SCHOOL OF
ECONOMICS AND
MANAGEMENT

LUND
UNIVERSITY

Building a Multicultural Team - Is it Worth it?

The role of cultural diversity on a team's creativity and innovation
within the organization.

by

Aghazada, Zahra

Milicic, Filip

Terziyska, Anna

May 2023

Bachelor's Programme in International Business

Supervisor: Devrim Göktepe-Hultén
Examiner: Christine Blomquist

Abstract

This paper investigates three multicultural teams to find out the impact of cultural diversity on the team's creativity and innovation within an organization. For this purpose, a comprehensive literature review and a comparative case analysis of three Sony teams are presented. Cultural diversity within a team is analyzed with the help of variables such as nationality, age, gender, language, educational background, and finally people's different perspectives.

The findings of this research indicate that cultural diversity in a group can be seen as a positive element that boosts the group's creativity and innovation due to an increased variety of opinions, standpoints as well as ideas. This as a result allows the teams to produce innovative product and service development at Sony. However, it was also apparent that culturally diverse teams face several challenges such as language barriers, and differences in communication styles that eventually become time-consuming and potentially contradicting. The last key finding of this study is that according to some team members, the team's creativity and innovation are not dependent on the nationality of members but on their educational and personal backgrounds.

Keywords: multicultural teams, cultural diversity, creativity, innovation, organizational creativity, team creativity, team cooperation

Acknowledgements

First and foremost, we would like to express our utmost gratitude to our supervisor, Devrim Göktepe-Hultén, for her direction, knowledge, and unwavering support during this thesis work. We highly appreciate the time and effort Devrim has put into our professional development. Further, we would like to express our gratitude to Garo Harwood, Hanna Glad, and Joakim Axelsson who assisted us with our academic paper.

We are also grateful to everyone who participated in our interviews. Their participation in this study has been extremely helpful, and we are thankful to them for helping to strengthen the results presented in this thesis.

Finally, a huge thank you to our families and friends for their unconditional support and constant encouragement throughout this thesis study.

Table of Contents

List of Tables

List of Figures

1 Introduction

This introduction aims to provide background information and a general understanding of cultural diversity, team creativity, and organizational innovation. To achieve this, relevant studies and research that are essential to the topic will be shown. Based on the conducted investigation, the purpose of this thesis, its aims, and objectives will be presented.

1.1 Background and Problematization

As a result of the acceleration of globalization, people and companies are placing a higher value on multicultural experiences (Lu, Swaab & Galinsky, 2022). Globalization leads to an increase in the diversity of individuals in organizations (Gottardello, 2019). Firms have been forced to undergo significant changes as a result of recent economic developments such as internationalization, globalization, and a steadily increasing pattern of migratory flows (Gottardello, 2019; Inglehart & Norris, 2003). Due to this, the workforce today includes people from diverse ethnic and religious origins, which necessitates the development of new forms of collaboration in order to address the different impacts relating to diversity (Gottardello, 2019; Inglehart & Norris, 2003). As a result of the ever-increasing globalization of the economy, multinational firms are participating in cross-border activities that are becoming continuously more intricate and dependent upon one another (Choy, 2007; Inglehart & Norris, 2003). Moreover, firms increasingly use cross-functional project teams and mergers, acquisitions, and joint ventures to diversify work groups by incorporating differences in functional or educational backgrounds (van Knippenberg & Schippers, 2007).

According to Latimer (1998 cited in Bassett-Jones, 2005), variety in terms of racial origin, age, gender, personality, and educational attainment fosters innovation and problem-solving skills. When team members come from various backgrounds, the group is exposed to a wide range of divergent ideas and methods, which promotes cognitive processes connected to creativity

(Hülsheger, Anderson & Salgado, 2009; Perry-Smith, 2006). On the other hand, innovation is the end result of a creative idea that started the process (Bouncken, Brem & Kraus, 2016). Creativity is a cognitive activity that is vital throughout the whole process of executing an innovation (Bouncken, Brem & Kraus, 2016). Concepts or elements of innovations can originate from various sources, including experimentation, environmental changes, other companies' advancements, and even artificial intelligence (Bouncken, Brem & Kraus, 2016). Innovation is the effective integration of such goods at an organizational level, whereas creativity is developed at the individual level and relates to new products and ideas (Bouncken, Brem & Kraus, 2016; Oldham & Cummings, 1996).

1.1.1 Cultural Diversity within the Teams

Teams with members from different cultural backgrounds that cooperate together to achieve a similar objective are known as culturally diverse teams (Bell & Kozlowski, 2012; Gibson & Gibbs, 2006; Granow & Asbrock, 2021; Lu, Swaab & Galinsky, 2022). Cultural diversity emphasizes integrative processing, which strengthens a team's diversity by allowing members to bring various perspectives, ideas, and information to the table (Hoever & van Knippenberg, 2021). According to Carter and Phillips (2017), van Knippenberg and Schippers (2007), and Williams and O'Reilly (1998), diversity within teams is generally considered a two-edged sword. While it can exacerbate interpersonal problems, cultural diversity can also foster creativity and invention within the team (Granow & Asbrock, 2021).

People in culturally diverse teams have greater information and share a larger knowledge base for innovative problem-solving (Granow & Asbrock, 2021; Williams & O'Reilly, 1998). They also contribute varied knowledge sets and viewpoints to an organization (Granow & Asbrock, 2021; van Knippenberg & Schippers, 2007). Team members can develop unique perspectives and come up with novel solutions when culturally varied sources of knowledge, viewpoints, experiences, and ideas are integrated into their work (Gibson et al., 2014; Granow & Asbrock, 2021; Lisak et al., 2016; Maznevski & Chui, 2017). In addition to this, Bouncken, Brem & Kraus (2016) highlight that the positive effect of team spirit can be reinforced by collaborating with people from different nations and backgrounds as they share their home countries' lifestyles, customs, policies, and history in informal conversations. Even though cultural variety

has been found to improve collaboration, there are negative effects as well (Bouncken, Brem & Kraus, 2016).

Initially, teams frequently have disagreements at the start of projects, which slow down innovation and increase the amount of effort required for development (Bouncken, Brem & Kraus, 2016). Conflicts can arise, particularly at the start of the innovation process, as a result of the effects of surface-level cultural differences including divergence in time, context, and geography (Bouncken, Brem & Kraus, 2016; Morain, Hall & Hall, 1991). Furthermore, Hülsheger, Anderson & Salgado (2009) emphasize that cultural diversity may cause communication issues and make it difficult to reconcile divergent viewpoints and come to an agreement within the team. However, for the development and application of new concepts within the organization, it is essential for each team member to be able to debate opposing positions, take into account different perspectives, and come to an agreement at the end.

1.1.2 Team's Creativity and Innovation within the organization

Creativity and innovation have become important to an organization's success, development, and survival (Mumford, Hester & Robledo, 2012; Shin et al., 2012). Woodman, Sawyer, and Griffin (1993) defined organizational creativity as "the creation of a valuable, useful new product, service, idea, procedure, or process by individuals collaborating in a complex social system". Consequently, organizational creativity is characterized as typical creative behavior within the context of an organization and reinforces the idea that, in order to comprehend this concept, it is necessary to comprehend a number of creative elements (Bousinakis & Halkos, 2021). In addition to this, a creative organization is any company whose primary source of revenue is generated by the generation of creative and effective solutions to problems or opportunities that clients identify (Andriopoulos, 2000; Bousinakis & Halkos, 2021).

The impact of creativity provides numerous essential benefits to organizations and their employees, including high levels of satisfaction, new ideas, strong teams, and an increase in innovation (Bousinakis & Halkos, 2021). In addition to this, the creative production of an entire group is far greater than the sum of the creative output of its individual members (Paulus, Dzindolet & Kohn, 2012). Individuals in a group have an effect on the cognitive and motivational processes of their peers, which in turn has an effect on the ability of those peers to be creative (Paulus, Dzindolet & Kohn, 2012). Rasulzada and Dackert (2009 cited in Shin et

al., 2012) also emphasize that a business with a creative climate can have an effect on the behavior of its workers. This is because employees in such an environment are encouraged and supported to be creative, which in turn can lead to higher levels of participation and commitment (Shin et al., 2012). An organization's ability to make decisions and solve problems, as well as its capacity for planning and coordination, communication, and motivation, can all be influenced by the organization's culture of creativity (Ekvall & Ryhammar, 1999; Shin et al., 2012).

1.2 Research Aim and Objectives

The aim of this research is to investigate the impact of cultural diversity on a team's creativity and innovation within the organization. Therefore, both the benefits as well as the potential obstacles that could arise due to the team's cultural diversity will be examined. In addition to this, through an examination of the relationship between cultural diversity and team creativity, this study aims to contribute to our understanding of how organizations can leverage diversity as a resource for innovation. We want to emphasize that in this paper cultural diversity will be studied in terms of nationality, age, gender, language, educational background as well as people's different views and perspectives.

Firstly, we intend to present and compare various theories and models that have been previously studied to understand our above-mentioned problem in more depth. These theories include (1) Hofstede's cultural dimensions, (2) The Categorization-Elaboration Model, (3) The cognitive diversity theory, (4) Communication conflicts, and (5) The Theory of cooperation and competition. Subsequently, we will gather relevant data from different teams of Sony and connect the theories cited in the paper with the patterns identified in the empirical data collected during interviews to look for patterns as well as variations in the findings. As a result, the purpose of this is to make a contribution to the existing body of knowledge by providing a deeper comprehension of how cultural diversity impacts the team's creativity as well as innovation within an organization.

1.3   Research Purpose

As previous research conducted by Bouncken, Brem & Kraus (2016) and van Knippenberg & Schippers (2007) has resulted in different outcomes, we believe that it is important to look at the development of cultural diversity and understand its impact on the firm's creativity and innovation. Therefore, the purpose of this thesis is to contribute to previous research and provide a holistic view of the problem. With the rise of globalization, changing demographics, and technological advancement firms started to be more inclusive and this led to an increase in employee diversity. This shift resulted in both positive and negative impacts on the firm's performance. On one side, new ideas and perspectives accelerated the service and product development within the firms. On the other hand, however, diversity resulted in miscommunication and more interpersonal conflicts.

As two of the group members previously did an internship at Sony and had the opportunity to observe the impact of cultural diversity on the team's performance, this paper's primary purpose is to examine what organizations can earn and lose due to the diversity within their teams. This will be accomplished by investigating the way Sony's different teams implement cultural diversity within the teams. Our purpose also includes identifying if cultural diversity is one of the main drivers of creativity and innovation. Following this, we state our research question:

How does cultural diversity affect a team's creativity and innovation within an organization?

1.4   Outline of the Thesis

As a next step in our research, we will cover the literature review that will consist of models, theories as well as statements regarding cultural diversity and its impact on the team's creativity and innovation. This will give a brief summary of the field's present understanding and what we believe to be a noteworthy opportunity for understanding the subject. The theoretical framework will be highlighted as the literature review comes to an end. The methodology chapter will next be provided, outlining how we will respond to the research question, the fundamental assumptions supporting our argument, the data we will obtain, and the technique we will use to accomplish it. The data produced through qualitative research design will next

be examined, and the findings will be discussed in relation to the literature that has been given. In order to finish this research, we are going to briefly summarize the findings and then explore both the theoretical and practical consequences of those findings. The goals and ambitions of the project that have been accomplished, as well as some recommendations for further study, will be presented as well.

2 Literature Review

In this section relevant theoretical frameworks will be presented in order to complement the research topic. To begin with, the cultural dimensions of Hofstede which are closely related to the national and organizational culture will be discussed. As a next step, the Categorization-Elaboration Model (CEM Model) and the cognitive diversity theory will demonstrate the dynamics of organizational creativity and innovation. Lastly, the obstacles within multicultural teams consisting of the communication conflicts model as well as the theory of cooperation and competition will be illustrated.

2.1 The Cultural Dimensions of Hofstede

Culture is defined as "the collective programming of the mind that distinguishes the members of one group or category of people from another" (Hofstede, 2013, p.9). The cultural dimensions focusing on the national culture and its differences are brought up several times in the scientific literature as features of organizational culture as well (King, 2019). Additionally, when describing the culture of an organization, many researchers argue that it is a result of the national culture and normative beliefs influencing the company (King, 2019). Research done by Hofstede describes normative beliefs as four national cultural dimensions. They consist of *power distance* illustrating how people deal with unequally distributed power, *uncertainty avoidance* showing how people react to uncertainty in their external environment, *masculinity-femininity* addressing the position of men and women within a group of people, and *individualism-collectivism* explaining how people focus on either group or individual goals (Hofstede, 1984).

Power distance is seen as the level of influence a team member has over the entire team (Akanji et al., 2021). Additionally, analyzing the power distance from the national perspective, nations that have higher levels of power distance in society are influenced mostly by authority and

superiority, unequal division, and respect for the team's leader (Akanji et al., 2021). On the other hand, a nation with a low level of power distance recognizes differences and does not expect the superiority of one figure (Akanji et al., 2021). In these nations, decision-making within the team is about togetherness and equal rights (Akanji et al., 2021). Mullins and Christy (2013) highlight the influence of leadership as an important factor in achieving the results of the team in an organization. On the contrary, agile teams, where the team leader does not behave as a superior have better results in achieving innovative problem-solving. On the other hand, the teams with stricter hierarchical influence achieve better results in terms of organizational goals, but with less creative solutions (Mullins & Christy, 2013). In addition to this, Escandon-Barbosa, Salas-Paramo, and Rialp-Criado (2021) also discovered that the developed countries with lower levels of power distance build up more innovative factors than the developing countries where the obedience to the superiority figure is more present.

Uncertainty avoidance explains the risk-taking actions within the company (Velo, 2011). When there is a high level of risk avoidance, the usual course of action is followed without any attempt to adopt changes (Velo, 2011). Therefore, firms where employees observe risk as something unusual, have less ambition to come up with innovative solutions (Velo, 2011). On the other hand, it can be argued that a low level of uncertainty avoidance results in more original ideas (Velo, 2011). As a result, nations that try new solutions are described as more innovative and creative societies (Velo, 2011). Mullins and Christy (2013) confirm that a high level of risk aversion results in a stable team's performance, however, in these teams the initiation for new solutions is low. On the contrary, teams with more freedom and less risk aversion have more innovative ideas as the outcome (Mullins & Christy, 2013). Since uncertainty impacts the performance of organizations, this cultural dimension affects decision-making, further implying the importance of understanding and accepting cultural differences (Escandon-Barbosa, Salas-Paramo & Rialp-Criado, 2021).

The masculinity and femininity dimension by Hofstede is defined as the split of emotional roles between men and women, where the gender roles or behaviors are not associated with gender-specific behaviors (Leonavičienė & Burinskienė, 2022). More emphasis is placed on the features that Hofstede identified as high and low masculinity (femininity) (Leonavičienė & Burinskienė, 2022). Feminine cultures are said to be relationship and quality-focused, and failures are frequently viewed as more acceptable (Leonavičienė & Burinskienė, 2022). In addition to that, Chipulu et al. (2014) stated that organizations that have an influential factor of

feminine culture diversify the teams and departments more equally taking into account gender, age, and cultural values. Masculine cultures are seen as reputational where the status of the individuals in the society is highly important (Leonavičienė & Burinskienė, 2022). Chipulu et al. (2014) described that this leads to less diverse teams, but also less availability for women to get promoted or take a managerial role.

Individualism and collectivism are dimensions observed from the country-organization perspective to understand if the employees within a firm have individualistic or collectivist mindsets and how these mindsets influence the team's performance (Eisend, Evanschitzky & Gilliland, 2016). A team consisting of nations with individualistic mindsets prioritizes personal goals over those of the group within the organization (Eisend, Evanschitzky & Gilliland, 2016). Mullins and Christy (2013) argued that individuals who are likely to work more independently have higher performance when proceeding with a task. However, when these individuals work in a team, the result of the project is not as successful as the independently finished project (Mullins & Christy, 2013). Collectivism, on the other hand, promotes the group's goals before the personal ones and prioritizes the team's performance (Eisend, Evanschitzky & Gilliland, 2016; Hofstede, 1983). Additionally, a diverse team of individuals with shared goals and values has fewer obstacles while obtaining the tasks (Mullins & Christy, 2013).

2.2 The Dynamics of Organizational Creativity and Innovation

The importance of creativity for organizations' ability to adapt to changing environments and innovate is widely recognized (George, 2007; Hoever et al., 2012; Zhou & Shalley, 2011). Due to the complexity of issues that organizations face and the rise of more specialized work roles, creative work is frequently carried out in teams (Hoever et al., 2012). Diverse teams may have different strengths and weaknesses, which has been predicted and proven by researchers (Zhan & Hample, 2022). In order to analyze organizational creativity and innovation within a diverse working environment we will examine two models closely relevant to the dynamics of creativity and innovation, starting with the Categorization-Elaboration Model (CEM Model) and the Cognitive Diversity Model.

2.2.1 The Categorization-Elaboration Model (CEM Model)

The Categorization-Elaboration Model (CEM) is a valuable conceptual perspective that states that team performance is influenced by the interaction between social categorization processes and work-related informational elaboration in culturally diverse teams (van Knippenberg & van Ginkel, 2010; Zhan & Hample, 2022).

The CEM Model incorporates the social categorization view on diversity as well as the information-decision-making perspective on diversity. Additionally, it specifies a set of moderators of the influence that diversity has on team results (Hoever et al., 2012). According to the social categorization perspective, similarities and differences between people are used as a basis for classifying oneself and others into groups, with subsequent categorizations distinguishing between one's own in-group and one or more out-groups (van Knippenberg, De Dreu & Homan, 2004). In accordance with a number of researchers, such as Jackson (1992 cited in van Knippenberg, De Dreu & Homan, 2004) and Jehn, Northcraft, & Neale (1999 cited in van Knippenberg, De Dreu & Homan, 2004) social category diversity refers to differences in readily detectable attributes such as sex, age, and ethnicity, whereas informational/functional diversity refers to differences in less visible underlying attributes that are more job-related, such as the functional and educational background. Both types of diversity are considered as important in the workplace.

It is possible to present an argument that the social categorization effects of diversity should be more likely to occur for readily observable characteristics such as sex and ethnicity (i.e. social category diversity) than for more "hidden" dimensions of diversity such as functional background or educational history (van Knippenberg, De Dreu & Homan, 2004). On the other hand, there is also the argument that the gains of diversity are associated with disparities in knowledge, expertise, and opinions rather than differences in ethnicity and nationality (van Knippenberg, De Dreu & Homan, 2004). According to Jehn et al. (1999 cited in van Knippenberg, De Dreu & Homan, 2004), social category diversity is the primary factor causing positive outcomes, such as an increase in creativity, innovation, and decision quality. On the other hand, other research showed that demographic variations can have a favorable influence on performance, or that differences in job-related qualities might have a negative effect on performance (Cox, Lobel & McLeod, 1991; Simons, Pelled & Smith, 1999; van Knippenberg, De Dreu & Homan, 2004).

10

According to the CEM model, a group's diversity is positively correlated with the development of task-relevant knowledge and viewpoints inside the group - specifically, with group members' sharing, debating, and integrating concepts, knowledge, and insights relevant to the work at hand. It is also suggested that the development of task-relevant information and perspectives is connected to group performance, particularly to group creativity, innovation, and decision quality. The idea that exposure to more diverse information and views may foster the elaboration of task-relevant knowledge leads to the conclusion that diverse groups may perform better than more homogeneous ones, therefore a more comprehensive and creative information processing, problem-solving, and decision-making process would be anticipated as a result (van Knippenberg, De Dreu & Homan, 2004).

2.2.2 The Cognitive Diversity Theory

In this section of the research, the cognitive team diversity theory will be presented, which refers to perceived differences in thinking styles, knowledge, skills, values, and beliefs among team members (Dahlin, Weingart & Hinds, 2005; Shin et al., 2012). The cognitive diversity theory serves as the theoretical foundation for information processing and decision-making within an organization (Chow, 2018; Cox & Blake, 1991). The model holds that diverse teams have a greater tendency to possess diverse knowledge bases and different perspectives that are distinct and non-redundant, therefore cognitive team diversity improves team performance and creativity (Chow, 2018; Cox & Blake, 1991; Williams & O'Reilly, 1998). Individual cognitive characteristics of team members are proven to favorably influence a team's performance outcomes (Chow, 2018; Cox & Blake, 1991). Information sharing, alternative solution thinking, and examination of others' viewpoints will all increase team performance and lead to more creative and high-quality solutions (Chow, 2018).

According to Ashikali & Groeneveld (2015 cited in Chow, 2018), the presence of cognitive diversity both enhances and supports the rise of inclusion within an organization. In the context of diversity, inclusiveness is of the utmost importance. Important signs of uniqueness in inclusion are the acceptance of individual differences as well as the recognition of the value that such differences provide (Chow, 2018). When diverse viewpoints are implemented creativity and innovation within the organization are increased (Chow, 2018). Therefore, the information-gathering and decision-making processes are improved (Chow, 2018). Cognitive

diversity is also argued to increase task conflicts (i.e., disagreement on work-related issues) toward innovative solutions (Pelled, Eisenhardt & Xin, 1999; Shin et al., 2012). Therefore, when a context requires creativity, cognitive team diversity is likely to provide individual members with more benefits than disadvantages because team members are more likely to recognize the various ideas, knowledge, and perspectives among team members as creativity processes rather than to engage in social categorization processes (Harrison & Klein, 2007; Shin et al., 2012; van Knippenberg, De Dreu & Homan, 2004).

2.3   Obstacles within Multicultural Teams

2.3.1 Communication Conflicts

Members of multicultural teams may have communication conflicts due to the diversity of their backgrounds. Since misinterpretation may reduce trust, identification, and teamwork among team members, intercultural communication is considered a difficulty for multicultural teams (Obsuwan et al., 2021; Pesch, Bouncken & Kraus, 2014; Stahl & Maznevski, 2021).

Communication styles range from low context (specific) to high context (implicit) (Hall, 1989; Velez-Calle, Sosa & Large, 2021). When compared to low-context cultures, which are characterized by direct and clear verbal and written communication, high-context cultures' verbal and written communication is less explicit (Velez-Calle, Sosa & Large, 2021). Hall and Hall (1990) had valuable data about the different nations where it has been said that Japanese people, for example, are a high context nation, meaning that they have a developed system of communication with the people in their surroundings and the understanding is possible without providing an extensive amount of information. On the other hand, Germans like Swedes are a low-context nation implying that when talking to a German or a Swede, more extensive background information should be provided beforehand in order to have a successful conversation (Hall & Hall, 1990). These findings could suggest that high-context cultures support less direct and more formal contracts whereas low-context cultures favor more direct and less formal contracts (Velez-Calle, Sosa & Large, 2021).

It is important to mention that not everyone could be considered low or high context just because the nation has been presented as such (Hall & Hall, 1990). Therefore, some

personalities, even though coming from a high-context country, could need the fulfillment of background information during the conversation, which is contrary to the high-context definition (Hall & Hall, 1990). Hall and Hall (1990) explained that the two contexts affect the formal part of the conversation in a company, where in the high context nations the formal wording during the meetings is of huge importance for the atmosphere, while low context people usually do not intend to be too formal and formality is not expected. In this sense, the combination of these two contexts could lead to misunderstanding where one part could even be offended (Hall & Hall, 1990). Therefore, knowledge and respect for differences should be considered in an intercultural environment (Velo, 2011).

Adler and Gunderson (2008 cited in Adler & Aycan, 2018) claimed that cultural variety might amplify several possible drawbacks, including a reduced capacity to verify ideas, come to a consensus, and take action as a result of mistrust, misunderstanding, tension, and stress. Lu et al. (2018) highlight the effects of cultural diversity on team performance with the help of above-mentioned CEM Model. They discuss that according to the paradigm, the presence of any kind of diversity such as racial, ethnic, generational, or gender-based causes categorization within teams due to the perceptions and prejudices that each member of the team inherently holds within themselves (Obsuwan et al., 2021). When conflicts or misunderstandings emerge, team members are more inclined to take a competitive rather than cooperative stance if there is not a strong sense of shared identity among them (Granow & Asbrock, 2021; Jehn, Northcraft & Neale, 1999). Background differences can make it hard for a team to communicate and agree on how to handle different ideas. However, it is important to be able to talk about different ideas, combine different points of view, and come to a decision in order to come up with and implement new ideas (Hülsheger, Anderson & Salgado, 2009). The range and depth of knowledge that diverse teams have access to is an advantage, and such teams also have a better chance of establishing an atmosphere of collaboration, which is beneficial to creativity (Bouncken, Brem & Kraus, 2016; Obsuwan et al., 2021). According to the findings of the study on entrepreneurial teams, improved communication in multicultural teams leads to increased creative output (Bouncken, 2004; Obsuwan et al., 2021).

2.3.2 The Theory of Cooperation and Competition

Working within multicultural teams may create intercultural barriers and make cross-cultural communication more challenging by creating conflicts within the team (Leung & Wang, 2015). When there is a problem inside the team, members of the team will often choose certain tactics to deal with it (Ni, Zheng & Liang, 2022). These conflict management strategies, therefore, have various effects on how much conflict will escalate or how it will be prevented within the organization (Ni, Zheng & Liang, 2022).

The theory of cooperation and competition investigates how to define and handle conflicts within multicultural teams (Deutsch, 2022; Ni, Zheng & Liang, 2022; Tjosvold et al., 2022). There are two possible main approaches to conflict management within multicultural teams: one that is defined by cooperation, and the other that is characterized by competition (Ni, Zheng & Liang, 2022). Individuals with cooperative goal interdependence use their energy and talents to help one another; they know that by helping their partners succeed in their targets, they are helping themselves achieve their own (Tjosvold et al., 2022). Their consistent mutual assistance strengthens their team cohesion and fosters the assumption that they will continue to provide mutual assistance in the future (Deutsch, 2022; Tjosvold et al., 2022). A competitive approach, on the other hand, is characterized by members' tendency to neglect their shared wants and interests, showing little attention to comparable interests, minimizing knowledge of similarities, and communicating poorly (Ni, Zheng & Liang, 2022).

Cooperative goal interdependence is essential for managing constructive conflict management within multicultural teams, enabling discussion participants to be more successful issue solvers by producing integrative solutions that integrate all participants' best ideas (Tjosvold et al., 2022). Additionally, integrative conflict management encourages participants to combine their views in order to discover unique solutions (Tjosvold et al., 2022).

2.4 Chapter Summary

This chapter presented the main theoretical frameworks which will serve as a base when answering and analyzing the research question.

Figure 1 - The Theoretical Framework (Adopted by Bouncken, Brem & Kraus, 2016)
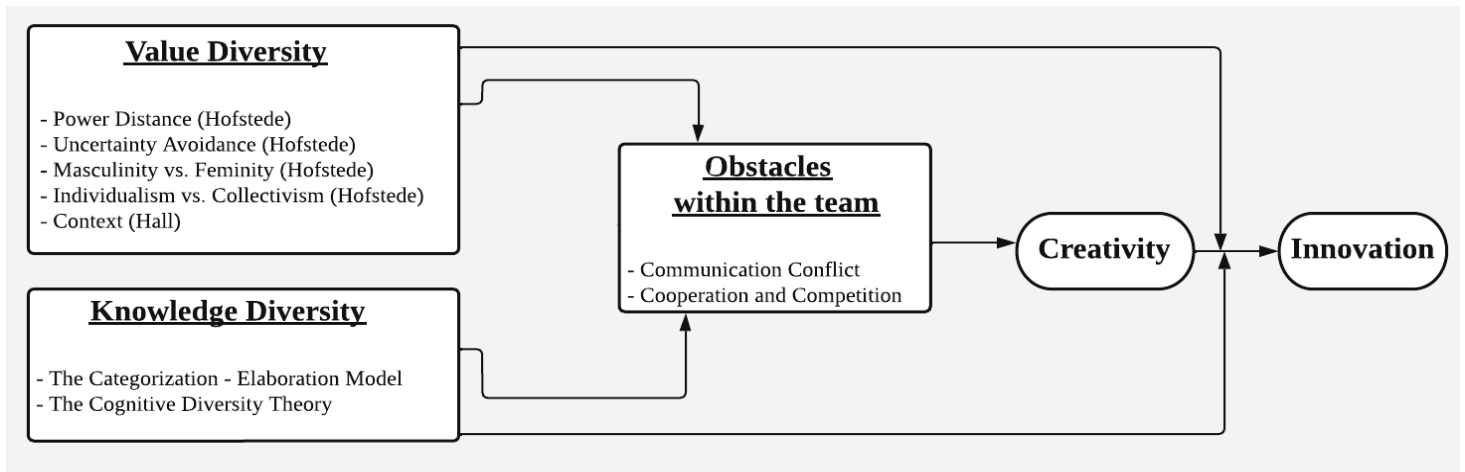
Hofstede's four cultural dimensions, power distance, uncertainty avoidance, masculinity-femininity, and individualism-collectivism, represent the value diversity within the firm. Furthermore, the Categorization-Elaboration Model and the cognitive diversity theory illustrate knowledge diversity in terms of task-relevant knowledge as well as people's different perspectives and views. Lastly, the communication conflict framework as well as the theory of cooperation and competition explored the obstacles multicultural teams face and how they are solved. This analytical framework, overall, will reveal how creativity within the organization occurs and further leads to innovative processes.

3 Methodology

This chapter will introduce the research approach and design of this investigation. It will also illustrate how the data will be collected throughout the research. As a next step, it will demonstrate how the data will be analyzed, as well as show how the validity and reliability of the gathered data will be used as parameters for controlling the process and the end result of the conducted study. Lastly, the limitations of this study which arise due to the chosen research method will be highlighted.

3.1 Research Approach

This section refers to the strategy that is used to conduct the research project as a whole and further, to provide responses to the problems raised by theoretical challenges (Bryman, Bell & Harley, 2022). Primarily, there are two main theories - deductive and inductive theories that are taken into consideration in order to comprehend how theory and research relate to one another (Bryman & Bell, 2015). The deductive theory is the most widely held interpretation of the nature of the link between theory and investigation (Bryman & Bell, 2015). The researcher develops a hypothesis (or hypotheses) based on what is known about a certain domain and theoretical considerations in regard to that area, which must then be empirically tested (Bryman & Bell, 2015). However, some researchers choose an inductive approach to the link between theory and study (Bryman & Bell, 2015). With an inductive approach, the theory is the result of the study (Bryman & Bell, 2015). In other words, the process of induction entails making systematic generalizations from data (Bryman & Bell, 2015). The usage of deductive reasoning in theory testing is limited by the challenge of selecting the appropriate theory for examination (Bryman, Bell & Harley, 2022). This is due to the reliance on a rigorous logic of hypothesis falsification (Bryman, Bell & Harley, 2022). On the other hand, the problem with inductive reasoning is that no amount of empirical facts will ensure that theory-building is possible (Bryman, Bell & Harley, 2022). As a third approach that gets beyond these restrictions, an

abductive approach is introduced (Bryman, Bell & Harley, 2022). Abduction is a method that qualitative researchers use to analyze how the data support current theories or hypotheses as well as how the evidence may call for revisions in existing understandings (Flick, 2014). An abductive approach is applied in this thesis paper in order to go beyond the facts and the pre-existing theoretical knowledge (Flick, 2014). If necessary, the concepts in new and different ways will be linked together to investigate, comprehend, and explain the data (Flick, 2014). This is therefore beneficial to examining and observing the results as in the grounded theory methodology in the case of Sony.

3.2 Research Design

A research design is a plan for gathering and analyzing data (Bryman & Bell, 2015). The choice of study design demonstrates how significant the researchers see certain stages of the research process (Bryman & Bell, 2015). In the next section of the chapter motivation for the use of qualitative research and the selected study approach will be provided.

3.2.1 Qualitative Research

There are two ways of conducting research - quantitative and qualitative (Bryman & Bell, 2015). Quantitative research is characterized as being one that involves the collecting of numerical data and places an emphasis on the quantification of the data collection and analysis processes (Bryman & Bell, 2015). Qualitative research, on the other hand, is typically more concerned with words than it is with numbers (Bryman & Bell, 2015). In contrast to the use of a natural scientific model in quantitative research, the emphasis in qualitative research is placed on the comprehension of the social world through the investigation of the participants' own interpretations of that world (Bryman & Bell, 2015). The emphasis of qualitative research is on understanding the social environment through an investigation of how its participants interpret it, in contrast to quantitative research, which adopts a natural scientific paradigm (Bryman & Bell, 2015). Also, the emphasis here is on understanding the social environment through an analysis of how its participants interpret it, as opposed to adopting a natural scientific paradigm in quantitative research (Bryman & Bell, 2015).

Because of the nature of the research topic, which is especially focused on how cultural diversity impacts the team's creativity and innovation within the organization, a qualitative research technique was chosen for this study. Therefore, a quantitative research technique would not have been able to effectively reflect the scope of the research topic.

3.2.2 Case Study

An in-depth examination of the environment is often the main area of the case study methods (Bryman & Bell, 2015). Yin (2004) states that particularly in instances when the classifications between phenomenon and context are unclear, a case study is an empirical inquiry that examines a current phenomenon in its actual setting. In addition to this, the case study is also used when the contextual conditions need to be covered due to their relevance to the research's phenomenon. According to Yin (2004), a case study investigation contends with many more variables of interest than data points, and as a result, it must rely on multiple sources of evidence, with the data needing to converge in a triangulating way. Additionally, in the case study method, it is advantageous to have previously developed theoretical propositions to guide data collection and analysis.

Taking into account the variables investigated in this paper, together with the empirical data that will be collected as well as the triangulation method that will be utilized to answer the proposed research question, the case study method is the most applicable method.

3.2.3 Multiple Case Study

The major contrast in case study design is between single- and multiple-case studies (Yin, 2004). A single-case study is equivalent to a single experiment that presents problems regarding the nature of proof, or, to be more precise, the trustworthiness of the findings (Yin, 2004). The focus of a multiple case study, on the other hand, is on gathering and examining data from several cases (Yin, 2004). The evidence obtained from a number of different examples is frequently perceived as being more convincing, and as a result, the whole research is deemed to be more reliable (Yin, 2004). Therefore, in this thesis the multiple case study will be used as the investigation will include the different perspectives of individuals as well as teams within Sony.

3.3   Data Collection Method

3.3.1   Selection of the Case Firm and Teams

The case firm and teams were chosen based on the internal relations of two of the group members which arise due to a university internship in the period between August and November. One of the members has been obtaining tasks as a business developer assisting day-to-day the Senior Innovation Manager at the Sony Start-Up Acceleration Program (SSAP) department in Lund, Sweden. Additionally, this intern was working on projects with teams based in Stuttgart, Germany, and Tokyo, Japan consisting of the Sustainability Task Force and Innovation tasks, respectively. The other group member, on the other hand, had a close relationship with the SSAP department based in Lund, Sweden and the intern's task was closely related to venture investments and working directly with the Senior Manager of the SSAP team. In addition to this, both group members had the chance to observe how the three teams operate for a period of three months. Therefore, after selecting the research topic it has been agreed to proceed with interviewing the above-mentioned firm and teams as these are a fitting match when looking at cultural diversity and team formation environment. In addition to this, the teams have been working closely with innovation and creativity, which is the main focus of the thesis. The selected interviewees were connected via email using the template presented in Appendix A.

Sony's purpose is to "fill the world with emotion, through the power of creativity and technology" (Sony, 2022). In addition to this, Sony and its teams are built upon incorporating a wide range of people and their perspectives to produce an innovative product (Sony, 2022). The first team called the Sony Start-Up Acceleration Program (SSAP) based in Lund, Sweden has the purpose of providing innovation consultancy services within Sony. Furthermore, it has the role of "angel investor" for the company contributing to the development of the ideas within the firm's various departments. SSAP also works closely with the other two teams mentioned in the previous section. Those two teams aim at promoting sustainability in an innovative and creative way connecting smart solutions with sustainable business which could contribute to Sony's business operations as well as the world's environmental issues.

3.3.2 Primary Data Collection

Interviews with a representative from each case team were used to collect the primary data for this study. Each of the interviewees has been working for the company for at least one year, which makes them knowledgeable about the company and how the team operates. Semi-structured interviews were conducted using an interview guide that was developed based on relevant literature, as outlined in Appendix B. Following the analysis of the literature review, open questions are an effective tool to offer flexibility to the interviewee (Bryman & Bell, 2015). Additionally, when preceding a closed-ended question, the respondents could choose an answer based on the factual background, while open-ended questions would get data based on the opinion without forcing an answer (Kumar, 2018).

Foregoing the interviews, the respondents received the necessary information about the aim of the research and research question, together with instructions on how long the interview will be. The length of the interviews was one hour. Since the two of the interviewed teams are based at the German and Japanese sites of the chosen company, all the interviews occurred online via Zoom. The interviewees received the option to remain anonymous and the names of the respondents and specific data that could be linked to the companies or interviewees were eliminated. The interviews have been voice recorded after receiving permission from the respondents. Online transcription services were used to transcribe the audio files, and the transcripts were then proofread several times for accuracy.

3.3.3 Secondary Data Collection

Relevant secondary data has been collected from Sony's official website and other available documents on the internet. In addition to this, two of the group members' observations gathered during the internship at Sony provided them with the opportunity to examine relevant situations that will be applied to this research paper.

3.4 Data Analysis

The purpose of data analysis is to address the initial claims of research by investigating, classifying, sorting, and testing the qualitative data (Yin, 2004). A broad analytic strategy is the best way for analyzing the data so the possible analytic issues can be limited (Yin, 2004). In this thesis paper narrative analysis, ground theory combined with flexible pattern matching will be referred to in order to analyze the data effectively. In addition to this, cross-case synthesis, as well as within-case analysis, will be performed to detect if there are similarities or differences in the collected data.

Narrative analysis is useful when analyzing interview reports where participants are asked to tell stories on purpose (Bryman, Bell & Harley, 2022). The goal of narrative interviews is to generate reconstructed descriptions of connections between events and between events and environments from respondents (Bryman, Bell & Harley, 2022). The use of narrative analysis will also allow us to get insight into organizational conceptual processes. Additionally, the grounded theory allows problems, events, or segments of conversations to be grouped together and connected to a certain idea (Bryman & Bell, 2015). This approach also places a strong emphasis on the correlation between data gathering, analysis, and eventual theory (Bryman & Bell, 2015). Data will be broken down into component parts and given names with the help of the key element in the grounded theory, coding (Bryman & Bell, 2015).

In addition to this, pattern-matching logic is one of the most preferred strategies utilized for case study analysis (Yin, 2004). An empirically based pattern is compared with a pattern that was predicted using this approach (Yin, 2004). If the pattern is consistent, the results of a case study can serve to increase the case study's internal validity (Yin, 2004). As multiple case studies will be involved in the data collection process, cross-case synthesis is another approach that will be used throughout the data analysis that analyzes each individual case study in the same manner as it were its own independent investigation (Yin, 2004). As a result, word tables that provide data from individual cases in accordance with a standardized framework will examine if various groupings of cases seem to have some things in common and should be regarded as examples of the same kind of general case (Yin, 2004). The within-case analysis is another crucial and important component of the overall data analysis (Eisenhardt, 1989). The extensive case study write-ups are often part of the within-case analysis and are meant to assist

us in the early stages of the analysis process in coping with the typically vast number of qualitative data that is involved (Eisenhardt, 1989).

3.5   Validity and Reliability

Bryman & Bell (2015) defined the quality measurements of the research as validity and reliability which are used as the parameters for controlling the process and the end result of the conducted study. Although these measures are used for the qualitative research method, it is evident that these controlling parameters are more suitable for the quantitative and qualitative research methods (Bryman & Bell, 2015). Due to the open-ended question expressing opinions and with the possibility for follow-up questions, the validity, and reliability are seen less efficiently however used because of the simpler process.

Validity can be further divided into external and internal validity and refers to the consistency and applicability of the approach used (Bryman & Bell, 2015). Internal validity is determined by the size of the study, while external validity is determined by the use of variables (Bryman & Bell, 2015). In the analysis of this study, the respondents received the transcript of everything that has been said during the interview in order to confirm the truthfulness of the answers which have been provided by the individuals.

The general limitation of semi structured interviews is the reliability of the responses (Bryman & Bell, 2015). Compared to semi structured interviews, structured interviews are seen as more reliable due to their rich theoretical background (Bryman & Bell, 2015). However, semi structured interviews are chosen for this study since they are more relevant to answer the research question.

3.6   Limitations

There are various limitations of the study which arise due to the chosen research method that is discussed in this section. To begin with, Bryman & Bell (2015) described the qualitative research method and the semi-structured interviews as the approach that requires less control

and does not follow the structure which could result in the reliability of the results. In addition to this, the narrative analysis of the data, where the interpretation leads to the possibility of a biased outcome, is another constraint (Bryman & Bell, 2015).

A further limitation of this research paper is that the chosen teams work at the same company, which gives less valuable information about the cultural impacts since the respondents follow the organizational goals of culture and behavior. Furthermore, the general limitation when interviewing employees in a big corporation, who are proud of the company, is not being honest when answering the interview questions (Flick, 2006). If diverse companies and teams were used, the above-mentioned limitation could be minimized, and the bias of the responses reduced. However, due to the lack of time during this research and the complexity of finding a sample of diverse companies, this limitation has occurred.

In addition to this, a limitation that occurred during the interview process is the non-response of two of the previously agreed interviewees from the team based in Japan. Therefore, the Japanese team was interviewed without two members and this leads to less amount of collected data than expected, which resulted in limited results for parts of the particular team of Japan in the analysis of the data. In addition to this, when contacting the team based in Sweden to conduct interviews, all team members were asked to be interviewed, however, only three of them accepted the interview invitation. The reason for this was the workload of the other team members. Besides that, obtaining the interviews online via Zoom has some advantages and disadvantages, however, the limiting feature of Zoom is the lagging sound and voice which make the conversation less clear than during the live (in-person) interview where the gesticulation and mimics are more visible, making it easier to understand the meaning of the answer. Lastly, the language of the interviews is seen as a further limitation of this research approach. English is the main language of communication between the interviewer and the respondent, as the interviewers do not speak the interviewees' native language. Although the respondents speak English fluently, that could still be a barrier to the flow of the conversation as the respondents are not using their native language when answering the questions.

4 The International Teams at Sony

In this part, a brief overview of each team interviewed will be given and the main findings from the conducted interviews with the case company will be presented. The purpose of this is to demonstrate how cultural diversity within the case teams can have an effect on creative thinking and innovative problem-solving within the organization. Each segment begins with a brief overview of the team, followed by a selection of insightful quotations from the interviews. The data offered about each team is arranged chronologically based on the interview schedule.

4.1.1 Team Sweden

The team represents a wide-ranging and inspiring Sony department based in Lund, Sweden which helps individuals and teams in Sony and externally to develop and fully generate new business ideas. In addition to this, the team is built upon curiosity and innovation where team members want to be innovative and come up with new ideas. The team was formed seven years ago and today it consists of 8 people coming from different parts of the world, such as Sweden, Britain, Slovenia, Brazil, Canada, and Japan. Some of the people in the team are a part of the team from its founding whereas others joined the team later on. The three people interviewed are a part of this team since it was formed.

*Table 1 - Interviewee Selection: Team **Sweden***

	Interviewee's position within the team	Number of years working for the company	Nationality	Gender	Age
Interviewee 1	Senior Innovation Manager	22 years	British	Female	57
Interviewee 2	Senior Innovation Advisor	11 years	Swedish	Male	55
Interviewee 3	Senior Manager	22 years	Swedish	Male	66

The first person, referred to as Interviewee 1, works with all aspects of internal development such as change management, internal communications, learning and competence, culture, and innovation, running large-scale global projects and programs and is the only female representative within the team. Furthermore, the second interviewee, Interviewee 2, manages and facilitates innovation activities as well as supports Sony-internal idea teams throughout Europe. Lastly, the third person, Interviewee 3, is the team manager that enables the rest of the team to find the best way forward. His role is to moderate and make sure that everybody can talk and express their views.

After illustrating what the roles of the interviewees are and for how long they have been a part of the company, they further explained how they see the company's culture and what is their definition of success within the company, where the three interviewees shared the same point of view that Sony is all about combining technology with creativity and innovation.

Interviewee 1: *"It is all about using creativity and technology to bring the wow factor to people in entertainment."*

Interviewee 2: *"I would say that Sony in general is a creative and innovative work environment. It is creative and innovative also from a nationality point of view since it is a global company it has many different nationalities in the company but that is also applicable for the local sites*

going around the planet actually so it is a combination of both that global network of different ethnic backgrounds but also locally"

Interviewee 3: *"Sony is built upon curiosity and innovation. So that is really in the DNA that we want to be innovative and come up with new ideas and the vision is to create new products. So, we are working on different kinds of technologies, but the goal is to move people in a sense. I would describe it as a creative and innovative culture."*

In addition to this, the interviewees also covered aspects related to the different levels of diversity within the firm when they were asked if there are any specific practices or policies that promote diversity and inclusivity within Sony. They all agreed that gender diversity is something that Sony could further improve in their organizational culture, whereas looking at diversity based on nationality and age Sony is performing well.

Interviewee 1: *"Gender diversity is something that Sony needs to work more on in the future. Cultural diversity - that is better of course because we are working with software and we have to bring in people from other cultures with different perspectives"*

Interviewee 2: *"I think Sony strongly encourages diversity and when they speak about diversity they mainly talk about different competences, different ages but also different cultural origins. They are not talking so much about gender when they are talking about diversity I would say and that is not strongly enforced and encouraged"*

Interviewee 3: *"Diversity is mentioned a lot by management. On the other side, gender diversity is not expressed that much. Sweden is in the lead in gender diversity but in the highest management the diversity is more based on geographical culture and the kind of different competencies which is meant when Sony says diversity."*

Interviewee 3 further emphasized the importance of gender diversity that is hindered by Japanese culture as there it is accepted for male representatives of the organization to be in the higher management.

Interviewee 3: *"Our highest management, so they emphasize diversity a lot, but again, this is the cultural differences like geographical and competences ones. To my understanding, it is not so much about gender diversity and you can see from our top management that is almost only*

men, which is part of the Japanese culture, so it is hard to change for one company because it is built in the culture. It is really hindering gender equality within Sony.”

Moreover, the aspect of risk-taking within the organization was brought up where again the three interviewees agreed that Sony does not encourage risk-taking and the company is aiming to reduce it. Interviewees 1 and 3 even stated that this is due to the fact the company is Japanese and according to the Japanese culture, failure should be avoided, and therefore risk-taking should be minimized.

Interviewee 1: *”So risk taking I cannot honestly see a lot of it to be honest and I think that probably has something to do with Japanese culture they're not risk takers so I do not see a lot of risk-taking honestly yeah anywhere really I think it is more about you know reducing the risk”*

Interviewee 2: *“I would say that Sony as a group probably is trying to reduce the risks as much as possible that is my view so from a risk-taking point I would say the risk is avoided as much as possible”*

Interviewee 3: *“Risk-taking is something we could be better on. I think that is a cultural thing. In Japanese culture, you should not fail so that is kind of a problem in the culture aspect. I think Swedish culture makes it easier to accept failure and learn, so here in our office we have very many lessons learned, so we can talk about the failures and try to learn from them.”*

The interview further continued with discussing in more depth the composition and size of the team. The team itself is diverse in terms of nationalities and also the different ages of the team members. When it comes to gender diversity and having only one female in the team, this is something the interviewees agreed should be improved in the future. The team manager is at the heart of the process ensuring that team people align their goals with each other.

Interviewee 2: *“I would describe the team as diverse so we have people from Brazil, UK, Canada, Slovenia, Japan, and Sweden. But I would say from a gender perspective it is not so diverse. We have an open atmosphere so we could discuss within the team in order to agree upon how to proceed with certain tasks in a good way and the team leader, who is Swedish, is enabling the team to find the best way forward.”*

27

Interviewee 3: *"If it would be a group of only men from Sweden, we would not manage at all. I would say we have too few women. So that is something we are trying to resolve, but geographically and culturally, we have rather good diversity and it is essential for our mission."*

As a next step, the positive impact of cultural diversity on the team's creativity and innovation was highlighted. The different nationalities and perspectives of each individual in the team bring something unique to the innovation process and the three interviewees claim that the different views of the team members foster the creative process within the team. Growing up in a country you tend to form your behavior based on the culture in that country and this in a way affects your way of thinking and how you make decisions. They also agreed it is difficult to separate the person's personality and the person's culture. In addition to this, having the team at the same location is another important factor for the successful team's performance.

Interviewee 1: *"It is difficult to separate whether it is their personality or is it the national culture. For example, with Japanese people in some ways, you can see that it is the national culture when risk aversion and different structures and methods exist. On the other hand, a person from North America is very open and would just ask people things that in Sweden are not considered okay. Brazilians see everyone as equal assuming that you can talk to anybody you know."*

Interviewee 2: *"If you are from one country you learn certain behaviors and even though you move to another country those behaviors are in your backbone so it is hard to get rid of those. You are probably not even always aware of those. I would say that some cultures are probably more creative than others and some cultures have focused more on details than others. Some cultures can also think more outside the box than others and some cultures are really good when the decision is taken to actually make it happen in different ways so I think it's a good mixture. I think we contribute from different perspectives it is of course also individual behaviors but I think it's partly the cultural background that impacts the creative process"*

Interviewee 3: *"Diversity creates a much more positive impact on the team and to bring the team forward on its journey but I would say that if they are located at the same site or same location if they are not on the same location I have seen problems with it instead."*

Next, the challenges that arise due to cultural differences within the team were presented where each of the interviewees shared their opinion and experience:

Interviewee 2: *"I think the challenges where you have many people from different cultures is that the team alignment to decide how to proceed in certain areas certain tasks"*

Interviewee 1: *"In some cultures, you take things more personally or deeply than in other cultures. Japanese culture has far been very structured which has been difficult for me as well as for other people in the team"*

Interviewee 3: *"If you do not understand the cultural differences, some people and some cultures can be very direct which can offend and create conflict with other people. We do not really understand body language. So that, I mean in Sweden we are more direct than Japanese people, which can directly create conflict with your Japanese colleagues."*

To solve these challenges that arise due to the different nationalities, the interviewees presented their views on how the teams solve those cultural obstacles. They all agreed that the key to solving the problems is open discussion and good communication among team members.

Interviewee 3: *"It is more discussion-wise. It is important that everybody is allowed to talk. My role as a leader is often to moderate and make sure that everybody can talk and express their views."*

Interviewee 2: *"It will take some time. You need to have those discussions that are pretty hot where you have different opinions and you do not agree at the start. I would say you need to be aware that meeting is important in the type of setups in order to align"*

Interviewee 3: *"Challenges are only positive for creativity. That is my experience. If you have a conflict, you have to sort that out. Creativity and listening to everybody that is always helping. We talk a lot. You have to bring up different aspects. You have to listen to everybody and get their view of what has happened. For instance, if there has been a certain situation, you listen and learn from everybody."*

As a next step in the interview process, the interviewees were asked to talk about communication and language barriers that arise due to cultural diversity.

Interviewee 1: *"Sometimes it is difficult to understand our Japanese colleagues and you know they are doing their best. It might be that people without English or whose English is not so good perhaps do not feel that they can take part as much as they like to."*

Interviewee 3: *"We do have a communication problem with one person who comes from Japan. I would say yes, that is that language. We have English as the main language that most people can understand, but still, it can create misunderstandings and problems now and then. But yeah, if there are misunderstandings and miscommunication, of course, you need to really pay attention and make sure that everybody understands."*

Lastly, the interviewees were asked based on their experiences and observations to make recommendations on how Sony could leverage the benefits of cultural diversity for creativity and innovation within their teams.

Interviewee 2: *"I think the most important thing for Sony is to have more cultural diversity in the management team. That is the most important because otherwise it will be managed in a Japanese manner but you will have teams with multiple, maybe hundreds of different coaches in the end organization. It could lead to many misunderstandings and irritations if you're not aligned well so I think the management team is definitely the most important part of the organization."*

4.1.2 Team Germany

Team Germany was created in 2022, in order to contribute to the project of the Sustainability mission of Sony Corporation. The team had initially five members with the aim to create valuable outcomes in order to improve the global confrontation of sustainability issues. Now, the team has four members and all of them contributed to the research.

*Table 2 - Interview Selection: **Team Germany***

	Interviewee's position within the team	Number of years working for the company	Nationality	Gender	Age
Interviewee 4	Senior Engineer and User Experience Specialist	2,5	German	Male	37
Interviewee 5	Sustainability Task Force	3	Japanese	Male	26
Interviewee 6	R&D Scientist	1	Italian	Female	35
Interviewee 7	R&D Scientist	4	French	Female	27

The team has a diverse cultural background where *Interviewee 4* who is male, originally from Germany and still living there, works as a Senior Engineer and user experience specialist in Stuttgart. The second person, *Interviewee 5*, is Japanese living in Japan. *Interviewee 5* is working for the sustainability task force of Sony, where the respondent is contributing to this specific team and project. Thirdly interviewed person, *Interviewee 6*, a female, was born and raised in Italy, however, moved to Germany in order to work for Sony where the respondent spent one year working as an R&D specialist in Stuttgart, contributing to the development of the project's outcome together with the rest of the respondents. Lastly, *interviewee 7* is French and female, working for Sony Europe as an R&D scientist.

In the following part of the research paper, the previously collected data will be shown, starting with insights about the company and the present culture, finishing with opinions about the efficient size of the diverse team which should contribute to a more innovative environment, but also the respondents' possible recommendations will be presented.

Interviewee 4: *"I mean, what is currently very present and very obvious is that Sony wants to be there for all the creators, so of course supporting the society. Currently, there seems to be a huge focus on empowering creators and not only professionals but engaging more or less everybody."*

31

Interviewee 5: *"Sony encourages employees to do new business but at the same time, the brand of Sony is also important so we better not damage the brand."*

Interviewee 6: *"Sony is promoting diversity with different talks and presentations, also activities, and maybe there are discussion groups."*

Interviewee 7 also mentioned that Sony is diverse where most Europeans work for Sony Europe and the employees mostly speak English because of this diverse background of the teams.

The interviewees were questioned about the practices at the company which were present due to the promotion of cultural, and gender diversity, but also inclusivity. The respondents mentioned that there are some practices in the form of events and workshops. These occasions have the main focus of promoting the different aspects of diversity. However, not enough according to the respondents.

In order to better understand the environment in the company, the interviewees were asked about handling risk in the company and encouragement from the company's side.

Interviewee 4: *"Last October Sony decided to distribute most of the R&D departments and laboratories to the different business units to be closer to the product and to strengthen their development, and before that, I think it was about 2000 people working for this department - you could argue that it's an attempt to reduce the risk if you separate this big organizational unit"*

Interviewee 7: *"In the lab, we are not affected by risk thoughts, because we produce research works so it's not yet close to the business, therefore we don't have limits, we don't feel constrained by the policies"*

Furthermore, questions about the importance of diversity in the team and how the cultural composition of the team affects innovation and the outcome of the work were asked. The interviewees also shared their opinion about the cultural diversity of the project team, and the respondents were positive about this specific feature of the team.

Interviewee 4: *"It is great because it is always interesting to get different views, I mean we are not completely different as persons I would say so. I think we are not necessarily representing four different countries and all the typical stereotypes, we are of course acting in a similar*

business area. We have similar ages, so I think it's kind of natural that we have similar mindsets as well which is not completely different just because somebody is from Japan and the other one from Germany"

Interviewee 5: *"I think diversity in the team affects creative activities positively because each person has a different background and lifestyle so they have different perspectives. When diverging these ideas it is really helpful."*

Interviewee 6: *"I think of this diverse background like we all come from these different backgrounds and because of these other experiences that we have like from our home countries. I think this gives us the ability to look at the problems from different perspectives and say okay, based on this life experience that they had, or maybe this cultural way of approaching stuff."*

Interviewee 7: *"It is really interesting to have different viewpoints and also having opposite ideas, it gives us thoughts to better construct our problem in thinking, so it's just more critical reasoning and more viewpoints and more experience and in our big projects it's necessary to do posses this"*

The respondents also talked about their experiences with working in diverse teams, adding some stories where the real impact of this cultural diversity were seen. All the interviewees agreed that the difficulties in dividing personality and culture could be very common.

Interviewee 4: *"When working in this team we communicate and so we from Europe fix the document and then our Japanese colleague has a look on the next day, and then he writes his comments, and then we summarize it in again, there's nobody's opinion missing."*

Interviewee 5: *"In the task force, my ideas are a bit more different from the others because our backgrounds are different (I am Japanese, and they are European). I can provide Japanese opinions to the team and they have different opinions so in the end, sometimes these opinions have great results. We don't have great results yet but I believe we are creative."*

Interviewee 6: *"And I think like all the combinations of our skills and personalities and backgrounds, it led to the creation of a new research team. And so then at the end, we had this ideation phase, we came up with a lot of ideas, and then at the end, we selected one main theme. And then we built around this, this team."*

33

Interviewee 7: *"For example, one of the colleagues who are from Japan objected to me about one idea where he said that Japanese people might not be interested in the product because it's really not common in their culture, whereas I saw them as really involved in using this kind of a product, so my vision was wrong"*

Interviewees talked about the obstacles as well. It became apparent during the interview that the biggest challenge that the multicultural team faces is the language barrier. In addition to this, since there are two different time zones, it is difficult for the team members to meet at a time that would suit everyone.

Interviewee 4: *"Well our Japanese colleague is saying by himself that he's not so good in English, but he's probably better than he thinks, but still he's maybe less fluent English speaker but still I think he has at least similar vocabulary. As soon as things are written, then it is definitely no problem."*

Interviewee 5: *"Of course, language is challenging. Another thing is that it is sometimes difficult to understand what they are saying, the background of the words. Background here means lifestyle, habits, and experience. The normal thing in Japan is not normal in other countries."*

Interviewee 7: *"We would sometimes just do a meeting to wrap up a document and be there all together discussing what should be there or not was really really nice and we did not feel like we were losing time or wasting time on the quick meeting in order to better understand the situation"*

The interview process further looked at the cultural and language differences between Europe and Japan. In addition to this, insights from the Japanese perspective are presented.

Interviewee 5: *"I want to know other cultures. I want Sony to hold some events with many cultural backgrounds and I want to improve my English and I do not have a great idea how to do it. I want some support from the company for that, for example, the only school for English. There is an English school right now and the company is paying for it and this service is ending next month so I need to pay for it myself."*

4.1.3 Team Japan

The following team resides in Japan and is working in the previously called "FeliCa" business division within Sony to develop Sony FeliCa contactless IC cards for public transport (Sony, 2023). The team consists of four members from different ethnic backgrounds: two Germans and two Japanese.

*Table 3 - Interview Selection: **Team Japan***

	Interviewee's position within the team	Number of years working for the company	Nationality	Gender	Age
Interviewee 8	R&D Engineer	12	German	Male	42
Interviewee 9	R&D Engineer	5	German	Male	31

Interviewee 8, the first conducted interview from this team, is a 42 years old male originally from Germany. He has been working at Sony for 12 years and has been transferred from Stuttgart (Germany) to Japan 5 years ago. *Interviewee 8* is currently an R&D and software engineer in the "FeliCa" business unit. The second interviewee who will be referred to as *Interviewee 9* is a 31 years old male from Germany who has ethnically Turkish parents. He was transferred from Stuttgart to Japan last year to join Team Japan. His role at Sony includes being involved in the main development and the business site as an R&D engineer.

Both of the interviews started with getting more background information about each interviewee, Sony's organizational culture, and criteria that are considered important to be successful in Sony and within Team Japan.

Interviewee 8: *"It is quite open compared to other Japanese companies, with new ideas, and new products. Success within Sony also depends on the innovation level of the company from a technology and business model point of view."*

Interviewee 9: *"I mean of course a lot is related to the profit we gain. In general, everything somehow needs to be related to the market. Overall, bureaucracy is a bit of a lot since it is a*

35

Japanese company. Certain hierarchies have many approval steps. In Germany, in R&D there is a more flat hierarchy. Generally, it is a friendly culture."

These are the interviewees' definitions and understanding of Sony's organizational culture. Interviewee 8 mentioned the importance of the innovation level in Sony to be successful in the market. He defined the innovation level in Germany and Japan as quite similar since he has worked in both Sony Germany and Sony Japan.

Interviewee 9 acknowledged some insights about the hierarchy level of Sony as well.

Interviewee 9: *"In the beginning, I think there was some incentive to make Sony a more flat organization and more diverse and more global. Now I think it is getting worse with more Japanese again."*

Following this, both interviewees were asked about the risk-taking level at Sony and to what extent employees are individually encouraged to take risks to implement new ideas.

Interviewee 8: *"Probably it depends on your team & manager and If you have the freedom or are encouraged to try some new ideas."*

Interviewee 9: *"We have some formats where we can suggest new business ideas and also there are some competitions. But it can be difficult to implement the idea."*

Interviewee 8: *"Currently we are quite busy with the business launch. For example, maintaining the system, fixing some issues, and so on. So we do not have so much time for creative work I would say. But sometimes if I have time I like to explore new ideas."*

Interviewee 8 also mentioned the Sony Startup Acceleration Program to answer the question on risk-taking of Sony. He highlighted that this program started in Lund in order to teach how to start the business process, come up with ideas, pitch new ideas, and new business models. This allows employees, for example, engineers, to participate in the risk-taking process together with top management.

Another area of interest in this paper was Sony's specific practices/policies that promote diversity and inclusivity within the company and to what extent leaders & managers play a role in these practices. Supporting statements were made by both of the interviewees on this question.

Interviewee 8: *" Top management tries to increase diversity and foster the exchange between experts from Japan to Germany and vice versa. There are some programs, and exchanges of lectures."*

Interviewee 8: *"Probably in the lower level it is a bit more difficult because you maybe are focusing on some specific tasks and trying to reach your goals. So maybe you do not have so much freedom to look left and right to try new things."*

Interviewee 9: *" We had in the past exchange programs (people from Germany to Japan) before the pandemic. But we also have a lot of R&D labs in Europe so we collaborate a lot with others. In general, there are many Sony sites around the world."*

Furthermore, the experience of working with Team 2 and the impact of ethnical diversity on the team's creativity and innovation was asked about each of the Interviewees.

Interviewee 8: *"It is positive to have cultural diversity in the team but maybe it is not so much linked to the ethnic background but to the personal background. Like educational, and professional. For example, an engineer talking to a business person."*

Interviewee 9: *"It is overall nice to work with different cultures to get to know different cultures. Also, working vice is beneficial to see different ways to approach problems."*

Interviewee 9: *"I think you can always catch something if you discuss it with someone with a different approach to something. You can apply this yourself too."*

Following this discussion, a success story of the team on how the diverse ethnic backgrounds of team members were shared by the Interviewees.

Interviewee 8: *" In terms of development, diversity is helpful in the team to have various perspectives and ideas. For example, for the development of software, having different ideas to apply to your problem can have a positive impact."*

Interviewee 9: " I think our project is in general a success. A part of our system was originally developed in Germany and we started a collaboration with Japan."

Interviewee 9: "...for engineers you need to be curious and explore new ideas for the development of new techniques. But on the other hand, you need to consider the business and

the business environment in the market. I think you need experts for all the different steps to put the development on the market. (maintenance, marketing, sales,..). Maybe the Japanese are structured in a different way than the Germans."

Differences in team members' contributions and to what extent these differences are based on the members' ethnic backgrounds were mentioned by both of the Interviewees. Interviewees had different viewpoints on this argument.

Interviewee 8: *"Japanese are a bit hesitant to share ideas especially if they are young members. Traditionally it is (the idea of giving) from the top mainly. It can be difficult to openly discuss. Also, it depends on the person if they are more introverted or extroverted. Also in the group setting for example if it is a big group it can be hard to propose ideas for them. Again it is mainly personal (personality is a better word I guess) but of course, culture also plays a role."*

Interviewee 8: *"There is a mindset hierarchy in Japan."*

Interviewee 9: *"Not sure if it is related to the culture. Maybe more like the state of living and educational level. I think it (the contribution to the creative process) is independent of cultural background."*

Further, Interviewees mentioned similar challenges emerged due to the diversity of the ethnic background of Team 2. Language was the prominent challenge according to the interviewees. The interviewees went on to explain how these challenges are addressed within Team 2 and Sony.

Interviewee 8: *"In Japan, the main problem is the language. Language challenges make the discussion more complicated or take a long time. You have to go back and forth to clarify a point. Cultural background is also challenging. Europeans are very direct but in Japan, you need to be more careful about group dynamics, hierarchy. Japanese do not say no directly."*

Interviewee 9: *"One is a language. It is also the most important point that in a team everyone can speak the same language to communicate and discuss ideas. As I mentioned, the directness of the communication. Of course, with time you learn what specific expressions mean but in the beginning, it is quite confusing."*

Interviewee 8: *"In regards to language, there are some English classes to encourage Japanese people to learn the language."*

Interviewee 9: *"If you want to become a manager you need to have a certain level of English – current strategy."*

Interviewee 9: *"For the language barrier we use translator tools sometimes. We also use the translate function of the messenger. There is also a live translation function on teams but to be honest it does not work well. It does not make so much sense. During presentations, I have tried but it does not really work. Maybe in the future, this kind of technology can be more helpful. Otherwise, of course, some colleagues will try to rephrase or translate."*

Furthermore, the discussion continued on the communication styles and possible issues arising with differences in the communication ways and their impact on the team's creativity and innovation.

Interviewee 8: *"Direct communication is used in Europe but in Japan, you need to be careful with your communication style. In Germany there is no issue if you are in a meeting and there is conflict there is no problem or talking up to your boss to say. But you have to be more careful in Japan. Communication in Japan is more indirect. You need to talk in one to one in Japan if there is an issue."*

Interviewee 8: *"In Japan, there is this concept of "senpai" which is kind of a mentor relationship. Even traditionally at school if someone is one year older than you then they have more authority over you."*

Interviewee 9: *"We currently have the problem that some people in our group do not speak English and I do not speak Japanese. Which makes our communication difficult. So, it definitely affects the outcome."*

Interviewee 9: *"If someone does not speak the language well. they usually choose to chat to communicate which is not ideal because I think talking is better for creativity."*

Lastly, the interviewees were asked to suggest recommendations for organizations to leverage the benefits of cultural diversity for creativity and innovation within their teams. Some engaging recommendations were shared.

39

Interviewee 9: *"Maybe firstly overcome the language barriers otherwise the exchange might be not really effective. If the exchange is not a problem, then understanding the differences between cultures would be helpful. Raising awareness of differences is really important. Otherwise, it is difficult to see some issues. Or you are assuming some bad behavior. In reality, it is just a different style of communication."*

Interviewee 9: *"I think it is generally good to have people from different backgrounds. But it probably also depends on the company itself; what kind of company it is. If communication is not a problem I think it is good to have people from different cultures. But Sony is very Japanese. Also if you check the organizational chart you can see most managers are Japanese and mid-50s. In Europe, we have more different backgrounds and females. But mostly they are males. Now they are trying to promote more females. We have this problem also in Germany."*

5 Analysis and Discussion

To begin with, each team will be analyzed and discussed using the theoretical framework outlined in the literature review. This will consist of an analysis and discussion illustrating how each team's cultural diversity impacts the creative and innovative work process. In addition to this, a constant comparison between the relevant theories and the empirical data from the conducted interviews will be provided for each individual case.

5.1 Team Sweden

Team Sweden views Sony as a creative and innovative environment that encourages diversity in terms of different competencies, different ages as well as different origins. In this section of the paper, team Sweden will be further analyzed and discussed using the results from the conducted interviews, and the observations of the two group members combined with the theories mentioned in the literature review. As mentioned above, two of the group members had the chance to observe and be a part of Team Sweden for a period of three months. They both experienced that the team based in Sweden is an agile team meaning that all the team members have a common goal and they are flexible when it comes to finding solutions or adapting to changes within the team. They also observed that the team's leader was not characterized by superiority or authority. Rather, the leader was helping the team in achieving its aims through continuous guidance and support. This was also confirmed by all of the interviewees who mentioned that the team leader, who is Swedish, is enabling the team to find the best way forward. Analyzing this through Hofstede's cultural dimensions perspective, it could be said that in terms of power distance, the Swedish formation is identified with lower levels of power distance. This is due to the fact that Sweden as a country is characterized by low levels of power distance allowing a flat hierarchy within the group. Additionally, this would result in achieving more creative and innovative problem-solving ideas in the long run (Mullins & Christy, 2013).

41

On the other hand, during the interviews, it was also pointed out that Sony tries to minimize risk-taking. All the interviewees mentioned that this is due to the fact Sony is a Japanese company and the Japanese culture is characterized by people not being risk-takers. In contrast with Japan, Swedish culture enables people to accept and learn from risks and failures. This was also confirmed during the team leader's interview who emphasized that in the Swedish team, everyone is learning from their mistakes in a collaborative manner. However, due to the Japanese influence, risk-taking is minimized. Connecting this with one of Hofstede's cultural dimensions, uncertainty avoidance, it is evident that high levels of risk avoidance would result in less innovative ideas and a less flexible working environment (Velo, 2011). Another aspect where the interviewees mentioned a noticeable difference between the Japanese and Swedish cultures was related to another of Hofstede's dimensions, masculinity vs. femininity. Japan has a high-level masculine culture, which indicates that there is a hierarchical working environment and men work in the highest management positions. Contrariwise, Sweden is a country with low masculinity and high levels of femininity, which enables more gender equality and collaboration within the firm. This was also confirmed by the conducted interviews as well as the two group members' observations. Sony's highest management consists only of male representatives and gender diversity is not emphasized due to the fact Sony is influenced by Japanese culture. According to the interviewees, this hinders the working environment and needs to be improved. Additionally, the high level of masculinity within the organization leads to fewer opportunities for women to get promoted or take a managerial role (Chipulu et al., 2014).

Another aspect that was brought up during the interviews was the individualistic or collectivist culture within the team. The interviewees stated that team formation takes the decisions together and aims to achieve a common goal, which according to Hofstede's cultural dimension about individualism vs. collectivism, is a collectivistic perspective. This enables a diverse team with shared values and goals to have fewer obstacles while obtaining the tasks (Mullins & Christy, 2013). On the other hand, the respondents also mentioned that there are differences in communication between the team. This was also confirmed by the observations of the two group members. As the team consists of people from different countries including Japan, Britain, Slovenia, Brazil, Canada, and Japan, there are differences in the communication style of each individual. In connection with this, Hall's theory about high and low-context communication explains that people coming from high-context countries such as Japan support

42

less direct and more formal communication, whereas people coming from low-context cultures such as Sweden favor more direct and less formal communication, which could create an obstacle within the team (Velez-Calle, Sosa & Large, 2021). This was also observed by the two interns as well as confirmed by the interviewees. The team often experienced communication hurdles due to differences in the communication styles of the team members.

Moreover, it has been brought up by the respondents that it is difficult to distinguish whether a person behaves or acts in a certain way due to their personality or national culture. They further agreed that coming from a specific country a person learns certain behaviors and even though this person moves to another country those behaviors stay. To complement this, during their internship the two members also observed that some members tend to be more creative than others whereas some tend to be more focused on the details which led to a positive and creative impact on the team's performance. The Categorization-Elaboration model (CEM Model) as well as the cognitive diversity theory will be used to further analyze and discuss this observation. As mentioned in the literature review, the CEM model examines how the team performs looking at the interaction between social category diversity and informational/ functional diversity (van Knippenberg & van Ginkel, 2010). To complement this, the cognitive diversity theory explores the differences in thinking styles, knowledge, skills, values, and beliefs among team members (Dahlin, Weingart & Hinds, 2005). According to the CEM model, a group's diversity in terms of sharing and integrating diverse concepts, knowledge, and insights enables creativity and innovation within the team. Moreover, the cognitive diversity theory confirms that information sharing, alternative solution thinking, and examination of others' viewpoints will all increase team performance and lead to more creative and high-quality work processes (Chow, 2018). This is also what has been observed and heard throughout the interviews as the team members confirmed that creativity and innovation occur in the team due to the different perspectives of each team member. However, as mentioned above, the respondents cannot distinguish if the different way of perceiving information is due to their cultural background or is due to their educational background.

Undoubtedly, when there is a group of people from various backgrounds, obstacles within the team arise. This was also observed during the internship as well as confirmed by the interviewees. The team leader of the Swedish team explained during the interview that conflicts within the group are a part of the work process and they derive from the differences in the communication styles. He also pointed out that those misunderstandings also foster creative

43

thinking within the team and are proven to have a positive impact in the long run. The Swedish team encourages open discussion where everyone is allowed to talk. Moreover, the leader makes sure that everyone can talk and express their views freely by bringing up different aspects. This aligns with the communication conflict model as well as the theory of cooperation and competition. Those two concepts illustrate that when conflicts or misunderstandings emerge, team members are more inclined to take a competitive rather than a cooperative stance (Granow & Asbrock, 2021). In the case of the Swedish formation, as explained by the team leader, when a conflict arises, the group embraces the cooperative approach. This way they help one another and through their consistent mutual assistance they strengthen their team cohesion (Tjosvold et al., 2022). Additionally, it is verified by theories that cooperative goal interdependence enables discussion among team members and enables them to be more successful issue solvers by producing integrative solutions (Tjosvold et al., 2022). Additionally, this allows the team to discover unique solutions and improve the creative process within the group.

5.2   Team Germany

Team Germany perceives Sony as a creative environment accepting diversity and inclusion, where people from different nationalities and backgrounds are working together. In addition to this, the interviewees stated that Sony provides its employees with resources and the freedom to be creative and innovative. Team Germany is a group that is used to working and communicating openly with low levels of power distance, meaning that every team member is seen as equally important (King, 2019). In addition to this, the team acknowledges that the decisions are made by everyone and that togetherness is always present, which makes the operational unit more efficient and innovative. This is due to the combination of the ideas coming from every individual with a different background (Eisend, Evanschitzky & Gilliland, 2016; Hofstede, 1983).

As a next step, respondents of team Germany talked about risk-taking and diversity within both the organization and the team. All of the respondents confirmed that uncertainty avoidance is at a high level. Although it has been explained previously that this would result in less innovative thinking, this team does not have any barriers when it comes to creativity

44

and finding new solutions (Velo, 2011). One of the examples of risk aversion is the division of the big department into smaller units. Additionally, one of the group members said that this has been a big and challenging move by the company in order to boost innovation, but also diversify the production of the solution, which further decreases the possible risks.

Diversity within the team and Sony was also discussed during the interviews. Although gender diversity is not at satisfactory levels in the company, the team Germany is very gender diverse. Chipulu et al. (2014) mentioned that low masculinity increases the level of diversity which is confirmed in the case of this team. In terms of communication, all of the interviewees agreed that the Japanese colleagues are more silent in the meeting, and they tend to shortly express their opinions. According to Hall and Hall's theory about context, team Germany is not described as a high or low-context team. In the case of team Germany, it was apparent that people's personality plays a more important role than the high-context or low-context cultural background (Hall & Hall, 1990).

During the interviews, the team members also explained how different social backgrounds and cultures affect the outcome of creative and innovative processes. Van Knippenberg, De Dreu and Homan (2004) elaborated on the importance of visible and invisible cultural differences which are present in the team Germany. Visible attributes such as sex, age, and ethnicity are seen as important for the group while working together. It is claimed that the similarities in age affect the way of thinking and coming up with new ideas during the brainstorming sessions of the group. Additionally, the team agreed that national background differences have a positive impact on generating new ideas. This adds value to the explanation of the Categorization-Elaboration Model and the importance of the social diversity differences in a team (van Knippenberg, De Dreu & Homan, 2004). The team also discussed the functional and educational background of their colleagues as well as the impact of this background on overall performance. All of the group members have similar backgrounds and worked with R&D which according to the team contributed to the creative thinking and performance. That is an example that proves the current literature on how these less visible personal values could make an impact on the performance of the team (van Knippenberg, De Dreu & Homan, 2004).

The perspective of the team is a factor that could result in a positive or negative outcome, where the outlook of the group is a mixture of different individual viewpoints (Chow, 2018). Additionally, since all of the group members have similar ages and backgrounds, the

45

respondents mentioned that matching viewpoints are present in the team. There have been many examples during the data collection that could connect the theory mentioned by Chow (2018) with the cases. One of the respondents mentioned a case that highlights the importance of Japan's way of thinking at Sony. The business idea for the Japanese market that seemed promising to non-Japanese teammates was objected to by the local team member. It was also explained by the Japanese respondent that the business idea was not suitable for the Japanese market since it was not fitting the Japanese way of thinking. Therefore, the Japanese colleague contributed to the outcome of the team as this respondent had Japanese background and knowledge about the topic which saved a lot of time and energy. The Japanese respondent confirmed the cultural differences between himself and the European colleagues in the team. The interviewee also mentioned that the company should include more learning tools or courses about different cultures. It was observed that every team member contributed to the creation of the business idea with their unique cultural background. This is clear proof of the cognitive diversity theory and how value is created when different viewpoints are combined while working on an innovative solution (Chow, 2018).

Team Germany communicates via open discussion where each team member is allowed to share their opinion. Communication is one of the most common struggles when it comes to collaboration between team members due to language barriers and differences in communication styles (Velez-Calle, Sosa & Large, 2021). The team agreed that language is a barrier during the meetings. However, the interviewees noted that this does not affect the innovation and creativity of their team. This would contrast with the claim that language barriers contribute to the reduced capacity of the team's performance (Obsuwan et al., 2021). This can be explained by the fact that modern technology has improved communication between team members which enables the Japanese colleague to communicate easier during the meetings.

Conflicts are present in the teams and can decrease the stability of the team and the team's performance (Leung & Wang, 2015). Although the respondents described the company culture of Sony as competitive, the team members agreed that the team has an open space for working where togetherness and cooperation are more present. Therefore, conflicts are seen as less likely to happen. Team Germany, according to the collected data, is seen as a group that combines knowledge and energy during their work, but also unites the different cultural perspectives

46

which come from the diversity of the team's backgrounds. This is leading to better achievements which would be more positive with cooperation (Tjosvold et al., 2022).

5.3 Team Japan

The value of team diversity is the first component of the framework introduced in this paper. The value of Team Japan's diversity will be analyzed in the same way as Team Sweden & Germany, focusing on power distance, uncertainty avoidance, masculinity vs femininity by Hofstede, and context by Hall and Hall. In terms of the power distance cultural dimension described above, team Japan falls into the high index category according to the observations of the German interviewees in the team. This is aligned with Japan being a classic high index power distance country example by Hofstede (1980). One of the interviewees mentioned the concept of "senpai" in Japan which is defined as the strong authority of mentors over young people (as low as one year age difference). As expected, this concept is existent in the workplace, among team members as well according to the interviewees. According to an interviewee, coming up with ideas, sharing opinions, and challenging concepts mainly belong to the top management in Team Japan which implies the high-level authority and hierarchy power of the top managers. With regard to uncertainty avoidance, one of the interviewees acknowledged that even though there are formats where they can present new, innovative, or risky ideas, it can be difficult to put the ideas into action. He also brought up the fact that risk-taking can also depend on the individual, team, and to the degree managers encourage team members. According to Velo (2011), societies that see risk as something unpopular often have less ambitious goals for the development of creative solutions and instead aim to live lives that are mostly unchanged. Hofstede also includes an investigation of the femininity vs masculinity of the team. One team member indirectly pointed out a case indicating Team Japan has a masculine culture. According to him, there is a high need to be particularly careful talking to your boss. Generally, while talking to your Japanese colleagues it is needed to indicate the issue in private to not harm one's reputation. This description can be recognized as the masculinity of Team Japan.

In terms of individualism vs collectivism, Team Japan has collectivist values. One of the individuals from Team Japan discussed that naturally profit matters overall for Sony. Therefore,

47

the projects that the teams are working on need to be market-related which can bring high profit for Sony. In addition to this, as Sony is a Japanese firm the bureaucracy is high which means the projects need multiple levels of approval. The communication style chosen in the team has a high impact on the value diversity of the group as well. As mentioned above, in Team Japan indirect communication style is preferred over direct communication implying that in Team Japan people prefer to talk in private and not mention their ideas & opinions directly in the meetings. Therefore, the chosen communication style in Team Japan is high-context communication. Hall and Hall (1990) also gave Japan as a high-context communication country example in their theory that prefers to use implicit messages during conversation. It was also referenced by a team member that discussions sometimes become more complicated due to the implicit messaging resulting in more time waste which can be harmful to the group's creativity and therefore its innovation level.

In order to analyze the team's creativity and innovation more in-depth, the knowledge diversity of the group needs to be analyzed as well. Starting with the CEM Model that centralizes both the social categorization view and information-decision-making perspective on diversity, Team Japan has considerably diverse characteristics. Even though only two team members were interviewed, the stories as well as observations shared by the members were highly valuable to analyze the team's performance. In terms of social categorization view on diversity, Team Japan consists of only male members. The members interviewed are 42 and 31 respectively. While both representatives are Germans the rest of the team members are Japanese. Both members are engineers but have different educational backgrounds. According to the CEM model, the more diverse a group is, the more likely its members are to share, debate, and integrate thoughts, information, and insights. This statement was confirmed by the interviewees as well. As stated by the interviewee to foster growth, a team's structure should reflect a wide range of backgrounds and experiences which is present in Team Japan. The second theory evaluated for the knowledge diversity of Team Japan is the cognitive diversity theory. Cognitive diversity theory holds somehow similar value to the CEM Model. The implementation of diverse viewpoints has been found to enhance creativity and innovation within organizations (Chow, 2018). Consequently, the enhancement of the processes of gathering information and making decisions has been reported (Chow, 2018). As stated previously, the interviewees reported that diversity within Team Japan fosters growth and innovation.

48

After the evaluation of value diversity and knowledge diversity "team level" which consists of coordination & cohesion, effort, and balance of contributions is examined. Analysis of the coordination and cohesion in the team is beneficial to understand the dynamics of the team. One of the interviewees highlighted that Sony as well as team Japan is quite open to exploring new ideas, technology, or products compared to other Japanese companies. Taking into account the diversity in the team, it was mentioned that Team Japan coordinates satisfactorily. However, the interviewee observed this great coordination not as a result of cultural diversity but the diversity of viewpoints, educational as well as personal backgrounds. In Sony, the upper management has initiated many initiatives to promote collaboration across departments in terms of both cultural norms and individual traits. One team member accordingly pointed out that in terms of contribution, the Japanese can be more hesitant to share new ideas and opinions. In addition to this, extroverted or introverted team members can affect the balance of contribution. The other interviewee saw generating more ideas not as an outcome of differences in the cultural background but educational background. Despite that, the interviewee mentioned that in Team Japan different cultures contribute differently to the creative process as their ways of thinking are different.

The potential obstacles that diversity in the team can lead to are communication conflicts as well as cooperation & competition among the members. Differences in communication styles were mentioned above. The interviewees also emphasized the language barriers between German and Japanese members of Team Japan. Because of linguistic barriers, the conversation is either made more difficult or takes a much longer amount of time. In order to make a point clearer, team members must go back and forth. One of the representatives of Team Japan stressed that several members of the group do not speak English, and the interviewee himself does not speak Japanese. This is a difficulty that Team Japan is now facing, which makes it more difficult for them to communicate. Therefore, it has an undeniable impact on the result of Team Japan's creativity and innovation. In regards to cooperation, it was mentioned that in Team Japan, everyone works much more closely on their own projects, and there is less interaction between coworkers as a result. For instance, it is not typical practice in Japan to take pauses throughout the day to talk about unrelated topics during coffee breaks and lunch breaks. It could be argued that more chatting between team members can lead to increased creativity therefore innovation. However, as team members communicate more on a personal level there can be better coordination and cooperation in the group.

49

5.4 Chapter Summary

The main discoveries that were identified throughout the analysis and discussion part are outlined in the table that can be seen below.

Table 4: The main discoveries obtained during the analysis and discussion section

Theory/Model	Team Sweden	Team Germany	Team Japan
Power Distance	Low-level	Low-level	High-level
Uncertainty Avoidance	High-level	High-level	High-level
Masculinity vs Femininity	High-level of masculinity	Low-level of masculinity	High-level of masculinity
Individualism vs Collectivism	Collectivism	Collectivism	Collectivism
Context	Japanese team member: High context communication Rest of the team: Low context communication	Japanese team member High context Rest of the team: Low context communication	High context communication
Categorization - Elaboration Model	Social diversity benefits the team	Social diversity is important for the team and has a positive impact on the innovation and creativity	Social diversity is seen as a positive element
Cognitive Diversity Theory	The differences in team members' views and perspectives are what drives creativity and innovation within the team	Different way of thinking made an important influence on the decisions	The team sees differences in perspectives as a positive element
Communication Conflicts	The team had faced	The team experience	There are language

	conflicts in terms of language barriers and communication styles	difficulties in communication due to the language barriers and communication styles	barriers, and differences in communication styles
The theory of Cooperation and Competition	Cooperation helps overcoming the obstacles within the team	Cooperation could be seen as a major factor during the teamwork	There is good cooperation in the team however communication conflicts need to be overcome

6 Conclusion

This chapter of the paper will provide a summary of the major findings that were achieved according to the aims and objectives of the research. Additionally, the practical implications of the conducted study will be illustrated. Lastly, this section of the paper will present the potential limitations and future research.

6.1 Key Findings

Sony and its teams that have been investigated throughout the paper were confirmed as a culturally diverse environment. It is also noteworthy to acknowledge that creativity and innovation are at the core of Sony's organizational culture. From the interviews and observations throughout the internship period, Sony's emphasis on diversity of backgrounds and viewpoints to create a great outcome was apparent. One of the key findings of this research is that cultural diversity in the team as well as the organization can be highly valuable. The interviewers pointed out that having different mindsets in the team is beneficial for problem-solving. Therefore, members looking at the problems from different perspectives allow them to overcome the challenges easily. A variety of cultural backgrounds in the team result in a variety of viewpoints. Diversity of opinions and perspectives produces creative ideas that result in innovative concepts in the end. Additionally, it was found that having a diverse set of opinions, standpoints and views helps the organization and teams promote a creative working environment that enables innovation as supported by the cognitive diversity theory. The three Sony teams also confirmed that having team members with different backgrounds in terms of age, gender, language, educational background, and perspectives allows creativity and innovation to occur within the team.

It was also an apparent discovery that cultural diversity in the team comes with obstacles together with the benefits mentioned previously. The research conducted on teams mainly

consisted of members from Western countries and Japan. Thanks to Hall & Hall's (1990) theory on communication, one of the obstacles found in these groups is the discernible communication barrier between Japan and Western countries. These barriers are existent due to the fact that these cultures, therefore people are different. It is a coherent finding of this research investigated with Hall & Hall (1990)'s theory that the way these cultures choose to express themselves and communicate is divergent. Team members highlighted that communication and language barriers with Japanese team members can generate time-consuming and complicated cooperation in the team. Hofstede (1980)'s theory on national cultural dimensions also supported the fact that cultures are different in terms of their individuality, masculinity, power distance, and lastly uncertainty avoidance. Throughout the analysis of the teams, the members from different cultural backgrounds performed varyingly with regard to cultural dimensions. On the subject of obstacles such as language, communication as well as cooperation team members had suggestions to overcome these challenges. One of these suggestions was holding more events with different cultural backgrounds and giving them the platform to cooperate more within different departments.

Lastly, it was identified by the Sony interviewees and the two intern's observations that the creative and innovative process comes from the different perspectives and backgrounds of people rather than the country where they come from, which is supported by the cognitive diversity theory. Additionally, the differences in thinking styles, knowledge, skills, values, and beliefs among the team members within Sony increased the team performance and led to more creative and high-quality work processes. This key finding differs from the previously conducted studies where researchers claimed that nationality plays an important role in determining creativity and innovation.

6.2   Research Aims and Objectives

The aim of this research was to investigate the impact of cultural diversity on a team's creativity and innovation within the organization. To achieve this, the following research question was investigated:

How does cultural diversity affect a team's creativity and innovation within the organization?

53

First, a literature review consisting of models, theories, and statements regarding cultural diversity and its impact on the team's creativity and innovation was illustrated. This gave a brief summary of the field's present understanding and what we believed to be a noteworthy opportunity for understanding the subject. Next, the methodology chapter provided and outlined the research question, the fundamental assumptions supporting the argument, the data analysis, and the technique used to accomplish it. In addition to this, the findings were summarized and then examined looking at both the theoretical and practical consequences of those findings. The case study complemented the current body of research by supplying in-depth empirical examples of the many different ways in which cultural diversity impacts a team's creativity and innovation within the organization. As a result, the goals of this paper have been successfully accomplished.

6.3   Practical Implications

This paper has several practical implications. To begin with, considering the analyzed and discussed data, new insights were made in this study which can contribute to the already existing research. Additionally, international companies that have multicultural teams could use the value of this paper's findings in order to improve their teamwork. The examples that were provided by the interviewees show not only the benefits of a diverse team but also the potential obstacles to overcome. Lastly, the organizations can better understand how theories such as the CEM model and cognitive diversity could be useful for making improvements in team creation since these models were highly applicable in the analysis of this study.

6.4   Limitations and Future Research

In this section, various limitations that occurred in this paper will be shown. Additionally, potential topics for future research will be discussed.

To begin with, the research has included data collected from a limited number of interviewees in various different departments of Sony. This was due to the time limit encountered during this

study. Potentially, observations of more diverse departments at Sony could have provided enricher data and the results could have been different. Additionally, the non-response of some team members has caused a smaller amount of data collected. As a result, diversity has not been on an equal level among the three teams. Therefore, some of the theories have been more complicated to implement and find concluding information.

In addition to this, team Sweden and Japan have all of their members located in the same country, however, two members from the team Germany are not physically present at the same place as others. It can be argued that this created some limitations of team Germany's outcomes. These limitations occurred due to the fact that in team Germany members can not meet and work in person. Therefore, in the future research on this topic, teams operating from the same place should not be combined with the teams working on a project remotely from different countries. Focusing either on physical or remote teams can result in more straightforward outcomes. This would probably give results slightly different from the ones presented in this paper. Observing the teams for a longer period of time would possibly result in more detailed results. Additionally, as mentioned previously in former sections, this research was studied in a limited time period. Therefore, conducting a research study without time restrictions would allow the researchers to gather more examples and observations which would result in more extensive analysis.

7 Reference list

Adler, N. J. & Aycan, Z. (2018). Cross-Cultural Interaction: What We Know and What We Need to Know, *Annual Review of Organizational Psychology and Organizational Behavior*, vol. 5, no. 1, pp.307–333

Adler, N. J. & Gunderson, A. (2008). International Dimensions of Organizational Behavior, 5th ed., Eagan, MN: Thomson/South-Western

Akanji, B., Mordi, C., Ajonbadi, H. & Adekoya, O. D. (2021). Exploring Cultural Values in Conflict Management: A Qualitative Study of University Heads of Departments, *Qualitative Research in Organizations and Management: An International Journal*, vol. 16, no. 2, pp.350–369

Andriopoulos, C. A. (2000). Mind Stretching, a Grounded Theory for Enhancing Organisational Creativity, Available Online: https://stax.strath.ac.uk/concern/theses/zp38wc731 [Accessed 17 May 2023]

Ashikali, T. & Groeneveld, S. (2015). Diversity Management for All? An Empirical Analysis of Diversity Management Outcomes across Groups, *Personnel Review*, vol. 44, no. 5, pp.757–780

Bassett-Jones, N. (2005). The Paradox of Diversity Management, Creativity and Innovation, *Creativity and Innovation Management*, vol. 14, no. 2, pp.169–175

Bell, B. S. & Kozlowski, S. W. J. (2012). Three Conceptual Themes for Future Research on Teams, *Industrial and Organizational Psychology*, vol. 5, no. 1, pp.45–48

Bouncken, R. B. (2004). Cultural Diversity in Entrepreneurial Teams: Findings of New Ventures in Germany, *Creativity and Innovation Management*, vol. 13, no. 4, pp.240–253

Bouncken, R., Brem, A. & Kraus, S. (2016). MULTI-CULTURAL TEAMS AS SOURCES

FOR CREATIVITY AND INNOVATION: THE ROLE OF CULTURAL DIVERSITY ON TEAM PERFORMANCE, *International Journal of Innovation Management*, vol. 20, no. 01, p.1650012

Bousinakis, D. & Halkos, G. (2021). Creativity as the Hidden Development Factor for Organizations and Employees, *Economic Analysis and Policy*, vol. 71, pp.645–659

Bryman, A. & Bell, E. (2015). Business Research Methods, Fourth edition., Cambridge, United Kingdom ; New York, NY, United States of America: Oxford University Press

Bryman, A., Bell, E. & Harley, B. (2022). Business Research Methods, Sixth edition., Oxford, United Kingdom ; New York, NY: Oxford University Press

Chipulu, M., Ojiako, U., Gardiner, P., Williams, T., Mota, C., Maguire, S., Shou, Y., Stamati, T. & Marshall, A. (2014). Exploring the Impact of Cultural Values on Project Performance: The Effects of Cultural Values, Age and Gender on the Perceived Importance of Project Success/Failure Factors, *International Journal of Operations & Production Management*, vol. 34, no. 3, pp.364–389

Chow, I. H.-S. (2018). Cognitive Diversity and Creativity in Teams: The Mediating Roles of Team Learning and Inclusion, *Chinese Management Studies*, vol. 12, no. 2, pp.369–383

Choy, W. K. W. (2007). Globalisation and Workforce Diversity: HRM Implications for Multinational Corporations in Singapore., *Singapore Management Review*, vol. 29, no. 2, pp.1–19

Cox, T. H. & Blake, S. (1991). Managing Cultural Diversity: Implications for Organizational Competitiveness, *Academy of Management Perspectives*, vol. 5, no. 3, pp.45–56

Cox, T. H., Lobel, S. A. & McLeod, P. L. (1991). EFFECTS OF ETHNIC GROUP CULTURAL DIFFERENCES ON COOPERATIVE AND COMPETITIVE BEHAVIOR ON A GROUP TASK., *Academy of Management Journal*, vol. 34, no. 4, pp.827–847

Dahlin, K. B., Weingart, L. R. & Hinds, P. J. (2005). Team Diversity and Information Use, *Academy of Management Journal*, vol. 48, no. 6, pp.1107–1123

Deutsch, M. (2022). The Resolution of Conflict: Constructive and Destructive Processes, New Haven, CT: Yale University Press

Eisend, M., Evanschitzky, H. & Gilliland, D. I. (2016). The Influence of Organizational and National Culture on New Product Performance: Culture and New Product Performance, *Journal of Product Innovation Management*, vol. 33, no. 3, pp.260–276

Eisenhardt, K. M. (1989). Building Theories from Case Study Research, *The Academy of Management Review*, vol. 14, no. 4, p.532

Ekvall, G. & Ryhammar, L. (1999). The Creative Climate: Its Determinants and Effects at a Swedish University, *Creativity Research Journal*, vol. 12, no. 4, pp.303–310

Escandon-Barbosa, D., Salas-Paramo, J. & Rialp-Criado, J. (2021). Hofstede's Cultural Dimensions as a Moderator of the Relationship between Ambidextrous Learning and Corporate Sustainability in Born Global Firms, *Sustainability*, vol. 13, no. 13, p.7344

Flick, U. (2014). The SAGE Handbook of Qualitative Data Analysis, Los Angeles: SAGE

George, J. M. (2007). 9 Creativity in Organizations, *Academy of Management Annals*, vol. 1, no. 1, pp.439–477

Gibson, C. B. & Gibbs, J. L. (2006). Unpacking the Concept of Virtuality: The Effects of Geographic Dispersion, Electronic Dependence, Dynamic Structure, and National Diversity on Team Innovation, *Administrative Science Quarterly*, vol. 51, no. 3, pp.451–495

Gibson, C. B., Huang, L., Kirkman, B. L. & Shapiro, D. L. (2014). Where Global and Virtual Meet: The Value of Examining the Intersection of These Elements in Twenty-First-Century Teams, *Annual Review of Organizational Psychology and Organizational Behavior*, vol. 1, no. 1, pp.217–244

Gottardello, D. (2019). Diversity in the Workplace: A Review of Theory and Methodologies and Propositions for Future Research, *SOCIOLOGIA DEL LAVORO*, no. 153, pp.202–221

Granow, M. & Asbrock, F. (2021). A Framework for Culturally Diverse Teams and the

Importance of Agility: Findings from a Qualitative Study, *International Studies of Management & Organization*, vol. 51, no. 1, pp.47–68

Hall, E. T. (1989). Beyond Culture, Anchor Books ed., New York: Anchor Books

Hall, E. T. & Hall, M. R. (1990). Understanding Cultural Differences, Yarmouth, Me: Intercultural Press

Harrison, D. A. & Klein, K. J. (2007). What's the Difference? Diversity Constructs as Separation, Variety, or Disparity in Organizations, *Academy of Management Review*, vol. 32, no. 4, pp.1199–1228

Hoever, I. J. & van Knippenberg, D. (2021). How Diversity Promotes Team Creativity: Two Bumpy Roads to Collective Inspiration, in *Creative Success in Teams*, [e-book] Elsevier, pp.81–99, Available Online: https://linkinghub.elsevier.com/retrieve/pii/B9780128199930000059 [Accessed 17 May 2023]

Hoever, I. J., van Knippenberg, D., van Ginkel, W. P. & Barkema, H. G. (2012). Fostering Team Creativity: Perspective Taking as Key to Unlocking Diversity's Potential., *Journal of Applied Psychology*, vol. 97, no. 5, pp.982–996

Hofstede, G. (1983). National Cultures Revisited, *Behavior Science Research*, vol. 18, no. 4, pp.285–305

Hofstede, G. (2013). Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations across Nations, 2. ed. [Nachdr.]., Thousand Oaks, Calif.: Sage

Hofstede, G. H. (1984). Culture's Consequences: International Differences in Work-Related Values, Abridged ed., Beverly Hills: Sage Publications

Hülsheger, U. R., Anderson, N. & Salgado, J. F. (2009). Team-Level Predictors of Innovation at Work: A Comprehensive Meta-Analysis Spanning Three Decades of Research., *Journal of Applied Psychology*, vol. 94, no. 5, pp.1128–1145

Inglehart, R. & Norris, P. (2003). Rising Tide: Gender Equality and Cultural Change Around the World, 1st edn, [e-book] Cambridge University Press, Available Online:

https://www.cambridge.org/core/product/identifier/9780511550362/type/book [Accessed 17 May 2023]

Jehn, K. A., Northcraft, G. B. & Neale, M. A. (1999). Why Differences Make a Difference: A Field Study of Diversity, Conflict and Performance in Workgroups, *Administrative Science Quarterly*, vol. 44, no. 4, pp.741–763

King, D. (2019). Organizational Behaviour 3e, New York, NY: Oxford University Press

Kumar, R. (2018). Research Methodology: A Step-by-Step Guide for Beginners, 5th edition., Thousand Oaks, CA: SAGE Publications

Leonavičienė, E. & Burinskienė, A. (2022). Accelerating Cultural Dimensions at International Companies in the Evidence of Internationalisation, *Sustainability*, vol. 14, no. 3, p.1524

Leung, K. & Wang, J. (2015). Social Processes and Team Creativity in Multicultural Teams: A Socio-Technical Framework: Social Processes and Team Creativity, *Journal of Organizational Behavior*, vol. 36, no. 7, pp.1008–1025

Lisak, A., Erez, M., Sui, Y. & Lee, C. (2016). The Positive Role of Global Leaders in Enhancing Multicultural Team Innovation, *Journal of International Business Studies*, vol. 47, no. 6, pp.655–673

Lu, J. G., Swaab, R. I. & Galinsky, A. D. (2022). Global Leaders for Global Teams: Leaders with Multicultural Experiences Communicate and Lead More Effectively, Especially in Multinational Teams, *Organization Science*, vol. 33, no. 4, pp.1554–1573

Lu, L., Li, F., Leung, K., Savani, K. & Morris, M. W. (2018). When Can Culturally Diverse Teams Be More Creative? The Role of Leaders' Benevolent Paternalism, *Journal of Organizational Behavior*, vol. 39, no. 4, pp.402–415

Maznevski, M. L. & Chui, C. (2017). Leading Global Teams, in M. E. Mendenhall, J. S. Osland, A. Bird, G. R. Oddou, M. J. Stevens, M. L. Maznevski, & G. K. Stahl (eds), *Global Leadership*, 3rd edn, [e-book] Routledge, pp.273–301, Available Online: https://www.taylorfrancis.com/books/9781351869454/chapters/10.4324/97813152329 04-9 [Accessed 17 May 2023]

Morain, G., Hall, E. T. & Hall, M. R. (1991). Understanding Cultural Differences: Germans, French and Americans, *The Modern Language Journal*, vol. 75, no. 1, p.135

Mullins, L. J. & Christy, G. (2013). Management & Organisational Behaviour, Tenth Edition., New York: Pearson Education

Mumford, M. D., Hester, K. S. & Robledo, I. C. (2012). Creativity in Organizations, in *Handbook of Organizational Creativity*, [e-book] Elsevier, pp.3–16, Available Online: https://linkinghub.elsevier.com/retrieve/pii/B978012374714300001X [Accessed 17 May 2023]

Ni, D., Zheng, X. & Liang, L. H. (2022). Rethinking the Role of Team Mindfulness in Team Relationship Conflict: A Conflict Management Perspective, *Journal of Organizational Behavior*, vol. 43, no. 5, pp.878–891

Obsuwan, S., Chandrashekar, D., Kraus, S., Brem, A. & Bouncken, R. (2021). DOES CULTURAL DIVERSITY MATTER FOR TEAM PERFORMANCE IN MULTINATIONAL COMPANIES? AN ANALYSIS OF CONFLICT, COMMUNICATION, SOCIAL INTEGRATION, CREATIVITY AND SATISFACTION, *International Journal of Innovation Management*, vol. 25, no. 07, p.2150082

Oldham, G. R. & Cummings, A. (1996). EMPLOYEE CREATIVITY: PERSONAL AND CONTEXTUAL FACTORS AT WORK., *Academy of Management Journal*, vol. 39, no. 3, pp.607–634

Paulus, P. B., Dzindolet, M. & Kohn, N. W. (2012). Collaborative Creativity—Group Creativity and Team Innovation, in *Handbook of Organizational Creativity*, [e-book] Elsevier, pp.327–357, Available Online: https://linkinghub.elsevier.com/retrieve/pii/B9780123747143000148 [Accessed 17 May 2023]

Pelled, L. H., Eisenhardt, K. M. & Xin, K. R. (1999). Exploring the Black Box: An Analysis of Work Group Diversity, Conflict and Performance, *Administrative Science Quarterly*, vol. 44, no. 1, pp.1–28

Perry-Smith, J. E. (2006). Social Yet Creative: The Role Of Social Relationships In Facilitating Individual Creativity, *Academy of Management Journal*, vol. 49, no. 1, pp.85–101

Pesch, R., Bouncken, R. & Kraus, S. (2014). MISUNDERSTANDING IN INTERNATIONAL ALLIANCES DOES NOT MEAN MISCOMMUNICATION!, *International Journal of Strategic Management*, vol. 14, no. 3, pp.117–124

Rasulzada, F. & Dackert, I. (2009). Organizational Creativity and Innovation in Relation to Psychological Well-Being and Organizational Factors, *Creativity Research Journal*, vol. 21, no. 2–3, pp.191–198

Shin, S. J., Kim, T.-Y., Lee, J.-Y. & Bian, L. (2012). Cognitive Team Diversity and Individual Team Member Creativity: A Cross-Level Interaction, *Academy of Management Journal*, vol. 55, no. 1, pp.197–212

Simons, T., Pelled, L. H. & Smith, K. A. (1999). MAKING USE OF DIFFERENCE: DIVERSITY, DEBATE, AND DECISION COMPREHENSIVENESS IN TOP MANAGEMENT TEAMS., *Academy of Management Journal*, vol. 42, no. 6, pp.662–673

Sivadas, E. & Dwyer, F. R. (2000). An Examination of Organizational Factors Influencing New Product Success in Internal and Alliance-Based Processes, *Journal of Marketing*, vol. 64, no. 1, pp.31–49

Sony (2022). *Sony group portal - sony's purpose & values*. [online] www.sony.com. Available at: https://www.sony.com/en/SonyInfo/CorporateInfo/purpose_and_values/. [Accessed 10 May 2023]

Stahl, G. K. & Maznevski, M. L. (2021). Unraveling the Effects of Cultural Diversity in Teams: A Retrospective of Research on Multicultural Work Groups and an Agenda for Future Research, *Journal of International Business Studies*, vol. 52, no. 1, pp.4–22

Tjosvold, D., Zhang, X., Li, W.-D., Wong, A. S. & Yu, K. (2022). Open-Minded Discussion in Organizations: A Meta-Analytic Evaluation of Cooperation and Competition Theory, *Journal of Business and Psychology*, vol. 37, no. 5, pp.897–921

van Knippenberg, D., De Dreu, C. K. W. & Homan, A. C. (2004). Work Group Diversity and

Group Performance: An Integrative Model and Research Agenda., *Journal of Applied Psychology*, vol. 89, no. 6, pp.1008–1022

van Knippenberg, D. & Schippers, M. C. (2007). Work Group Diversity, *Annual Review of Psychology*, vol. 58, no. 1, pp.515–541

van Knippenberg, D. & van Ginkel, W. P. (2010). The Categorization-Elaboration Model of Work Group Diversity: Wielding the Double-Edged Sword, in R. J. Crisp (ed.), *The Psychology of Social and Cultural Diversity*, [e-book] Oxford, UK: Wiley-Blackwell, pp.255–280, Available Online: https://onlinelibrary.wiley.com/doi/10.1002/9781444325447.ch11 [Accessed 17 May 2023]

Velez-Calle, A., Sosa, S. & Large, J. (2021). Cultural Communication Style and International Joint Venture Contract Length, *International Journal of Cross Cultural Management*, vol. 21, no. 3, pp.491–506

Velo, V. (2011). Cross-Cultural Management, New York, NY: Business Expert Press

Williams, K. Y. & O'Reilly, C. A. (1998). Demography and Diversity in Organizations: A Review of 40 Years of Research, *Research in Organizational Behavior*, vol. 20, pp.77–140

Woodman, R. W., Sawyer, J. E. & Griffin, R. W. (1993). Toward a Theory of Organizational Creativity, *The Academy of Management Review*, vol. 18, no. 2, p.293

Yin, R. K. (2004). The Case Study Anthology, Thousand Oaks, CA: Sage Publications

Zhan, M. M. & Hample, D. (2022). Reconciling Conflicting Results of Cultural Diversity's Effect on Project Team Performance: A Quasi-Experimental Examination, *Communication Research*, p.009365022210970

Zhou, J. & Shalley, C. E. (2011). Deepening Our Understanding of Creativity in the Workplace: A Review of Different Approaches to Creativity Research., in S. Zedeck (ed.), *APA Handbook of Industrial and Organizational Psychology, Vol 1: Building and Developing the Organization.*, [e-book] Washington: American Psychological Association, pp.275–302, Available Online: http://content.apa.org/books/12169-009 [Accessed 18 May 2023]

8   Appendix A

Invitation for an interview on Zoom:

Dear…

Thank you for your kindness and willingness to participate in the research whose purpose is to answer the following question: ***How does cultural diversity affect a team's creativity and innovation within the organization?***

The aim of this research is to investigate the impact of cultural diversity on a team's creativity and innovation within the organization. This is motivated by the fact that previous studies looked at cultural diversity from different perspectives. Therefore, we want to emphasize that in our research we will look at cultural diversity in terms of both ethnicity and nationality perspectives with the help of supporting criterions such as age, gender, language, and different perspectives as well as a decision-making process.

Your responses are a valuable contribution to today's theory and would be helpful in understanding the impact of cultural diversity within the organization.

The interview is planned for an hour around.

9   Appendix B

Interview Guide:

General questions:

General questions about the interviewee:

1) Name:
2) Age:
3) Gender:
4) Nationality (citizenship):

General questions about the firm and the teams?

1) Can you tell me a little about your role in the company?
2) For how long have you been working for the company?

Specific questions:

The company's culture

How would you describe the company culture?

   a. How do you define success within Sony?

   b. Are there any specific practices or policies that promote diversity and inclusivity within Sony?

Risk taking within the firm

Sony is an innovator in its industries of electronics, semiconductors, video games, computers, and media transmission equipment.

a. To what extent does Sony encourage risk-taking?

b. How do you handle risk-taking in your work?

c. How do you handle failure? Can you give a case?

Leadership within the firm

1) How does the organizational culture of Sony and its leadership style affect the ability of diverse teams to be creative and innovative?

2) What role do leaders and managers play in promoting cultural diversity and fostering an inclusive environment within their teams?

3) How do (would) you see yourself as a team leader?

Diversity within the team

1) Can you describe your experiences working on teams with diverse ethnic backgrounds?

2) Where do your team members come from?

a. How did it affect your team's creativity and innovation? (opening question)

b. Can you mention a specific experience you had in a diverse working group?

c. What was the outcome?

d. What could have been done differently?

The creative process within the team

Can you share any success stories or examples of how cultural diversity has positively impacted creativity and innovation within a team or organization?
66

a. What factors do you think contributed to this success?

b. Did this success lead to any insights or learning on the team's creativity or innovation?

c. Have you noticed any differences in the ways that team members from different cultural backgrounds contribute to the creative process?

d. For example, do certain cultures tend to generate more ideas, while others are better at synthesizing them?

Obstacles within multicultural teams

Have you observed any challenges arise due to cultural differences within a team?

a. How were these challenges addressed?

b. Did they impact the team's creativity and innovation?

c. In your opinion, what role do communication and language barriers play in the impact of cultural diversity on team creativity and innovation?

Communication within the team

What is the communication style of your teams?

a. Any specific event when communication and language barriers played a great impact on the outcome?

b. Are there any strategies that can be used to overcome these barriers?

c. If so, do these strategies change based on the working group (due to backgrounds, tasks, and the desired outcome?)

d. How are you reacting to these specific situations of misunderstanding?

e. What would you say about the impact of the misunderstanding on your efficiency?

The team formation and recommendations

How do you think the size and composition of a diverse team can impact its ability to be creative and innovative?

a. For example, does having a larger number of cultural backgrounds represented increase the team's creativity, or does it make communication and collaboration more challenging?

b. Based on your experiences and observations, what recommendations would you make for organizations looking to leverage the benefits of cultural diversity for creativity and innovation within their teams?