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Cross-Cultural issues at Icelandic workplaces

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Abstract

This study investigates current situation of multiculturalism at workplaces in Iceland. 46 foreign workers and 36 Icelandic workers at various organizations answered the online questionnaire. The result shows that about half of workplaces of participants noticed increase in number of foreign employees, and most of them have experienced communication difficulties caused by lack of language skill, cultural difference in working style and lack of awareness toward different culture. Cultural diversity of workforces can create competitive advantage if it is valued and managed well. Organizations should offer supports to improve foreign employees' language skill and local employees' cultural awareness, as well as to make sure communication environment is well established.

Introduction

Culture is “the software of the mind“ which programs how people should behave in social context. (Hofstede 1997) It is recent phenomenon that Icelandic organizations are hiring foreign workers and workplaces are becoming multicultural. It means people who have different way of thinking, talking and acting have to get together and work. Problem is that cultural diversity in workplaces can cause barriers in communication, but it is not yet regarded as a topic that organization should spend time and money to focus on. Unlike many other countries, services and seminars related to the cross-cultural management are not commonly available in Iceland, perhaps because of its smallness in population and market size.

The aim of this article is to know how foreign workers feel and think about working in Iceland, and what kind of cross-cultural issues are arose in workplaces. I hope that this research will help organizations in Iceland to aware importance of cross-cultural knowledge in workplaces, as well as for foreign residents to pursue further well-being in their work and life.

Iceland; background

Iceland is an island country located in the North Europe between Greenland Sea and the North Atlantic Ocean, and northwest of the United Kingdom. Despite its northern location at a latitude from 63° to 66°, the climate in Iceland is comparably mild because of the warm Gulf Stream flows from Mexico. The country has about 320,000

populations in its 103,000 square kilometers area. Over 60 percent of the population living in the capital area¹, including Reykjavík, Kópavogur, Selfjarnarnes, Garðabær, Hafnarfjörður, Sveitarfélagið Álftanes, Mosfellsbær, and Kjósarhreppur. Most of public sectors, major companies, schools and entertainment facilities are gathered in the capital area. The central part of Iceland is completely uninhabited highland area with mountains, rivers, volcano and glaciers.

Iceland has a very young population, nearly 30 percent of the population is below 19 years old, and 60 percent is working age between 20 to 64 years old². Icelandic society is a good example of “greater welfare with greater charges” system. High taxes are obligated, but people enjoy accessible high level of education, medical system and social welfare. Iceland is also known as an environmental friendly country with its unique energy use. Renewable energy produced by hydropower and geothermal power supply 70 percent of national energy consumption. Beside the power generation, aluminum production, fisheries, and tourism are the main industries. Its dynamic nature, unique culture and well-developed society attract foreign investors, tourists, researchers and students.

Cultural diversity in Iceland

During 1950 to 1996, the ratio of foreigners per population was kept at 1.9 percent, about 2,700 to 4,800. Most of them are from Nordic countries, because of free movement of workers by Nordic Passport Union agreement. The latest economical growth in 1990's attracted foreign workers, and its job market also needed more workforces. The ratio of foreign citizens reached 2.6 percent per population, total 7,271 in 2000. Massive inflow of workers occurred when 24 Eastern European countries joined Schengen Agreement in 2007. The peak was in 2009, when 24,000 foreign citizens were recorded, which was 7.6 percent of the Icelandic population. However, Icelandic financial crisis in 2008 triggered depreciation of Icelandic currency and higher unemployment rate. Currently, about 21,000 foreign citizens are living in Iceland, which is 6.6 percent of the total population. Rapid changes in demography affected Icelandic business sector. Many of Icelandic organizations have met more opportunities to hire foreigners, and Icelandic workers gained chances to work with them.

¹ Statistics Iceland, Population by municipality, sex, citizenship and quarters 2010-2012. /1 quarter 2012

² Statistics Iceland, Population by age and dependency ratio 1951-2012 by Year and Division /2012

The official language of Iceland is Icelandic, which is spoken by some 230,000 people in the country. It is a Germanic language, and similar to the Old Norwegian.³ Icelandic language is kept in traditional structure as much as possible by the Icelandic language institution⁴. English is the first foreign language to be taught in compulsory schools and also the most commonly learned. During the school year 2010-2011, 33,558 pupils or 78.9 percent learned English. In the upper secondary schools, 18,520 (73.7 percent) students learned a foreign language during 2011-2012, and English is the most popular language and learned by 61.5 percent of them. At the age of 12, the pupils are obligated to learn Danish. 3.8 percent of pupils in compulsory education and 32.9 percent of secondary school pupils during 2011-2012 learned third foreign language. Popular languages are Spanish, German, and French, but also rare languages are taught recently, such as Japanese, Chinese, and Russian.⁵

The study

The study is based on the online questionnaire. It is written in English and Icelandic, and consists 13 sections. The questions are made to find out; how people think about multiculturalism in workplaces, what kind of cultural misunderstandings are happening and what organizations should do to manage cultural diversity. Some questions have Yes-No answer choice, and the others have multiple answer choice. There are also sections that participants can freely describe opinions and experiences in sentences. The topics are focused on experiences and opinions of participants rather than their demographic information. The questionnaire was made online, and the link was sent out by E-mail in Autumn 2012 through my personal network such as families, friends, classmates, colleagues, and also advertised on the online community of the International Parents Class by Red Cross Kópavogur in Iceland. 47 foreign residents replied and all of them answered in English. This number does not include replies that were turned down by people who do not have relevant work experience in Iceland, or who cannot understand English or Icelandic well. Nationalities of foreign participants are the United States, Australia, Bulgaria, Canada, China, Denmark, Philippines, France, Germany, Italy, Japan, Mexico, Poland, Russia, Slovakia, South Africa, and Spain. Considering sensitivity of answers, the result was automatically and anonymously collected, and

³ Languages of the World, Icelandic (Íslenska)

⁴ The Icelandic Language Institute

⁵ Statistics Iceland

there is no information that can identify individual except for nationality. Additionally, the exact same questionnaire was sent to Icelandic people in order to hear their point of view. 36 Icelandic people replied and most of them answered in Icelandic.

Findings

1. Cultural diversity

Increase of cultural diversity is recognized by Icelandic participants more than foreign participants, and it seems to be slowly ongoing. 53 percent of Icelandic participants recognize increase of non-Icelandic employees at their workplaces in last years while 28 percent of foreign participants answered as such. About 40 percent of both foreign participants and Icelandic participants do not think their workplaces have changed in cultural terms. 32 percent of foreign participants and 6 percent of Icelandic participants do not know about demographical changes at workplaces. The reason of Icelanders' higher awareness toward multiculturalism may be because they have longer work experience and more stable job positions than foreign participants do.

2. What people like about cultural diversity at workplaces

55 percent of foreign participants and 58 percent of Icelandic participants think foreign workers' "brain" can benefit Icelandic workplaces, such as to have variety of knowledge and idea. People also enjoy knowing about different culture. Icelanders rather expect "high skills and professional licenses" to foreign workers than multilingual skills, while foreigners value themselves in opposite way. Currently brain drain has been a problem of Iceland that highly skilled people move to other countries for better work conditions. It may be affecting Icelanders' desire toward foreign workers to fill up what they are missing in the job market. Business leaders, consultants, and academic scholars suggest that multiculturalism in organization can create competitive advantage in the six ways; cost, resource acquisition, marketing, creativity, problem solving, and system flexibility, but only when it is well managed. (Moorhead & Griffin 2004)

3. How cultural diversity is managed

Results show that 63 percent of foreign participants and 50 percent of Icelandic participants' workplaces have nothing specially done with cultural diversity. Otherwise, attempts toward better communication are seen. About 21 percent of foreign

participants and 25 percent of Icelandic participants answered they get documents and E-mails in several different languages, most likely in Icelandic and English. About 13 percent of foreign participants and about 14 percent of Icelandic participants answered their workplaces offer orientation to get to know each other and learn about tasks. About 10 percent of foreign participants and Icelandic participants said their workplaces have written policies about cultural diversity. 6 percent of foreign participants and about 17 percent of Icelandic participants said they have a councilor or a manager who can help foreign employees.

Movement toward better management of a diverse workforce usually begins because of one of the three reasons; obligation by affirmative action, necessity to work with multicultural constituencies, or desire to be competitive in the diverse marketplace. (Moorhead & Griffin 2004) Many of Icelandic workplaces may not be reached at those points yet, but some participants think current cultural management style is not good enough. A participant from Spain said she gets E-mails in English, but only when the topic is related to what she does. She does not understand what the other things are about, and what is going on at her company. A Danish worker wrote, “I was put into my work with nearly no training, a manifestation of *þetta reddast* (it’ll be alright)”. An Icelandic participant answered, “where I work does not do anything to manage cultural diversity, but it does not mean that they don’t have to do anything”.

4. Cross-cultural problems

Cultural diversity in workplaces brings variety of talent, skill, knowledge but it also creates challenges. According to the result, 55 percent of the foreign participants and 39 percent of the Icelandic participants have experienced communication problems caused by three sources; lack of language skill, cultural difference in working style and lack of awareness toward different culture. Different from conflict, miscommunication is not about disagreement, but error in message exchange process between the sender and the receiver by various barriers. In the communication process the message in the sender’s mind needs to be encoded into words, symbols or pictures and sent through the medium such as voice, body language, or E-mail. The message is received and decoded by the receiver, and new message is returned. The sender will see how the receiver understood original message. (Phillips & Gully 2012) When the message is not correctly sent, it leads lack of information or misunderstanding.

The most seen miscommunication result is “frustration of either or both parties”, which was marked by 57 percent of foreign participants and 67 percent of Icelandic participants. The second most seen result is “bad atmosphere in a workplace” (foreigners 41 percent, Icelanders 33 percent). As the third and fourth results “people form personal groups” (foreigners 22 percent, Icelanders 13 percent) and “argument” (foreigners 14 percent, Icelanders 13 percent) are listed. One person from each participant groups answered they observed verbal or physical attack during conflicts.

5. Lack of Icelandic language skill

According to a research, language differences create barriers in intercultural communication. Foreign workers’ insufficient host country language proficiency limit access to informal information networks. (Peltokorpi 2010) The results show limited access to informal networks causes a sense of alienation. Some participants feel being assimilated, which is to be forced to learn the ways of the majority group. (Moorhead & Griffin 2004) Thus, language barrier is not considered to be a big problem by foreign people who are planning to move to Iceland, because of the high English utility of the country. Some job positions, which hardly attract local workers, do not even require English skill. However people tend to realize the importance of Icelandic language skill eventually in order to establish better relationship with local people.

Participants from the United States, Mexico and Poland experienced difficulty in carrying conversation, because people switch from English to Icelandic at some point, and also it is difficult to reply in grammatically correct sentences. People usually socialize during lunchtime and coffee break, but lack of Icelandic language skill prevents foreign employees from doing so because of hesitation and discomfort. Participants from China and South Africa reported they feel pressure from Icelandic colleagues to speak Icelandic. A German participant thinks elderly people tend not to realize the difficulties to master Icelandic for foreigners, so that they don’t give space for new comers to study but expect to speak in the language immediately. However, many of foreign participants think Icelanders usually show appreciation toward foreigners who are making great efforts on learning Icelandic.

The opinions of Icelandic participants are that speaking Icelandic is the most important thing for foreigners; “knowing do’s, don’ts and unwritten rules of the society can be also difficult for Icelanders, not only for foreigners. I have impression that the

language is the only thing that makes foreigners uncomfortable at work”, and it is necessary to be a member of the community; “If foreigners do not speak Icelandic they can be left out from the group”, “the most of the time it is the language barrier that creates a problem, if we cannot communicate with our own comfortable language, it is hard to show the true identity”. One participant has an experience that lack of Icelandic language skill leads to misunderstanding; “foreign employees give me yes to everything I said, although they do not understand the question, or perhaps they are afraid to say I don’t know. It confuses me”. Another participant shared his experience about an increase in foreign employees who do not speak Icelandic at a workplace.

Between 2003-2004, I worked in the fish industry. It was very enjoyable and my colleagues were mainly Icelanders except for one person from Vietnam who was also very fun and talkative (in Icelandic). After I left the workplace, many foreign people replaced Icelandic employees. When I visited there six months later, I noticed that the atmosphere was completely different and it was no longer “fun” in the cafeteria. People did not speak together but only with people who speak the same language.

On the other hand, there are comments to admit difficulties in learning Icelandic and to praise foreigners’ efforts. One Icelandic participant said “I was impressed by foreigners’ willingness to chat in Icelandic even when they could speak in English. I just have to remember to talk slowly”.

Additionally, lack of Icelandic language skill may send a wrong message as some described; „they do not learn Icelandic and only speak their mother tongue”, and also it may limit job opportunity and information sources; “Icelandic workplaces do not expect to have foreign labor where everything is in Icelandic, or a high skill of Icelandic language is needed“, “foreigners do not know the latest Icelandic affairs from news and web pages”.

Learning Icelandic needs time and high motivation. It is said that mastering a foreign language usually takes at least 7 months of full-time study (Hofstade 1997). Moreover, it is not a useful language outside of Iceland, only 40,000 people in the Faroe Islands of Denmark understand Icelandic partially. Attending language classes at the University of Iceland or private language organizations is popular, but it is challenging for many of the foreign workers to study at the same time as working. Thus, mastering the local language greatly contributes to the well-being of foreign workers. Participants who have a business level of

Icelandic language skill have high satisfaction toward their work environment and positive attitude toward cultural difficulties as well as further integration into the local community.

6. English as a business *lingua franca*

English is the most used international corporate language in the world. Using English as a business *lingua franca* among non-native English speakers means there is no strict rules governing its grammatical form, structures or correctness. Therefore nobody takes advantage by carrying out the conversation. (Louhiala-Salminen & Kankaanranta 2012) Having a common language benefits organization to facilitate coordination, increase organizational learning and value creation, and also reduce miscommunication.

Most of foreign participants praised Icelanders' English skill and their willingness to practice this language. It is the first foreign language to be taught in compulsory schools and also the most commonly learned. During the school year 2010-2011, 33,558 pupils or 78.9 percent learned English. In the upper secondary schools, 18,520 or 73.7 percent students learned a foreign language during 2011-2012, and English is the most popular language and learned by 61.5 percent of them.⁶

However English use in Icelandic workplaces have two challenges; native English speakers may take advantage from non-native English speakers, and people speak various "English". A Canadian participant has experienced receiving much better treatment by speaking English than poor Icelandic. A Spanish participant thinks, "Americans, British, and Irish workers are treated much better than other foreigners", because of being native English speakers. A French participant encountered difficulty to understand various accents spoken by foreign people in Iceland, including British person.

Favoring native English speaker may be explained by incredibility of non-native speakers caused by strong accent and lack of fluency. A research shows when native English speakers listen to an accented speech, the difficulty they encounter creates processing error, and they tend to perceive them as less truthful, instead of perceiving the statements as more difficult to understand. (Lev-Ari & Keysar 2010) Other research

⁶ Statistics Iceland, News

shows non-native English speakers with accent tend to be stereotyped by native speakers, and receive uncooperative attitude in case of communication difficulty during competitive situation. (Young & Faux 2011)

7. No common language

When there is no common language, communication becomes very challenging. People use body language, gesture, symbols and any other way to share the messages, but there is high possibility that the message is incorrectly encoded and decoded. There is a case of a cleaning staff from Poland who speaks only Polish. An Icelandic participant said; “So when I don’t understand her, she just repeats slowly in Polish. That doesn’t help me at all, but she is a wonderful woman and we mostly communicate with made up sign language. Sometimes it gets hard though when I need her to know and understand things”.

8. Cultural differences in working style

General business culture in Iceland is described as casual, straightforward and relaxed. Icelandic business culture by Hofstede’s cultural dimensions is; low hierarchy, individualistic, feminine, short term oriented and has high tolerance toward uncertainty. According to these features, Icelandic business culture can be illustrated as; flat structured organizations, small gap between superiors and subordinates in terms of power and salary distribution, tasks are done by individuals with their names on, least competitive, family oriented work-life balance, and short-term goals, and practice counts more than following rules. (Hofstede 1997) (Vaiman & Sigurjonsson & Davidsson 2011)

First anticipation was that a foreign participant who has bigger distance between home culture and Icelandic culture has more difficulties to fit in workplaces. It means Asian participants should have more difficulties to adjust in Icelandic business culture than Scandinavian and European participants. Another prospect was that everybody should like Icelandic easy-going business culture, because simply easier work should be better. However the result did not turn out as expected. There are participants from Asia reported more satisfaction and integration toward Icelandic workplaces than ones from Scandinavia and Europe. There are also people commented negatively about Icelandic business culture being “too easygoing”. This phenomenon may be explained by ethnocentrism, which people see things in self-centered way. Because of lack of

knowledge, experience or tolerance to adjust into the Icelandic culture, foreign residents may think things from their home are “good” and “right”, while anything else is “bad” and “wrong”.

9. Low hierarchy

Icelandic workplaces seem to be a great example of low hierarchy situation. Organizational structure is flat and employees have relatively equal treatment, power and salary. Participants from the United States, France and Spain commented their appreciation toward equality between subordinates and superiors at workplaces. Work is easygoing with casual atmosphere, and people can dress informal. Superiors are addressed by their first names regardless their position or authority. Participants from Spain and Russia commented that employees are well involved in the decision making process. Some places have open discussion to take everyone’s voice into account, and some places have one-on-one talk with boss in separated room. A French participant pointed out that the lowest job position is still well paid compare to the other countries. However, small difference between top and bottom is regarded as “low payment for highly skilled staff, and education degree is not valued” by an Australian participant. Moreover, low hierarchical structure is considered to be “having a lack of sense of organization” by a Japanese participant.

10. Individualism

It is true that typical Icelandic working style is rather individualistic. People often prefer to work individually, and they like to put their names on their tasks and accomplishments. However, personal relationships at Icelandic workplaces are rather collectivistic. Perhaps because of its smallness, Iceland people have strong relationships between each other in the society, as well as in workplaces. An American participant said “I work for a small office with 35 people. There are many family relationships at my work, and it is complicated sometime”. She feels there is not enough space between work life and private life because colleagues meet each other after work or weekend, which makes her feel left out if she does not show up. “Work parties often end up feeling like unpaid work obligations”. Another American participant said “who you know makes it different than what you know to get job done. Speed of business is not a concept in Iceland, and it can take a month to make a decision”. She also thinks foreign employees work harder in order to secure their jobs, and Icelanders don’t need to

because they have personal connection with their boss by blood or friendship. Participants from Denmark and Mexico have witnessed nepotism at work, which people compete to hire their friends and family. Close knitted personal relationships at work puzzle foreign workers because it is not easy to be a member of it. Additionally, family-based favoritism over competence is considered to lead low morale, low productivity, and a seeming lack of integrity to some⁷.

11. Work-life balance

Many of foreign participants think Icelandic workplaces highly respect human rights, quality of life, and equality in gender, freedom and union rights. For instance, people usually work at home when a child is sick and people do not hesitate to take long vacation. People usually go home as soon as their working time is over. These are very appreciated by the most of foreign participants.

However, a Danish participant thinks Icelandic work hour is long and quality of life is poor. A Japanese participant feels Icelandic colleagues take sick holidays too often. Sometime Icelandic people „come to work to punch in the time clock, disappear for a few hours to run for personal things, come back to work a little, then punch out and go home“, said an Italian participant. And they „spend time on drinking coffee and chatting“ according to a Polish participant, which is “not serious about job”.

12. Punctuality

“Icelandic people are very relaxed at work and they don’t show much stress. I like this attitude and it makes the workplace very easy going and nice” said a French participant. Relaxed atmosphere is one of the attractiveness to work in Iceland, especially to ones who are from competitive business culture. Coming to work on time seems to be least important at many workplaces. Flexible work hour is widely accepted, and some organizations do not use time clock, so that people schedule their time without supervised. Several Icelandic participants commented, “Foreign people have a different sense and value of time, they are more punctual than Icelanders”.

⁷ Mental Health Resources for Cross Cultural Workers, What Cross-Cultural workers ought to Know about Nepotism, <http://www.crossculturalworkers.com/nepotism.htm>

On the other hand, some of foreign participants describe those relaxed attitude of Icelandic people as “irresponsible”, “careless”, or “lazy”. A Chinese participant said, “Coming from a culture which have more discipline and procedure, keeping things in control is frustrating in Iceland”. A French participant often hears complains from his home country, because of constant delays by Icelandic firm. A Japanese participant said, “Japanese people are super punctual, and Icelandic people are very opposite”. A Russian participant sees her colleagues from Germany and the Netherland start working at a full speed right after coming to work, while Icelandic colleagues take their time to start up their engine. Many mentioned that Icelandic people tend to keep tasks undone until last minute, then hurry up. Although things will be done in the end, this “last minute behavior” is commented as “not well organized”. Quality of work is also different from many other countries. Some said amount of work hour is only focused, which is actually less productive. A Spanish clearing worker mentioned “Icelandic standard for clearing is very low” compare to where she is from.

13. Short-term orientations

Icelanders’ short term oriented working style seems to confuse foreign workers who are from longer-term oriented culture. “Work is not well structured as I was used to in my home country, and it is chaotic sometimes” said a Germany participant. A Chinese participant thinks “People do not plan ahead so much, or do not follow even if there is one. Things do get done, but process is unclear”. A Japanese participant commented, “Icelandic people are really bad at planning the long-term project”.

Icelandic participants reported foreigners’ longer-tern orientations as a surprise. Some of them commented, “Danes are very organized and constantly making plans. Icelanders hardly make a plan but prefer to just do the things”, “Foreign agencies are accurate and always on time. They prepare project, timetables and send to us by phone and E-mails once a while”.

14. Cultural awareness

There are differences in social context, and sometimes one party receives it as inappropriate. Lack of knowledge toward different culture may cause stereotype, racism or discrimination. An American participant thinks Icelandic colleagues “do not know what questions are appropriate to ask to foreigners. Americans are more politically correct”. A participant from Germany answered, “Icelandic people are sometimes very

special in their behavior, very different from the attitudes in other countries”, and a French participant followed “their way of talking to foreign people can be offensive sometimes, even they do not mean to”.

Some foreign participants think there are discrimination and racism. A Slovakian participant experienced being ignored at work and a Canadian participant feels foreigners are automatically treated as inferior and receive cold attitudes. A Chinese participant thinks Icelanders have bad stereotypes toward certain ethnic groups. A Spanish participant commented, “I was told that I should be prepared for racism because I am a Spanish”.

Some of Icelandic participants also think there are stereotypes, discrimination and prejudice against foreigners because of lack of cultural awareness. Some pointed out that knowledge and open-mindedness toward different culture is depends on person, and also Icelandic people can be shy and closed to new people. One participant thinks these are not only about foreign people but also Icelanders get stereotyped, “foreign people say bad things about us as well”.

Attractiveness to work in Iceland

Why people want to come to Iceland and work? High quality of life is the major attractive factor of working in Iceland for most of foreign participants, including good work-life balance, good benefits, highly respected rights, strong labor unions, and equality in gender. Icelandic people are very friendly, kind and helpful in general, which give new comers good impression toward living in this country. Close knitted community can be also an attractive factor if one can belong to it. Also Iceland’s very unique landscape and dynamic nature are a part of the attractiveness.

Negative opinions are mostly about weak Icelandic currency, and difficulties of cultural adjustment. Participants who moved to Iceland only for their spouses say they would rather stay in their home countries if they could. They can expect better job opportunities and better salaries at home. They think Icelandic workplaces are only attractive to people who are from countries with worse work environment and lower salary. Otherwise they „don’t understand why people want to live here, it is difficult to be a foreigner in this country”. One of them has witnessed many of her foreign co-workers left work, because of difficulties of cultural adjustment.

Ideas for better future

Main cross-cultural issue at workplaces in Iceland is communication difficulties because of lack of Icelandic language skill and cultural difference in working. Stereotyping and discrimination are also issues for some of foreign workers. There are several methodologies to integrate multicultural workforce. Organizations should support minority groups to gain relevant skills and education. In order to enrich informal networks, organizations can offer mentoring system and social events. Trainings and seminars can increase awareness toward cross-cultural issues and learn how to work with people from different culture. It can also help to reduce negative attitudes toward differences. Organizations should make sure to include minority groups in information network and decision-making process, as well as career opportunities at any level. (Moorhead / Griffin 2004)

Both foreign participants and Icelandic participants threw ideas what they think Icelandic organizations should do to make current situation better in terms of cross-cultural management. Foreign participants wish for more equality in treatment and access to information, as well as better communication environment at workplaces. Icelandic participants think language and communication matters are to be focused. Organizations should support foreign employees to learn the language, and also more information should be translated into languages that foreign employees can understand. "Buddy system" or "help desk" can be good for new comers that they can get help with settling down in Iceland and learn about job. In order to improve communication between foreigners and locals, they want to have opportunities to introduce each other's culture by having meetings and social events occasionally. Cultural awareness programs and seminars are also desired in order to reduce stereotypes and racism.

Conclusion

This study is to know current situation of multiculturalism at workplaces in Iceland. It is based on the result of the questionnaire that 46 foreign residents and 36 Icelandic citizens answered. Nearly half of both participant groups have experienced communication difficulties with people with different background, and major reasons are lack of Icelandic language skill, cultural difference in working style and lack of awareness toward different culture. Cross-cultural miscommunication creates bad atmosphere, frustration, argument at workplaces, and also discourages interpersonal

trust. The study found that higher Icelandic language skill is related to higher integration to the local community and also higher satisfaction toward current work environment. Lack of Icelandic language skill leads a sense of alienation, limited access to information and low tolerance toward Icelandic culture. Therefore mastering Icelandic language may be the most important for foreign workers who will be working in Iceland permanently. Organizations should aware that multicultural workforce needs to be well valued and managed in order to be productive and creative. Organizations can support foreign employees to learn local language, involved in networks and decision-making process, as well as to offer equal career opportunities.

At last, it has to be noted that the findings of this article does not reflect entire cross-cultural issues or entire foreign residents in Iceland, because of limitations. First of all, total number of participant is too small to reflect general issues. The result is highly influenced individual matters and opinions. Secondly, foreign residents who do not understand English or Icelandic could not participate. Further researches needs to be translated into more languages in order to involve people with various conditions. Thirdly, the study did not measure job satisfaction in numbers. Therefore well-being level of foreign workers stays unclear. Further researches should have scales for measurements.

Appendix. The questionnaire

The questionnaire and the result based on answers from 46 foreign participants (FRN) and 36 Icelandic participants (ISL).

People may select more than one checkbox, so percentages may add up to more than 100%.

(1) If you do not mind, please write your original nationality. / Ef þér er sama, vinsamlegast skrifaðu þjóðerni þitt.

Nationality	Number	Nationality	Number
The United States	5	Italy	2
Australia	1	Japan	11
Blugaria	1	Mexico	1
Canada	1	Poland	2
China	4	Russia	2
Denmark	1	Slovakia	1
philippines	1	South Africa	1
France	3	Spain	3
Germany	4	No answer	2
Iceland	36	Total	82

(2) Do you have more opportunities to work with non-Icelandic people compare to last years? / Færðu fleiri tækifæri til að vinna með erlendu fólki í dag miðað við á síðustu ár?

FRN:Answer	Number	Percentage	ISL:Answer	Number	Percentage
Yes	13	28%	Yes	19	53%
No	19	41%	No	15	42%
I don't know	8	17%	I don't know	1	3%
Other	6	13%	Other	1	3%
Total	46	99%	Total	36	101%

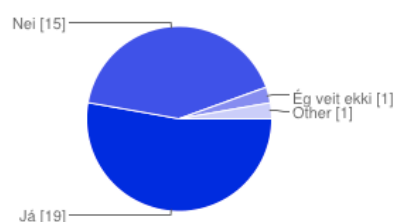
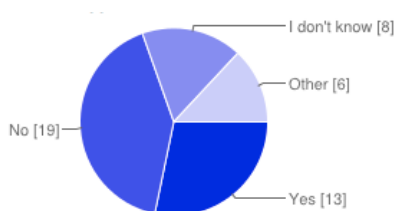


Figure 1, FRN: Increase of foreign employees

Figure 2, ISL: Increase of foreign employees

(3) What language do you use the most at your workplace? / Hvaða tungumál notar þú mest á þínum vinnustað?

FRN:Answer	Number	Percentage	ISL:Answer	Number	Percentage
Icelandic	20	45%	Icelandic	34	94%
English	25	57%	English	8	22%
Other	3	7%	Other	3	8%
Total	48	109%	Total	45	124%

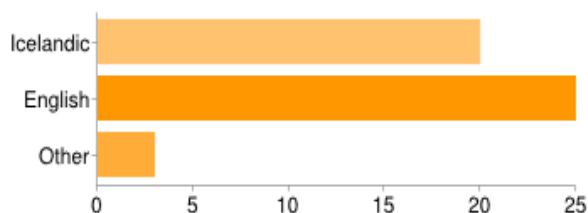


Figure 3, FRN: Most used language at workplace

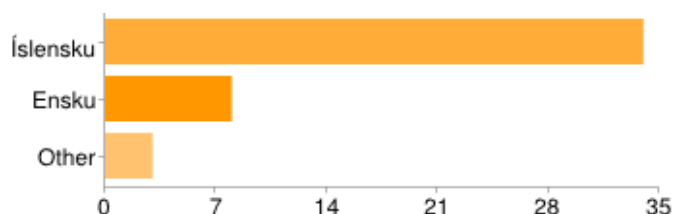


Figure 4, ISL: Most used language at workplace

(4) What kind of cultural shock have you experienced in your workplace in Iceland? / Hverskonar menningarsjokk hefur þú upplifað á þínum vinnustað?

(5) What does your workplace do to manage cultural diversity? / Hvað gerir þinn vinnustaður til að stjórna menningarlegum mun?

FRN:Answer	Number	Percentage
Has written policy regarding cultural diversity	4	9%
Documents and Emails are written in many languages	9	20%
Orientation for employees to learn about job or people	5	11%
Has a councilor or a manager who can help foreign employees	3	7%
Nothing is specially done / No need to manager cultural diversity	30	68%
Other	6	14%
Total	57	129%

ISL:Answer	Number	Percentage
Has written policy regarding cultural diversity	4	11%
Documents and Emails are written in many languages	9	26%
Orientation for employees to learn about job or people	5	14%
Has a councilor or a manager who can help foreign employees	6	17%
Nothing is specially done / No need to manager cultural diversity	18	51%
Other	6	17%
ICE:Total	48	136%

(6) What are the positive aspects of being multicultural at your work place? / Hverjar eru jákvæðar hliðar á því að vera fjölmennigarlegt fyrirtæki?

FRN:Answer	Number	Percentage
To have multilingual workers	18	43%
To have highly skilled or licensed workers	15	36%
It's fun to know differentu culture	22	52%
Variety of knowldege and idea	23	55%
My work is not multicultural	6	14%
Other	2	5%
Total	86	205%

ISL:Answer	Number	Percentage
To have multilingual workers	13	36%
To have highly skilled or licensed workers	18	50%
It's fun to know differentu culture	21	58%
Variety of knowldege and idea	21	58%
My work is not multicultural	8	22%
Other	3	8%
Total	84	232%

(7) Have you experienced uncomfortableness or conflict caused by cultural difference? / Hefur þú upplifað óþægindi eða vandræði sem stafa af menningarlegum mun ?

FRN:Answer	Number	Percentage	ISL:Answer	Number	Percentage
Yes	26	57%	Yes	14	39%
No	13	28%	No	21	58%
I don't know	1	2%	I don't know	1	3%
Other	6	13%	Other	0	0%
Total	46	100%	Total	36	100%

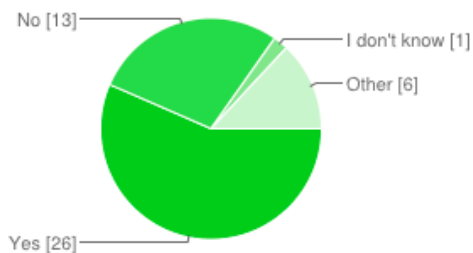


Figure 5, FRN: Experience of cross-cultural problem

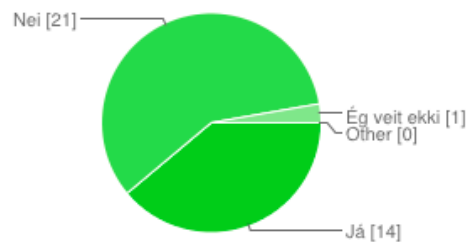


Figure 6, ISL: Experience of cross-cultural problem

(8) If yes, what sources have caused uncomfortableness or conflict related to cultural difference? / Ef já, hver eru upptökin af þessum óþægindum eða vandræðum sem stafa af menningarlegum mun?

FRN:Answer	Number	Percentage
Language skill	16	53%
Communication (verbal, E-mail, phone call)	13	43%
Knowledge toward different culture	5	17%
Working style	19	63%
Time, money, information, materials	4	13%
Other	5	17%
Total	62	206%

ISL:Answer	Number	Percentage
Tungumálaörðuleikar	11	73%
Samskipti (samtöl, tölvupóstar, símtöl)	2	13%
Þekking varðandi mismunandi mennigar	3	20%
Vinnustíl	6	40%
Tími, peningar, upplýsingar, efni.	4	27%
Other	1	7%
Total	27	180%

(9) If possible, please describe the situation. / Ef það er hægt, vinsamlegast lýstu atvikinu.

(10) When cultural difference caused problem, what styles of interpersonal conflict(s) were seen?/ Þegar mismunandi menning veldur vandræðum, hvernig voru mannlegu samskiptin?

FRN:Answer	Number	Percentage
Such situations tend to disappear naturally	9	23%
Talk to each other, and compromise	15	38%
Report to boss or manager	9	23%
Report to the union, lawyer or public councillor	3	8%
Everybody in the work place helps to solve the problem	8	20%
Other	10	25%
Total	54	137%

ISL:Answer	Number	Percentage
Þessar aðstæður virðast hverfa af sjálfum sér	4	22%
Talað við hluthafandi og reynt að komast að sameiginlegri niðurstöðu	5	28%
Tilkynnt til yfirmanns	3	17%
Tilkynnt til stéttarfélags, lögmanns eða ráðgjafa	1	6%
Allir hjálpast að við að leysa vandamálið	7	39%
Other	3	17%
Total	23	129%

(11) Why do you think Iceland can be attractive for foreign workers? / Afhverju heldur þú að Ísland getur verið eftirsóknarvert fyrir erlent vinnuafli?

(12) Why do you think foreign employees may feel difficulties to fit in Icelandic work places? / Afhverju heldur þú að erlendir starfmenn eigi erfitt með að aðlagast íslenskum vinnustöðum ?

(13) What do you think Icelandic organisations need to do to manage well with local employees and foreign employees? / Hvað heldur þú að íslensk fyrirtæki þurfi að gera til að íslenskir og erlendir starfsmenn vinni vel saman ?

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