biculturally adapted or even better (4c). In the last case, the individual becomes more native (Hofstede, 2001; Hofstede et al., 2010).

One-dimensional and bi-dimensional models are given to study the phenomenon of acculturation. According to one-dimensional model, a person who is more affiliated with the host culture as compared to affiliation
for heritage culture is referred to as assimilationist. Conversely, separationist is someone who retains their heritage culture and adopts less of the host culture. Marginalist is the someone who borders towards host and heritage culture and does not acculturate towards either culture (Cheung-Blunden & Juang, 2008).

Bi-dimensional acculturation framework developed by Berry and his colleagues has been an important framework for the acculturation research (Brown et al., 2013; Fox et al., 2013; Kang, 2006; Lu, Samaratunge, & Härtel, 2011; Ward, 2007). Berry & Sam (1997) and Berry (1997) outline assimilation, separation, integration and marginalisation as four different acculturation strategies based on two independent dimensions - cultural maintenance, and desire for intergroup contact and participation. Cultural maintenance is to what extent cultural identity is important and how an individual strives to maintain it, and contact and participation are related to the extent of involvement with other cultural groups or to remain amongst themselves (Berry, 1997; Berry & Sam, 1997).

Berry (1997) explains that assimilation occurs when the individual does not intend to maintain their cultural identity and seeks regular interactions with other cultures. When individual places value on holding onto their original culture and avoids interactions with other cultures, the separation strategy is defined. When there is interest in maintaining their original culture to some degree and regularly interacting with other cultures, then the integration is defined. Marginalisation occurs when an individual has little interest in having interactions with other cultures possibly due to fear of discrimination or unacceptance and has little interest in maintenance of original cultural possibly due to reasons of enforced cultural loss. Foreign individuals adopt any of these strategies depending on their values to maintain their own cultural identity and characteristics, and value to maintain relationship with the host society. Integration results in favourable psychological outcomes and marginalisation in the least favourable outcome (Brown et al., 2013). Apart from these two determinants of acculturation, there are ranges of factors like human values, risks identified with the change, openness to change, self-enhancement, and conservation (Berry & Sam, 1997).
The range of personal factors as age, experience, education, language proficiency, work experience, social support, conformity, their cultural orientation- collectivist or individualist along with the opportunities provided by a host culture determines the extent and pace of acculturation (Lu et al., 2011; Ward, 2001). Every individual varies in the extent to which they experience and adapt to the change during the process of acculturation. Hence, it is advisable not to assume universality in the process and products of acculturation as there are several moderating and mediating factors influencing the process of acculturation (Cabassa, 2003; Ward, 2001).

People of a host country receiving foreign visitors undergo a four-phase psychological reaction cycle. The first phase is *curiosity* somewhat similar to euphoria. If the visitor stays and functions in the host country then the second phase *ethnocentrism* starts in which the host evaluates the visitor by the standards of their culture and evaluation may tend to be unfavourable. If regularly exposed to foreigners then hosts may move to the third phase *polycentrism*, the recognition that different types of people should be measured by different standards. This is the beginning of bi or multiculturality. Cultures, which are high on uncertainty avoidance, may resist polycentrism. The tendency to apply different standards to different kinds of people may even turn to *xenophilia*, the belief that everything is better in the foreign culture (Hofstede et al., 2010).

### 2.7.1 The process of Acculturation of the immigrant Asians in New Zealand

According to Census 2013 published by Statistics New Zealand, there are 89,121 overseas born Chinese (8.9%) and 67,176 overseas born Indians (6.7%) in New Zealand. Asian population is projected to increase 14.5% by 2021 (Ward, 2009).

Berry & Sam (1997) explain how individuals who have developed in one cultural context undergo cultural changes or manage to adapt to a new cultural context due to intercultural encounters. Migrants experience different degree of acculturation depending on their values to maintain their
own cultural identity and the extent to which they value relationships with host society. Thus based on various degree of contact and participation, different migrants will experience different level of acculturation (Berry & Sam, 1997).

People in New Zealand, in general, have favourable and positive attitudes towards immigrants. Various personal factors like age and gender, demographic factors like some migrants in the neighbourhood or place or residence, and socioeconomic factors like income and employment are predictors of attitude towards immigrants and immigration policies. New Zealanders strongly endorse multicultural ideology maintaining heritage cultures and identities and the full participation of all ethnic groups in the life of the larger society. In New Zealand, 89% Kiwis agree that it is good to have a multicultural society with people from different cultures, religions and races. 53% of the New Zealanders support government policy on numbers and 61% New Zealanders support sources of immigrants. 81% of New Zealanders acknowledge that immigrants have made valuable contributions to New Zealand and 82% agree that immigrants have qualities that they admire. Negative and discriminatory behaviour and perception of threat is low to moderate. Immigrants in New Zealand thus achieve the recognition required in a socially cohesive society valuing and accepting diversity (Ward, 2009; Ward & Masgoret, 2008).

According to Ward (2009); Ward and Masgoret (2008) & North (2007), Chinese and Indians are perceived less favourably as compared to immigrants from Britain, Australia and South Africa. Chinese and Indian immigrants are evaluated similarly to Pacific immigrants but more favourably
than those from Africa. Although, absolute values of favourability ratings of Chinese and Indian is positive but it is less positive than the generic ratings for immigrants. Moreover, there is gap between New Zealand’s multicultural principles and their everyday practices. This is demonstrated when Asian immigrants are disadvantaged due to discrimination particularly about entry into the workforce.

Asian migrants mostly express a preference for integration, which is adopting New Zealand culture while maintaining their culture but reject assimilation, which is giving up their culture to adopt New Zealand culture. Integration is not always achieved, as some migrants prefer remaining disengaged from the larger society, possibly due to pressures or fear of discrimination. Less percentage of immigrants prefer separation and even lesser percentage adopt assimilation and marginalisation (Ward, 2007).

Increased intercultural contact can enhance appreciation of cultural diversity and acceptance of multiculturalism. Workplace and schools are important contexts for these types of multicultural interactions (Ward & Masgoret, 2008). As this research aims to explore the influence of acculturation on preferences for conflict management strategies of SME owner’s it will be interesting to know which acculturation strategy is preferred and if the acculturation process influenced their choice of conflict management style.

According to Wei (2001), few studies on cultural effects on conflict resolution styles have shown mixed effects in which many collectivists acted like individualists due to cultural regression which means different cultures despite their unique cultural values, become alike when mixed in a cross-cultural environment for some time.

2.8 Moderating effects of New Zealand business environment on Chinese and Indian SME owners

New Zealand has been the nation of migrants. Indigenous Maori originally populated New Zealand. British settlement and European migration resulted due to 1840 Treaty of Waitangi to New Zealand. This trend continued in the
nineteenth century due to labour shortages. Cultural diversity is a reality now and will increase in future. From being a bicultural country traditionally, since treaty of Waitangi, New Zealand has currently become a multicultural country (Bedford, Ho, & Lidgard, 2000; Ward & Masgoret, 2008).

Badkar, Callister, Krishnan, Didham & Bedford (2007) states that skilled migration flow in New Zealand is important to Department of Labour’s goal to build workforce in New Zealand and to attract talent for New Zealand’s economic transformations. Settler migrants, tourism, international business and international education constitute the flow of Asians in New Zealand (Bedford et al., 2000).

Cultural dimensions scores of New Zealand

<table>
<thead>
<tr>
<th>Power distance</th>
<th>Individualism</th>
<th>Masculinity</th>
<th>Uncertainty avoidance</th>
<th>Long term orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>79</td>
<td>58</td>
<td>49</td>
<td>33</td>
</tr>
</tbody>
</table>

Table3: Cultural dimensions scores of New Zealand (Geert-hofstede.com, 2015, n.d.).

New Zealand scores low on power distance. Hierarchy is established in the structure of organisation for convenience. Managers and superiors are accessible and consult teams for their expertise. Information is shared and communication is informal, direct and participative. New Zealand is an individualistic culture. People are expected to look after themselves and their families. In business world employees are expected to be self-reliant and to take initiative. Decisions on hiring, work and promotion are based on merit and what an employee has done. New Zealand is considered as a masculine society. People at work, play and school strive to be “the best they can be”. New Zealanders are proud of their achievements and successes. Conflicts are solved at individual level and the objective is to win. New Zealand culture is pragmatic on uncertainty avoidance. There is focus on planning and alterations can be made at short notice. Emotions are not shown in New Zealand and people are fairly relaxed and do not consider taking risks as unfavourable. As a result of which there is acceptance for new ideas, innovative products and willingness to try something new about
businesses, foodstuffs or technology. Pragmatism relates to the fact that so much that happens around us cannot be explained. New Zealand is a normative country with strong concerns for establishing truth, there is respect for traditions, people have fewer tendencies to save for the future and a focus on achieving quick results. Lastly, New Zealand scores high on indulgence as people realise their impulses and desires about enjoying life and having fun. People possess a positive attitude and are optimistic, and place high importance on leisure time, act as they choose and spend as they wish (Geert-hofstede.com/New Zealand, n.d.).

Rinne and Fairweather (2011) describe New Zealand as a nation having unique cultural/national identity. New Zealanders, in general, are quite innovative with “No. 8 wire” mentality of building something from nothing and ‘a make do’ attitude. Internationally New Zealand is known for its green/clean landscapes and sports. The ideal New Zealand entrepreneur accepts risks or uncertainty, has tolerance for unequal relationships, has large degree of stress on materialism and wealth, believes power and status are to be earned through competition and hard work and code of laws exist that apply equally to all (Frederick, 2002).

The researcher identifies “acculturation” and “conflict management” as two variables in the research studied in this research. As explained by Wu and Zumbo (2008), the moderation effect statistically is explained as interaction affecting the strength or direction of a relationship between two variables. Acculturation can be considered as independent variable and conflict management styles as dependent variable, whose relationship with the independent variable is to be studied. High individualism, pragmatism and low on power distance and uncertainty avoidance are key features of New Zealand national culture. There clearly exists the cultural difference between Indian and Chinese national cultures, which are collectivist, masculine, high on power distance and uncertainty avoidance. The researcher identifies education, experience, English proficiency, extent of business networking and age as mediating factors in this study.

New Zealand is an open economy, which is ranked as one of the easiest countries in doing business offering highest level of economic freedom and
is least corrupt. New Zealand encourages foreign investments but consents are needed for certain categories of investments. Most business requires no government approval. Business needs to comply with the commerce act 1986, the fair trading act 1986, the sales of goods act 1908, the credit contract and financial act 2003 and the consumer guarantees act 1993. New Zealand government provides financial incentives and assistance through government agencies like The Ministry of Science and Innovation, New Zealand Trade and Enterprise (NZTE), The New Zealand Venture Investment Funds and Investment New Zealand ("Doing Business in New Zealand," 2011).

With all regulatory requirements, New Zealand still offers lots of flexibility to its businesses making a moderating effect of New Zealand business environment not very significant on the relationship of acculturation and conflict management styles.

Apart from the regulatory requirements discussed above, New Zealand organisations are required to practise EEO (Equal Employment Opportunities) policies while recruiting, developing and retaining employees (Houkamau & Boxall, 2011) and hence it would be interesting to know hiring preferences of collectivist SME owners after undergoing acculturation.

All Chinese participants and 85% of Indian participants employed at least one person who shared the same ethnicity. 20% Chinese business owners hired between one and three paid employees from their family including wives, daughters and sons. Indian business owners were more likely to employ other co-ethnics and less likely to employ paid family members as the majority of their employees were from outside the family (Cain & Spoonley, 2013).

**2.9 Chapter summary**

New Zealand national culture and Chinese and Indian immigrant cultures being significantly different, there exists a high cultural difference that presents challenges while communicating, negotiating, leading and
managing conflict. Chinese and Indian societies being collectivist in nature tend to be more oriented towards group goals and group dynamism. Maintaining relationship is considered important for Chinese and Indians. Both societies follow high context communication and prefer leadership styles like Paternalistic leadership to maintain benevolence and harmony. Regarding conflict management, Chinese show a strong preference for traditional conflict management styles like avoiding and compromising and even prefer using collaborating or integrating to arrive at a practical solution. The western management approaches influence the recent management practices in India. Indian society comprises of many caste and religions. Indians prefer collaborating, accommodating and compromising and show less preference for avoiding. There is a mixed opinion on the choice of competing. Young and educated Indians show less preference for competing whereas less educated, old and masculine Indians prefer competing style to dominate during a conflict.

Both, Chinese and Indians perceive in-group conflict as unfavourable and this could affect their hiring practices. Based on the discussion of literature, the researcher perceives cultural difference persists and to overcome conflicts arising due to them, Chinese and Indians would tend to be more inclined to hire staff similar culturally in their businesses. The researcher is interested in determining the influence of acculturation on the way Chinese and Indians perceive and manage conflicts but that would strongly depend on if they prefer to assimilate or integrate into the New Zealand culture. For Chinese and Indians who adopt marginalisation and separation as acculturation strategies, their conflict management and leadership styles to an extent would remain unchanged.
CHAPTER Three – Methodology

Background

The first two chapters build the theoretical base of conflict management styles preferred by Chinese and Indians traditionally and acculturation process. This chapter gives an insight into the research methodology used to conduct this research. In this chapter, the researcher discusses objective of this research project, research paradigms, qualitative versus quantitative research methodologies and explains and justifies qualitative research approach for this research project. The researcher also discusses sample selection, sample size, data collection method, sample characteristics, the process of data collection using in-depth interviews, data analysis and ethical considerations for this research in this chapter.

3.1 Objective of this research project

The purpose of this research is expected is to get insight on the influence of acculturation on conflict management strategies adopted by Chinese and Indian entrepreneurs/managers in New Zealand. Findings from this research will be valuable for businesses and academics in general. The findings of this study will provide insight into cultural preferences (if any) adopted by immigrant SME owners while employing staff in their businesses.

3.2 Research Paradigms

Collis & Hussey (2003) & Babbie (2013) explains paradigm as a framework or a model for observation and understanding social phenomenon. Research paradigm is the philosophical framework, which guides the research. Research paradigm is based on people’s philosophies and assumptions of the world and the nature of knowledge. Saunders, Lewis, and Thornhill (2009) explains positivism, realism, interpretivism and pragmatism research philosophies or frameworks containing assumptions about the way the researcher views the world. Positivism and interpretivism are two commonly
used research paradigms providing frameworks for conducting significant research in natural and social sciences today (Collis et al., 2003).

Positivist paradigm, which originated in natural sciences, assumes research as a deductive process to provide explanatory theories of natural sciences to understand social phenomenon or reality. It assumes that knowledge is singular and objective, based on what can be observed as social reality, whilst not being affected by investigating it (Bryman, 2012; Collis et al., 2003).

Interpretive paradigm emerged as a response to criticism of positivism and believes the subject matter of social sciences being different from the natural science and therefore, needs a different research procedure. Interpretivism is an inductive process to provide an interpretive understanding of social phenomenon within a particular context. It assumes that social reality is subjective and multiple and, therefore, is affected by the act of investigation (Bryman, 2012; Collis et al., 2003).

### 3.3 Quantitative versus qualitative research methodologies

Quantitative and qualitative are the primary research methodologies to conduct social research. Quantitative research approach predominantly emphasise a deductive approach to test theories/hypothesis, positivist paradigm, uses numerical data and views social reality as an external, objective reality (Bryman, 2012; Collis et al., 2003; Hammersley, 2013; Hammersley & Campbell, 2012). Quantitative research methodology usually answers questions related to how much, how many, how often, when and who (Cooper & Schindler, 2014).

The qualitative research method is a flexible, inductive and data-driven research design emphasising the generation of theories. It follows interpretive paradigm to explore pure subjectivity assuming that the people create their own understanding of a social phenomenon (Jovanović, 2011). Data collected in qualitative research is rich, making it high in terms of validity, however, it has limitations in terms of generalisation. This is
because findings derived from unstructured interviews and observation cannot be generalised to other settings (Bryman, 2012).

The below table highlights the points of differences between quantitative and qualitative research methodologies:

<table>
<thead>
<tr>
<th></th>
<th>Qualitative</th>
<th>Quantitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus of research</td>
<td>Is to understand and interpret</td>
<td>Is to describe, explain and predict</td>
</tr>
<tr>
<td>Researcher involvement</td>
<td>High – researcher is participant</td>
<td>Limited</td>
</tr>
<tr>
<td>Research purpose</td>
<td>In-depth understanding and theory building</td>
<td>Describe or predict, develop and test theory</td>
</tr>
<tr>
<td>Sample design</td>
<td>Non-probability and purposive sampling</td>
<td>Probability sampling</td>
</tr>
<tr>
<td>Sample size</td>
<td>Small</td>
<td>Large</td>
</tr>
<tr>
<td>Research design</td>
<td>• Evolves during the project</td>
<td>• Is determined before the project commences</td>
</tr>
<tr>
<td></td>
<td>• Often use multiple methods</td>
<td>• Uses single or mixed methods</td>
</tr>
<tr>
<td></td>
<td>• Consistency is not expected</td>
<td>• Consistency is critical</td>
</tr>
<tr>
<td>Data type</td>
<td>Verbal or pictorial descriptions</td>
<td>Verbal descriptions</td>
</tr>
<tr>
<td>Data analysis</td>
<td>• Human analysis using computer or coding</td>
<td>• Computerised analysis using statistical and mathematical methods</td>
</tr>
<tr>
<td></td>
<td>• Always ongoing during the project</td>
<td>• Analysis may be ongoing during the project</td>
</tr>
</tbody>
</table>

Table 4: Differences between qualitative and quantitative methodologies (Cooper & Schindler, 2014, p. 147).

The purpose of this research is to investigate the impact of the social process of acculturation on conflict management styles of Chinese and Indian entrepreneurs in the Auckland metropolitan region. A qualitative approach with interpretive paradigm is needed for this research in order to explore and understand how the selected immigrant entrepreneurs in New Zealand interpret the environment and themselves, and how they are shaped by the culture in which they live. This makes the approach inductive contributing to the elimination of a quantitative approach making qualitative approach appropriate for this research.
By using a qualitative approach, the researcher will be able to get individual information from multiple SME owners/managers on their perceptions of how they manage conflict after having lived in New Zealand for more than five years. Acculturation and conflict management concepts discussed in chapter one and two will be tested using qualitative research method.

### 3.4 Sample selection

Sampling is the process of selecting a sufficient number of elements from the population. The full set of cases or elements is called population and subunit of the population are called sample (Saunders et al., 2009). Sampling is important, as it is not possible to study every element falling in the research population due to cost, time and quality constraints. At the same time, the sample is not needed when it is feasible to study every member from the research population (Clark & Adler, 2011). It is important to define population to be covered and then select a sample from the population for any study. The aim is to make sample representative of the population from which it is selected (Clark & Adler, 2011; Saunders et al., 2009).

According to Salkind (2012) a good sample maximises the degree to which the selected group can represent the population. Probability and non-probability sampling are the two general sampling strategies. In probability sampling technique, the likelihood of selecting an element from the population is known. There is a greater chance that sample will represent the population as the determination of which elements will end up in a sample is done by non-systematic and random rules. In non-probability sampling technique, the likelihood of selecting an element from the population is unknown reducing the chances of certain elements being included in the sample (Salkind, 2012).

Although non-probability samples are less likely to represent the population, they are useful when the researcher has limited resources or in cases when it is difficult to identify elements of the population (Saunders et al., 2009).
3.4.1 Probability sampling

As per Clark and Adler (2011) and Babbie (2013) common techniques or ways of doing probability samplings are:

1. Simple random sampling – In simple random sampling every element of a study population has equal chance of selection
2. Systematic random sampling – Systematic random sampling is the selection of kth element from the study population after the first element is randomly selected
3. Stratified random sampling – In this sampling method, the study population is divided into similar groups or strata based on the presence of certain characteristics. Random sampling is then applied to each group or stratum
4. Cluster sampling – Cluster sampling is randomly selecting clusters of elements from a study population and then selecting every element of selected cluster in the sample
5. Multistage sampling – Multistage sampling involves several stages, such as randomly selecting clusters from a population, then randomly selecting elements from each of the clusters

3.4.2 Non-probability sampling

As per Adler and Clark (2011) and Babbie (2013) common techniques or ways of doing non-probability samplings are:

1. Purposive or judgement sampling- For purposive sampling, the sample is selected based on the researcher’s judgment about which ones will be the most useful or representative of population
2. Snowball sampling- Snowball sampling is widely used in field research, whereby person interviewed is asked to suggest additional people for interview
3. Quota sampling- In quota sampling, the units are selected into sample on the basis of pre-specified characteristics assumed to exist in the study population
4. Convenience sampling- is about selecting sample that is available
In this study, the researcher uses non-probability sampling, as the likelihood of selecting Chinese/Indian business owners in the study sample from the respective immigrant population settled in Auckland metropolitan is unknown. The researcher further uses purposive sampling technique to sample as participants were recruited based on the research objective and selection criteria’s as mentioned:

- Only entrepreneurs who are immigrants from China and India and not the first and second generation of their offspring born in New Zealand were included in the sample.
- SME owners/managers employing a minimum of four to five employees were included in the sample as less than four employees wouldn’t give enough scope to study conflict management within the organisation.
- The SMEs selected for the research are limited to Auckland metropolitan region only as Auckland metropolitan region is considered having major distribution of SMEs owned by immigrants (Ministry of Economic Development 2011; Statistics New Zealand, July 2013)

After few initial interviews, it started to snowball as the participants introduced the researcher to their contacts. This enabled the researcher to recruit enough members in the sample. There was a very good success in identifying Indian participants. There were more business owners willing to participate then needed.

The researcher interviewed ten Indian and nine Chinese business owners/managers. The researcher contacted SME owners/managers in the Auckland metropolitan area either via email or telephone call to check their willingness to participate in the research. Date, time and venue were fixed as per the availability stated by the participants. An information sheet was made available to all candidates participating in the interview. Consent letters were signed by all candidates apart from one candidate who gave the verbal consent on a phone, which was recorded prior to the interview.
Appendix 1 shows a list of different industries in New Zealand, which was used as a guideline while recruiting SME owners/managers for this research.

### 3.5 Sample size

Qualitative research usually employs a small sample size. Data collected has more in-depth understanding of a phenomenon and focuses on meaning-making data collected rich in details with high contextual relevance (Bryman, 2012; Collis et al., 2003; Dworkin, 2012; Hammersley, 2013; Hammersley & Campbell, 2012).

Mason (2010) and Dworkin (2012) suggested that as a number of factors could affect sample size in qualitative research. Many researchers have debated on the guideline for suggesting what can constitute appropriate sample size. Mason (2010) suggests fifteen as the smallest acceptable sample in all qualitative research and Dworkin (2012) highlights any number of participants from five to fifty as adequate in qualitative research. Aims of study, the nature of the topic, quality of the data, the study design, saturation (point at which data collection doesn’t offer new or relevant data), budget and resources available are often the drivers behind selecting sample size (Dworkin, 2012; Mason, 2010). Saturation is the key to excellent qualitative research since few concrete guidelines exist for qualitative sample size. There is no published guideline for the sample size required to reach saturation. Factors that can influence sample size needed to reach saturation can be the quality of interviews, a number of interviews per participant, researcher experience and sampling procedures (Marshall, Cardon, Poddar, & Fontenot, 2013).

Considering that data collected in this research project will be rich in details and high in representing contextual relevance to Chinese and Indian SME owners/managers, the sample size for this research was fixed at twenty. Two pilot interviews were conducted before the actual interviews were done. Few questions were adjusted after the pilot interview. Even though the plan was to interview ten Indian and Chinese, failure to get enough Chinese
participants resulted in the actual sample size of nineteen. The researcher interviewed ten Indian, nine Chinese and one Pakeha business owners/managers from Auckland metropolitan region. Studying Pakeha business owner aided the researcher in getting the contrasting view on the research topic. It was observed that the information was repeating after the eighth interview for both Chinese and Indian SME owners/managers, which can be considered as the saturation point for this research.

3.6 In-depth interviews

Interviews are the most common strategies for collecting qualitative data. The Interview is an effective data collection method of asking and documenting information from an individual or group about their perceptions, values, opinions, attitudes and beliefs of their personal experiences and social world. Interviews can range from structured to unstructured formats (Saldaña, 2011).

Turner III (2010) discusses unstructured, semi-structured and structured forms of interviews. Unstructured interviews have maximum flexibility in terms of questioning as the researcher does not ask any specific types of questions but relies more on the interaction with participants to guide the interview process. Many researchers view this interview method as unreliable and unstable due to inconsistency in the interview questions. The semi-structured approach gives the flexibility to ask follow-up or probing questions based on the responses to pre-constructed questions. Although questions are structured adapting them allows the exploration of a more personal view in each interview. Standardised open-ended interviews are largely structured as participants are asked identical questions with open-ended responses. This makes structured open-ended interviews quite popular as they allow participants to express their views and experiences in as much detail as desired (Turner III, 2010).

In this research, the researcher uses in-depth interviews in a semi-structured fashion. In-depth interviews are a qualitative research technique of interviewing a small number of respondents to explore their perspectives
on any particular idea, events or situation. In-depth interviews provide detailed information about person’s thoughts and behaviour to explore or to get a complete picture about their perception (Boyce & Neale, 2006). In-depth interviews are an iterative process, which starts with the researcher asking basic open-ended research questions followed by specific questions to delve more deeply into the research issue. Open-ended questions asked in the beginning help the researcher to build a positive relationship with the respondents. In-depth interviews go through exploration, cooperation and participation stages (Bryman, 2012; Collis et al., 2003; DiCicco-Bloom & Crabtree, 2006; Hammersley, 2013; Hammersley & Campbell, 2012).

The researcher followed the iterative order during the interview by asking few introductory or initial questions related to the decision of migrating to New Zealand, experience as immigrants in New Zealand, acculturation and motivation to start the business. The participants were given the opportunity to talk freely about their experiences or incidents related to the topic. This helped in building rapport with the participants at the beginning of the interview. These questions were followed by explorative research questions related to conflict and conflict management style. An interpreter who could communicate well with the Chinese business owners accompanied the researcher in two of the interviews. Please refer to Appendix 2 for the detailed questionnaire to be used for interviews. Questions selected in this questionnaire are underpinned with the theory on conflict management style and strategies, and the research on acculturation.

Most interviews were done over five day periods. Interviews took place at the pre-agreed venue between the researcher and the interviewee. Four interviews were conducted on a phone, as the participants were only available to talk during after hours due to their busy work schedules. On average most interviews took around thirty to forty minutes.

English was mostly used as a medium of correspondence as participants were fluent in English. There were few challenges due to the limitation in articulation and interpretation especially while interviewing few Chinese candidates. The interpreter who accompanied the researcher proved to be
helpful in these cases. In the case of Indian candidates as the researcher is an Indian; she speaks Hindi (which is the national language of India) quite well, helped articulation and interpretation. The researcher took detailed notes for each interview.

### 3.7 Information regarding participants

Chinese and Indian business owners/managers who participated in the research are coded as under:

<table>
<thead>
<tr>
<th>Participants</th>
<th>Ethnicity</th>
<th>Time spent in NZ</th>
<th>Type of business</th>
<th>Location</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant 1 (P1)</td>
<td>Chinese</td>
<td>11 years</td>
<td>Car imports (owner)</td>
<td>Kingsland</td>
<td>Four</td>
</tr>
<tr>
<td>Participant 2 (P2)</td>
<td>Chinese</td>
<td>20 years</td>
<td>Café (owner)</td>
<td>Auckland CBD</td>
<td>Four to five</td>
</tr>
<tr>
<td>Participant 3 (P3)</td>
<td>Chinese</td>
<td>22 years</td>
<td>Accounting firm (owner)</td>
<td>Remuera</td>
<td>Four to five</td>
</tr>
<tr>
<td>Participant 4 (P4)</td>
<td>Indian</td>
<td>11 years</td>
<td>Yogurt shop (owner)</td>
<td>Parnell</td>
<td>Four to five</td>
</tr>
<tr>
<td>Participant 5 (P5)</td>
<td>Indian</td>
<td>20 years</td>
<td>Media (owner)</td>
<td>Epsom</td>
<td>Four to five</td>
</tr>
<tr>
<td>Participant 6 (P6)</td>
<td>Indian</td>
<td>15 years</td>
<td>Restaurant (owner)</td>
<td>Papatoetoe</td>
<td>Ten to twelve</td>
</tr>
<tr>
<td>Participant 7 (P7)</td>
<td>Indian</td>
<td>5 years</td>
<td>Finance (manager)</td>
<td>Dominion Road</td>
<td>Five to six</td>
</tr>
<tr>
<td>Participant 8 (P8)</td>
<td>Indian</td>
<td>7 years</td>
<td>Petrol station (owner)</td>
<td>Kingsland</td>
<td>Five to six</td>
</tr>
<tr>
<td>Participant 9</td>
<td>Chinese</td>
<td>20</td>
<td>Construction</td>
<td>Manukau</td>
<td>Five to six</td>
</tr>
<tr>
<td>Participant</td>
<td>Years</td>
<td>Company</td>
<td>Location</td>
<td>Full-Time / Staff</td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td>-------</td>
<td>---------</td>
<td>----------</td>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td>10 (P10)</td>
<td>7</td>
<td>Indian garment store</td>
<td>Mt. Roskill</td>
<td>Three to four</td>
<td></td>
</tr>
<tr>
<td>11 (P11)</td>
<td>6</td>
<td>Indian grocery shop</td>
<td>Sandringham</td>
<td>Four to five</td>
<td></td>
</tr>
<tr>
<td>12 (P12)</td>
<td>18</td>
<td>Fish and Chips</td>
<td>Pukeko he</td>
<td>Four to five</td>
<td></td>
</tr>
<tr>
<td>13 (P13)</td>
<td>4</td>
<td>Retail Furniture store</td>
<td>Panmure</td>
<td>Three full time</td>
<td></td>
</tr>
<tr>
<td>14 (P14)</td>
<td>8</td>
<td>Malaysian restaurant</td>
<td>Panmure</td>
<td>Four staff</td>
<td></td>
</tr>
<tr>
<td>15 (P15)</td>
<td>16</td>
<td>Sandwich take away (Operations Manager)</td>
<td>Grafton, Mt Eden, St. Luke’s, Kingsland</td>
<td>&gt;15 staff</td>
<td></td>
</tr>
<tr>
<td>16 (P16)</td>
<td>5</td>
<td>Kebab shop</td>
<td>Auckland CBD</td>
<td>Three to four</td>
<td></td>
</tr>
<tr>
<td>17 (P17)</td>
<td>8</td>
<td>IT solutions</td>
<td>Mt. Roskill</td>
<td>Three to four</td>
<td></td>
</tr>
<tr>
<td>18 (P18)</td>
<td>26</td>
<td>Courier business</td>
<td>Papatoetoe</td>
<td>Five to six</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Health</td>
<td>Auck CBD</td>
<td>Four to five</td>
<td></td>
</tr>
</tbody>
</table>
3.8 Data analysis

Writing a descriptive case summary of each interview was the first step in data analysis. This allowed a unique pattern of each case to develop and observations on the variety of experiences of the SME owners with regards to preferred conflict management strategies. All interviews were coded using open coding approach. Punch (2005) explains coding as the first step in the qualitative analysis. Codes are tags, labels or names and coding is putting tags, labels or names on pieces of data, which could be individual words or small or large chunks of information. Collis and Hussey (2003) explain codes as labels to separate, compile and organise qualitative data. Open coding (basic with simple codes to identify, analyse and categorise the raw data); axial coding (connecting categories and subcategories), and selective coding (selecting core category and relating it to other categories) are three levels of coding (Collis et al., 2003).

Data analysis in this research was done using Miles and Huberman general analytical approach for qualitative data analysis. Miles and Huberman (Collis et al., 2003) explain general analytical procedure for qualitative data analysis as:

1. Converting field notes into a written record, which is understandable by the researcher. A researcher can add their thoughts and reflections. This is the start of the exploratory analysis. Researchers need to distinguish their interpretation and speculations from the actual field notes
2. Research needs to ensure that any material collected from interviews, is properly referenced. The reference should indicate the name of people who were involved, the date, time, the context, the circumstances leading to the data collection and the possible
implications for research. Recording of the interview can be useful to retrieve information in the later stage

3. Coding of data using specific words or phrases following the three levels of coding (open coding to identify common themes, axial coding to identify the relationship between themes and to build a framework, and selective coding to support the emerging framework)

4. Grouping of codes into small categories according to patterns or themes, which will emerge based on substantial reflection. This task may even have new data emerge, which can be compared to existing codes and categories, and can be modified if required

5. Summarise findings at each point and highlight any deficiencies to be corrected

6. Use summaries to construct generalisations to challenge existing theories or to construct a new theory or to support the existing theories

**3.9 Ethical issues**

According to Clark and Adler (2011) ethics principles in research set norms, standards, values and principles that guide appropriate and acceptable conduct in all stages of the research. The goal of ethics in research is to ensure no one is physically or psychologically harmed or suffers from adverse consequences of research activities (Cooper & Schindler, 2014). Unitec Research Ethics Committee approved this research study from 12\textsuperscript{th} December 2013 until 12\textsuperscript{th} Dec 2015. Research committee approval number for this research is 2013-1084.

All participants voluntarily participated in this research study. All of them were sent the information sheet prior to the interviews and were informed about the objective of the study. No participant’s identity is revealed in the research report. Participants were ensured that the data collected from interviews would only be used for the research study done by the researcher as part of her Master’s requirements. Participants were informed that they can withdraw from the study should they feel uncomfortable about participating. The data collected was stored initially by the researcher during
the study and then will be submitted to the supervisor after the analysis is completed.

**3.10 Chapter summary**

In this chapter, the objective of this research project is explained. There are different research methodologies discussed in this chapter. The rationale behind selecting qualitative research method over quantitative research approach is explained. The method of semi-structured in-depth interviews is adopted to collect data for this research project. Non-probability sampling technique is used to sample. Size and selection of sample representing population to be studied is explained along with characteristics of participants. Permission has been obtained from Unitec Research Ethics Committee to conduct this research in order to ensure that this research project abides appropriate and acceptable standards.

General analytical approach is adopted to analyse data collected from twenty interviews. Notes were taken with the permission of the participants during the interviews. Results obtained from data collection are presented and discussed in the next chapter.
CHAPTER Four – Findings

Background

This chapter discusses the results and analysis of nineteen in-depth interviews conducted. The purpose of this research project is to explore the influence of acculturation on conflict management strategies/styles of immigrated Chinese and Indian SME owners. The chapter broadly consists of following sections:

- Findings/results of nineteen in-depth interviews (nine Chinese and ten Indian)
- Discussion and analysis on themes, sub-themes and their variables identified
- Conclusion

4.1 Findings

Data was collected through in-depth interviews with nine Chinese and ten Indian immigrant SME owners. Following three major themes were identified using Miles and Huberman general analytical approach for qualitative data analysis:

4.1.1 Immigration and entrepreneurship

4.1.2 Acculturation

4.1.3 Conflict situations and conflict management

Each theme has sub-themes and variables falling under them. Findings on themes and sub-themes with different variables are shown in the below table. Findings of different variables related to themes and sub-themes are represented as percentages for Chinese and Indian participants separately.
<table>
<thead>
<tr>
<th>Themes</th>
<th>Sub-themes</th>
<th>Variables</th>
<th>Chinese (9 participants)</th>
<th>Indian (10 participants)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Theme 1 – Immigration and Entrepreneurship</strong></td>
<td>Immigration experience</td>
<td>Positive evaluation of Kiwi’s and NZ society</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Immigration</td>
<td>Acceptance in NZ society</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Better lifestyle/growth</td>
<td>78%</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environment</td>
<td>22%</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Better schooling</td>
<td>-</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NZ culture</td>
<td>11%</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Had distant/close family friends</td>
<td>11%</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Decision was made by someone</td>
<td>11%</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other reasons</td>
<td>-</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurship</td>
<td>Unable to find jobs</td>
<td>11%</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Family legacy</td>
<td>33%</td>
<td>38%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Passion/aspiration to start business</td>
<td>-</td>
<td>38%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Flexibility</td>
<td>-</td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Opportunity in industry</td>
<td>44%</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Money</td>
<td>100%</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Had similar business experience</td>
<td>33%</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Theme 2 – Cultural</strong></td>
<td>Cultural</td>
<td>Chinese/Indian Kiwi</td>
<td>33%</td>
<td>60%</td>
</tr>
</tbody>
</table>
Table 6: Findings of different variables related to themes and sub-themes.

Following sections of this chapter will now discuss each theme with their sub-themes and variables as mentioned in the above table. Each theme has some questions categorised under them with participant responses as quotes and discussions of subthemes and variables. For most themes and sub-themes identified there is more than one variable as contributing factors to be examined for immigrant participants to understand their acculturation and its influence on conflict management strategy. Analysis of these themes, sub-themes and variables will assist the researcher in addressing the research questions in the next chapter.

4.1.1 Immigration and Entrepreneurship

**Immigration**

All participants in this study immigrated to New Zealand before some number of years. Most of them were driven by more than one factor to make the decision to immigrate to New Zealand; however, they all usually had one
strong driver/motive behind the decision. On asking the question such as “why did you choose New Zealand as a destination to migrate or why did you migrate to New Zealand?” On average 84% of Chinese and Indian participants responded “for growth or better lifestyle and income”. Growth was mainly related to better income and career prospects. 78% Chinese and a very high 90% Indians considered personal growth with opportunities to earn more, as one of the most significant drivers along with other drivers in selecting New Zealand as a destination to migrate.

22% Chinese participants were impressed with New Zealand’s clean environment and considered New Zealand as a very safe country. 10% Indian participants were impressed with New Zealand schooling system, and 31% of both Chinese and Indian participants had a very positive perception of New Zealand society and its culture to raise their family. 40% Indians and 11% Chinese had relatives, or friends settled in New Zealand who vouched for New Zealand as a safe and friendly country to migrate. 20% Indian participants had some other reasons behind migrating to New Zealand along with growth and better income as a major driver. These reasons mainly included escaping social and family pressure, some personal challenges, etc.

For a couple of them it was the decision made by their employers as they were sent by some company back home on a fixed term project in New Zealand and then later they liked the country to settle with their family. The expectation of growth leading to a better lifestyle was still the motivation to settle in New Zealand for these participants as well.

One of the Chinese participants who currently run a construction business in Manukau narrates his decision to migrate to New Zealand as:

“I was sent by Chinese government to Massey University on scholarship. The decision was made by them but liked the country. Wouldn’t have settled in another country even if I had a choice. New Zealand has a very relaxed lifestyle that is good for personal growth.”

Some who had lived and worked in other foreign countries agreed that New Zealand is culturally better than some other foreign countries they had
visited earlier, and that became one of the drivers to decide to raise their family here. Apart from growth, clean and healthy environment, New Zealand culture and good schools were the other common reasons. One of the Indian owners of traditional Indian garment store in Mt. Roskill outlines her experiences as:

“Have been to States but found New Zealand very friendly. The environment here is very clean and healthy. My sister lives in Wellington. Came on visitor’s visa and stayed with her for six months. Liked Wellington very much and decided to settle long term in New Zealand.”

Four participants had spent some years in other foreign countries before they migrated to New Zealand. They found difficult to settle back in their home countries after leaving the foreign countries they lived in. Due to various other social and personal reasons they decided to settle in New Zealand.

One of the participants who now run chain of Indian restaurant describes her journey to New Zealand as:

“I had residency for three countries – Australia, Canada and New Zealand. I choose New Zealand as found it to be conservative as compared to the other two so thought culturally would be good to bring up children. New Zealand has good schools and Kiwi’s, in general, have good family values. Have three kids, and we are glad we selected New Zealand.”

A couple of them came to New Zealand for holidays or as a student. They then decided to settle permanently considering the availability of better growth prospects, clean, safe and green environment, better education for their children, in general, they liked the Kiwi culture and found Kiwi’s friendlier than natives from other countries they had been living or visiting before.

A Chinese participant who is now the owner of Malaysian restaurant in Panmure says, “I came to New Zealand on holidays and found a job. Found New Zealand very safe and clean. People here are very nice and friendly. I was earning well as well. I applied for a work permit as the business owner needed my skills to cook and now I am a resident.”
For few of them who had an experience of living in other foreign countries found New Zealand’s culture better to raise their family.

A very successful Indian chain of shops owner outlines his decision to come to New Zealand as:

“ I have lived in the UK for five years but find New Zealand as a better place to run business and to raise children. I am happy that I selected New Zealand to settle. I am trying to convince my brother who lives in the UK to consider New Zealand for relocating the family as it is very safe and culturally we find New Zealand better than the UK to have a healthy lifestyle.”

Overall, better lifestyle, personal growth and better income were common major drivers behind migration for most participants. For a couple of them it was the decision made by their employers and then later they liked the country to settle with their family. The expectation of growth leading to a better lifestyle was still the motivation for them. Apart from growth, clean and healthy environment, New Zealand culture and good schools were the other common reasons. For few of them who had an experience of living in other foreign countries found New Zealand’s culture better for upbringing their children. A couple of participants were motivated to migrate to New Zealand to escape social and family pressure in their home country.

**Immigrant experience**

To understand how participants felt as immigrants in New Zealand, they were asked questions such as “How do you feel like an immigrant in New Zealand? OR how has been your experience in New Zealand as an immigrant?”

100% participants talked positively about their experience in New Zealand. All participants used the term “Kiwi” for New Zealanders in general. All Chinese and Indian participants claimed of been accepted in New Zealand society as productive and contributing members. They evaluated Kiwi’s and New Zealand society as friendly and accommodating. There were some challenges like the language barrier, understanding the Kiwi accent, living expenses, limited job availability that would match their education (many of
them found jobs for which they were overqualified) and cultural barriers at the work, which they faced during the initial settlement time. All of them agreed that these challenges were only during the initial period of settlement, which indirectly shows they are acculturating or culturally adapting.

One of the Chinese café owners feels that:

“It has been a good journey so far. Have very close relationship with few of our Kiwi neighbours.”

Whereas, the other two Indian participants owning a media business and chain of restaurants outline their immigrant experiences as:

“When you come from other foreign countries there are fewer surprises to face! I lived in the US for four years. There are problems everywhere, but there was no cultural struggle in New Zealand. I find Kiwi’s friendlier than Aussies and Americans.”

“New Zealand has proved to be the best destination for us. Persuaded my son who had settled in the US to come and join us in New Zealand. He likes New Zealand as much as we do.”

Participants had the positive experience to share about their settlement in New Zealand. They like New Zealand as the country, as they think Kiwi’s are very cooperative, accommodating and open-minded. Kiwi’s respect immigrants and accepts cultural diversity. New Zealand’s image as a country offering positive lifestyle came out as the most common reason for immigration.

Two Indian SME owners owning a IT solutions and a Kebab shop in Auckland CBD and two Chinese SME owners owning retail furniture and courier business share their immigrant experience as:

“I had come to NZ only for higher studies and had plans to return. Found NZ a very safe place with no racial discrimination. People here are so good to migrants. I found a good job and started earning well. Have established the family here, and my family is very happy living here.”
“Very happy and positive about everything”

“I had the option to immigrate to Australia as well as I had my distant family there. But now, I think I have made the right decision about New Zealand. No regrets at all!”

“Good experience. Made this country my home. People here are very open minded.”

Overall, all participants reflected positively about their immigrant experience in New Zealand. Four of the participants who had lived in other Western countries like UK, Australia, Canada and the US had a positive evaluation of New Zealand society and Kiwi’s in general as compared to other countries they had been. At this point, the researcher believes that the outcome of positive perception from ‘immigrant experience’ theme will have a strong influence on cultural adaptation to be discussed later in one of the following sections on acculturation strategy.

**Entrepreneurship**

SME owners interviewed in this study had different motivations to become entrepreneurs in New Zealand. Money was the common initial driver for most entrepreneurs interviewed. Following questions were asked in order to determine the motivation of participants to start the business in New Zealand:

Q. What was your motivation to start your own business in New Zealand?
Q. Do you have a family legacy of being in a business?
Q. Describe your experience as a business owner in NZ?
   • Were there any challenges you faced as an immigrant?
   • Any support you receive or received from the local community that helped you in your business?

95% participants had jobs or have jobs, and they are in business because they wanted to grow financially. 100% Chinese and 75% Indian participants claimed the money as to be one of the big driver motivating participants to start a business. Along with money, there were other drivers like the opportunity in industry, family legacy, similar experience motivated participants to become entrepreneurs as well. 50% Indian participants saw
the opportunity or gap in the industry to start a business. 33% Chinese and 38% Indian participants had a family legacy of running a business whereas, 33% Chinese and 13% Indian participants had a prior similar experience, which inspired them to become business owners.

38% Indian participants claimed to be driven by a passion for starting a business. Whereas, 13% Indian participants wanted flexibility and decision-making independence only possible if they own a business. All these other driver variables can be considered as secondary motivation as money, or better income was primary variable to motivate these participants to become entrepreneurs.

Following are responses of two Chinese and one Indian SME owners:

“To be financially independent.”

“To earn better and have flexibility.”

“I was a teacher for long before coming to New Zealand and have done some voluntary teaching in New Zealand as well. Due to longer school hours I didn’t get enough time for children. I belong to a business family and running a business is in my blood. When, I started my own business I had to learn paperwork and documentation. My husband helps me with that.”

For a couple of other participants having a similar experience in a job or running the same business back home became the driver to start their own business:

“I had a similar business in Malaysia and wanted to be my own boss.”

“I have worked in automobile industry for six years and got inspiration to start my own car export business in New Zealand”

A couple of participants saw an opportunity while they were doing jobs:

“I have no business background. I wanted to do something different, and that was one of the drivers for me.”
“I don’t come from a business family with legacy, but I worked for other companies for 4-5 years and saw opportunities to start a business in the same industry.”

Overall, 100% participants had positive business experience. Most were impressed with the ease of starting a business in New Zealand and didn’t need much support from their local community. They faced no major challenges even thought they were not very familiar with the business environment. 100% participants found New Zealand as a very business friendly country. This matches closely with the literature discussed earlier, which ranked New Zealand as one of the business friendly country as compared to other OECD nations ("Doing Business 2013," 2013).

However, a couple of participants found paperwork and documentation difficult in the beginning and expressed concerns on lower sales due to the limited population. Only one participant became an entrepreneur to make his living due to difficulty in finding a job. Apart from this participant, no other participants mentioned job unavailability as one of the drivers to own a business. On the contrary, many participants are still doing a job and have appointed staff to run their business. They only get involved in overseeing the overall business operations on weekends and forming strategies.

Thus, financial growth and expectation to earn more were the most common drivers to become entrepreneurs. Family legacy, passion for business, ease of starting a business in New Zealand, flexibility in working hours and independent decision-making were some of the other drivers to become entrepreneurs.

4.1.2 Acculturation

Cultural orientation and acculturation strategy

According to Horn (2013) acculturation theory explains adjustments or adaptations to the dominant host culture through long-term behavioural change over the period of time. Most research done on acculturation conceptualises Berry’s 1990 acculturation theory comprising of four
acculturation strategies - assimilation, separation, integration and marginalisation.

Most participants came to New Zealand in the hope of a better lifestyle and growth. 100% participants reflected positively about their immigrant experience and New Zealand culture in general. The impact of acculturation on these participants is discussed applying Berry’s acculturation model as discussed in chapter two. Following questions were asked to understand the acculturation process and strategy adopted by them:

Q. After having lived in New Zealand do you feel yourself be more like a Chinese/Indian Kiwi or Kiwi Chinese/Indian or more like a Kiwi?

Q. How would you best describe your cultural adaptation in New Zealand in terms of given strategies –

Integrate which is while keeping the own cultural identity, are you positive about learning/interacting with Kiwi culture?

Assimilation, which is not a very positive attitude towards keeping your own cultural, but have a positive attitude towards interacting/learning with Kiwi culture?

Separation, which is the positive attitude towards keeping own cultural identity but not keen about learning or interacting with Kiwi culture?

Marginalisation, which is related to having the negative attitude towards own cultural identity and interaction with Kiwi culture?

Few brief questions on hiring practices, cultural preference while hiring staff, time spent on networking/socialising in the own community and host community, nature of business operations, preference regarding suppliers and customers were integrated along with the acculturation questions. These questions assisted the researcher to understand the background of participant’s work and social life to understand acculturation process of each participant.

Cultural orientation

Most participants mentioned facing challenges at the beginning of their settlement process in New Zealand. Having lived in New Zealand for long makes them feel accepted and like Kiwi now. They have experienced the positive attitude of Kiwis towards them. A very high 60% Indian participants, in particular, considered themselves as Indian Kiwi and 33% Chinese
participants as Chinese Kiwi. 44% Chinese and 20% Indian participants considered themselves to be culturally oriented to a Chinese or Indian culture very strongly to feel culturally as Chinese or Indian. One of the Chinese participants who runs a café in Auckland CBD outlines the acculturation process as:

“I am running this business in Auckland CBD since last eighteen years and have lived in NZ for twenty-three years. Most of my customers are pedestrians or staff who work in offices nearby. My wife and I run our business. We currently employ four Chinese part-time staff but would like to employ Indian staff in future as we find them hard working. We have no cultural preference while hiring staff as long as they are hard working. We run our café until 4 pm weekdays and get a good time to socialise on weekends and in the evening. All our neighbours are Kiwi, and we have good relation with them. We like Kiwi culture, as it is very transparent. We think they are good to migrants. We have lived so long here that we would call ourselves Kiwi Chinese now.”

The above statement made by one of the participants support literature outlined in chapter two regarding positive attitude of Kiwi towards migrants and been acknowledged as contributing members of New Zealand society (Ward, 2009; Ward & Masgoret, 2008).

The other two Indian and one Chinese SME owners highlight their experiences as:

“Have adopted best of both Kiwi and Indian practices at work but at home my family has Indian values and lifestyle especially our traditions and food.”

“Have adopted goodness of Kiwi culture and haven’t given up my Indian culture. I have many close Kiwi friends from business and prefer to integrate into the Kiwi community.”

“More of Malaysian Chinese than Kiwi Chinese. Would like to stay that way.”

Integration was identified as most accepted acculturation strategy of participants. Many accepted of having adopted best practices of both cultures and prefer integrating into the host culture.
Some of the 32% participants who claimed to be culturally either Chinese or Indian also prefer to integrate. Their social background, business network and type of business they run don’t give enough reasons to socialise with Kiwi, however, they have strong intention to integrate with the local community.

One of the Chinese car importer narrates:

“My work keeps me very busy. Due to nature of my work I am required to work on weekends and late nights. I don’t get much time to socialise with the Chinese or Kiwi community. My wife socialises a lot with Chinese and Kiwi. My parents live with us as a result of which we have retained Chinese culture in our lifestyle along with best of New Zealand culture. I would say my wife and I are more Chinese Kiwi, but our children are Kiwi Chinese.”

An Indian grocery store owner from Sandringham who has been in New Zealand for six years outlines his experience as:

“I am more close to Indian culture due to nature of the business I am in. Kiwis are nice people. I would like to integrate into Kiwi society.”

The two other Indian restaurant chain of restaurant owner and media business owner have lived in New Zealand for a very long period of 15 years and 20 years outline their acculturation experiences as:

“Have adjusted between both cultures. It’s situational in my case as I can switch between both cultures and respect both cultures. I would say I like to integrate and am more of an Indian Kiwi.”

“I am both Kiwi and Indian. I would call me Indian Kiwi. My second generation is Kiwi Indian, but the third generation is very Kiwi. I have always preferred to integrate into the Kiwi society.”

33% percentage Chinese and small 10% Indian participants considered themselves now Kiwi and 11% Chinese participants considered them to be Kiwi Chinese culturally. Having spent a long time in New Zealand and especially, closely with Kiwi friends and family made 33% Chinese and 10% Indian participants feel more inclined to Kiwi culture. They claimed to have
assimilated well in the host society due to proximity with Kiwi friends or relatives for a long time. Some quotes suggesting the same are:

“Came here as a child. Have spent more time in New Zealand than in my own country. I am a Kiwi now.”

“Feel more and more like Kiwi as time passes. I prefer to integrate and assimilate.”

Integration was identified as one of the most preferred acculturation strategies with 80% Indian and 67% Chinese participants claimed to adopt integration as a strategy for acculturation. They preferred to integrate with the host culture preserving their own cultural values. Nature of their business, suppliers, customers and time they get to socialise with their own and host communities were some of the identified catalysts in the process of acculturation. 22% Chinese and 10% Indian participants preferred to assimilate, and a small 11% of Chinese participants preferred separation during their acculturation process. This supports the literature, which claims Asians in general express preference for integration maintaining their own culture (Ward, 2007).

It was noted by the researcher that cultural roots in most of the participants were still strong as most of them maintained their cultural values in their lifestyle, language spoken at home, food, traditions and upbringing of their children. They preferred socialising more with Chinese/Indian friends and were positive to socialise with Kiwi’s from business/work, neighbourhood and other friends. Time constraint impacts these interactions for many participants. Most participants are happy that their second generation is becoming more Kiwi in general because of schooling and the up bring they had in New Zealand.

Only one participant considered separation as acculturation strategy was closely matching his lifestyle not because he thinks he is not accepted in the host culture but due to nature of the business he runs. He is the main chef in his restaurant and runs restaurant weekdays and spends some time he gets on the weekend to make curry and ingredients needed in his restaurant business. He does some socialising with Chinese or Malaysian friends when they come to dine as his restaurant.
One of the Chinese participants reminisced his preference as Kiwi when young but now more Chinese as he misses his cultural roots.

“I have lived in NZ for 26 years. When I came here, I was a teenager. I was more Kiwi then but now feel more like Chinese. I have always preferred to integrate into the Kiwi society.”

Whereas, the other two Chinese participants expressed their preferred acculturation strategy as:

“I would say half and a half. I am more Kiwi in business and more Chinese in personal life. Like to integrate into Kiwi culture.”

“Most of my customers and suppliers are Kiwi. I have both Kiwi and Chinese friends. I would call myself Kiwi Chinese and I like to integrate into the Kiwi society retaining my Chinese values.”

Overall, there was a strong correlation identified between positive immigrant experience and integration in New Zealand culture. Most participants felt accepted in New Zealand culture and being safe, which is believed to have been a strong driver in the majority of them willing to integrate. They associated with integrated bi-cultural identity calling themselves Chinese Kiwi or Indian Kiwi. This shows open acceptance and willingness to integrate into the host culture retaining best of their culture.

4.2 Conflict situations and conflict management

Participants were requested to highlight their perception of conflict and recall some conflict experiences they experienced at their businesses. The interviewer encouraged participants to describe these situations and different strategies or approaches they utilised to manage them. The common conflict management styles were explained to participants and were then requested to describe conflict management style they commonly used. Following questions helped the researcher to gain insight into the participant’s conflict experience and how they managed conflict:

Q What does the word conflict mean to you? OR how do you perceive conflict during regular business dealings?
Q Please share some conflict stories.

Q Highlight the common sources of conflict in your work environment? OR how do conflict situations commonly arise?

Q How do you react to conflict? OR How is your response to conflict situation?

Q Which style best describes the way you handle conflict situation (avoiding, compromising, collaborating, competing or accommodating). Please explain why?

Q How did you handle conflict when you were new in New Zealand? In your opinion has your conflict management style changed after spending some years in New Zealand?

Most participants claimed conflicts in their businesses were common but would rather call them disagreements or situations of discomfort rather than actual conflicts. Most situations were resolved and were not ongoing. Staff, customers or suppliers were common sources of conflict in businesses as per all participants. Customer complaints or disgruntled customer contributed to most conflicts in their business. The second highest source of conflict is disagreement with staff and then with suppliers. Collaboration, accommodating and compromising were most preferred strategies to manage conflicts with customers. With staff, suppliers or any other sources of conflict depending on the need of situation, participants used either of the same strategies they used with customers.

The collaborative style was the highly preferred conflict management style followed by the accommodating style of conflict management. 90% times Indian and 67% times Chinese participants preferred collaborative or win-win approach. Accommodating was second preferred strategy after collaboration. Chinese participants were accommodating in 56% conflict situations and Indian participants during 50% conflict situations. Chinese participants preferred to compromise 44% times and Indian participants during 33% times of conflict. Most participants were very customer focused and claimed to have collaborative approach resulting into best outcomes for everyone. The collaboration was always given priority by both Chinese and Indian participants and in cases where collaboration didn’t work, accommodating and compromising styles were used. Competing and
Avoiding were less preferred when compared to collaboration, accommodating and compromising conflict management styles.

Some participants explained conflicts as potential risks for small businesses. Whereas, for some conflicts were the opportunity to establish clarity. They considered customer satisfaction as a most important success factor for their business. As a result of which at times depending on a situation, participant business owners were happy to adopt accommodating or compromising conflict management styles to make sure customers were happy. There were no major cases of conflict highlighted with staff. It was observed that majority of businesses employed staff from similar cultures as their own. This could have possibly reduced changes of disagreement due to common understanding and ease in communication with people from the same culture. Suppliers were the second biggest source of conflicts after customers. Few interesting examples of conflict and conflict management style shared by an Indian Kingsland-based chain of store SME owner and two Chinese SME owners running a construction and courier business:

“One of our customers recently complained that she had glass in her stomach from one of the soft drink bottles she consumed which were being purchased from our shop. I had to be quick quitted in listening to her complaints and explaining her the process of compliance and quality assurance. The complaint was made to the main branch, which delivered the drink bottles, and meanwhile she was asked if she needed any medical attention. I would say I use a different strategy with staff and customers in a conflict situation. With staff, it depends on what the matter is and often can be resolved with open talk. I would say it’s mostly collaborating. With customers, I believe I am more accommodating or even compromising in some cases.”

“Its very common to get people with different views, agenda and financial interest. In our business, we have intense competition for same customers. Most of our conflicts are external with either suppliers or customers. I always collaborate by talking with customers and suppliers openly. This is because we believe in building a long-term business relationship rather than a short-term gain. New Zealand is a small place; people in the same industry know each other and reputation is more important than short-term gain. My father used to tell me that it’s better to have more friends than enemies. My father came from China; I guess that’s the Chinese
way of thinking of his generation. Personally, I tend to be more reactive to other people behaviour. I treat people in the way they would like to be treated. I understand businesses in China to work differently."

“No one likes conflict!! But there are always rules and process. In my construction business, if the issue is very big then we use legal process, and if it’s small then we sit and talk through the situation. Target is to find win-win in all situations. If problems cannot be settled then legal actions are required. In most of our cases, sources of conflict are misunderstanding and can become complex if there are any personal reasons. I believe in using the same strategy for all, as you need to be fair with everyone. I have no experience running a business in China so cannot comment for sure, but I think it is different how conflict can be managed in China and here. I believe one has to be fair with everyone. I don’t think I have changed my conflict management style with time as I have always believed in fair treatment since beginning.”

As mentioned before, compromising and accommodating were used when collaboration didn’t seem to work. Compromising and accommodating styles were mostly used for managing conflicts with customers and all participants agreed that good customer service and having happy customers was central to all their business activities. One of the successful Indian chains of restaurant owner shares her conflict experience and strategy as under:

“ I like to be open with customers in cases of conflicts and believe in moving forward. I have one lady customer who often complains about different matters in our restaurant and still likes to come here. Most of my staff finds her very irritating, but I am usually calm and patient while dealing with her. My conflict management approach is very accommodating, and I don’t mind compromising with customers as well. I have the same approach to deal with problems with Indians and Kiwis. The only difference is I can be more Indian with Indians in explaining them the situation. Don’t know if any of my management practice has changed with time as I used to be in a job in beginning and as I said, it’s my personality to manage conflict in a way that there has a positive outcome.”

Another Indian traditional garment store owner outlines her experience as:

“In a small business like ours, conflicts are the type of risks which can affect our reputation and can impact financially. I wouldn’t like to see them, but there are
challenges plenty of times! One of the recent incidents was with one of the customers who showed us a picture of Indian sari to be ordered with some colour guide in it. It often happens that colours look different in the picture and often comes out to be different in actual. People are very particular about some colours they would want, and that is where it starts. This particular customer was very unhappy with the colour matching it turned out in the actual order. I always prefer collaborating but, in this case, it turned out to be accommodating by giving the customer a complete refund for the order. It cost me $3000 for this particular incident but for me it’s important that customer is happy which I think is win-win for my business. I would say, with customers I am happy to adopt accommodating style as well to manage conflict.”

Avoiding and competing were least preferred conflict management styles. Chinese and Indian participants in some rare situations used competing in 22% and 10% times. Indian participants didn’t use avoiding style of conflict management at all and 22% times Chinese participants preferred to avoid the conflict.

Most participants reflected having become more confident, open in communication, good listeners during the conflict with the time they have spent in New Zealand. This has influenced to some extent the way they perceive and manage conflict.

4.3 Chapter summary

This chapter presented findings from data collected from nineteen interviews. Findings on themes and sub-themes with different variables presented in the table at the beginning of this chapter were discussed.

Theme One (Immigration and entrepreneurship)- Participants immigrated to New Zealand for a better lifestyle, career growth, more income, better schools, clean and safe NZ environment and some other mixed reasons. Most participants had more than one motivation to migrate to New Zealand, but primary motivation was better lifestyle and growth. Hundred per cent participants reflected positively about their experience in New Zealand. This possibly turned out to be one of the strong drivers behind acculturation they underwent. Immigrants had no difficulty finding jobs. Family legacy to run a
business, passion, personal aspirations, more income and gap in the industry were some of the major drivers to influence participants to become entrepreneurs in New Zealand. 100% participants reflected on ease of starting a business as one of the important success factors for businesses in New Zealand. Not a single participant felt that being an immigrant it was difficult to establish a business in New Zealand.

Theme two (acculturation strategy) - Most participants felt accepted and valued in New Zealand and preferred bi-cultural identity, identifying themselves as Chinese/Indian Kiwi or Kiwi or Kiwi Chinese/Indian. Chinese Kiwi or Indian Kiwi followed best of both cultures (their own and Kiwi culture). Integration was the most commonly preferred acculturation strategy.

Theme three (conflict and conflict management strategy) - Time spent in New Zealand made most participants more confident and in conflict management approaches. In general, they mostly preferred using collaborative conflict management style with staff, customers and suppliers. In cases where collaboration wouldn’t work accommodating and compromising were the other preferred conflict management styles.
CHAPTER Five – Discussions

Background

This chapter is the concluding chapter in this research drawing the conclusion from the discussion of findings presented in the previous chapter. Findings will be matched with the reviewed and existing literature where applicable. The three major themes identified in the previous chapter from which one of the sub-themes on “motivation to become SME owners” is not relevant to address the research questions. The remaining themes and sub-themes are grouped together into three major focus areas – perception of conflict and sources of conflict, conflict management style/strategy and acculturation. These focus areas are used as the guideline to carry the discussion to address four research questions. Points of agreement and areas of disputes are examined while discussing each focus area, along with the researcher’s interpretation of the results. The researcher also discusses the research implications, limitations of this research and recommendations for further research followed by a conclusion.

5.1 Perception of conflict and sources of conflict

The term “conflict” has several different definitions. Putman & Poole in 1987 (Copley, 2008; Williams, 2011) considers conflict as situational and defines conflict as the interaction of interdependent people perceiving opposition of goals, aims, objectives and values, and who sees the other party as potentially obstructing fulfilment of these goals. Most contemporary definitions of conflict focus on interaction, interdependence and incompatible goals relevant for both interpersonal and intragroup conflicts (Williams, 2011).

All participants in this study perceive conflict as disagreement on a problem or issues, differences in views/opinion or incompatibility. Most participants claimed hardly having any conflicts but would like to call them issues or problems rather than conflicts. Incidents or examples of conflicts as highlighted by Indian and Chinese participants were around day-to-day
issues or problems, which didn’t seem to be ongoing and something that would build on discomfort between both parties. A large number of participants agreed to be uncomfortable with conflict situations and would prefer to deal with them at earliest. Some mentioned conflict being a risk in their business they would like to resolve it in the best possible way. The risk could be financial or reputational. However, there was no evidence of conflict being interpreted with negative emotions and being harmful or destructive.

Most participants who are small business owners’ agreed that conflicts that they perceive as issues or problems are normal in their business dealings. This is consistent with findings from Rahim (2015) according to which aspects of conflict vary depending on the size of the industry, business and project.

Lastly, all participants of this study claimed that conflicts can be with people from any culture. This means conflicts in their businesses can be either with people from their culture or different cultures. This suggests that conflict situations highlighted by participants are not cultural but situational. Major sources of issues or problems were primarily related to customer complaints. Disagreements/misunderstanding with suppliers were the second most common source of conflict as claimed by the participants. There were rare incidents of conflicts with staff as highlighted by the participants. Most participants employed staff from their personal network or someone they know closely. This may have resulted into the possibility of having less conflicting situations with staff as highlighted by them due to better understanding and compatibility with staff. This matches closely with the literature examined by Cain & Spoonley (2013) on immigrant entrepreneur’s hiring practices in New Zealand SMEs. Social or relational connectivity is important for Chinese and Indians business owners while hiring staff to work in the business. Asian-born migrants rely on co-ethnic relational network and familial network to maintain their business operations.

Incidents, which lead to conflict or issues, are mainly due to misunderstanding because of communication breakdown between both
parties, the difference in personalities or different behaviours. Faulty communication and differences in personality characteristics can be some of the major sources of conflict in organisations (McShane et al., 2010; Wall & Callister, 1995).

5.2 Conflict management style/strategy

This section covers discussions on following four broad topics:

• Relationship with staff
• Hiring practices
• Cultural and actual preference of conflict management style

The discussion of above topics will enable the researcher to address the below mentioned two research questions:

RQ1. Which conflict management styles do Chinese SME owners prefer to manage conflicts in their daily business dealings?

RQ2. Which conflict management styles do Indian SME owners prefer to manage conflicts in their daily business dealing?

Collectivist and Individualist societies perceive their ideal leader differently. Collectivist perceives leaders as trustworthy, responsible and intelligent. Employees from collectivist society are emotionally dependent on the organisation, prefer group decisions and like harmony within team members. Individualist perceives their ideal leaders as goal-oriented, determined and verbally skilled. Relationship of a leader with employees is different in both cultures. Employees from individualist society are emotionally independent of the organisation, value autonomy in decision-making, prefer freedom and challenges in the job (Nahum-Shani & Somech, 2011) and, as defined by Hofstede (Hopkins, 1997). Collectivist complies with more relationship building in teams or groups than individualist (Schalk et al., 2010). Both these societies have their beliefs rooted from their culture. This aligns with the findings of this research as most participants agreed to be supportive and friendly with staff valuing relationship building.
with staff. Most participants identified having the harmonious relationship with staff as extremely important. They believe this leads to loyalty and helps in establishing trust. Many participants invited staff to their home for lunch or dinner functions and other get togethers to build bonding with staff. They also believe in setting limits or boundaries in this relationship. The staff is welcomed to put forward their ideas and suggestions, but ultimate decision-making lies with them. This is common practice in the workplace for people from countries with medium to high power distance, uncertainty avoidance and collectivism (Guirdham, 2011).

Interestingly, although all participants claimed to be not selective culturally while appointing staff, there seemed to be evidence of only four participants who appointed multicultural staff in reality. This to an extent can mean Chinese business owner preferred appointing Chinese and Indian business owner preferred appointing Indian. This aligns with the findings given by Dickson, Castaño, Magomaeva & Hartog (2012) according to which, there is a pattern of shared basic assumptions that the group/society learn together since their birth, and they implement this while solving problems as these assumptions are widely accepted and considered as valid (Dickson et al., 2012).

Nature of some businesses included in this interview like Indian/Chinese restaurants, grocery shops, an Indian newspaper, etc. have the customer base of one particular ethnicity which to an extent impacted entrepreneur’s cultural preference while hiring. SME owners selected suppliers from whom they got better deals and other factors of supplier selection mainly included logistics. Thus, there seemed to be a very strong cultural preference while hiring staff. This can be due to the perception of ease of communication with people from similar cultures during daily work and conflict situations. Conflicts tend to result from the misunderstanding of cultures, languages and communication systems (Moran, Abramson, & Moran, 2014). The researcher perceives that communication becomes easy if there is no language barrier and this could be one of the possible reasons behind hiring practice to minimise conflict. Also, a basic business practice, which has
cultural roots is common makes it easy to be picked with people from the same culture.

This study examines self-construal of conflict management styles preferred by Chinese and Indian. Four conflict management styles - competing, avoiding, accommodating, compromising and collaborating have been identified from previous literature with consistency with (Rahim, 2015). Studies that are done in past highlights the fact that people, especially from East Asian collectivist cultures, are less confrontational in general during conflicts as compared to western cultures (Zhang, Harwood, & Hummert, 2005).

According to Wang et al. (2007) the existing literature outline preference for non-confrontational styles like avoiding or compromising for conflict resolution for Chinese. This matches with Chinese cultural values of harmony, interrelationship, collectivism and hierarchy along with the influence of Confucianism. Chinese business culture is a blend of Confucian moral values and beliefs relating to long-term business values (Ndubisi, 2011).

Non-confrontational conflict management styles maintain and support long-lasting relationship as culturally valued by Chinese. Contradictory findings also report acculturation and economic development as drivers for more openness in communication resulting into acceptance for integrating conflict resolution style beyond collectivist values (Ji, 2012; Wang et al., 2007). Chinese have unique behaviour and are situation centred. Conflict management style selected depends on how they value the relationship with parties involved (Ji, 2012).

This is consistent with the current study in which most Chinese participants preferred using collaborative or win-win approach. They preferred to be practical and rational during conflict situations. However, the only couple of Chinese participants mentioned implementing avoiding strategy for conflict management occasionally. This contradicts most of the existing literature claiming avoidance as preferred conflict management strategy for conflict resolution. The results show that most participants considered avoiding
strategy as not effective and expressed the preference for more open and direct communication for solving a problem. Most considered problems or issues in business as not healthy and thereby it is important to collaborate to have win-win in business. They preferred being accommodating or compromising depending on the nature of the conflict. There was a clear influence of some individualistic values due to long exposure to New Zealand culture.

It has been frequently stated that Indian study of conflict management seems too inconsistent and contradictory in conflict management and cultural aspects. This can be due to the wide range of variations in the form of geographical locations, languages, religions, caste, etc. The country has been invaded by Turks, Alexander, Mughals and Britishers, which ended in 1947. Apart from that, there has been a high influence of scriptures and epics in moulding value system of society. Hierarchical cast system moulds the thought pattern of many in India. Indians commonly practice western management style along with own traditions termed as dualism (Budhwar et al., 2008; Christopher & Reddy, 2014). Affiliation for group and community is strong amongst Indians placing high importance on trust and commitments making them pursue collaborating, accommodating and compromising conflict management styles depending on situations. Avoiding the conflicts or adopt the indirect approach of communication is even preferred at times depending on the position of a person involved in the conflict (Ndubisi, 2011).

This was evident in results of this study as well. A very high number of Indian participants (90%) preferred collaboration as the best means to resolve the conflict. They claimed collaboration with staff and suppliers helped in bring out concerns and come up with a decision, which is acceptable to both parties in an issue. Some participants commented that collaboration had helped to increase participation of parties involved in conflict helping in making a quality decision. With customers, they can be accommodating or can compromise depending on the situation.

Thus, conflict management styles are individual behaviour patterns used in a conflict situation relating to two fundamental elements of interpersonal
conflict management – Concern for self and others (Abbas & Joshi, 2012). There has been a common element of concern for others in most participants while managing conflict. Participants preferred collaboration and accommodating were the first two preferred conflict management styles. Both of these styles have high concern for others, which suggest the individual behaviour patterns of Chinese and Indian participants and an importance of good relationships in business. This study also found a significant correlation between conflict management styles used and expectation of having positive outcomes from the conflict situation. Although, participants mentioned employing different conflict style depending on major sources of conflict (customers, employees and suppliers) and situations, avoiding and competing were still least preferred ways to handle conflict. Results of this study were surprising as most immigrant Chinese and Indian participants preferred collaboration or accommodating style, which is different from most previous studies showing avoiding, and compromising styles being widely preferred especially by Chinese and to some extent in Indian cultures. The point of similarity between Chinese and Indian was the willingness to accommodate or compromise when sources of conflict were related to customer complaints. There were no major differences identified in the conflict management approach selected by Chinese and Indian SME owners.

5.3 Acculturation

New Zealand is the country of immigrants. From a bicultural society, it has evolved into a multicultural society. New Zealand’s multicultural identity, humanitarian treatment of refugees, growing trade relationship with China and India and close relationship with countries in South East Asia, North East Asia and India have contributed to increased immigration from China and India to New Zealand. People of New Zealand are perceived to be open-minded to cultural differences from Asia (Kaul, 2009).

Data from this study shows that a large number of Chinese and Indians participants immigrated to New Zealand in search of a better lifestyle and more income. Some had family and friends in New Zealand who reflected
very positively about their experience in New Zealand in general that acted as strong drivers behind the migration decision. There were other drivers like better schools, safe and clean environment and positive perception of New Zealand culture and people here. Not a single participant thought they faced racism. They found the people here very favourable and New Zealand in general as a country very safe. This reflection of participants matches closely with findings of Kaul (2009) about New Zealand being perceived as a truly multicultural country where immigrants feel totally welcomed and safe.

Immigrant participants largely accepted integration followed by assimilation strategy. A large majority of participants perceived themselves as Chinese/Indian Kiwi and their second generation as Kiwi Chinese/Indian. Most participants choose to preserve Chinese and Indian cultural values with preference to adopt some features of New Zealand culture and openness to engage in day-to-day interactions with Kiwis (Berry, 1997, 2008, 2009). Some of the common Chinese and Indian values that they prefer to preserve are duty of care and love for close and extended family, respect for elders and family members, spiritual values, religious practices, maintain fluency in their mother tongue, their ethnic food, traditional business practices on customer service and planning operations, etc. Characteristics or features of New Zealand culture which most participants admired and preferred to adopt were open and transparent communication, balanced lifestyle, New Zealand food, passion for sports, DIY culture and free decision making.

For some of the participants, who have spent over twenty years in New Zealand, consider this country as their home and have started to consider them as Kiwi culturally. A positive reflection of experiences with host culture has proved to be one of the catalysts in the acculturation process for the participants interviewed in this study.

This is consistent with acculturation research by Johnston, Trlin, Henderson & North (2006) on Chinese, Indian and South African immigrants in New Zealand. According to the findings, Indian and Chinese immigrated to New
Zealand because of opportunities, lifestyle and culture, prospects for children and the environment. These factors match closely with drivers stated by participants in this study. Friends and relatives provided them with employment and general information related to New Zealand. According to Marlowe, Bartley & Hibtit (2014) family and friends who were satisfied with conditions in the host country are more likely to encourage their family and friends than those who are less satisfied. This is in agreement with the findings of this study according to which family members residing in New Zealand persuaded some of the participants.

The role of the host country is major in the acculturation process. The context of reception or modes of incorporation of newcomers by host cultures plays a vital role in deciding courses of acculturation for first and second generations of immigrants (Marlowe, Bartley & Hibtit, 2014). Participants in this study considered being a value in maintaining relationships with a larger society in New Zealand. However, the extent of integration depends on variables like education, social relations, employment, urbanisation, media, language proficiency and daily practices (Berry, 2008, 2009). There is strong evidence in the findings of this research that extent of acculturation depended on the extent of SME owner’s experience at different levels of management, their knowledge, skills, cultural beliefs, attitude, age, time spent in New Zealand, confidence and local networking.

For some of the participants, their identities were situational. They preferred to switch between their own and Kiwi culture when needed. A couple of participants agreed to be more Chinese or Indian at home when they are with family but in business they prefer to be more Kiwi. One participant preferred to separate as acculturation strategy for which time constraints were stated as the major reason. Adopting situational identities or views to separate may be because they choose to or because of lack of skills and abilities to integrate are process elements playing a vital role in the acculturation process (Ward, 2008). However, in this research there aren’t enough evidence to claim if the preference for situational identity and separation was due to lack of skills and abilities to integrate.
Overall, as highlighted by Berry (2008), acculturation is the process of cultural adaptation set in the sociocultural context. Migrants bring with them cultural and psychological qualities to a new society. The new society has a variety of these qualities and depending on the compatibility or incompatibility in religion, values, personalities, attitude, etc. can form the basis of acculturation process. Although, compatibility of New Zealand culture with Chinese and Indian culture may not be as much as with other western cultures, the results of this study indicates a positive attitude of immigrants and people from host culture for each other. Results of this study give evidence for the preference for integrated bicultural identity amongst the participants interviewed. Bicultural identity related to Chinese and Indian immigrants retaining their ethnic values and adapting to New Zealand culture.

Addressing the below research questions can conclude the above discussion:

**RQ3.** Which acculturation strategy do Chinese and Indian immigrant SME owners prefer?

**RQ4.** Does acculturation impact conflict management styles preferred by Chinese and Indian SME owners/managers?

Overall, this study shows that immigrant entrepreneurs accepted of having maintained a harmonious relationship with host Kiwi culture retaining their own cultural identity. None of the participants mentioned facing any negative or unpleasant experience with the host culture. This clearly became the strong driver in the process of acculturation. For some, acculturation occurred with a number of years they spent in New Zealand and for some it was their willingness to integrate in New Zealand culture, which made them acculturate. As most participants identified themselves as Chinese/Indian Kiwi it can be linked to biculturalism, which is the process of adapting to the second culture retaining own cultural heritage. Bicultural individuals have the ability to switch between the cultures impacting the way they interact and view the world (Bryant & Hayes, 2012). Immigrant participants accepted having evolved in terms of their management practice in general. This
includes – active listening during communication, expressing their views honestly and openly, learning to focus on the issue to resolve the issue, detaching emotions from conflict and using and communicating the intention of integrative approach while faced with conflict situations.

From the data analysis done in this research, it can be deduced that all nineteen Chinese and Indian were individually unique in their journey of acculturation in New Zealand. Participants claimed their management style, in general, has evolved with time they spent in New Zealand. It is identified that dependent variable conflict management style is been influenced by independent variable acculturation. According to (Geert-hofstede.com/New Zealand) New Zealand is characterised by high individualism and pragmatism with low power distance and uncertainty avoidance features which has casted some extent of influence on conflict management styles of collectivist Chinese and Indians. As discussed earlier extent of influence that acculturation has on conflict management style depends on mediating factors like education, business or work experience, English proficiency, age and extent of business networking.

They have become more confident to face conflict and resolve it in a win-win style. There is a strong evidence of using the collaborative style of conflict management most times during conflict followed by accommodating and compromising styles. Accommodating and compromising styles worked well in situations when collaboration was difficult to achieve for best results for both parties involved in the conflict. Findings of this research partially match with the earlier literature highlighting Chinese, who prefer to use collaborating or integrating styles of conflict management to arrive at a practical solution. Culturally there is a strong preference for traditional conflict management styles like avoiding and compromising in cases when integration or collaboration is not very effective (Wang et al., 2007). With influence of Western practices on Indian management approaches, Indians largely prefer collaborating, accommodating and compromising with less preference for avoiding, which totally matches with the findings of this research (Budhwar et al., 2008; Croucher, 2013).
Participants claimed to be open to hiring a staff of any cultural background depending on their business needs but accepted finding easier to deal with staff from the similar cultural background, and that can possibly reduce cases of disagreement with staff. However, it was observed that most participants interviewed appointed staff from their own cultural background. This is consistent with Cain & Spoonley (2013) claims of social or relational connectivity being important for Chinese and Indians business owners while hiring staff to work in the business. Asian-born migrants rely on co-ethnic relational network and familial network to maintain their business operations (Cain & Spoonley, 2013). This is also consistent with literature discussed previously about cultural effects on conflict resolution styles showing mixed effects in which many collectivists despite their unique cultural values, become alike host culture, when mixed in a multicultural environment for some time (Wei, 2001).

5.4 Research implications

For SME entrepreneurs

This research adds to the existing literature on acculturation and conflict management in SMEs. Findings of 19 Chinese and Indian entrepreneurs reveals how acculturation process as a period of changes helped personal growth and development. Findings of research add another dimension to existing literature on traditionally preferred conflict management styles and styles preferred now after spending some time in the western society. This can be the impact of acculturation on conflict management approach adopted by immigrant entrepreneurs studied in this research. Academic scholars can use findings of this research on conflict management approaches of immigrant entrepreneurs in New Zealand to study conflict management styles of immigrant employees in New Zealand firms. It would be interesting to discover the impact of acculturation on conflict management in other western countries for Chinese and Indian entrepreneurs and employees as well.
With some extensive research performed in the area of conflict management styles preferred by Chinese and Indians employees, findings from this research respond to the research question achieving the research objective. The findings of this research can be useful for New Zealand Immigration policymakers to understand the immigrant perspective in New Zealand. Government bodies like Ministry of Economic and Social Development can utilise findings of this research to plan their future schemes in relation to immigration and entrepreneurship for migrants using information obtained from this research.

One of the participants interviewed in this research is involved working with Indian immigrants through his media business to spread awareness of establishing businesses in New Zealand and attracting foreign investments for businesses in New Zealand. Positive application of this research finding can promote these business tie-ups promoting New Zealand as a favourable destination for settlement and business opportunities.

### 5.5 Areas for further research

Although this research has provided some insight into impact of acculturation on conflict management approach of Chinese and Indian entrepreneurs in Auckland metropolitan, scope for further research can be:

- Both qualitative and quantitative research could be done to observe impact of acculturation on conflict management on immigrants from different Eastern cultures like the Philippines, Korea, Japan, Vietnam, Thailand, Indonesia, Malaysia, Singapore, etc. who have settled in New Zealand in large numbers.
- There is limited research available on acculturation of Chinese and Indians (two large immigrant communities) in New Zealand. Research could be done on impact of acculturation Chinese and Indian employees and entrepreneurs in regions other than Auckland Metropolitan in New Zealand.
- Research could be done on conflict management style before and after acculturation.
• Comparative study can be conducted to further investigate how the degree of acceptance of immigrants in host country impacts their acculturation and management practices
• Comparative qualitative research can be done on differences of acculturation and its impact on conflict management among Eastern and Western immigrants settled in New Zealand
• It is also recommended to extend this research to further investigate cultural preferences in terms of hiring staff in immigrant businesses as observed by the researcher
• This research can be extended to include Pakeha perspective on how acculturation impacts conflict management of Chinese and Indian entrepreneurs/employees

5.6 Limitations of this research

This research has following limitations:

• The sample selected for this research is through purposive non-probability sampling based on the researcher’s judgement on characteristics needed for the sample selection. Possibility of having researcher’s bias in selection of characteristics for sample might have impacted the selection of sample
• Sample size of nineteen interviews with ten Indian and nine Chinese may not be sufficient to generalise the findings of this research to a larger Chinese and Indian immigrant population
• Acculturation is a very complex experience, and this research may not have been entirely captured this experience of immigrants through the questions asked during the interview. This may have further influenced the findings of this research to explore the influence of acculturation on conflict management style
• Findings of this research are only restricted to Auckland metropolitan which is a limitation as there is a need to extend it to other parts of New Zealand
• Findings of this research are based on participants recalling their acculturation and conflict-related experiences. There can be a
possibility of error in the data collected in this research, as participants may have recalled differently from the actual case that may have occurred. This might have impacted the accuracy of data collected

• Furthermore, there is no linkage established in this research on conflict management style preferred by Chinese and Indian entrepreneurs and motivations behind them. Also, most conflict stories told by participants were one off and not ongoing. Thus, conflicts that are one off and if motivation is long term business sustainability, then this may have impacted the choice of conflict management style which wasn’t studied in this research

5.7 Conclusion

Findings from Chinese and Indian participants interviewed in this research show positive experiences with host New Zealand culture. Personal growth, better lifestyle with good income, access to the good education system, safe and clean environment, and positive referrals from friends and family were some of the predominant reasons to select New Zealand for settlement. Some had come to New Zealand as visitors and liked New Zealand society to raise their family with the high quality of life. They consider themselves to be accepted as a contributing member in New Zealand society. This has influenced the acculturation process, which was a phase of changes, adjustments and learning resulting in personal growth and development. They have become more confident now, and this has influenced their management and communication style.

In their experience as entrepreneurs, they have grown with time and have found New Zealand as one of the very business friendly countries. Many of them admitted of being unable to continue with the same business model back home if the had to.

Because of acculturation, participants have integrated in the New Zealand culture maintaining their bi-cultural identity considering themselves as Chinese/Indian Kiwi. Because of acculturation they have developed
effective communication skills with an ability to listen and be more accommodating to another point of views. They dislike being in conflict situation but do not consider avoiding as means to resolve a conflict. This clearly indicates that Chinese and Indian have moved away from traditional conflict management style of avoiding conflict to a more integrative and collaborative approach. They consider conflict as more of normal day-to-day issues or problems to be solved or managed in a supportive manner. Because of acculturation and time spent in New Zealand, they can now have the confidence to confront any challenges or issues using collaborative style and accommodating or compromising when collaboration doesn’t work. These conflict management styles blend well with their bicultural identity as it welcomes and respects other party’s views along with solution being found in a cooperative and supportive manner. Many participants claimed this as a win-win approach and found it most effective with desired outcomes.

Because of collectivist orientation they still find easy to work with people from their own culture but are open to collaborating when needed with any cultures. This is evident in their staff appointments with most Chinese participants employing Chinese and Indian employing Indians. This comes from their collectivist inclination of harmony, relationship building and supporting people from same cultures. Nature of business and kind of work in some businesses like restaurants, grocery stores, media, etc. to an extent influences the appointment of same cultural staff. They are supportive and respectful to other cultures and open to working with them if the need arises. As stated earlier, because of acculturation they have become more accommodating to cultural needs of different people.

Findings of this research can be further helpful to some government bodies to plan their future migrants integration schemes for successful settlement of migrants in New Zealand. As New Zealand receives a high number of migrants from the different cultural background with Chinese and Indian being predominant from Eastern cultures, findings of this research can give some insight into cultural specific settlement experiences. This can be of assistance to Immigration New Zealand and Department of labour to identify
areas for future improvement in settlement policies and programmes to attract and retain skilled migrants.

Overall, findings of this research support that there has been an impact of acculturation on conflict management style of immigrant entrepreneurs interviewed. Their bicultural identity can be considered as one of the major drivers in managing conflict through a collaborative approach.
REFERENCES


Cain, T., & Spoonley, P. (2013). Making it work: The mixed embeddedness of immigrant entrepreneurs in New Zealand. IZA.


Appendix 1: Data on number of businesses in Auckland

Table 1: Data on number of businesses employing 6 to 9 and 10 to 19 employees in Auckland region for different industries

<table>
<thead>
<tr>
<th>Employment Size Group</th>
<th>Year 2015</th>
<th>Area Measure</th>
<th>Total Auckland Territorial Authority/Community Board</th>
<th>Geographic Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6 to 9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10 to 19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Agriculture, Forestry and Fishing</td>
<td>102</td>
<td>69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B Mining</td>
<td>9</td>
<td>3</td>
<td></td>
<td></td>
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<tr>
<td>C Manufacturing</td>
<td>657</td>
<td>678</td>
<td></td>
<td></td>
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<tr>
<td>D Electricity, Gas, Water and Waste Services</td>
<td>18</td>
<td>15</td>
<td></td>
<td></td>
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<tr>
<td>E Construction</td>
<td>624</td>
<td>459</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F Wholesale Trade</td>
<td>819</td>
<td>714</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G Retail Trade</td>
<td>1368</td>
<td>960</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H Accommodation and Food Services</td>
<td>780</td>
<td>750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I Transport, Postal and Warehousing</td>
<td>225</td>
<td>255</td>
<td></td>
<td></td>
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<tr>
<td>J Information Media and Telecommunications</td>
<td>87</td>
<td>93</td>
<td></td>
<td></td>
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<tr>
<td>K Financial and Insurance Services</td>
<td>246</td>
<td>192</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L Rental, Hiring and Real Estate Services</td>
<td>255</td>
<td>159</td>
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<tr>
<td>M Professional, Scientific and Technical Services</td>
<td>789</td>
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<tr>
<td>N Administrative and Support Services</td>
<td>315</td>
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<td>O Public Administration and Safety</td>
<td>57</td>
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<tr>
<td>P Education and Training</td>
<td>414</td>
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<td>Q Health Care and Social Assistance</td>
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<tr>
<td>R Arts and Recreation Services</td>
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<td>129</td>
<td></td>
<td></td>
</tr>
<tr>
<td>S Other Services</td>
<td>549</td>
<td>345</td>
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<td></td>
</tr>
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</table>

data extracted on 07 Dec 2015 20:55 UTC (GMT) from NZ.Stat
Appendix 2: Information sheet for participants

Information for participants

Research Project Title

“The influence of acculturation on conflict management styles of Chinese and Indian owned SME owners in Auckland metropolitan”.

Synopsis of project

The researcher plans to explore the impact of the process of acculturation (which is the process by which an individual adapts to, and integrates into the culture in which they live) of Indian and Chinese businesses to manage conflict in Asian owned SMEs in Auckland. The researcher plans to explore how Chinese and Indian SME owners, who have migrated from Asia, have undergone cultural adaptation after residing for a minimum of five years in New Zealand, and to discover the best approach to deal with situations of conflict. Situations of conflict can be within the organisation or externally during the day-to-day business dealings with locals from the western culture.

What we are doing

The approach would be to select Asian owned SMEs from different industries in Auckland, employing 5-19 employees and residing in New Zealand for over five years. The researcher will interview them to identify the impact of acculturation/cultural adaptation while they manage conflict.

What it will mean for you

If you agree to participate, you will be asked to sign a consent form. This does not stop you from changing your mind if you wish to withdraw from the project. Your name and information that may identify you will be kept completely confidential. All information collected from you will be stored on a password-protected file and only you, the researcher and our supervisors will have access to this information.

Please contact us if you need more information about the project. At any time if you have any concerns about the research project you can contact our supervisors:

My supervisor is Dr. Pieter Nel, phone 815 4321 ext. 7026 or email pnel@unitec.ac.nz
UREC REGISTRATION NUMBER: (2013-1084)

This study has been approved by the UNITEC Research Ethics Committee from (26/11/2013) to (12/12/2015). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 6162. Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix 3: Participant consent form

Research Project Title: “The influence of acculturation/cultural adaptation on conflict management styles of Chinese and Indian SME owner in Auckland metropolitan”.

I have had the research project explained to me and I have read and understand the information sheet given to me.

I understand that I don’t have to be part of this if I don’t want to and I may withdraw at any time prior to the completion of the research project.

I understand that everything I say is confidential and none of the information I give will identify me and that the only persons who will know what I have said will be the researchers and their supervisor. I also understand that all the information that I give will be stored securely on a computer at Unitec for a period of 5 years.

I understand that my discussion with the researcher will be taped and transcribed.

I understand that I can see the finished research document.

I have had time to consider everything and I give my consent to be a part of this project.

Participant Signature: …………………………. Date: ……………………………

Project Researcher: ………………………… Date: ……………………………

UREC REGISTRATION NUMBER: (2013-1084)

This study has been approved by the UNITEC Research Ethics Committee from (12/12/2013) to (12/12/2015). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix 4: Interview questionnaire

The researcher will ask two sets of questions to the interviewee. The first set of questions will be preliminary questions to build rapport and to get information on acculturation and their motivation to start a business followed by questions on conflict.

Set I- introductory questions (Acculturation and motivation to start business):

Q.1 How many years have you and your family (participants) resided in New Zealand?

Q.2 Why did you choose New Zealand as a destination to migrate or why did you migrate to New Zealand?

Q.3 How do you feel like an immigrant in New Zealand? OR how has been your experience in New Zealand as an immigrant?

Q.4 What was your motivation to start your own business in New Zealand?

Q.5 Do you have a family legacy of being in business?

Q.6 Describe your experience as a business owner in NZ?

Q.7 Were there any challenges you faced as an immigrant?

Q.8 Any support you receive or received from the local community that helped you in your business?

Q.9 Who are your majority of customers and suppliers?

Q.10 What is your experience being an SME owner in New Zealand?

Q.11 How would you explain any problems encountered in owning an SME in New Zealand (as SME owners being from the different culture)?

Q.12 How has your way of conducting business changed with the time that you have spent in New Zealand?

Q.13 What is the current staffing arrangement in your business?

Q.14 Is there any cultural preference while hiring staff? If yes, could you please explain why?
Q. 15 How much time do you spend in a week on the business related activities?

Q. 16 After having lived in New Zealand do you feel yourself be more like a Chinese/Indian Kiwi or Kiwi Chinese/Indian or more like a Kiwi?

Q. 17 How would you best describe your cultural adaptation in New Zealand regarding given strategies–

Integrate, which is while keeping the own cultural identity, are you positive about learning/interacting with Kiwi culture?

Assimilation, which is not very positive attitude towards keeping your own cultural, but has a positive attitude towards interacting/learning with Kiwi culture?

Separation, which is the positive attitude towards keeping own cultural identity but not keen to learn or interact with Kiwi culture?

Marginalisation, which is related to having the negative attitude towards own cultural identity and interaction with Kiwi culture?

**Set II- (Conflict and conflict management):**

Q. 18 What does the word conflict mean to you? OR how do you perceive conflict during regular business dealings?

Q. 19 Please share some conflict stories.

Q. 20 Highlight the common sources of conflict in your work environment? OR how do conflict situations commonly arise?

Q. 21 How do you react to conflict? OR How is your response to conflict situation?

Q. 22 Which style best describes the way you handle conflict situation (avoiding, compromising, collaborating, competing or accommodating). Please explain why?

Q. 23 How did you handle conflict when you were new in New Zealand? In your opinion has your conflict management style changed after spending some years in New Zealand.
Declaration

Name of candidate: POONAM DWEEPEESH KHIRARIYA

This Thesis/Dissertation/Research Project entitled: The influence of acculturation on conflict management styles of Chinese and Indian SME owners in is submitted in partial fulfillment for the requirements for the Unitec degree of Master of Business.

CANDIDATE'S DECLARATION

I confirm that:

• This Thesis/Dissertation/Research Project represents my own work;

• The contribution of supervisors and others to this work was consistent with the Unitec Regulations and Policies.

• Research for this work has been conducted in accordance with the Unitec Research Ethics Committee Policy and Procedures, and has fulfilled any requirements set for this project by the Unitec Research Ethics Committee.

Research Ethics Committee Approval Number: 2013-1084

Candidate Signature: [Signature]

Date: 23/12/2015

Student number: 1340192
Full name of author: Pranam Dwivedh Khirwairga

Full title of thesis/dissertation/research project: The influence of acculturation on conflict management styles of Chinese and Indian SME owners in Auckland metropolitan

Department of: Management and Marketing

Degree: MBA
Year of presentation: 2015

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(1) I agree to my thesis/dissertation/research project being lodged in the Unitec Library (including being available for inter-library loan), provided that due acknowledgement of its use is made. I consent to copies being made in accordance with the Copyright Act 1994. and I agree that a digital copy may be kept by the Library and uploaded to the institutional repository and be viewable worldwide.

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Dean, Research Approval: 

Embargo Time Period: 

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Date: _______________ 25-11-2015