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and Alejandro Orgambidez-Ramos**

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Multiculturalism in Organizational and Social Space: New Challenges

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TECHNICAL INFORMATION

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TABLE OF CONTENTS

The Effect of Multicultural Experience in Conflicts Management Styles: Mediation of Cultural Intelligence and Self-Monitoring	04
---	----

Gabriela Gonçalves

Marta Reis

Cátia Sousa

Joana Santos

Alejandro Orgambídez-Ramos

1. Introduction	04
2. Conflicts Management Styles	05
3. Cultural Intelligence, Self-Monitoring and Self-Interdependent as Predictors of the Conflicts Management Styles	06
4. The Role of the Intercultural Contact	08
5. Method	10
6. Results Analysis	12
7. Discussion	15
8. Conclusion	17

Spanish-Moroccan Families in a Context of Family Diversity in Spain. Challenges for the Construction of Interculturalism	22
--	----

Octavio Vázquez-Aguado

Manuela A. Fernández-Borrero

Pablo Álvarez-Pérez

Victor William Harris

1. Introduction	22
2. Method	25
3. Results	26
4. Conclusions	34

Management of Diversity in the Delivery of Public Services. A Reflection from the Policies of Housing in Andalusia	36
--	----

Manuela A. Fernández-Borrero

Yolanda Borrego-Alés

Alejandro Orgambidez-Ramos

Octavio Vázquez-Aguado

Fernando Relinque-Medina

1. Introduction	36
2. Method	39
3. Results	40
4. Conclusions	45

Expatriates Selection: An Essay of Model Analysis	47
---	----

Rui Bártolo-Ribeiro

Luís José Andrade

1. Introduction	47
2. Methodology	52
3. Results and Discussion	52

The Relationship Between Types of Conflict, Conflict Handling Strategies and Group Effectiveness.....	58
---	----

Francisca Marques

Paulo Renato Lourenço

Isabel Dórdio Dimas

Teresa Rebelo

1. Introduction	58
2. Theoretical Framework	59
3. Method.....	65
4. Analysis and Results.....	67
5. Discussion and Conclusions	70

The Relevance of Fair Value Across Countries: Firms Listed in Lisbon and Madrid Stock Exchange	78
--	----

José Carlos Rocha da Veiga

Joaquim Sant'Ana Fernandes

Cristina Isabel Ramos Gonçalves

1. Introduction	78
2. Background	79
3. Method.....	82
4. Results	85
5. Conclusions	90

THE EFFECT OF MULTICULTURAL EXPERIENCE IN CONFLICTS MANAGEMENT STYLES: MEDIATION OF CULTURAL INTELLIGENCE AND SELF-MONITORING

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ABSTRACT

Conflict is an inevitable reality both in personal and in organizational life. For being inevitable, the conflict must be managed. Defined as a process that occurs when one party feels adversely affected by another (e.g., De Dreu, 1997) the conflict management styles can be analysed as a function of personality variables. In this respect the cultural intelligence, self-monitoring and self-interdependent seem to be relevant variables, since characterised by flexibility and interest in other aspects present in conflict management styles. In this study, we propose that cultural intelligence, associated with the self-interdependent and self-monitoring, can have a positive impact on the choice of most effective interpersonal conflict resolution styles. Being cultural intelligence an attribute of extreme importance, we still sought to determine how the quantity and quality of intercultural contact and self-interdependent present themselves as predictors of it. With a sample of 399 individuals, the proposed model suggests that high levels of cultural intelligence mediated by a high self-monitoring and self-interdependent positively affect and predict the conflict resolution styles adopted. Given the need to develop abilities aimed at increasing the skills of conflict resolution, this study adds to the existing literature new predictors, contributing to the welfare and performance of human resources, and consequently to success and organizational effectiveness.

Keywords: Cultural Intelligence, Multiculturality, Conflict Management Styles, Self-Monitoring

JEL Classification: J24

1. INTRODUCTION

Characterized by the perception of interests, goals or opposing values (Putnam & Poole, 1987), the conflict is present in any type of social interaction. And, as the social interactions are becoming more complex, the greater the number of conflicting situations (Serrano, 2000, as cited in Cunha, Rego, Cunha, & Cabral-Cardoso, 2005). This is because all societies are characterized by a domestic multiculturalism. Domestic multiculturalism is related to the fact of individuals from the same society don't have the same qualities, as people differ in biological, physical and socio-cultural terms (Polat & Mettin, 2012). When we reflect on the interpersonal differences, the most common to occur are the identity, as the experiences, beliefs, age, gender, religion, social class, physical skills, professional experience, education

level, family and political and economic trends (Foxman & Easterling 1999). And it is the perception of these differences, or rather, this domestic multiculturalism, that is often at the root of conflicting situations. Culture, defined as a set of contents, modes of thought and behaviours (e.g., language, history, religion, customs, values) transmitted through the process of socialization (Almeida, 2012) is not assimilated in the same way by all individuals. Different perceptions of the same reality, different experiences, shape individuals, this is because the personality is influenced by the correlation between heredity and the environment where the individual is inserted. Thus, each individual will present different preferences or a bias in the way of conducting a conflict situation. That is, the strategic guidelines and the behaviours adopted by an individual depend on their personality characteristics (Cunha et al., 2005). The effectiveness of cultural intelligence, although addressed mostly in relation to multicultural contexts, is an attribute that can and must be parsed as a predictor of everyday situations, which do not necessarily imply a context characterized by cultural diversity. Thus, it is our objective to analyse the styles of conflict management in the light of cultural intelligence. Cultural intelligence, characterized as a competence that increases the communicational effectiveness, performance, flexibility, satisfaction and adaptability to various situations, (e.g., Earley & Ang, 2003; Malek & Budhwar, 2013; Van Dyne, Ang, & Nielsen, 2007) will certainly have a positive influence on the adoption of the most effective styles depending on the type of conflict and depending on the characteristics of the other party involved. Moreover, personality is an antecedent of cultural intelligence (Earley & Ang, 2003), so the personality traits self-monitoring and self-dependent, when associated with cultural intelligence, may serve as predictors of positive conflict management. Firstly, because a high self-monitoring allows individuals to change their behaviour depending on the environment where they are (Snyder, 1974), secondly because the self-interdependent leads individuals to behaviours that emphasize their connection with others, strengthening existing relationships (Cross, Bacon, & Moris, 2000).

At the same time, the demand for high standards of multicultural competence (see Littrell & Salas, 2005; Morris & Robie, 2001) has become an extremely important factor for organizations, thus attributes like cultural intelligence begin gaining ground as core competencies. Some investigations have pointed to a positive relationship between intercultural contact and cultural intelligence (Ang, Van Dyne, & Koh, 2006; Crowne, 2008; Gelfand, Imai, & Fehr, 2008). In addition, the intercultural contact is closely related to the concept of cultural intelligence (Earley & Ang, 2003) and theoretically, it is a notable precursor of it (Gelfand et al., 2008). As such it will be able to function as a predictor of cultural intelligence and its dimensions. In this way, it is also our goal to seek to understand how the quantity and quality of intercultural contact associated with the self-interdependent construct affect the levels of cultural intelligence.

Conflict management is a critical competence not only at the organizational level (Adler, 2008; Cai & Drake, 1998; Imai & Gelfand, 2010) but also at the social level. Cultural intelligence and the use of appropriate and effective conflict resolution strategies, have become of utmost importance, so the identification of predictors of both concepts become relevant to the social and organizational world.

2. CONFLICTS MANAGEMENT STYLES

The conflict is “a perceived or real incompatibility of values, expectations, processes or outcomes between one or more parties on practical and/or relational issues “ (Ting-Toomey, 1994, p. 360). People are in conflict when the actions of a person interfere, block or, in any way, make the behaviour of someone else less effective (Tjosvold, 1997, p. 24). The

strategies used to deal with the conflict can be categorized according to the way in which two variables intersect themselves: desire to satisfy the interests of the counterparty, and desire to satisfy own interests (Cunha et al., 2005). From this intersection result five styles of conflict management (Blake & Mouton, 1964; Pruitt & Rubin, 1986; Rahim & Bonoma, 1979): integrating, avoiding, dominating, compromising, obliging. These authors identify each style of conflict management as a function of the degree of concern with self and the degree of concern with the others. The style integrating refers to a high concern with others and self. The focus of this style is cooperation, this being the most effective in conflict resolution. You seek the win/win situations in which the issues are discussed and resolved for the benefit of both parties. The views of the parties can be combined into a more comprehensive solution and consensus on the commitment. The avoiding style refers to low concern with self and the other - the individual seeks to avoid conflict and may even delay the matter until a more suitable occasion or can withdraw from the ominous scenario. The dominating style refers to a high concern with self and a low concern with the other. It is a style associated with authoritarianism, reflecting a concern to impose the self-interest. An individual with this style does everything to win or achieve is goal, often ignoring the needs of the other party. It can also be used when it becomes necessary to take quick decisions, sometimes imposed, unpopular or important (Rahim, 2002). The compromising style refers to an average concern with self and with the others. It is an intermediate style in which both parties give way to manage to win other things. Both parties have equal power, usually without time pressure. You tend to reach a temporary solution in which neither party feels totally satisfied, and in the base remain the assumptions for future conflicts. The obliging style refers to a low concern with self and a high concern with the other. The individual seeks to minimize the differences and focus the effort in solving the problem in the common points between them in order to satisfy the other party. Aims at peaceful coexistence and recognition of common interests. There is a process of generosity, goodness and obedience relatively to the other party (Rahim, 2002). Although these styles are often applied to organizational scenarios, it is possible to generalize them to scenarios that involve interpersonal interactions (Kaushal & Kwantes, 2006).

Conflicts often result of conflicting interests, cultures or values. The choice of styles of conflict management depends not only on the negotiating situation, but also on the individual characteristics of each, in particular on the personality of the negotiators. This is the reason why the identification of personality traits that facilitate the adoption of more effective styles of conflict management, in particular the cultural intelligence, self-monitoring and self-interdependent, is fundamental.

3. CULTURAL INTELLIGENCE, SELF-MONITORING AND SELF-INTERDEPENDENT AS PREDICTORS OF THE CONFLICTS MANAGEMENT STYLES

Earley and Ang (2003) were based on Sternberg and Detterman (1986) multidimensional model of intelligence and define cultural intelligence as an individual capacity that allows the individual to effectively work and manage the social interactions when he meets in different cultural scenarios. It is a specific form of intelligence focused on the ability to learn, evaluate and effectively behave in different situations characterized by cultural diversity (Ang, Van Dyne, & Koh, 2007). It's a multidimensional construct consisting of four dimensions: a) metacognitive, which refers to the awareness that individuals possess during interactions with individuals from different cultures; b) cognitive, which refers to the specific knowledge that you have about the standards, habits and conventions in new

cultural contexts; c) motivational, that captures the motivation that an individual has to learn more and act effectively in various situations; and d) behavioural, conceptualized as an individual flexibility in demonstrating appropriate actions with individuals of other cultural contexts (Van Dyne, Ang, & Koh, 2008; Ward, Wilson, & Fisher, 2011).

Considering the defining characteristics of cultural intelligence and its dimensions, and applying them to a multicultural domestic setting, where all individuals, although of the same culture, have distinct values, beliefs, interests, behaviours and goals, it will be expected that individuals with high levels of cultural intelligence are able to organize their social behaviour, opting for more integrative styles and more cooperative relations, compared to those with lower levels of cultural intelligence (Imai & Gelfand, 2010). They are more likely to persist, even if negotiating becomes stressful and difficult, given their high motivation in different situations (e.g., Van Dyne et al., 2012). The metacognitive dimension promotes an active thinking about people and situations, unleashing a critical thinking about habits and beliefs and enables you to make an assessment and review of mind maps increasing, thereby, the ability of understanding (Van Dyne et al., 2008). Individuals with high levels of cognitive cultural intelligence have a deeper understanding of how people are shaped/influenced by the environment in the way of thinking and acting (Van Dyne et al., 2012). Similarly, high levels of behavioural cultural intelligence are essential in conflict management. Individuals with high levels of behavioural cultural intelligence can overcome the natural human tendency to rely on habits, demonstrating a behavioural flexibility in different situations, what includes a change of code and an adjustment to the negotiating context (e.g., Molinsky, 2007). Greater verbal flexibility increases communicational effectiveness; non-verbal flexibility allows you to demonstrate compliance with the standards, and is especially critical because it works as a “silent language” allowing interpret light indicators of sincerity, honesty, competence, etc. (Hall, 1959) fundamental in a negotiation process; and a greater flexibility in the act of speech demonstrates that you understand the communication standards, putting others at ease. In general, cultural intelligence enables individuals to change their behaviours in the face of the nature of the conflict and the requirements of the negotiation process. This change of behaviour, according to specific situations, is a factor of utmost importance during a conflict resolution, and the way individuals decide to change their behaviour (or not) is strictly related to the personality traits self-monitoring and self-interdependent, so its analysis as mediating variables in conflict management styles is presented as relevant.

According to Snyder (1974) individuals regulate their behaviour in order to introduce a specific Self according to situational cues, i.e., they differ in the way they present themselves in social situations. Some individuals are motivated to present an appropriate Self in different social situations while others are motivated to be themselves (Gainey, 2012). Individuals with a high self-monitoring are considered “the world’s chameleons”, willing to change their behaviour depending on the environment where they are (Snyder, 1974). Usually they are individuals who obtain more positive results at work, since they change their behaviour depending on the situation and have a higher likelihood of resolving the conflict through the integrating and compromising styles (Warech, Smither, Reilly, Millsap, & Reilly, 1998). These evidences are not restricted to an organizational scenario, because a high self-monitoring presents itself as a variable linked to a better interpersonal effectiveness (Warech et al., 1998). On the other hand, individuals who have a low self-monitoring seek to be themselves in different social situations (Gangestad & Snyder, 2000), appealing to introspection and focusing their attention on thoughts, beliefs and feelings. Thus, their behaviour is consistent even in different social situations, or at least similar, because they are motivated by dispositions, which do not differ from one situation to another (Gangestad & Snyder, 2000).

The self-construal is defined as the conception that the individual has of himself or self-image and is composed by the self-dependent and self-interdependent (Markus & Kitayama, 1991). It is based on the way the culture at the level of communication with members of other cultures, cultural norms, values and the perception that the individual has of self, influences his behaviour (Oetzel & Bolton-Oetzel, 1997). Regarding self-interdependent, this measures the tendency to think of ourselves concerning our relationships with others. The basic principle of this concept lies in the premise that an individual is connected to another, in a way his self is defined, at least in part, in terms which refer to the membership of a particular group, to the existing relationships within that group, as well as to the social roles to play (Cross et al., 2000). To maintain and increase this interdependent vision of the Self, individuals tend to think and behave in ways that emphasize its connection with others and that strengthen existing relationships (Cross et al., 2000). In other words, the perception of our Self depends on the relationship we have with the others. This relationship with the interactions with others (Oetzel, 2001; Oetzel et al., 2001), makes individuals with an interdependent-self believe that their relation with the others are more important than focusing on the individual Self. Individuals seek to create harmonious relations through the adaptation and the help to the other, according to social rules and cooperative behaviours (Oetzel & Bolton-Oetzel, 1997). In this context Cross et al. (2000) reported that individuals who have a high self-interdependent characterize their important relationships as closer than individuals who have a low self-interdependent and, are more likely to take into consideration the needs and wishes of others in decision making.

Research linking these concepts simultaneously with the conflict management styles, are scarce, at least as far as we know. Stands out the study of Kaushal and Kwantes (2006), which sought to explore the influence of self-monitoring in conflict resolution styles. These authors found no relationship between the variables suggesting the application of a measure greater than the scale of 16 items of Warech et al. (1998). For its part, the study of Mehra and Schenkel (2008) showed that individuals who have a high self-monitoring tend to experience a greater degree of conflict. Oetzel et al. (2001), in his study on conflict management styles and self-construal, showed that the interdependent self is related to the style obliging and integrating. Other studies, such as Ting-Toomey et al. (2000) found that self-interdependent was also related to the style obliging.

According to the study of Gupta, Singh, Jandhyala and Bhatt (2013), self-monitoring is a significant predictor of cultural intelligence and its dimensions. The styles of conflict management adopted, are characteristic of the personality, therefore the personality trait self-monitoring, and cultural intelligence attribute, can predict the conflict management style. That is, it is expected that individuals with a high level of self-monitoring that adapt to the situation of conflict and act according to the needs of others preferably adopt integrating and comprising styles to the resolution of the conflict. On the other hand, those with lower levels of self-monitoring, denoting a stable behaviour and carefree face to the needs of the other, will tend to adopt the styles of dominating and avoiding (Kaushal & Kwantes, 2006).

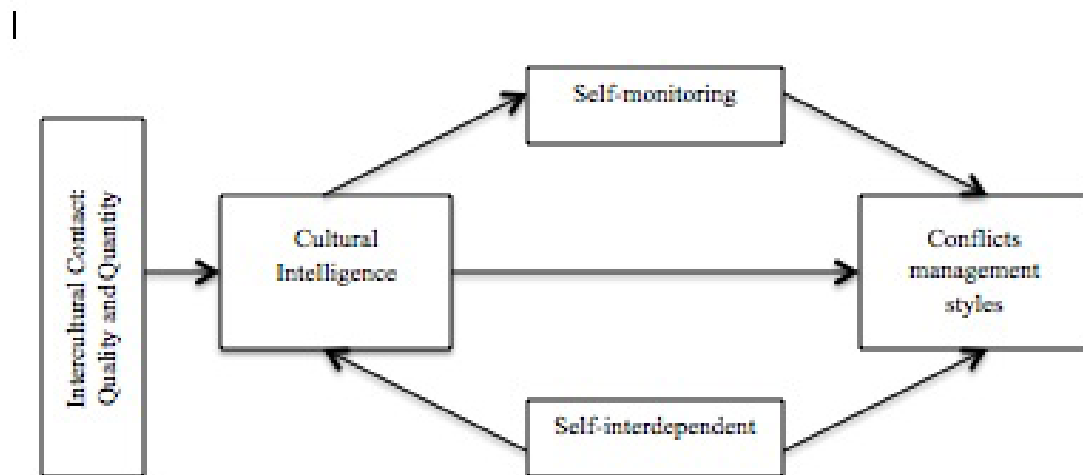
4. THE ROLE OF THE INTERCULTURAL CONTACT

Live and work in a society where cultural diversity is a reality, requires an awareness that there are different systems of values, rules, behaviours, inherent in different cultures, and that becomes indispensable to understand them better in order to be able to communicate and interact effectively (Rocha, 1991). Thus, during a social interaction, it is necessary that the individual is able to suspend the judgement of a situation until the various clues of the context can be interpreted (Triandis, 2006). In this way, situations of tension or conflict can

be alleviated if an individual is familiar with the cultural values and behaviour of the other (Holt, 2000). Crowne (2008) points out that the knowledge of cultural norms and values can increase if the individual develop an understanding of another culture through the experiences in this culture or by the degree of contact with individuals from other cultures. In this sense, the multidimensional exposure to various cultures allows an individual to become familiar with the products, norms, and values and make assumptions about another culture, what increases his levels of cultural intelligence. In general, the intercultural contact has been associated with increased cultural skills. If the intercultural contact allows individuals a greater confidence in their interactions, as well as greater openness to individual differences, then, you can also extrapolate this variable for contexts characterized by domestic multiculturalism. This is because, it allows the individual to communicate more effectively with people from different social and educational levels, different genders and ages, with different beliefs, goals and interests, i.e. allows him to handle multiple “cultures”. Some investigations have pointed to a positive relationship between intercultural contact and cultural intelligence (Ang et al., 2006; Crowne, 2008; Gelfand et al., 2008). In addition, the intercultural contact is closely related to the concept of cultural intelligence (Earley & Ang, 2003) and theoretically, it is a notable precursor of it (Gelfand et al., 2008). Therefore, it will be able to function as a predictor of cultural intelligence and its dimensions. The exposure to multiculturalism, being the way in which an individual learns and adapts to others, seems to be fundamental for the development of cultural intelligence, and, consequently, for the use of integrative conflict management styles, reason why the analysis of its correlation with both variables is of utmost importance.

To sum up, this study seeks to test a model which, on the one hand explores the effect of the quality and quantity of intercultural contact on cultural intelligence, and on the other the influence of cultural intelligence, self-monitoring and self-interdependent on the conflict resolution styles (Figure 1).

Figure 1. Proposed model



5. METHOD

5.1 Sample

This study used a convenience sample of 399 individuals (62.9% female and 30.8% male) from several regions of Portugal (22.3 % Alentejo and Algarve, 23.5% Beiras, Estremadura, Ribatejo and 8.2% foreigners - Portuguese speakers) and aged between 18 and 59 years ($M = 26.40$; $SD = 8.90$). Regarding to qualifications, participants are mostly graduates (46.9%).

As regards the degree of contact, 36.6% often interact with other cultures, 17% refer that is very often and 10.3% refer that interact all day with other cultures. Being that, these participants that interact since frequent to all day with other nationalities, 15.3% refer that the type of contact is with “Friends and Family”, 32.9% interact with “Friends, Family, Classmates and Neighbours” and 36.9% interact with “Friends, Family, Classmates, Neighbours Customers, Work Colleagues and Work Superiors”.

5.2 Procedures

5.2.1 Data collecting:

The data were collected through an online questionnaire, elaborate on the Google Drive platform. The questionnaires contained a cover page with informed consent, ensuring the confidentiality and anonymity of the data, and information to fill it in. The questionnaire remained available for a period of 4 months.

5.2.2 Data analysis:

The data were processed using the SPSS and AMOS programs (V. 20) and the significance level was assumed at 0.05. To examine the values of variables and descriptive analysis of hierarchical regressions we used SPSS program. The confirmatory factor analysis was performed by AMOS program aiming to evaluate the fit of the model and verify if this was consistent with the data.

5.3 Measures

5.3.1. Cultural Intelligence:

The Cultural Intelligence Scale (CQS), adapted to the Portuguese population by Sousa, Gonçalves, Reis and Santos (2015), was originally developed in English by Van Dyne and colleagues (2008). This 20-item tool, rated according to a Likert-type scale from 1 (Strongly Disagree) to 7 (Strongly Agree), is a multidimensional measure that includes four dimensions of “intelligence”: metacognitive (4 items, e.g., item 1: “I am conscious of the cultural knowledge I use when interacting with people with different cultural backgrounds”), cognitive (6 items, e.g., item 7: “I know the cultural values and religious beliefs of other cultures”), motivational (5 items, e.g., item 11: “I enjoy interacting with people from different cultures”) and behavioural (5 items, e.g., item 18: “I vary the rate of my speaking when a cross-cultural situation requires it”). The Cronbach’s alpha for the Portuguese adaptation of the scale was 0.93; the alpha of the scale dimensions ranged from 0.86 to 0.89.

5.3.2. Conflict Management Style:

The participants answered the instrument developed by Simões (2008) based on the assumptions of the Rahim’s contingencial model (1983), demonstrating a Cronbach’s alpha of 0.80. This instrument consists of 30 items rated according to a Likert-type scale from 1 (rarely) to 7 (usually) contemplating the five conflict management styles: dominating (e.g., item 7: “I’d rather win than agree to compromise”), avoiding (e.g., item 2: “I’d rather avoid the person until the problem is solved by itself”), compromising (e.g., item 30: “If both give

in a little, we will have a solution easily”), obliging (e.g., item 25: “I agree immediately before there is discussion”) and integrating (e.g., item 12: “I try to act like a mediator and not an adversary”). The five scale dimensions showed acceptable levels of internal consistency, varying the alpha between 0.66 and 0.73.

5.3.3. Self-Monitoring

We used the Self-Monitoring Scale (SMS) developed by Snyder and Gangestad (1986) and translated and tested for the Portuguese population for this study. The face validity was supported by translation and retranslation of four bilingual translators and subsequently adjusted for the final version. Participants rated the extent to which they regarded the statements as true or not, with respect to their behaviour. We used a Likert scale of 1 (not true) to 7 (totally true). In terms of reliability, the scale showed an internal consistency of 0.55.

5.3.4. Self-Interdependent

The degree to which the individual includes his intimate relationships in his self-concept was measured through the version for the Portuguese population developed by Gonçalves, Gomes, Hipólito, Santos and Orgambídez-Ramos (2015) and demonstrate an internal consistency of 0.84. This value is similar to the original instrument *The Relational-Interdependent Self-Construal Scale (RISC)* developed by Cross et al. (2000), which show an alpha ranging between 0.85 and 0.90. The instrument consists of 11 items; two of which are inverted items (items 8 and 9). The participants were asked to assess to what extent they agreed or disagreed with statements associated with their intimate relationships, using a Likert scale, with a variation of 1 (strongly disagree) to 7 (completely agree). The definition of “intimate person” was provided as a guideline in the questionnaire. Based on the definition of Gonçalves et al. (2014), “intimate person” is defined as the person who is part of the emotional relationships of the individual, with whom he has a strong connection. In other words, the person with whom he has a strong relationship, not necessarily sweet. It includes loving, close friends, family, etc.

5.3.5. Contact level

We measured both the quantity and the quality of contact. Participants were asked to indicate the kind of cultural experiences they had (e.g., vacation in another country, studying in another country, among others), the frequency of contact with other nationalities and, if it was the case, who they interact with. In terms of quantity of contact we asked “how often do you contact with other nationalities?”, considering the growing scale: 1 – Nothing frequent a 5 – All day. As to the quality of the contact, a scale was constructed taking into account the type of cultural relationship of individuals, i.e., participants should indicate the kind of relation they maintained with people of other nationalities, considering the following options: 1 - Friends; 2 - Classmates; 3 - Family; 4 - Neighbours; 5 – C-workers; 6 – Work Superiors; 7 – Customers; 8 – Not Applicable. On the basis of this question the quality of contact was operationalized in a growing range of degree of contact:

1. *Classmates and Neighbours* (individuals who have contact with other nationalities but without high level of affective relationship);
2. *Work* (individuals who maintain contact with people of other nationalities just at the professional level, including co-workers, managers and customers);
3. *Personal* (individuals who maintain contact with people of other nationalities only on a personal level and with a high degree of affective relationship);
4. *Classmates, Neighbours and Work*;

5. *Friends, Family, Classmates and Neighbours;*

6. *Contact with all;*

7. *No contact* (individuals who do not have any kind of contact with people of other nationalities).

In addition to the scales, items on the biographical variables (age, gender, employment status and educational level) were included, in order to characterize the sample.

6. RESULTS ANALYSIS

Table 1 shows the descriptive values (means and standard deviations) for each dispositional variable of the model.

Table 1. Descriptive analysis of the variables cultural intelligence, self-monitoring and self-interdependent

		M	SD
Cultural Intelligence	Metacognitive	5.20	1.03
	Cognitive	3.97	1.03
	Behavioural	5.12	1.11
	Motivational	4.92	1.10
	M = 4.74; SD = 0.83		
Self-monitoring		3.92	0.61
Self-interdependent		5.28	0.75
Conflict Management Styles	Obliging	3.13	0.94
	Avoiding	3.21	1.09
	Compromising	4.07	0.81
	Integrating	4.83	0.97
	Dominating	3.74	1.01

As regards the cultural intelligence, the cognitive dimension features the lower mean ($M = 3.97$; $SD = 1.06$) and the metacognitive dimension presents the highest mean ($M = 5.20$; $SD = 1.02$). These results suggest that, despite the individuals do not consider who possess a specific knowledge about the standards, habits and conventions in new cultural contexts; they seek to be more aware when they interact with individuals from another culture. As for self-monitoring and self - interdependent variables, it was obtained $M = 3.92$; $SD = 0.60$ and $M = 5.28$; $SD = 0.74$, respectively. The self-interdependent mean suggests that individuals consider their Self as and, at least in part, belonging to a certain group. On the other hand, in terms of concern to behave appropriately, the sensitivity to the slopes of the environment and adapt the behaviour according to the environment, clears up that the self-monitoring mean is the core values of the scale.

In relation to conflict management styles, it turns out that the style integrating presented the highest mean ($M = 4.83$; $SD = 0.96$) and the style obliging the lowest mean ($M = 3.13$; $SD = 0.94$).

6.1. Hierarchical regression analysis

For the verification of the model, hierarchical regression analyses were carried out to explore what effects the quantity of contact, quality of contact and self-interdependent show on the cultural intelligence, and what was the effect of the three dispositional measures – cultural intelligence, self-monitoring and self-interdependent – on the conflict management styles.

At first, the quantity and quality of contact were introduced in block, using the *enter* method to verify the explanatory power of cultural intelligence. These predictors only explain 0.8% of the variance of the dependent variable ($R^2 = 0.086$), showing a statistically significant contribution [$F(2,398) = 18.721, p = 0.00$]. The explanatory weight of the quantity of contact is rather higher than the quality of the contact ($\beta = 0.213, p = 0.00$ and $\beta = 0.034, p = 0.49$, respectively) (Table 2). Analysing the correlation between the quantity and quality of contact, we found that this also presents itself as weak ($r = 0.266, p = 0.00$).

Table 2. Synthesis of the hierarchical regression for predict cultural intelligence

	Cultural Intelligence		
	β	t	R^2
QLC	0.213	5.676	0.086**
QC	0.034	.692	

Note: QLC - Quality of Contact; QC - Quantity of Contact; R^2 = determination coefficient; ** $p < 0.001$

For its part, when the variable self-interdependent was introduced, using the stepwise method, the power of determination of these variables greatly increases and the quantity and quality of contact and self-interdependent explain 15% of the variance of the cultural intelligence. It must be emphasized that only when the variable self-interdependent was introduced in the proposed model, its explanatory power increased significantly ($\Delta R^2 = 14\%$) (Table 3).

Table 3. Hierarchical regression for predict cultural intelligence – models

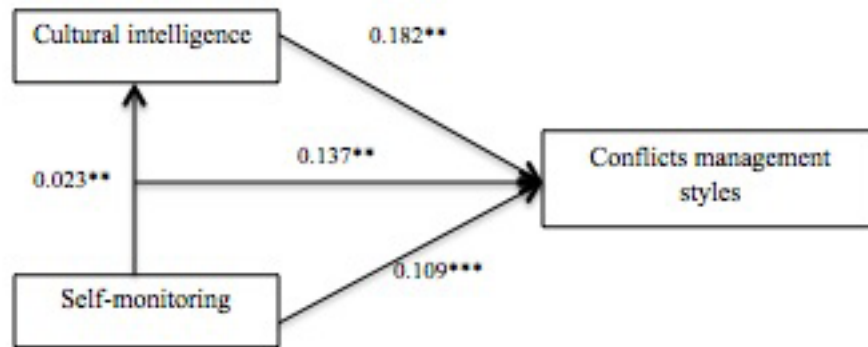
	Cultural Intelligence		
	β	t	R^2
QLC	0.051	1.052	0.012**
QLC+QC	0.275	5.713	0.086**
QLC+QC+SI	0.259	5.583	0.153**

Note: QLC – Quality of contact; QC – Quantity of contact; SI – self-interdependent; R^2 = determination coefficient; ** $p < 0.001$

Secondly, we have examined the relationship between the cultural intelligence and conflict management styles mediated by self-interdependent and self-monitoring. It was observed that the self-interdependent only shows itself correlated with cultural intelligence ($r = 0.261, p = 0.00$), being this correlation weak. In this way, we have removed this variable from the hierarchical regression analysis.

The two dispositional variables (cultural intelligence and self-monitoring) explain 13 % of the variance [$F(3,398) = 19.212, p = 0.00$]. In Figure 2 are the mediation values.

Figure 2. Cultural intelligence mediated by self-monitoring to predict conflict management style



It is also denoted that the explanatory cultural intelligence weight in conflict management increases slightly when it is alone as independent variable ($\beta = 0.182$ $p = 0.00$).

To understand how these variables behave in the proposed model, we have chosen to verify, first, what is the contribution of cultural intelligence about the self-monitoring and subsequently, what is the contribution of self-interdependent on cultural intelligence. At the level of the self-monitoring, cultural intelligence explains only 0.2% of the variance with a contribution of $[F(1,398) = 9.235, p = 0.003]$. The preliminary analysis of correlations between variables indicated that self-interdependent was only correlated with cultural intelligence. To accomplish a linear regression with these variables we observed that self-interdependent only explain 0.7% of the cultural intelligence, with a contribution of $[F(1,398) = 28.968, p = 0.00]$ (Table 4).

Table 4. Synthesis of hierarchical regression for predict cultural intelligence and self-monitoring

	Cultural Intelligence		
	β	t	R^2
Self-interdependent	0.262	5.377	0.068**
	Self-monitoring		
	β	t	R^2
Cultural Intelligence	0.151	3.039	0.023**

In terms of contributions to the styles of conflict management, we used the only variables correlated and predictive in this relationship: cultural intelligence and self-monitoring. The four dimensions of cultural intelligence are only correlated with the integrating style of conflict management. The metacognitive dimension is the only one that presents a considerable percentage of variance of this style 11% ($R^2 = 0.113$), $[F(1,398) = 50.546, p = 0.00]$ and an explanatory power of $\beta = 0.336, p = 0.00$. The remaining dimensions showed very low regressions on the five conflict management styles.

About the contribution of the self-monitoring at the level of the conflict management styles, this explains 11% of the variance $[F(1,398) = 48.435, p = 0.00]$. To explore which of the styles possessed a greater explanatory weight we found that the dominating and compromising strategies have a higher weight to the other ($\beta = 0.280, p = 0.00$ and $\beta =$

0.264, $p = 0.00$, respectively). It should be noted that the integrating strategy has not reported as significant in this relationship ($\beta = 0.041$, $p = 0.41$) (Table 5).

Table 5. Synthesis of hierarchical regression to predict conflict management styles

	Self-monitoring		
	β	t	R^2
Dominating	0.280	5.816	0.079**
Avoiding	0.224	4.579	0.050**
Compromising	0.264	5.458	0.070**
Obliging	0.196	3.991	0.039**
Integrating	0.041	0.822	0.002

Power analysis of determination of the contact quantity and dispositional variables on conflict management strategies, shows that, just after the introduction of the variable self-monitoring in the proposed model, its explanatory power increases significantly ($\Delta R^2 = 10\%$) (Table 6).

Table 6. Synthesis of hierarchical regression to the prediction of Conflict Management Style variable

	Conflict management styles		
	β	t	R^2
QC	0.042	-0.829	0.002
QC+CQ	0.186	3.592	0.033**
QC+CQ+SI	0.011	0.209	0.033**
QC+CQ+SI+SM	0.312	6.521	0.128**

Note: QC – Quantity of the contact; CQ- Cultural Intelligence; SI – Self-interdependent; SM – Self-monitoring; R^2 = determination coefficient; ** $p < 0.001$

In terms of adjusting the model, the results showed a CMIN/DF of 9.152, not indicating a suitable adjustment of the sample model (Byrne, 2001). The remaining indicators used show a proper adjustment to the extent that the values CFI = 0.864 and GFI = 0.985 show values close to 1, and the values RMR = 0.032 and SRMR= 0.064 are close to 0. The RMSEA value is 0.143 and does not constitute a good adjustment indicator (Brown, 2006).

7. DISCUSSION

This article aimed to test a model where high levels of cultural intelligence mediated by a high self-dependent and self-monitoring, positively affect and predict the trend that an individual has to use effective conflict management styles according to the individual characteristics of those involved in the conflict.

In relation to the dispositional measures used to predict conflict management styles, we observed that cultural intelligence presents itself as a reasonable predictor of conflict management styles. When associated with the self-monitoring, its explanatory power decreases slightly. However, it must be emphasizes that the single dimension of cultural

intelligence that shows a decisive power in management conflict styles is the metacognitive dimension. This dimension reasonably predicts the integrating style. These results point to the importance, in interpersonal relationships, of the existence of cooperative reasons in individuals who exhibit high levels of intelligence, once the outcome in conflict situation will be more satisfying for both parties (Imai & Gelfand, 2010). Therefore, if individuals have a greater awareness of the other's individual differences during social interactions and behave in ways that emphasize their connection with the others, so, in situations of conflict, they will opt for strategies that benefit not only themselves but also the others and, perhaps more important, strengthening and simultaneously maintaining their relationship with the others. Self-monitoring has proved to be a predictor of styles of conflict management, with emphasis on a higher power in the dimension dominating. Our study is consistent with the study of Mehra and Schenkel (2008) and suggests that it may also exist some disadvantages to being a social "chameleon": individuals with a high self-monitoring use a more aggressive management conflict style than those with a low self-monitoring. Other studies that explored this relationship showed that these "chameleons" are better to deal with interpersonal issues and probably to use integrating and compromising strategies (Wareck et al., 1998) but, on the other hand, we found studies that did not find any relationship with the five conflict management styles (Kaushal & Kwantes, 2006). So, if it is considered that an individual with a high self-monitoring shows a special ability to focus on the others emotions, it would be expected that integrating strategies would stand out.

It was still our objective to understand how the quantity and quality of intercultural contact affects cultural intelligence. Cultural intelligence is a dispositional measure that is not innate or immutable to the individual, on the contrary, it can be developed and improved according to the multicultural experience that the individual possesses, being this the basic factor that allows its development. In this sense, we have sought to understand whether the quantity and quality of intercultural contact predicts cultural intelligence. The results show that the explanatory power of these variables is very low and that only the quantity of contact shows a relevant weight to high levels of cultural intelligence. However, when we add the self-interdependent personality trait to this equation, we have seen that this variable shows a superior explanatory power of the cultural intelligence, compared to the contact variables. These results are relevant since they suggest that are not only the environmental aspects and contact with the multiculturalism that influence the cultural intelligence but also individual aspects. Being the self-interdependent a concept that is related to the national identity in terms of the emphasis that an individual puts in intra-group allegiance (Fernández, Páes, & Gonzáles, 2005). We can concluded that it is not enough for an individual to contact daily with other cultures and have an affective or close relationship with others from a different cultural background if he doesn't consider this relationship important to the definition of his Self. It is important to consider that, although we have not found any relationship, it doesn't mean that the quality of contact is not important. Wood and Peters (2014) state that, through short-term visits to another country, the interactions with representatives of the country visited, promote the development of individual knowledge, by means of comparisons between the country of origin and the country visited. It also allows check prior assumptions through reflexivity. Besides, these visits allow you to develop the motivation and involvement needed in future cultural interactions. Thus, the quality of contact is a variable that should continue to be explored.

In the same line of reasoning, the importance that the self-interdependent shows in the relationship with cultural intelligence was relevant, since this measure of personality has more weight in the formation of cultural intelligence than the quantity and quality of contact. That is, it's not the frequent contact or an affective relationship with someone of another culture that will develop significantly cultural intelligence levels, it is necessary for

the individual to consider this relationship as important and meaningful for the formation of his identity.

8. CONCLUSION

In conclusion, this study contributes to the literature of individual differences and conflict management, demonstrating that some individual differences that predict the styles of conflict management can lead to a certain ambiguity in understanding the behaviour that an individual may adopt in situations of conflict. Self-monitoring introduced itself as a dispositional controversial measure in relation to conflict management styles. On the one hand, it presents itself as an important predictor of conflict management, on the other hand has a greater weight in the choice of the dominating style in conflict situation. If an individual presents a greater ability to perceive its environment and draw clues that give him the ability to act according to it, one would expect that, in situations of domestic or cultural diversity, these individuals would show evidence of being more sensitive and skilled in managing these aspects. Future studies could contribute to this analysis, through aspects considered relevant to conflict management, such as, for example, the mimicry. The mimicry is an important factor in conflict resolution (e.g., Maddux, Mullen, & Galinsky, 2008; Swaab, Maddux, & Sinaceur, 2011) and varies according to levels of self-monitoring (Cheng & Chartrand, 2003). Also the multicultural personality (Van der Zee & Van Oudenhoven, 2000, 2001) may be a variable to consider in future investigations as to provide individuals a greater empathy, flexibility, openness, emotional stability and social initiative, being an important personality trait for the understanding of conflict management styles adopted. We suggest that a forthcoming analysis use the scale of intercultural conflict styles (Hammer, 2005) as this allows the comparison with groups of different cultures.

In general, the proposed model shows relevant aspects in relation to the importance that these measures of personality present in conflict management styles. Understanding the predictors of conflict management style and, in particular, to what extent the cultural intelligence promotes a most effective conflict management style, can contribute to outline fundamental skills training programmes in negotiation and decision-making processes, targeting not only the organizational success but also the personal success.

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SPANISH-MOROCCAN FAMILIES IN A CONTEXT OF FAMILY DIVERSITY IN SPAIN. CHALLENGES FOR THE CONSTRUCTION OF INTERCULTURALISM

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ABSTRACT

This paper presents an analytical approach to the reality of Spanish-Moroccan families in Spain, constructed from two areas of data collection. The first was collected from available intermarriage data (in which at least one of the two members of the couple was Moroccan) and the second from the available data about children of these unions. The analyses were performed using official data collected in the Statistical Bulletin of Birth from the National Institute of Statistics (NIS henceforth). Since 2008, the Moroccan community has constituted the second largest contingent of foreign residents in Spain (after Romanians), although its historical trajectory places them as the immigration group with higher socio-demographic relevance. The Moroccan migration is the result of young people who marry at young ages with a strong trend toward marrying homogamously within their own national group who journey to Spain and reside primarily in larger regions such as Madrid, Valencia, Andalusia and Catalonia. The results of this study indicate that couples who are both Moroccan parents show some different marriage patterns when compared to couples where only one parent is of this nationality.

Keywords: Cultural Diversity, Intercultural Relations, Descendants, Mixed Marriages

JEL Classification: I38, J11, J18

1. INTRODUCTION

The last decades of the twentieth century contributed to the formation of a culturally diverse society in Spain, mainly as a consequence of migration. Throughout those years, and the first decade of the twenty-first century (until the onset of the economic crisis of 2008), there has been a major migratory influx from a wide variety of nationalities resulting in Spain becoming consolidated and recognized as a country of immigration. According to UN figures, Tamanes, Pajares, Perez and Debasa (2008) have found, Spain to be the second highest immigrant reception country in the world, since 2000.

The purpose of this study was to explore the reality of married couples with at least one Moroccan partner in an attempt to better understand the characteristics of people who participate in this type of mixed marriage. The authors were also interested in better understanding the characteristics of the progenitors of couples with at least one Moroccan partner. Available data from the Spanish Statistical Bulletin of Births (NIS) were used to

extract information related to the Moroccan population in order to meet the purpose of this study to better understand the reality of mixed couples in which one partner was Moroccan.

The authors posed two fundamental objectives for this study: first, to identify the characteristics associated with Spanish-Moroccan mixed couples; second, to perform a sociodemographic comparison of descendants, at least one of whom is registered in Spain, whose parents constitute one of the following couple types: 1) both parents are Moroccans; 2) one parent is Spanish and one is Moroccan. Moroccans in these family types were also compared with people of a different non-Spanish nationalities to provide context.

The arrival of immigrants in the years of welfare and growth prevented the stagnation of the Spanish population pyramid. According to NIS (2011), people in Spain grew six million between 2001-2011, largely because resident immigrants tripled in that decade to over five million. With the reality of the economic crisis, many of these foreigners have begun leaving the country. Since 2000, when foreigners were numbered at 923,879, the population has grown by over 370,000 people per year. The largest growth occurred in 2007 (approximately 750,000), and the smallest growth occurred in 2009 with an increase of only 99,000. Due to the economic crisis, among others, in 2010 only reached 4,000 before recording its first decline in 2011.

This migration has created demographic and social consequences, such as the increased configuration of culturally mixed couples and the subsequent existence of descendants of these couples (Porfirio, 2011). The patterns of family formation and existence of a migration to a particular family type are relevant for understanding the migration process itself, for the possible consequences of this migration within the host society and for understanding the processes associated with social integration (Barreira, 2011; Vaz, 2011). Considering the family dimension, according to Esteve and Cortina (2011), is essential to understanding both the reasons for migration and integration into the host society. It is also critical to understand the structural changes in the family as a social nuclear institution arising from migration (Steingress, 2012: 14).

The configuration of mixed couples may be due to multiple factors, such as personal preferences of individuals for certain features of their partner, the influence of the social group to which both members belong, and the limitations of the "marriage market" available to search for a relationship. In addition, the configuration of such unions involves social and demographic consequences that tend to diminish cultural distinctions especially on future generations. This means that children from mixed couples tend to reduce negative attitudes, prejudices and stereotypes towards other groups.

This same idea was exposed by Esteve and Bueno (2011) when they found that a considerable proportion of immigrants have no partner at the time of migration and, therefore, the probability of finding one in the host society becomes very high. Forming a couple relationship and residing in the country of destination can be interpreted as a settlement when the creation of offspring and a long-term stay occur.

People of Moroccan nationality have contributed decisively to the sociodemographic transformation linked to migration in Spain. The Moroccan population represents a large number of foreigners in several Spanish regions and now constitutes the second largest group of foreigners, surpassed only by the Romanian population. The Moroccans are distinct from Romanians in that they are a group with a higher immigration tradition in Spain. For a long period of time, Moroccans were the largest national community until 2008 when they were surpassed by immigrants from Romania (Colectivo IOE, 2012). The first arrivals of Moroccan immigrants date from the 1970s of the twentieth century, although the major migrations occurred during and after the year 2000, coinciding with a period of great growth of employment in Spain. This period of growth and development may help to explain why most men are economically active, while a very large segment of women have remained

outside the labor market. This trend can also be explained by patriarchal and religious values and beliefs.

In Spain, official figures taken from the Municipal Register of Inhabitants of NIS reflect a progressive increase in the presence of foreign residents in Spain in the 2000-2011 period. The population who are of Moroccan origin has decisively contributed to this increase with a rise from just over 170,000 in 2000 to 770,000 Morroccans in 2011. This increase in numbers during this timespan has not resulted in an increase of the percentage of the Moroccan population compared with the total foreign population registered in Spain, however. The percentage of Morroccans in Spain in 2000 was 18.7% down to 13.5% in 2011. Additional figures for immigrants provided by the Spanish Permanent Immigration Observatory (PIO henceforward) are related to foreign residents for the same period (with a registration certificate or residence card in force), since in Spain, unlike other European countries, all immigrants can be registered from the moment they arrive, regardless if they have entered the country legally or illegally. This comparison between Morroccans and other foreigners can be seen in Figures 1 and 2 and Table 1, where the evolution of the Moroccan population in Spain is shown for the first decade of the century. Since 2006, a slight increase of residents is perceived compared to those who are registered, that means that people from Morocco started to be more regularized from that moment than in passed years.

Figure 1. Presence of Moroccan population in Spain

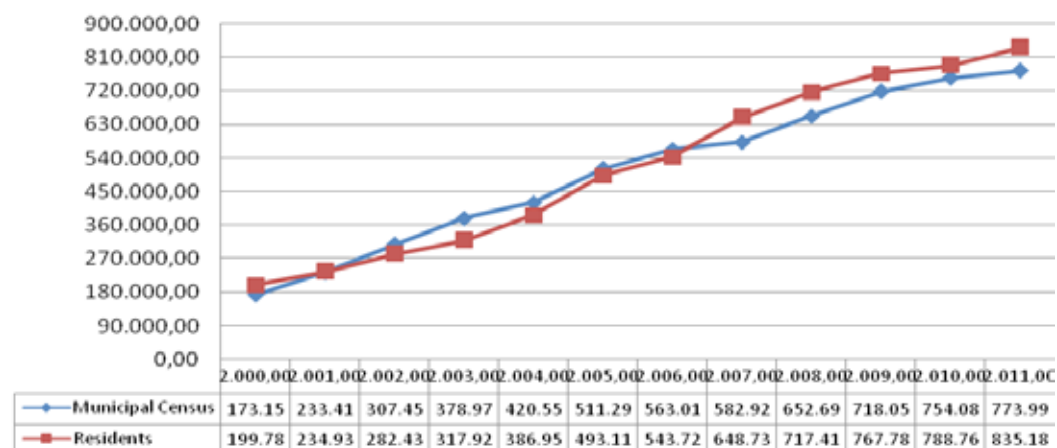


Figure 2. Percentage of Moroccan population in Spain compared to total foreigners

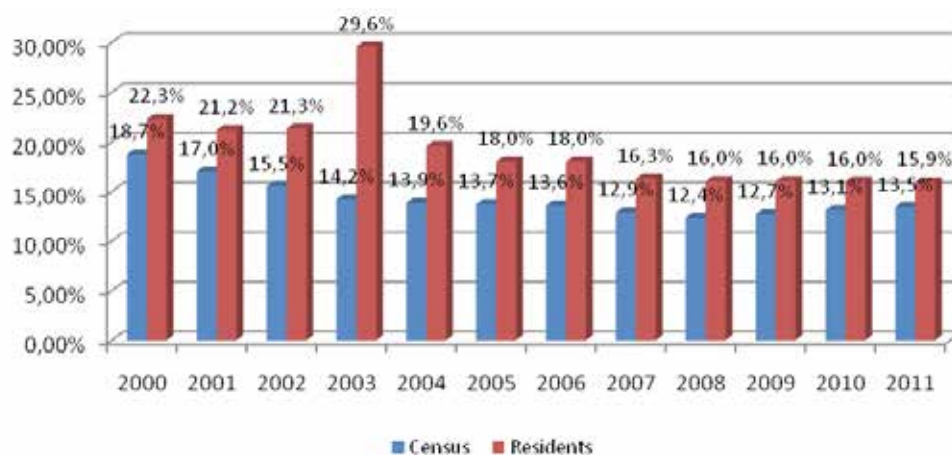


Table 1. Official population data

Census year	TOTAL	Spanish	Foreigners	Moroccan	Moroccans compared to Total Foreign	Moroccan over total population	Interannual variation	Annual increase
2000	40,499,791	39,575.912	923,879	173,158	18.74%	0.43%		
2001	41,116,842	39,746.185	1,370,657	233,415	17.03%	0.57%	60,257	35%
2002	41,837,894	39,859.948	1,977,946	307,458	15.54%	0.73%	74,043	32%
2003	42,717,064	40,052.896	2,664,168	378,979	14.23%	0.89%	71,521	23%
2004	43,197,684	40,163.358	3,034,326	420,556	13.86%	0.97%	41,577	11%
2005	44,108,530	40,377.920	3,730,610	511,294	13.71%	1.16%	90,738	22%
2006	44,708,964	40,564.798	4,144,166	563,012	13.59%	1.26%	51,718	10%
2007	45,200,737	40,681.183	4,519,554	582,923	12.90%	1.29%	19,911	4%
2008	46,157,822	40,889.060	5,268,762	652,695	12.39%	1.41%	69,772	12%
2009	46,745,807	41,097.136	5,648,671	718,055	12.71%	1.54%	65,360	10%
2010	47,021,031	41,273.297	5,747,734	754,080	13.12%	1.60%	36,025	5%
2011	47,190,493	41,439.006	5,751,487	773,995	13.46%	1.64%	19,915	3%
Total	530,502,659	485,720,699	44,781,960	6,069,620	13.55%	1.14%		

Source: prepared by authors based on the statistical exploitation of the census (INE) and Residents Statistics (Permanent Immigration Observatory).

Creating a family union with someone of a different nationality and/or having children from that union may represent further challenges for Morrocans including efforts to socialize children in Moroccan culture and religion. Regarding the socialization of children of these unions, Rodríguez (2004b) identified the educational space within the family as the ideal place for negotiation of adaptation strategies, where they join mainly one parent's culture, or develop a "synthesis" of both.

2. METHOD

The data displayed and analyzed come from the Vital Statistics of the Civil Registry (INS), namely the Statistical Bulletin of Birth and the Marriage Statistical Bulletin.

The studied period varied according to the source used (i.e., for the database of births, between 2000 and 2011, and for intercultural marriages, during the period 2008-2011). These periods for marriages were selected by considering the categorization of couples "country of birth of each spouse" as a key variable. This variable was only present in microdata files provided by the NIS since 2008 (previously the NIS collected only the nationality). Thus, there is an inclusion of those marriages that may not be mixed by nationality (acquired nationality of one of the spouses) but they are through the country of birth. In this sense, the concept of mixed couple should be more accurate because is including the real origin of the people involved.

The types of couples with at least one Moroccan parent extracted from the Statistical Bulletin of births (2000 to 2011) formed by nationality of their parents is observed in Table 2. The aggregate number of total children born to couples with at least one Moroccan parent from 2000 until 2011 was 221,581 which represented 4% of all births registered in Spain for the period (5,534,534) and 22.7% of all deliveries of mixed couples (974,617 registered births; note that 17.9% of the 22.7% represented Moroccan couples who were both of this

nationality while the remaining 4.8% of marriages were those in which only one of both parents was Moroccan).

Group 1 identifies the type of Moroccan parent while Group 2 differentiates whether the Moroccan nationality comes from the mother or the father (Table 2). The treatment of the databases was performed with SPSS 19.0 statistical software. The main procedures done were frequency analysis, contingency analysis and mean comparisons (Student *t* test and ANOVA). The principal variables analyzed were the year of marriage, year of birth, ages, professions, and education.

Table 2. Classification by couples for the analysis

GROUP 1	Frequency	%	GROUP 2	Frequency	%	% of total
Moroccan-another nationality (not Spanish)	6,661	0.7				
Spanish-Moroccans	40,765	4.2	Moroccan mother and Spanish father	21,825	53.5	2.2
			Moroccan father and Spanish mother	18,940	46.5	2
Both Moroccans	174,155	17.9				
Spanish-other nationality	308,474	31.7				
Both of another nationality	444,562	45.6				
Total	974,617	100				

Source: prepared by authors from the microdata files of the NIS.

3. RESULTS

This section is structured in two ways: 1) basic characterization of marriages; 2) main data related to the couples with offspring registered in Spain formed with at least one Moroccan member. An overview of both results will include conclusions and subsequent discussion.

3.1. Key features of mixed marriages with at least one Moroccan member

When considering the period between 2008 and 2011, it should be noted that the percentage of Spanish-Moroccan couples among all married couples with at least one Moroccan partner was quite high: over 70%. In fact, this percentage was 75% in 2008, but it has been declining gradually since then. The main regions of residence for each of the types of marriages are those shown in Table 4, highlighting Andalusia and Valencia.

Table 3. Absolute data for marriages by established typology

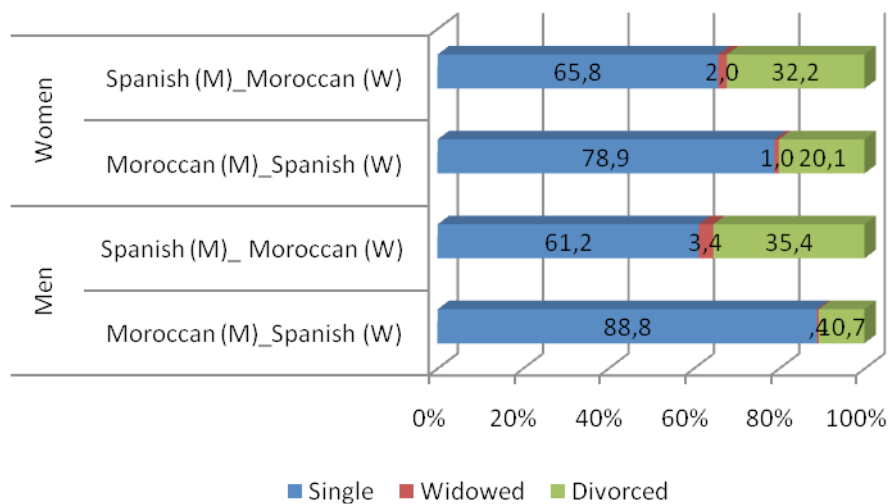
	Absolute data for marriages				Distribution of all marriages with at least one Moroccan member		
	Spanish-Moroccan	both Moroccan	Moroccan-other nationality	Total mixed	Spanish-Moroccan	both Moroccan	Moroccan-other nationality
2008	2,279	394	364	150,334	75.0%	13.0%	12.0%
2009	3,163	540	546	162,691	74.4%	12.7%	12.9%
2010	2,918	527	549	158,317	73.1%	13.2%	13.7%
2011	2,512	536	539	152,360	70.0%	14.9%	15.0%

Table 4. Major regions of residence for marriages by type of couple (percentages)

	Spanish-Moroccan	both Moroccan	Moroccan-other nationality		Moroccan male - Spanish female	Spanish male - Moroccan female
Andalusia	29.5	18.9	23.4		25.5	36.6
Valencia	23.3	30.5	20.2		25.5	19.3
Extremadura	9.9	10.4	12.4		10.3	9.3
Asturias	12.9	17.1	21.2		14.0	10.8
Murcia	3.6	4.0	2.9		3.4	4.1

The majority previous marital status of men and women from every kind of couple was single (between 70 and 80%). An analysis only of Spanish-Moroccan couples showed that the percentage of singles was higher when the man was Moroccan and the woman was Spanish. Note that the percentage of divorced and separated couples was also greater (above average) in couples represented by Spanish men and Moroccan females.

Figure 3. Prior marital status to intermarriage



Another variable analyzed was the educational level of each partner (Figure 4). The highest percentage of illiteracy was found in women belonging to marriages where both were Moroccans. Furthermore, the lowest levels (until elementary education) showed greater presence also in couples who both were Moroccans. The upper educational levels were more present in couples formed by one Moroccan and a person of another nationality (other than Spanish).

When looking specifically at Spanish-Moroccan couples, Figure 5 shows equivalent graduate levels having a greater presence among all members (except for a Moroccan man with a Spanish woman). A lower study level is perceived in couples where men are Moroccans and women are Spanish.

Figure 4. Distribution of educational level in mixed marriages

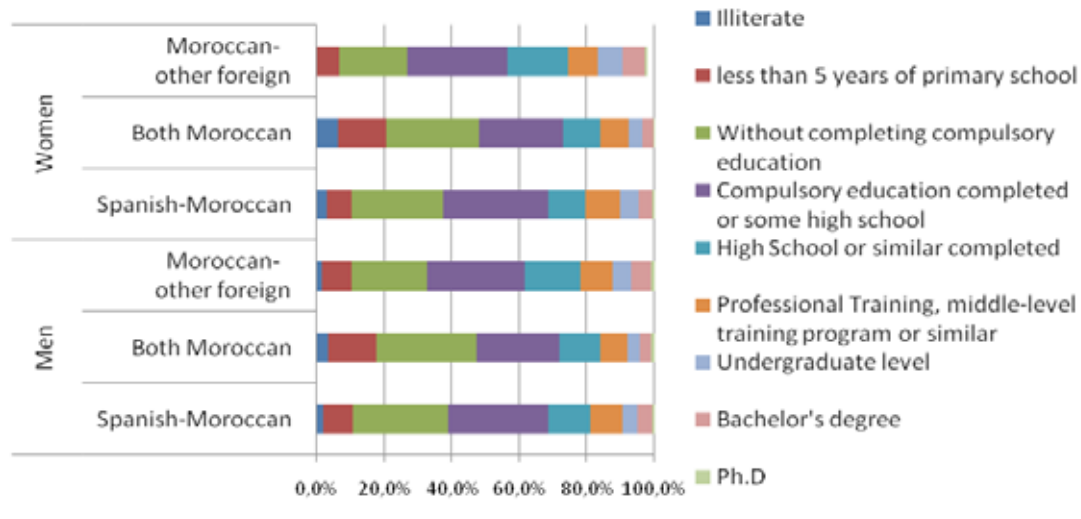
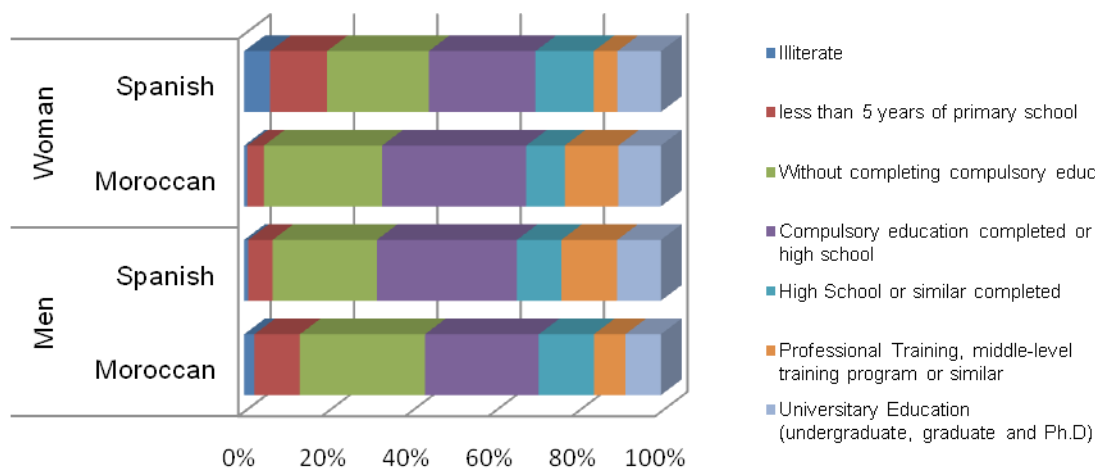


Figure 5. Distribution of educational level for members of Spanish-Moroccan marriages



In relation to professions, excluding the high percentage of “no record” or “not qualifiable”, the data revealed that both genders were highly involved in unskilled jobs, a factor that was prevalent in all types of couples. Specifically,, men showed greater statistical weight for being craftsmen / installers and women for household chores.

It is interesting to note specifically the distribution of the unemployed, since male unemployment was higher in Moroccan Hispanic couples (12% vs. 8% of other couples), and female unemployment represented 13% for both Hispanic-Moroccan couples and couples who were both Moroccans. Likewise, it is 9% for Moroccans with members of other nationality.

Table 5. Professions of each member of mixed marriages

Professions	Men			Women		
	Spanish-Moroccan	both Moroccan	Moroccan-other nationality	Spanish-Moroccan	both Moroccan	Moroccan-other nationality
Technical and professional scientists / intellectual	6,8	3,7	8,0	6,7	3,2	6,8
Administrative	3,2	2,8	2,7	6,6	4,2	7,6
Restoration and unskilled	31,6	36,5	35,8	28,4	27,4	32,3
Agriculture and fisheries	3,6	2,7	3,5	1,0	,8	2,4
Craftsmen, installers, assemblers	14,6	13,3	12,8	1,6	1,1	1,1
Students	1,1	,9	2,0	3,3	4,5	3,3
Household tasks	,5	,3	,5	18,9	20,8	14,2
Unemployed	12,0	8,9	8,4	13,8	13,1	9,0

3.2. Global approach to the characteristics of couples with at least one Moroccan member who have descent registered in Spain

The total number of couples in Spain with at least one descendant registered for the period 2000-2011 was 5,534,534, of which 974,616 were mixed and 221,581 were composed of at least one Moroccan member. The Spanish-Moroccan couples represented 4% of mixed couples and 18.5% of couples with at least one Moroccan member.

The births of couples with at least one Moroccan parent in Spain since 2000 showed a progressive annual increase until 2008, after which growth was much lower. The total births experienced a decrease in the last year, from 2010 to 2011. Firstborn data recorded show a decline since 2009 (Figure 6). Highlighted, by far, the total number of births from couples where both are Moroccans throughout the period and in each of the years covered been the ones with a continuous birth increase since 2000.

Figure 6. Total registered births and first birth in couples with at least one Moroccan parent

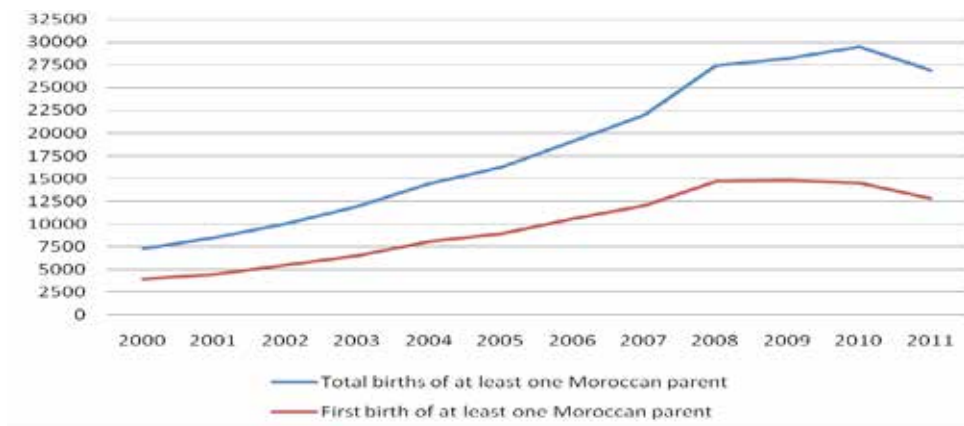


Table 6. Number of births by type of couple

Año	Spanish-Moroccan	Moroccan-other nationality	both Moroccan	Subtotal at least one Moroccan	Total
2000	2,087	227	4,977	7,291	30,504
2001	2,170	287	6,001	8,458	39,629
2002	2,352	355	7,356	10,063	50,754
2003	2,555	414	8,997	11,966	61,542
2004	2,779	524	11,162	14,465	71,321
2005	3,174	624	12,433	16,231	79,819
2006	3,533	639	14,888	19,060	90,369
2007	3,854	716	17,458	22,028	104,691
2008	4,355	752	22,334	27,441	118,328
2009	4,566	723	22,896	28,185	113,201
2010	4,714	753	24,008	29,475	111,074
2011	4,626	647	21,645	26,918	103,385
Total	40,765	6,661	174,155	221,581	974,617

Source: prepared by authors from the microdata files of the NIS

The main Moroccan registration regions of births were Catalonia, Andalusia and Madrid. The Spanish-Moroccan couples were identified in these cities. Ceuta and Melilla were identified as the most relevant regions for these couples. In Ceuta and Melilla, 96% of mixed couples had at least one Moroccan member, representing a significant difference when compared with the rest of territories, given its border situation with Morocco.

Table 7. Births by type of couple and region of registration

Regions	Moroccan-other nationality		Spanish-Moroccan		both Moroccan		Subtotal at least one Moroccan	at least one Moroccan	Total mixed couples
Andalusia	1,127	16.9%	6,522	16.0%	20,126	11.6%	27,775	12.5%	108,737
Aragon	142	2.1%	620	1.5%	4,144	2.4%	4,906	2.2%	26,812
Asturias	10	0.2%	132	0.3%	392	0.2%	534	0.2%	7,690
Balearics	192	2.9%	931	2.3%	6,471	3.7%	7,594	3.4%	37,000
C. Valenciana	806	12.1%	2,718	6.7%	16,912	9.7%	20,436	9.2%	113,382
Canary Islands	365	5.5%	1,480	3.6%	3,250	1.9%	5,095	2.3%	40,507
Cantabria	13	0.2%	93	0.2%	254	0.1%	360	0.2%	6,081
Castilla La Mancha	175	2.6%	1,081	2.7%	7,310	4.2%	8,566	3.9%	35,019
Castilla y León	87	1.3%	626	1.5%	4,214	2.4%	4,927	2.2%	26,401
Catalonia	1,605	24.1%	9,059	22.2%	59,812	34.3%	70,476	31.8%	227,092
Ceuta and Melilla	166	2.5%	9,192	22.5%	6,962	4.0%	16,320	7.4%	16,841
Extremadura	35	0.5%	449	1.1%	1,750	1.0%	2,234	1.0%	7,901
Galicia	42	0.6%	284	0.7%	1,183	0.7%	1,509	0.7%	19,030

Madrid	1,269	19.1%	5,150	12.6%	20,326	11.7%	26,745	12.1%	211,067
Murcia	315	4.7%	1,141	2.8%	13,932	8.0%	15,388	6.9%	43,484
Navarre	72	1.1%	282	0.7%	2,178	1.3%	2,532	1.1%	13,591
Basque Country	178	2.7%	745	1.8%	2,664	1.5%	3,587	1.6%	25,379
La Rioja	62	0.9%	260	0.6%	2,275	1.3%	2,597	1.2%	8,603
TOTAL	6,661	100%	40,765	100%	174,155	100%	221,581	100%	974,617

Source: prepared by authors from the microdata files of the NIS

The average age of mothers in couples with at least one Moroccan parent was 28.1 years and for the father, 35.4 years, up from 33 on average for the total set of mixed couples. The age of the father was just below the average in the Spanish-Moroccan couples where the father was the one with the Moroccan nationality.

There were significant differences between the types of partners for mother's age ($F = 350.31$ (2,221580); $p < .001$) establishing two homogeneous subsets. The first, was a group of couples where both were Moroccans with a mean age somewhat lower than the couples where only one of the parents was Moroccan. The average age of the father also revealed statistically significant differences ($F = 161.98$ (2,221580); $p < .001$) between the three types of partners (see middle ages in Table 8).

When a specific analysis of Spanish-Moroccan couples was performed for the woman who had Moroccan nationality (Table 8), the average age of both the mother and the father were greater than the overall average of all couples studied and were significantly different when compared to couples where the father was the one with the Moroccan nationality. The biggest difference was in the father's age; it was greater when the father was Spanish rather than Moroccan.

Approximately 47.3% of couples with at least one Moroccan parent had previous children. The highest percentage shown was from Spanish fathers and Moroccan mothers (50.1%) and least, from Moroccans united with people of other nationalities (other than Spanish) (35.6%). The average number of previous children of couples with at least one Moroccan parent was 1.24. All types of couples with the presence of Moroccan nationality exceeded the mean of 1.12 previous children for all mixed couples, except for those formed by a Moroccan parent and one of another no Spanish nationality (1.01 on average).

Similarly, 88.6% of Moroccan women whose partner was also Moroccan were married compared to 74.7% of Spanish-Moroccan couples and 50.2% of Moroccan women with a non-Spanish foreign partner. Furthermore, the analysis of total mixed couples showed that Moroccans had the highest percentage of endogamy (41.2%), followed by the Romanian and Ecuadorian couples (16.8% and 16.4% respectively).

Additionally, 24.4 years was the average age at marriage of the mother for total mixed couples, being surpassed only by the mixed Moroccan couples where one partner was married to a partner of another nationality other than Spanish. Mothers who married at a younger ages were typically in a marriage in which both partners were Moroccans (22 years) while those who married at older ages were couples in which one partner was Moroccan and the other was of another nationality. A comparison of means for the three types of pairs showed significant differences but a small effect size ($F = 2205.86$ (2, 185 958); $p < .001$).

Not only were couples who were both Moroccans getting married most frequently, but they were also the ones married with the highest years of marriage when compared with other couples, followed by Spanish-Moroccan, with statistically significant differences ($F = 771.35$ (2 188 569); $p < .001$). These significant differences were irrelevant, however, when effect size was calculated (less than 0.20 in both cases).

Couples with a Moroccan mother and Spanish father showed the highest percentage of having previous children. They also are married to a greater extent than those couples formed by Moroccan men. The ages of the mothers at the time of marriage did not differ substantially (i.e., the effect size was practically nil). Moroccan women united to Spanish men also showed longer durations of marriage when compared to couples in which the father was Moroccan and the mother was Spanish.

Table 8. Basic characterization by type of couple with at least one Moroccan parent

	Average age of mother		Average age of father		With previous children	Previous children average		Married	Age at marriage		Years of marriage	
	M	SD	V	SD	%	M	SD	M	M	SD	M	SD
Moroccan other nationality	29,0	5,97	33,9	7,5	35,6	1,0	0,99	50,2	26,1	5,8	2,95	3,5
Spanish-Moroccan	28,9	6,2	35,6	8,5	47,50	1,3	1,2	69,6	24	5,8	4,67	4,7
	Moroccan mother	29,6	5,9	39,1	8,8	50,1	1,4	1,3	74,7	23,7	5,7	5,46
	Moroccan father	28,2	6,4	31,6	6,1	44,8	1,2	1,1	63,8	24,4	5,8	3,62
Both Moroccans	28,1	6,1	35,4	6,2	47,7	1,2	1,3	88,6	22,1	5,3	5,44	4,8
At least one Moroccan parent (Subtotal)	28,3	6,2	35,4	6,7	47,3	1,2	1,3	83,9	22,5	5,5	5,27	4,8
Total mixed couples	28,9	5,8	33,3	7,1	43,5	1,1	1,1	59,6	24,4	5,5	4,29	4,3

M= mean; SD= Standard Deviation

Source: prepared by authors from the microdata files of the NIS.

Table 9. Statistical comparisons of means

Married vs unmarried	Mother's age		Father's age	
Moroccan other nationality	($t = 11,72; p < .001$)	($d = .29$)	($t = 18,38; p < .001$)	($d = .45$)
Spanish-Moroccan	($t = 16,72; p < .001$)	($d = .19$)	($t = 22,80; p < .001$)	($d = .26$)
Both Moroccans	($t = -5,93; p < .001$)	($d = -.05$)	No significant differences	
Moroccan mother/father	<i>t</i> de Student		Size effect	
Nº Hijos previos	($t = 14,14; p < .001$)		(d= .14)	
Mother's age	($t = 23,74; p < .001$)		(d= .24)	
Father's age	($t = 100,92; p < .001$)		(d= .99)	
Age at marriage	($t = -9,27; p < .001$)		(d= -.01)	
Years of marriage	($t = 33,79; p < .001$)		(d= .39)	

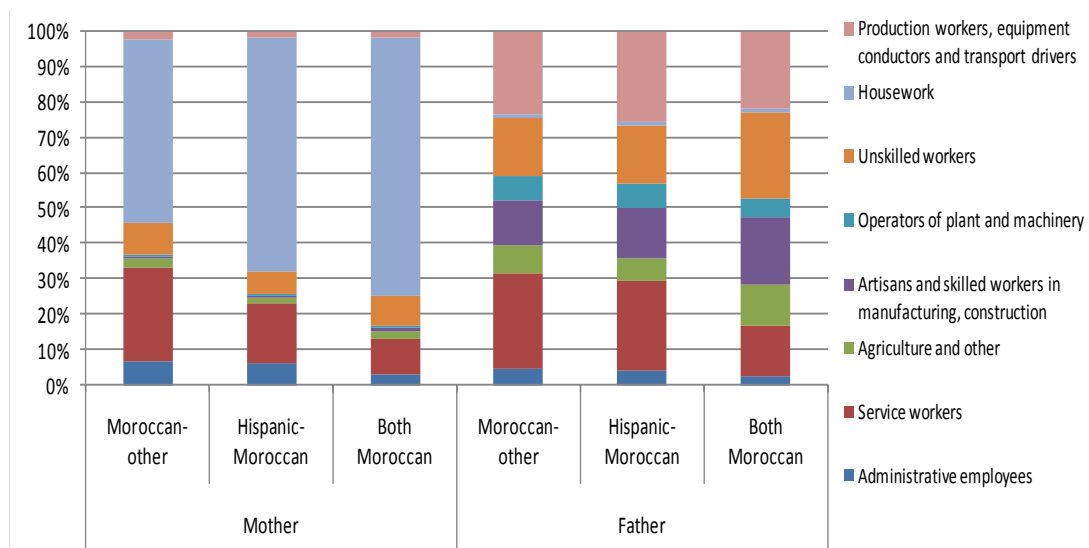
Regarding the most important professions, Table 10 shows the distribution for parents for each type of couple. The most prominent professions are shown in Figure 7. Women engaged more in household tasks, especially among couples where both partners were Moroccan. Fathers were highly represented in the production and service sectors. Among

couples where both were Moroccan, representation in the service sector was somewhat smaller which became more acute in unskilled jobs. Additionally, the percentage of employment in the service sector increased for Moroccan mothers when compared to other nationalities.

Table 10. Mother's and Father's profession distribution by type of couple

	Mother's profession (%)			Father's profession (%)		
	Moroccan other nationality	Spanish-Moroccan	Both Moroccans	Moroccan other nationality	Spanish-Moroccan	Both Moroccans
No record	30,4	21,4	29,0	32,1	22,2	26,8
Army	,5	,5	,6	,5	1,6	,5
Management and public administration	1,0	,9	,6	2,8	2,4	1,5
Technical, scientific	4,1	4,0	2,2	4,8	5,2	3,1
Administrative	4,3	4,5	2,2	2,6	2,8	1,7
Service sector	16,1	12,0	6,5	15,1	15,9	9,5
Primary sector	1,7	,9	1,7	4,4	3,9	7,7
Craftsmen and construction	,5	,5	,6	7,0	9,1	12,4
Operators and machinery	,2	,2	,2	3,9	4,2	3,5
Unskilled workers	5,6	4,6	6,0	9,2	10,2	15,9
Students	1,8	1,3	,7	,3	,3	,1
Household chores	31,8	46,5	48,6	,7	,6	,7
Retirees and pensioners	,1	,2	,1	,8	1,7	,6
Sales workers	,9	1,4	,2	2,7	3,9	1,7
Production workers, drivers and transportation	1,1	1,2	,9	13,0	16,1	14,3
Total	100,0	100,0	100,0	100,0	100,0	100,0

Figura 7. Main professions of the mother and father by type of couple



4. CONCLUSIONS

The results of this study revealed that the Moroccan population is very important in Spain. Spanish-Moroccan couples showed a relatively high representation of marriages where at least one member was of Moroccan nationality, especially when the man was from this Morocco. The majority status was single, including one in three men in Spanish-Moroccan marriages who were divorced.

Regarding education, couples who were both Moroccans showed lower educational levels. Women, both Spanish and Moroccan, from the Spanish-Moroccan couples, showed relatively similar educational levels.

Labor or occupational status indicated mostly housework for women and unskilled jobs for men. The men of Spanish-Moroccan couples showed higher unemployment when compared to other couples.

An analysis of the results obtained from the Birth Bulletin revealed that two Moroccan parent couples were the most common couple type and they were also the most likely to show the longest duration of marriages. The Moroccan population also showed greater homogamy patterns when compared with other nationalities. This may be related to the tendency to reproduce and maintain cultural patterns of origin and is probably motivated by the ease of access to marriage and the social market arising from the use of the same language, customs, religion, etc. These factors can also be interpreted as differentiating factors (and even in some ethnocentric contexts, hindering factors) that can be solved if the relationships are homogamous. This homogamous tendency has also been observed in other European countries like Belgium, Holland, Germany (Kalmijn & Van Tubergen, 2006; González Ferrer, 2006) and in Spain in comparative studies with other nationalities (Vono & del Rey, 2009; Esteve & Bueno, 2010).

Additionally, if this homogamous tendency altogether with educational levels is considered, some studies suggest that high levels of education weakens cultural barriers with regard to marrying outside one's group, revealing a major endogamic tendency in t populations with less education (Kalmijn, 1998).

Furthermore, women in couples who are both Moroccans tend to marry at younger ages and show greater number of years of marriage at the time of the child's registration. When the data of Spanish-Moroccan couples are considered, the percentage of being married is higher when the woman is the one with the Moroccan nationality.

The youngest mothers were in couples where both partners were Moroccans and the youngest fathers were Moroccans with Spanish partner. Older mothers and fathers were most often represented by Spanish-Moroccan couples in which the woman was the one who had Moroccan nationality.

This study represents only an intial exploration ofthe reality of mixed couples in which one partner is Moroccan and one is Spanish., The findings are the results official data sources and represent a temporary view to assist researchers, educators, and practioners to better understand this migratory trajectory. The results raise new awareness and issues to be addressed among these distinct populations. It would be interesting to further expore whether or not endogamous marriages took place place in Spain or in Morocco, or if the spouse resided previously in Spain before marriage or came to establish and start a family as an immigrant. Further research must be conducted in order to address these issues.

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MANAGEMENT OF DIVERSITY IN THE DELIVERY OF PUBLIC SERVICES. A REFLECTION FROM THE POLICIES OF HOUSING IN ANDALUSIA

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ABSTRACT

Based on the management of diversity's implications on the provision of public services, this work reflects on the perception that groups with ethnic differentiation have over housing policies in Andalusia. Specifically, we present the results obtained through a questionnaire elaborated ad hoc from a project based on modeling socio-spatial social intervention in social housing in Andalusia. The most significant differences found in relation to the Andalusians who benefit from these politics are exposed, with differentiation of the Gypsy collective as well as the Group of Moroccan immigrants who have access to this type of housing. Despite the differences, the needs for action in the field of social housing are equal for everyone in the neighborhood, despite ethnic diversity, although their perceptions, valuations and satisfaction can influence actions that are developed and must be considered. Finally, we believe that the politics of public housing in Andalusia expires with the social function of the housing. The problems reside in improving the management of this public park to achieve a major implication of the tenants in the maintenance of the communities and to promote new public housings that they could answer to the situations supervened in this context of crisis.

Keywords: Public Policy, Housing, Diversity, Ethnicity

JEL Classification: J18

1. INTRODUCTION

This article is the result of the research on public housing project carried out by the research team, whose general objective is modelling of the process of management of these public houses. This comprehensive model contemplated the access to housing and associated integration options and citizenship, as well as the participation and involvement of citizens and public services. This project works on different dimensions, incorporating the perception and satisfaction of the people living in this type of housing.

1.1. Andalusia, Diverse Society

The presence of foreign population in residential areas in Andalusian areas has teamed up with multi-ethnic diversity already existing in many territories, derived from the presence of non-gypsy and gypsy population.

Elements such as geographical proximity, living conditions in other countries, hopes for better life conditions in Spain, opportunities for employment, resulted in the arrival of foreign population, mainly Moroccan. The Moroccan population represents a high number of foreigners in several Spanish regions and they are now the second largest group of foreigners, after the Romanian population, although they are the immigration collective with more tradition in Spain (Colectivo IOE, 2012).

This presence of diversity in current contexts causes changes in interactions, institutions and entails bidirectional accommodations in basic social structures and different dimensions. This growing diversity should be managed as public culture, by limiting patterns of institutional performance and conduct citizen oriented to the achievement of social cohesion (Zapata-Barrero and Pinyol, 2010). Interventions in contexts of cultural diversity must recognize the different realities, subjective and intersubjective, configuring methodological empowering strategies and supported in theoretical elements.

There is a greater tradition of the approach to the cultural diversity in some public services than in others, like education or health, which traditionally have been developed more elements of care and intervention with diversity. The public housing sector, despite having worked from issues of ethnic diversity, it has not have tradition develop this policies and interventions. Therefore, it is interesting to carry out a first approximation with the available data of this project in which we based this paper.

1.2. Managing Diversity in the Public Services. Ethnic Diversity and Housing

Access to decent and adequate housing is enshrined as law in article 47 of the Spanish Constitution (1978), contemplating this access as a principle of social and economic policy. This standard rests at higher policy levels, and article 25 of the Universal Declaration of human rights and article 11 of the International Covenant of economic, social and cultural rights, also established this right.

In the housing policies of the Mediterranean welfare, traditionally the State has acquired the role of public promoter to produce social housing aimed at people with greater difficulty of access. In Andalusia, housing is a key element of welfare, and there is the law of the social function of the housing (Law 4/2013, 1 October). Among the measures set out, the conversion to affordable rental of all the sheltered housing in public ownership without awards, strengthen the social function of the Agency's housing and rehabilitation of Andalusia (AVRA).

The housing is related to the social structure where is framed, being a unifying element between the social and physical dimensions. According to Arbaci (2008), in the cities of southern Europe, housing is an element of great importance in the processes of settlement and inclusion of the population, both national and foreign. Therefore, the housing problems are one of the main elements involved in the creation and maintenance of social exclusion processes (Hernandez, 2010).

The habitat is a complex system that needs to be addressed in interdisciplinary way (Jerez, 2010), contemplating different dimensions such as physics, social and customs, values, ways of life, organizational, administrative and political issues (González & Panagopoulos, 2010). This author defends the existence of the term Social Management of Habitat, understood as the set of processes for the production or transformation of the habitat, in which the social initiative has an active role in decision-making, and where they interact (at least) three types of actors, politicians or public administration, technicians and citizens.

Issues relating to residential space has been a constant to consider in the process of urban configuration (Timms, 1976). Traditionally, social housing has been positioned in segregated areas, inhabited by individuals and families with risk of social exclusion. Sometimes, the multiculturalism or diversity has been addressed with segregationist practices, of physical

and social isolation, and linked with higher levels of vulnerability and exclusion, something that it has already highlighted the sociological theory of the *concentric zones*.

In the configuration of the urban landscape and the residential segregation it is necessary to consider different dimensions (Cabaço, 2009; Santos, 2011). One of them are the residential preferences of the individuals, who stem from questions like feelings, the symbolism and the culture and that determine the locations. This type of influences is identified by the most psychological component and by certain premeditation. Along with this explanation, there must be considered the economic questions and social and institutional policies, especially in housings of public promotion.

In addition, they must not only be considered as aspects of the shelter, but the community level, and the neighborhood, plays a key role in the processes of well-being and integration. As pointed out Leal and Cortés (1995, p84), the equipment reflects aspects of habitability and levels of services and resources. The social dimension reflects the dynamics of relationships, as the immigrant population residing in a neighborhood tends to confine their networks of primary socialization to the neighborhood. When these agents are limited to damaged socio-economically areas, appears the risk of relational problems and integration (Echazarra, 2010, p.167).

In the current situation, we are facing different challenges that need comprehensive and effective actions. Social and economic transitions issues related to access to services, new patterns of social behaviour, need for modifications in the collective imagination, among other issues. In this context, housing is also among the elements on which reflect and act from different approaches. One of these approaches is related to the management of diversity (cultural, ethnic, social, economic,...) from the complexity and multidimensionality of welfare and exclusion processes.

Traditionally these housing developments have been associated with peripheral areas, where the presence of social and economic issues was above average, and with people in social exclusion. But in the last decade these conceptions (real in most situations) have been questioned with changes of stereotypes and prejudices, and analysis that linked these issues with aspects of a structural nature and public housing policies. Today, the complexity is a fundamental characteristic of the societies and communities, and the population that resides in these social housing is very heterogeneous, with different perceptions about the meaning of home, standards of living, sense of community, neighbourhood cohesion, etc.

The cultural and ethnic diversity of this study focuses on the gypsy and Moroccan population. The policies of public housing in Spain have influenced the location of many gypsy families in residential standardized environments, facilitating the overcoming of exclusion processes.

According to Hernández (2013) from the sociological theory, are often attributed certain characteristics, dimensions and axes to the process of social exclusion of people culturally different, being particularly important of the housing dimension in the gypsy population. Despite of this, we must insist on the multidimensionality of the concept of exclusion and the link with other dimensions where there are deficits or difficulties. Highlights that the ethnicity is most associated factor to the process of social exclusion. According to the report of the FOESSA Foundation (2008, p.203), only 6% of its population is fully integrated, compared with 34% affected most severe exclusion form (which is 3.5% of the whole of Spanish society).

In the Inclusion Gypsy Strategy: operating plan 2014-2016 poses as one of them aims the eradication of the infrahouse and improve of its quality. Some of the measures are the development of comprehensive programs, with the involvement of the people affected in all phases of the process and coordination with community and educational services. Support to youth access to housing for rental and social housing; boost aid for housing rehabilitation,

setting the costs of rental of public housing according to the situations of need; search for adapted forms to the gypsy population in access and tracking in housing.

In regard to the immigrant population, this study specifically contemplates the presence of Moroccan population, identified as one of the nationalities of greater weight in Spain and Andalusia, and that is the present in the social housing of this project.

In the framework of this project on social housing developed by the research team, have been approaching the reality of social housing in Andalusia from different dimensions (urban planning, architecture, public administration, opinion of tenants). In this article we focus the analysis of satisfaction and perceptions of these tenants, contemplating the existence of cultural and ethnic diversity with Moroccan and Gypsies. Specifically the aim is to characterize this diverse population and comparisons of the major variables.

2. METHOD

2.1. Participants

Participants include 404 tenants of social housing in Andalusia. The sample was obtained with a confidence level of 95.5%, and 4, 47% margin of error, distributed proportionately to the number of areas of social housing (a total of 21 areas).

2.2. Instrument

The instrument used is a questionnaire created by the research team which includes the following information: socio-demographic characteristics, satisfaction with housing and the environment, perception of social problems in the neighborhood, perception of the relationships with the neighborhood and satisfaction and appraisal over the public administration's role.

Socio-demographic characteristics included two parts of questions. First part includes information about housing characteristics like type of house, functionality, province, size of the municipality and tenancy. Second part collects information about tenants, and allows knowing aspects like gender, age, civil status, academic level and economic and professional situation.

In order to assess satisfaction with housing and the environment, a Likert scale with 16 items (0 to 10) was used. With the purpose to study the social problems in the neighborhood, are asked to tenants that value, from 0 to 10, 16 issues.

Furthermore, perception of the relationships with the neighborhood was assess with Buckner scale (1988) about neighborhood cohesion, which evaluates 18 aspects with a Likert scale from 0 to 5. Finally, the questionnaire also includes 20 questions that measure satisfaction and appraisal of the role of public administration and knowledge about different services (Andalucía Government).

The results obtained with the exploration of the psychometric properties carried out with our sample support the validity and reliability of the measures used in the study.

2.3. Analysis Strategy

We conducted a basic characterization of tenants in the different scales, with descriptive analysis (mean, standard deviation and moda) for hole sample and for the different groups that we have compared, that is, moroccans, gipsy and rest of the sample.

We analyze comparisons of means (Student t test and ANOVA) and explored the relationships existing between some ítems. We also show the effect sizes calculated with Cohen's *d* (Cohen, 1988), which allows to determine the value of the standardized mean difference between the groups compared, where values of *d* up to 0.20 are considered small

effect sizes, up 0.50 medium effects, and 0.80 or more as high sizes. We used the statistical software package SPSS 20.0.

3. RESULTS

3.1. Characterization of Diverse Population in the Social Housing

Tenants of social housing are distributed in the following promotions by provinces, also identifying if each promotion is located in area with need of Social Transformation (ZNTS) or not. Whereas that of 404 persons who have taken part, 61.1% their homes are located in ZNTS. Other variables that are displayed is the type of houses that make up the promotion (single-family or multi-family), where 85.1% of those tenants living in homes of multi-family type. In regards to tenure, 65.1% of dwellings are in lease, 20.8% are rent with option to buy, and a 14.1% are ownership.

The results of the variables of characterization (table 1), have brought a stronger male presence to female in the Moroccan population, contrary to what happens with Spanish population, both gypsy and non-Gypsy. The Moroccan population has greater presence of married people than the average, and the Gypsy population stands out in pairs in fact, also having higher percentage of single people than the non-gypsy population. The gypsy population, followed by the Moroccan, have the highest levels of illiterate and without studies. The Moroccan population has more secondary school level.

The highest level of unemployment is for the gypsy population, on the other hand, the levels of employment (full-time full- and part-time together) are high in Moroccan population, which may be related to a better general perception of their economic situation. Consideration of bad economic situation is higher in Spanish population non-gypsy, surpassing even the sample mean. The level of income in all groups is mostly less than 1,000 euros, but the Moroccan population is mainly located in the Strip that has between 500 to 999 euros, while the Spanish population (Gypsy and non-Gypsy) in the Strip up to 499 euros.

Table 1. Characterization

		Total	Gypsy	No gypsy	Moroccan
Gender	Female	56,4	67,1	54,2	28,6
	Male	43,6	32,9	45,8	71,4
Marital status	Stag	18,8	20,3	18,5	20
	Married	60,1	53,6	61,4	76
	Widowed	8,5	5,8	9,1	0
	Divorced	6,0	4,3	4,4	0
	Couple	6,5	15,9	4,6	4
Educational level	Illiterate	6,8	15,9	4,9	16,7
	Without studies	29,9	37,7	28,3	25
	Primary	38,7	33,3	39,8	12,5
	Secondary (13-14 years)	11,6	8,7	12,2	8,3
	Secondary (15-16 years)	9,5	4,3	10,6	29,2
	Professional	,8	,0	,9	4,2
	University or equivalent	2,8	,0	3,3	4,2

Occupation	Full-time	9,1	7,4	9,5	25
	Part-time	12,2	16,2	11,3	20
	Unemployed	47,3	60,3	44,6	40
	Student	2,0	,0		10
	Retired	17,0	1,5	20,2	0
	Stay at home	7,1	10,3	6,4	0
	Inactivity	2,3	2,9	2,1	5
Economic situation	Very bad	21,8	30,0	20,0	4,8
	Bad	23,3	12,9	25,5	14,3
	Regular	40,5	40,0	40,6	42,9
	Good	14,0	17,1	13,3	38,1
	Very good	,5	,0	,6	0,0
Income	Until 499 euros	41,8	54,4	39,5	10
	500 - 999 euros	43,1	33,3	44,9	70
	1000 - 1499 euros	12,4	12,3	12,4	15
	1500 - 1999 euros	2,4	,0	2,9	0
	2000 - 2499 euros	,3	,0	,3	5

The overall results of satisfaction have revealed the presence of statistically significant differences in the global satisfaction with the housing ($F(2, 399) = 3.81$ $p = 0.023$, $d = .32$, 95% [.03, 2.0]), but only from Spanish between gypsy and non-ethnic gypsy, with a small effect size (Table 2).

In the assessment of services and aspects of the neighborhood, stresses the positive valuation of religious services, schools and the health center. The lower valuation occurs for issues of cleaning, the worse rated for Moroccans and population of Gypsy ethnic group, and security (although for Moroccan population the second worst rating for green spaces). These issues should be noted the existence of differences in the assessment of cleaning between the three compared groups, the assessment by the Moroccans still worse ($F(2, 402) = 14.35$, $p \leq .001$, $d = .23$, 95% CI [.02, .77]). Population subsets to the non-gypsy atop a subset that is different from the other groups, with a better rating. In the assessment of green spaces are also differences, becoming an independent subset of the Moroccan population with a very negative assessment in comparison with the rest of the population (Table 3).

Table 2. Global satisfaction

	Total			Gypsy			Non-gypsy			Moroccan		
	n	Mean	d	n	Mean	d	n	Mean	d	n	Mean	d
Global house satisfaction	400	7,82	3,006	68	7,03	3,228	332	7,98	2,938	20	7,85	2,681
Location satisfaction	403	7,06	3,216	70	6,21	3,180	333	7,24	3,199	20	8,00	3,009
Construction qualities	399	7,02	3,231	69	6,23	3,477	330	7,18	3,158	20	7,40	3,409

Table 3. Services and aspects of the neighborhood

NEIGHBORHOOD	Total			Gypsy			Non-gypsy			Moroccan		
	n	Mean	d	n	Mean	d	n	Mean	d	n	Mean	d
Public Spaces	401	6,65	3,566	69	6,38	3,738	332	6,70	3,533	20	8,60	2,521
Security	402	5,52	3,822	70	4,86	3,921	332	5,67	3,791	21	5,76	3,897
Cleaning	403	4,61	3,677	70	3,10	3,456	333	4,92	3,648	21	2,33	3,411
Public transport	382	6,43	3,540	65	5,74	3,747	317	6,57	3,486	21	8,10	2,809
Schools	386	8,24	2,766	66	7,32	3,301	320	8,43	2,608	21	8,14	3,135
Health center	397	7,19	3,514	68	7,75	3,019	329	7,07	3,601	20	8,15	3,233
Religious services	363	8,40	2,746	67	8,45	2,698	296	8,39	2,761	21	9,43	2,204
Sport services	356	6,48	3,843	58	6,40	3,529	298	6,50	3,907	20	3,90	4,4
Social Services	369	6,92	3,522	67	6,25	3,698	302	7,07	3,471	16	6,44	4,487
Water and sanitation	394	7,59	3,299	67	6,64	3,617	327	7,78	3,202	20	6,95	3,426
Green areas	400	5,55	4,053	69	5,00	4,109	331	5,66	4,038	21	2,71	4,002
Lighting	399	6,13	3,916	70	5,33	4,106	329	6,30	3,859	20	3,10	3,684
Much worse (0) or much better (10) than the rest of the city	399	3,71	3,366	68	3,60	3,324	331	3,73	3,379	20	2,2	2,84

The problems in the areas where these social housing were, have also been valued. Unemployment is the problem that more concerned in all groups, with greater mean for the gypsy population. The second problem highlights the total population and non-Gypsy population is drug abuse, while for gypsies and Moroccans are the problems of care and cleaning. There are statistically significant differences in consideration of drug abuse among gypsy and non-gypsy ($F(2, 313) = 3.02, p = .050, d = .33, 95\% CI [.03, 3.26]$). Also there are differences between these same groups in the aspects of cleaning, more relevant for the gypsy population ($F(2, 396) = 5.11, p = .006, d = .34, 95\% CI [.20, 2.79]$). In both cases, effect size is small.

Issues that least concern are prostitution to Spaniards and the problems of local coexistence for Moroccans. In this last issue exists significant differences among Moroccans with gypsy population, ($F(2, 389) = 5.90, p \leq .001, d = .74, 95\% CI [.88, 3.22]$), and with non-gypsy ($F(2, 389) = 5.90, p \leq .001, d = .73, 95\% CI [1.84, 3.27]$), with high effects size.

There are other aspects that are produced significant differences, as consideration of the unhealthy environment where there are differences between the three groups, with a greater concern of the Moroccan group ($F(2, 389) = 8.94, p \leq .001$). (Table 4).

Table 4. Problems

	Total			Gypsy			Non gypsy			Moroccan		
	n	Mean	d	n	Mean	d	n	Mean	d	n	Mean	d
Theft	374	3,54	3,858	62	3,21	3,833	312	3,61	3,866	19	2,632	3,059
Prostitution	341	,78	2,314	62	,68	2,156	279	,81	2,350	16	0,813	2,073
Drugs use	348	5,55	4,022	54	4,43	4,267	294	5,76	3,948	13	6,308	4,25
Alcoholism	360	4,68	4,148	57	4,02	4,194	303	4,80	4,134	16	6,25	4,091
Sale of drugs	314	4,92	4,415	52	3,56	4,461	262	5,19	4,365	11	5,727	4,777

Unhealthy environment	390	3,16	3,985	66	4,44	4,304	324	2,90	3,872	19	5,789	4,467
Conflicts within their neighborhood community	394	2,44	3,405	69	2,03	3,185	325	2,53	3,448	21	1,619	3,612
Conflicts within its neighborhood	393	3,45	3,839	69	3,33	3,988	324	3,48	3,812	21	2,048	2,974
Unemployment	396	8,82	2,568	68	9,04	2,269	328	8,78	2,627	20	8,6	1,847
Absenteeism and drop	358	3,08	3,949	59	3,36	4,413	299	3,02	3,856	21	3	3,873
Noise	399	4,61	4,111	68	4,63	4,512	331	4,60	4,031	21	5,429	4,032
Problems of cleaning and maintenance of sidewalks and streets	397	5,17	4,051	68	6,31	3,956	329	4,93	4,036	21	6,762	3,807
Architectural barriers	392	4,29	4,302	68	5,03	4,298	324	4,14	4,293	18	5,167	4,768
Environmental Risks (high voltage lines, nuisance, pollution, etc.)	377	3,12	4,094	65	3,92	4,295	312	2,95	4,038	15	1,867	3,248
Problems of coexistence	390	2,60	3,623	68	2,34	3,627	322	2,66	3,625	20	0,15	0,671
Gender violence	345	,99	2,449	61	,85	2,212	284	1,02	2,499	18	0,333	1,188

Another analyzed block refers to issues of neighborhood cohesion. The intention of permanence in the neighborhood and respect between neighbors get higher scores in the total sample. This respect, the desire to do things together in order to improve the neighborhood and desire to remain in it stand out in gypsy population. Interestingly, in non-gypsy population desire of permanence and move out of the neighborhood are very close, although it then highlights the sense of belonging. Finally, the Moroccan population speaks with neighbors and feel members of the neighborhood, probably the high presence in the area of population of the same nationality affects these scores.

The highest total score of this neighbourhood cohesion scale is for Moroccan population, and the lowest for non-Gypsy population (below the average). There are significant differences between these two populations ($F(2, 402) = 4.98, p = .008, d = .76, 95\% \text{ CI } [0.13, 1.48]$). (Table 5).

Table 5. Neighborhood cohesion

Neighborhood Cohesion (Muy mal 0 – 5 Muy bien)	Total			Gypsy			Non gypsy			Moroccan		
	n	Mean	d	n	Mean	d	n	Mean	d	n	Mean	d
7.1. Me gusta mucho vivir en este barrio	402	3,30	1,938	70	3,23	1,994	332	3,31	1,929	21	4,09	1,7
7.2. Siento que pertenezco a este barrio.	398	3,38	1,997	69	3,55	2,011	329	3,34	1,995	19	4	1,886
7.3. Suelo visitar a mis vecinos.	402	2,56	2,088	70	2,84	2,158	332	2,51	2,072	21	3,71	1,978
7.4. La amistad y las relaciones que mantengo con los vecinos de mi barrio significan mucho para mi	400	2,76	2,067	68	3,03	2,123	332	2,71	2,054	21	3,76	1,895
7.5. Si tuviera la oportunidad, me gustaría mudarme a otro barrio.	403	3,56	2,053	70	3,34	2,166	333	3,61	2,029	21	2,57	2,461
7.6. Si mis vecinos estuvieran planeando algo para realizar en el barrio, yo me sentiría implicada e incluida en el proyecto.	394	3,34	1,926	68	3,62	1,787	326	3,28	1,951	20	4,55	1,234

7.7. Si yo necesitara un consejo sobre algo, podría contar con alguien de mi barrio.	385	2,97	1,972	66	3,44	1,849	319	2,87	1,985	20	3,2	2,215
7.8. Pienso que estoy de acuerdo con la mayoría de mis vecinos sobre lo que pensamos que es importante en la vida.	379	2,71	1,989	63	3,13	1,955	316	2,63	1,989	17	2,65	2,206
7.9. Creo que mis vecinos me ayudarían con un problema o necesidad urgente.	392	3,20	1,941	69	3,58	1,866	323	3,12	1,951	18	3,89	1,937
7.10. Siento respeto y fidelidad hacia mis vecinos.	395	3,62	1,718	68	3,99	1,634	327	3,55	1,728	19	3,95	1,81
7.11. En mi barrio estamos dispuestos a ayudar, prestar cosas y hacer favores a los vecinos.	391	3,01	1,950	67	3,09	2,006	324	2,99	1,941	21	3,67	1,77
7.12. Estaría dispuesta a trabajar junto con mis vecinos en algo que sirviera para mejorar mi barrio.	397	3,31	1,880	68	3,81	1,677	329	3,21	1,905	21	3,86	1,852
7.13. Tengo la intención de seguir viviendo en este barrio bastantes años.	390	3,66	1,836	69	3,71	1,864	321	3,64	1,833	21	4,14	1,852
7.14. Me gusta pensar que soy parecida a la gente que vive en este barrio.	382	2,58	2,024	66	2,91	2,088	316	2,51	2,007	20	3,6	2,113
7.15. Rara vez recibo visitas de mis vecinos.	399	2,19	2,060	69	2,09	2,147	330	2,21	2,044	21	3,29	2,194
7.16. Entre mis vecinos y yo existe una relación estrecha de amistad y compañerismo.	395	2,63	2,028	66	2,92	2,025	329	2,57	2,026	21	4,14	1,711
7.17. En mi barrio, normalmente me paro a hablar y charlar con la gente.	398	3,25	1,884	68	3,18	1,977	330	3,26	1,868	21	4,24	1,7
7.18. Vivir en este barrio me hace sentirme miembro de un grupo de personas que comparten	389	2,70	2,055	67	2,87	2,081	322	2,66	2,051	20	4,2	1,824
Total cohesión vecinal	403	3,05	1,318	70	3,22	1,299	308	2,95	1,313	25	3,73	1,217

Finally, we have analyzed issues related to the assessment of the role of public administration as a lessor, because it is the majority choice in this social housing tenure (Table 6). Best ratings, except for Moroccan population, occur with price, followed by the clarity in the process in relation to possible questions and lower valuations are for maintenance. For the Moroccans, the best score is to this clarity, followed by information and communication with the public administration, and the worst also for maintenance, with statistically significant differences among the three population groups ($F(2, 279) = 3.46, p = .00833$). (Table 7).

Table 6. Tenure

	Total	Gypsy	Non-gypsy	Moroccan
Rent	65,1	72,9	63,5	64,0
Rent with option to buy	20,8	22,9	20,4	24,0
Ownership	14,1	4,3	16,2	12,0

Table 7. Valuation

Valuation (0-10)	Total			Gypsy			Non-gypsy			Moroccan		
	n	Mean	d	n	Mean	d	n	Mean	d	n	Mean	d
Role public administration	272	5,80	4,145	46	5,30	4,071	226	5,90	4,161	15	5,93	4,301
Information/communication	274	5,97	4,297	46	5,30	4,263	228	6,10	4,301	15	7,53	4,121
Maintenance	277	4,51	4,275	49	3,82	4,106	228	4,66	4,304	15	7,07	3,555
Clearly process	280	6,22	4,335	47	5,53	4,452	233	6,36	4,308	15	8,87	2,800
Rental Price satisfaction	280	6,87	4,151	44	6,39	4,596	236	6,96	4,067	15	7,33	3,716

4. CONCLUSIONS

The characteristics of the Moroccan population are better and more positive than the Spanish population, whereas gypsy and non-gypsy. They have higher educational level and more active population, while the gypsies have higher level of unemployment. Although the level of income of the Moroccans is not very high, it is slightly higher than the Spanish population, and their perception of their economic situation is much better.

The Moroccan population is more satisfied with their neighborhood, they feel more ownership, they have friends there and like to live in that place. Satisfaction with housing is not gypsy populations against the Gypsy having lower than satisfaction.

The Spanish non-Gypsy population feels less like the rest of neighbors that populations with ethnic difference or nationality, perhaps because promotions where there is this diversity there are more people of the same ethnicity or nationality with which to create links and union.

The neighborhood problems are perceived in different ways, although unemployment is what most concerns all groups, above all the gypsy population where unemployment is higher than in the other groups. Drug consumption is the second problem for non-gypsy, but not for gypsies or Moroccans, that identify cleaning as a second problem. The problems of lower incidence are similar (gender violence, prostitution...).

In relation to the valuation of the Junta de Andalucía as lessor of dwellings, the aspect that is most valued has communications and informations, and worst is the maintenance of houses.

Despite the differences, the needs for action in the field of social housing are equal for everyone in the neighborhood, despite ethnic diversity, although their perceptions, valuations and satisfaction can influence actions that are developed and must be considered.

Finally, we believe that the politics of public housing in Andalusia expires with the social function of the housing. The problems reside in improving the management of this public park to achieve a major implication of the tenants in the maintenance of the communities and to promote new public housings that they could answer to the situations supervened in this context of crisis.

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EXPATRIATES SELECTION: AN ESSAY OF MODEL ANALYSIS

Rui Bártolo-Ribeiro
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ABSTRACT

The business expansion to other geographical areas with different cultures from which organizations were created and developed leads to the expatriation of employees to these destinations. Recruitment and selection procedures of expatriates do not always have the intended success leading to an early return of these professionals with the consequent organizational disorders. In this study, several articles published in the last five years were analyzed in order to identify the most frequently mentioned dimensions in the selection of expatriates in terms of success and failure. The characteristics in the selection process that may increase prediction of adaptation of expatriates to new cultural contexts of the some organization were studied according to the KSAOs model. Few references were found concerning Knowledge, Skills and Abilities dimensions in the analyzed papers. There was a strong predominance on the evaluation of Other Characteristics, and was given more importance to dispositional factors than situational factors for promoting the integration of the expatriates.

Keywords: Expatriates, Culture, Personnel Selection

JEL Classification: J61

1. INTRODUCTION

Research on personnel selection goes back almost a century (Salgado, Anderson, & Hülsheger, 2010; Schmidt & Hunter, 1998) and mostly concerned with criterion-related validity issues that gives sustainability for the choice of selection methods with more correlation with work performance guaranteeing the recruitment of personnel with the best potential for the organization (Steiner, 2012).

Personnel selection should aim to identify the person that ensures rapid adjustment to the job/situation and that has enough potential to progress in a career project (Bártolo-Ribeiro, 2007). Institutions are interested that this human capital becomes more competent and engages as much as possible across time and situations. This general principle guides the methodologies to ensure the success of this process and will have to adapt to certain specifications. The choice of the resources to pursue their careers in a different geographical and cultural location requires the adequacy of the evaluation and selection tools, in order to guarantee this general principle.

Currently we are witnessing a strong expansion of institutions to markets other than those where they were created and expanded. The internationalization of enterprises creates internal challenges to career management level of their human capital.

In the beginning of internationalization it is important that, on the one hand, most of their employees have local nationality in order for the company to expand and, on the other hand, ensures a number of effective headcount that can be used to disseminate business

strategy. In institutions strongly grounded in international markets, the career development is mixed with national and international career. The internationalization of organizations and the consequent movement of their human resources from one location to another is viewed positively by institutions in a professional perspective. Multinationals often send their managers and executives to other countries not only in an attempt to closely observe the changes in the international economic environment, but also to develop international management skills, and to facilitate the entry into new markets (Kim & Slocum, 2008; Van Emmerik & Euwema, 2009). Commissions abroad assigned to employees of multinationals are seen not only as leadership skills development tools, but also to acquire greater knowledge of international economic and market management capacity in different cultures (Lazarova & Caligiuri, 2001; Suutari & Burch, 2001; Tung, 1998).

According to Black and Gregersen (1999) the companies may have an approximate annual cost between USD300,000 and USD1 million a year, with the assignment of individual expatriates, sufficiently high level trims to make an effective choice of candidates for these positions within a pool of candidates. According to Global Relocation Trends Report Windham International, National Foreign Trade Council, & Management, (1999), referenced in Lazarova and Caligiuri (2001), multinational organizations lose a total of 25% of their staff after serving one expatriate commission, stressing the importance of repatriation in the international management of human resources. Lin, Lu and Lin (2012) report a failure rate in the expatriation process between 16% and 40%; and according to Kraimer, Shaffer and Bolino (2009) the estimated cost for the institution is 1 million dollars (USD).

Organizations can face different challenges on expatriate's selection leading them to use different approaches. Ryan and Tippins (2009) present different challenges that organizations have to deal with when they want to use an adequate selection system from one place to another: translation and adaptation to the local language and culture; resistance to change from current practices; dissimilarities in legal framework; differences in administration capabilities; availability of technology; skill levels of the local work force; diversity in jobs and job performance; and considerations of acceptability by local managers and applicants. On the other hand, organizations could metamorphosis their internal culture in order to make them more effective on human resources international mobility. Caligiuri and Paul (2010) defend that a strong worldwide corporate culture, where employees share their values and norms globally, may diminish the influence of other national cultures. In these stronger global corporate cultures a common frame-of-reference is created, facilitating the integration of international selection system. As Caligiuri and Paul (2010, p.795) refer "subjective constructs as «integrity», «teamwork» and «trust» will have a company-driven understanding leveling any nationally driven cultural differences".

Steiner (2012), in his chapter concerning "Personnel Selection across the Globe", reviews research on personnel selection around the world focusing on surveys of selection practices internationally, psychometrics concerns on adaptation tools for use in another country, and fairness issues when applying selection techniques around the world. He found that surveys indicate considerable similarity in the use of various personnel selection methods across the globe, with some noteworthy exception. However, few studies on personnel selection internationally have systematically studied cultural variables associated with their effective application and few cultural variables are represented in the studies reviewed.

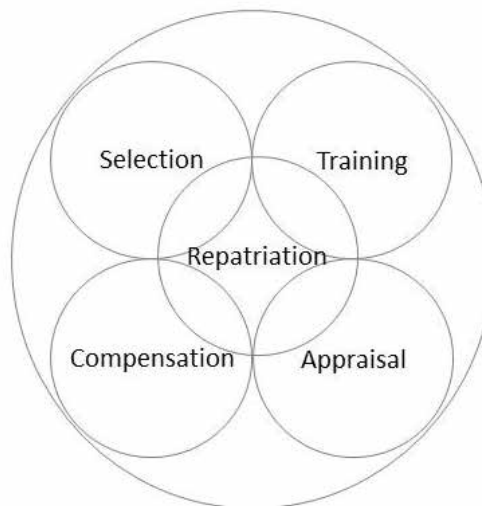
The most well-known study related to cultural differences, was made by Hofstede (1980). He used 116,000 questionnaires applied in 72 countries, to develop a cross cultural study and common dimensions. He presented four major dimensions of national culture: Power distance, focuses on the degree of equality, or inequality, between people in the society. A High Power Distance ranking indicates that inequalities of power and wealth have been allowed to grow within the society. A Low Power Distance ranking indicates societies where equality

and opportunity for everyone is stressed; Individualism/Collectivism, focuses on the degree the society reinforces individual or collective achievement and interpersonal relationships; Masculinity/Femininity, which emphasis the emotional implications of the masculine work role model of achievement, control, and power. Or, on other hand, the feminine work role model of, caring, modesty and worries about quality of life; and Uncertainty avoidance, which stresses the extent to which a society feels threatened by ambiguous or unknown situations.

Based on Hofstede's dimensions, Josien (2012) propose an acculturation score. The development of this score needs the evaluation of each candidate (in the four dimensions), and a comparison with the host's score. The smaller score differential represents an easier adjustment to culture. With this proposed acculturation score model, Josien shifts the focus from the necessary skills set to be able to adjust, to the influence of the acculturation.

As noted by Scullion and Collings (2006), people management globally is a significant challenge for companies at financial and strategic level. In international strategic management some practices are identified as potential variables that can increase the success of the International Human Resources Management (IHRM) of companies, particularly in terms of selection (Collings, Scullion & Morley, 2007). The efficiency of an IHRM can be maximized if followed by a holistic and systematic approach to component selection, training, compensation, evaluation and repatriation as reflected in figure 1 (Tung, 1998).

Figure 1. A holistic approach of International Human Resources Management. Adapted from "A contingency framework of selection and training of expatriates revisited," by R. L Tung, 1998, Human Resource Management Review, 8(1), p. 35.



SELECTION PRACTICES

Different selection practices are used across the world. Different countries give more importance to different methods according to their national tendencies based on practical orientations by professional associations. Steiner (2012) summarizes the results of the major surveys, retaining the selection practices that are common across 27 different countries from surveys and studies published since 1990. Selection practices included: Application Forms; Assessment Centers; Biodata; Cognitive Ability Test; Drug Test; Education; Graphology; Group Selection Methods; Integrity/Honesty Test; Interview: panel; Interview: Structured

and Situational; Interview: unstructured (or unspecified); Personality Test; Physical Ability Test; Psychometric testing; References (personal); Simulations Exercise; Situational Judgment Test; Vocational Interest inventory; Work Sample; and Work Trial. This review on different selection practices around the world gives an overall impression that there is little evidence of culture variations in the selection practices. This minor evidence does not mean that concerning expatriates selection, organizations do not use specific selection methods for determined dimensions assessment. However, it also does not mean that a country uses an expatriate selection practice that is common in the destination country, for what is important to the organization is a correct assessment of potential candidates for expatriation, and it is quite common that the selection practices for expatriation are not that different between countries.

1.1. Dimensions on expatriate's selection process

Technical competence is an essential dimension for the work performance, but the capacity to adapt to a different culture from their own should also be considered, as it is an important human relationship skill that will allow expatriates to relate with natives from host countries (Tung, 1981). Li and colleagues (2012) based on a representative collection of journal papers on expatriation management over the past four decades (from 1971 through 2009), nine scholarly management journals published in Taiwan, and Taiwan National Science Council Research Reports and students, identified a set of criteria considered in the selection of expatriates in western countries and Taiwan: Skills (Technical Managerial, and Leadership skills); Performance (Past performance); Willingness (Expatriate willingness); Experience (Previous overseas work Experience); Ability (Potentiality and Creativity); Adaptability (Adaptability of expatriate and Adaptability of family); Personality (Cultural empathy, Initiative, Independence, Emotional stability, Maturity, Interest in overseas work, Willpower, Patience).

Cultural characteristics are considered one of the most critical variables to take into consideration on expatriate's selection (Tung, 1981; 1998). Culture is not an easy comprehensive term as it is also understood in different ways according the context where is studied (e.g., organizational culture, national culture). A unique national culture could also be also used as a vehicle to augment the tourism brand (Othman, Wee, & Hassan, 2014). For personnel selection analysis concerning expatriates, the focus is on national culture in order to identify dimensions and methods for a more successful selection process. Other constructs like cultural Intelligence, defined as the ability to adapt and adjust to multiculturalism and multicultural personality, a construct focused on multicultural effectiveness, should also be considered, because it facilitates cultural adaptation, intercultural competence, and multicultural effectiveness (Sousa, Gonçalves, & Pina e Cunha, 2015). Lytle, Brett, Barsness, Tinsley and Janssens (1995) considered 77 dimensions of national culture, which demonstrate the complexity of this construct on IHRM. These dimensions were grouped in six categories: Definitions of self and others (self-concepts and how a culture conceptualizes human nature); Motivational orientation (group motivational needs and ways of relating to achievement and failure); Relations between social members (how individuals typically relate to others in a society); Patterns of communication (importance of different elements in communication); Orientation toward time, change, and uncertainty or risk (general orientations regarding the past, present, and future and the role and importance of change and uncertainty in determining our actions); Patterns of institutions and social systems (types of governments and larger societal systems).

The culture could also be modified across time in organizations. There are a thousand small innovations that regular business managers and line workers can do every day in their jobs, as pointed by Fernandes (2013). Companies have to nurture this culture of

experimentation, through an expertise on how to run these kinds of business experiments and an infrastructure that makes it possible to replicate and scale up the resulting successful innovations. One way to do this is through the aid of enterprise information systems. This regular experimental culture is different than the old mentality of figuring out all the possibilities and then locking in on one (Fernandes, 2013).

1.2. A model analysis for expatriate's selection

The theoretical model used on selection research is essentially focused on work performance, and this theory is based on an analysis of the job and the organizational context in which it takes place (Schmitt & Chan, 1998). Most jobs also require employees to adapt and perform effectively in foreign countries, or have communication skills in order to interact effectively with those who possess values and world views different from their own (Chang, Yuan, & Chuang, 2013). Although job analysis could be used for several purposes (e.g., training, job design), when used for personnel selection, it provides the foundations of the work, illuminates the nature of the job and provides an examination platform that allow us to separate those well suited for the job from those poorly suited for it (Brannick, Cadle, & Levine, 2012). Pragmatically, job analysis, regarded not to be a very systematic and formal process, gives us the essential aspects for specification of important behaviors in a certain work place. The treatment of job analysis allows us to identify sets of required knowledge, skills, abilities and other characteristics (KSAOs). The relationship between KSAOs and work performance is known as validity and selection researchers have been concerned in discovering different predictors from KSAOs and methods that ensure criterion-related validity that generalizes across different context (Ployhart & Schneider, 2012).

For Schmitt and Chan (1998) *Knowledge* refers to the foundation upon which abilities and skills are built; materialized by facts, rules, and other formal procedures that embody organized information in order to perform the job well. *Skills* often involve psychomotor-type activities that workers perform using, among others, body movements, arms and hands, vision, that allow them to perform tasks with ease and precision. *Abilities* usually refer to cognitive capabilities that are necessary to perform a job function. *Other characteristics* aggregate a set of personal attributes directly involved in a job function performance but are not included in the previous categories. Personality dimensions are often given as an example of other characteristics. Other attributes of personality traits, values and motivation, such as willingness to work under adverse conditions (Schmitt & Chan, 1998) or non-job-related experiences (e.g., extracurricular activities as student) (Roulin & Bangerter, 2013) and could be considered as predictors on validity studies.

The distinction between knowledge, skills, abilities and other characteristics are irrelevant according to Schmitt and Chan (1998, p. 46) "... what is important is the notion that each type of human characteristics should be considered in the generation of a comprehensive list of capabilities". Despite this unnecessary distinction, in this paper we tried to analyze the role of different dimensions from KSAOs model. In *Other Characteristics* component we considered a differentiation between situational and dispositional characteristics. Dispositional characteristics are those that are acquired throughout our early years of modeling by family, friends and education systems (e.g., personality traits, values). Situational characteristics are more related to other characteristic with origin in a specific context of our life (e.g., work environment, national culture).

In this article we focused our efforts on the analysis of the criteria used in the selection of potential expatriates crossing the various destination countries.

2. METHODOLOGY

For the information analyses, we have adopted a content analyses approach. We considered the papers published since 2010 with “expatriates” and “selection” as keywords or included in titles or abstracts and that were available through databases hosted in EBSCO (e.g., PsycINFO, Business Source Complete, PsycARTICLES) and ScienceDirect (including journals of Business, Management and Accounting). Only 19 articles (marked with “*” on references), from a total of 335, have information that match our aim in finding specific aspects used on the selection of expatriates. The criteria for articles selection was based on evidences concerning aspects/factors that promote the integration of expatriates and that are used in the process of human resources selection. These papers reflect research done in the last five years in Asian, American and European countries.

3. RESULTS AND DISCUSSION

We encountered a prevalence of research done in Asian countries (8 articles of 19). Were identified 104 competencies that have been referred to as contributors for expatriate’s integration and as such, considered as success factors. All 104 competencies, were then, analyzed based on the content analyses approach by the authors as Social and Organizational Professors. KSAOs model was used as a framework as described before.

As presented in table 1, we found 59 references related with dispositional factors, 30 with situational factors, 9 with skills, and 6 with knowledge competencies. There is a clear predominance of *Other Characteristics* comparing with *Knowledge*, *Skills* and *Abilities*. In expatriates selection there is a strong evidence on *Other Characteristics* assessment, and were given more importance to dispositional factors than situational factors as these promote the integration of expatriates. The absence of references to *Abilities* leads us to a more restrictive model: KSOs

Table 1 – organization of the found competencies, with the KSOs model

Dimensions	References
K (Knowledge)	6
S (Skills)	9
O (Dispositional)	59
O (Situational)	30

A more detailed analysis was adopted for dispositional factors which were classified and differentiated in “personality factors” and “values factors”. Factors, as extroversion, were classified as a “personality factor” and honesty as a “value factor”. Other constructs not typically classified as personality or values factors were classified after consensus by the authors (e.g., open mindedness, diplomacy, good listener). “Personality factors” are the most predominant (46 references), compared with the “values factors” (13 references). This marked predominance of the “personality factors” could be seen by the organizations as a potential predictor of adaptability in foreign working places and crucial in expatriate’s selection (Li et al., 2012).

In table 2 are given some examples of these “personality factors”, and as we can see, we encountered different types of competencies, like resilience, emotional intelligence, emotional stability, extroversion and sensitivity among others.

Table 2 – Examples of principal competencies referred according KSOs model

Knowledge	Cultural training; learning work tasks, learning technologies and procedures; organizational knowledge.
Dispositional (personality)	Adaptability; ambition; communicating and persuading; cultural empathy; cultural intelligence; interpersonal adaptability; emotional intelligence; flexibility; emotional stability; extroversion; tolerance for ambiguity; open-mindedness; handling work stress; resilience; sensitive to cultural differences; work engagement.
Dispositional (values)	Honesty, integrity, loyalty, personal discipline, multicultural mindset, commitment to learn, tenacity.
Situational (personal)	Stable life style, family adaptability, family adjustment, family support.
Situational (institutional)	Ability to control production processes and workers, experience abroad, length of stay, mentoring behavior, solid technical and corporate expertise, supporting practices, trust from managers/administration, years in service.
Situational (national)	Cultural similarity.
Skills	Crisis management, management skills, relationship building, language abilities, professional skill, technical performance.

Some examples of the “values factors” encountered (table 2) are: honesty, integrity and commitment to learn.

As mentioned previously, “situational factors” are related to external factors, that when positives, could potentiate the adaptability of the subject. Some examples are lifestyle, family adaptability and cultural similarity (see table 2). A deeper analysis of these factors was done and consequently classified three types of categories within “situational factors”: personal, institutional and national situational factors. “Personal factors” are related with external, but personal factors that contribute to the fitness/adaptation of the expatriate (e.g., family support). The “institutional factors” are related to external factors that can be controlled by the organization where the expatriate is working (e.g., mentoring behavior). And last, the “national factors” are related with aspects of the host country, like cultural similarity. We can observe the analysis of these “situational factors” occurrences in table 3, where institutional factors (15 references) are predominant, followed by the personal factors (12 references).

Table 3 - Organization of the situational factors

O (Situational)	References
Personal factors	12
Institutional factors	15
National factors	3

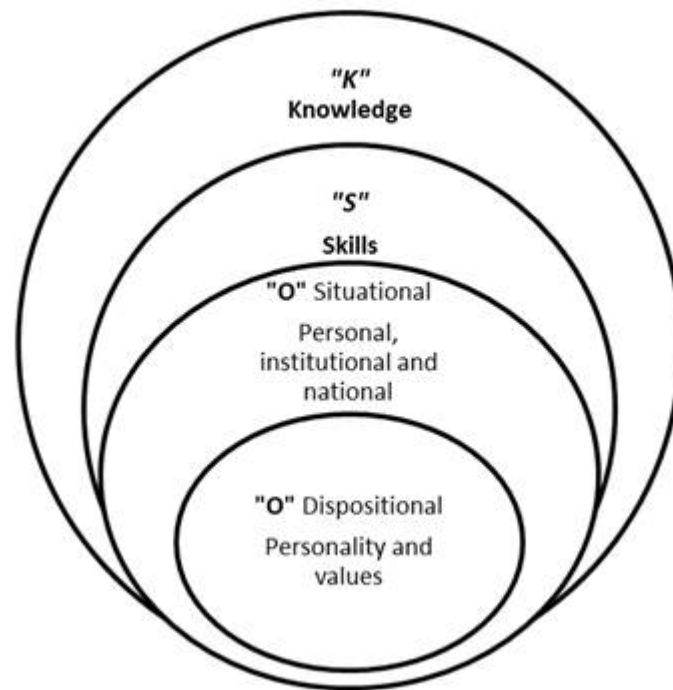
Lastly, we encountered fewer references to *Knowledge*; *Skills* and *Abilities* dimensions. In table 2, we can observe some relevant examples of *Knowledge* and *Skills* factors. *Knowledge* references encountered are concerning cultural training and organizational knowledge, amongst others. These factors are aspects that can be acquired through learning, and that can be incorporated in training plans. On the other hand, *Skills* are related to management skills, language abilities and technical performance among others, and not as defined by Schmitt and Chan (1998) as competences that involve psychomotor-type.

To summarize, we can infer a predominance of the dispositional factors followed by the situational factors. In fact, we believe that there are some “core” personality factors that

with the presence of some situational factors, can contribute for the effectiveness of the adaptation of the expatriate to an unfamiliar environment.

These findings have lead us to propose a model presented in figure 2. In this model we can observe the importance of core “personality and values factors” that are promoted by some personal, institutional and national factors. To these last factors, we can add some specific skills and knowledge factors.

Figure 2 – Model of competencies determinants for the selection of expatriates (KSOs model).



We can state that “personality factors” are the most referenced factors in the group of dispositional factors (46 references), but we should not forget that we found more articles published in the last five years from Asian countries which could influence the generalization of our research.

The non-reference to the need of abilities assessment on expatriates selection should be carefully interpreted. Most of these studies were conducted with employees with university degrees, managerial responsibilities, proven work experience and considerable years within an organization to be considered for an international career. These human resources have already shown abilities for the position where they are. We could consider that work experience could replace other personal attributes, such as abilities, when we have access to the worker’s performance. Abilities are an important dimension to consider in personnel selection when we know a few of the individual abilities and he/she is trying to get into the company. It is an unusual situation on expatriate’s selection (Tung, 1998), where we are considering an expatriation commission as a process to develop human resources in his/her career, especially managerial career.

In an international personnel selection, technical issues are important, however implementing selection system globally requires more than validating employee selection tests in different countries; the HR professionals from different cultures and different levels of expertise on assessment and selection must work on globally integrated selection system (Caligiuri & Paul, 2010). These selection systems developed globally can be easily validated and accepted by

different national cultures, and the major challenge for IHRM is to choose those, in the selection process, that adapt efficiently to an environment with great cultural diversity.

Another key to success in international employee selection, including expatriates, is that selection and assessment should be integrated with other areas of IHRM, like, training and development, performance management and compensation (Caligiuri & Paul, 2010; Tung 1998). These different areas interact and have a mutual influence on a globally performance prediction of organizations.

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THE RELATIONSHIP BETWEEN TYPES OF CONFLICT, CONFLICT HANDLING STRATEGIES AND GROUP EFFECTIVENESS

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ABSTRACT

This study seeks to analyze a) if the frequency with which group choose to use a certain strategy is associated with the type of conflict represented in a given situation and b) if, for different types of conflict, different conflict handling patterns (the frequency of their use) could be considered significant predictors of group effectiveness, measured through group performance and satisfaction. We developed a correlational empirical study with a sample composed of 73 work groups, taken from 14 organizations in the industrial and service sectors. The results showed that groups in task conflict situations choose integrative strategies more often than when in relational conflict situations. Moreover, avoiding strategies were more likely to be used in relational conflict situations than in task conflict situations. On the other hand, our results showed that the frequency with which a group uses an integrative strategy can be considered a significant (positive) predictor of group satisfaction for both types of conflict situations (task and relationship). Our results are discussed and compared with our previous literature review, as well as the implications and limitations of the study, along with some thoughts on further investigation.

Keywords: Group Conflict, Resolution Strategies, Satisfaction, Performance

JEL Classification: D22, D74

1. INTRODUCTION

The group has come to be established as a structuring feature in organizations. Conflict, recognized as an inevitable everyday phenomenon, has recently become one of the main areas of research interest for the organizational sciences (Greenberg, 2002). At different levels, its impact may have positive and negative consequences, associated either with increased innovation and improved relationships between the actors involved, or with disrupted cooperation among individuals, groups or organizations and reduced effectiveness (Dimas, 2007; Fragoso & Lucio-Villegas, 2010). At the intragroup level, the positive or negative nature of this impact depends on aspects such as the type of conflict (relationship or task conflict), the way in which it is managed, and the criteria used to assess group effectiveness (De Dreu & Weingart, 2003a; Lourenço, 2002; Van de Vliert, Nauta, Giebels, & Janssen, 1999). Relationship conflict tends to be associated with negative effects, while task conflict is usually seen as beneficial (e.g., Bono, Boles, Judge, & Lauver, 2002; De Dreu & Van Vianen, 2001; Jehn, Greer, Levine, & Szulanski, 2008; De Wit, Greer, & Jehn, 2012).

However, literature shows contradictory results regarding this issue, since both types of conflict often occur simultaneously (De Dreu & Weingart, 2003a; Friedman, Tidd, Currall, & Tsai, 2000; De Wit, Greer, & Jehn, 2012). Some authors argue that the different strategies used to manage group conflicts can help to explain the differentiated effects of the conflict situation.

Concerning conflict management strategies and the circumstances that lead to their differentiated use, there are many dispositional and situational variables considered relevant (e.g., Antonioni, 1998; Birmingham & Michaelsen, 1999; Holt, 2000; Hong, 2005; Lather, Jain, & Shukla, 2010; McIntyre, 2007; Morris et al., 1998; Oetzel & Ting-Toomey, 2003; Rahim, 1983a; Wu, Yuen, & Zhu, 2001), both individually (gender, organizational role, personality traits) and in groups (culture, group's development stage). Nevertheless, the research regarding the association between the intragroup conflict management strategies used and the type of conflict is still scarce.

With regard to the strategies used and their association with group effectiveness, the current trend is toward a contingency approach, i.e. the belief that, when it comes to conflict management, there is no "one best way" and that each conflict management strategy can be appropriate under certain circumstances (Dimas & Lourenço, 2011; Rahim, 2001; Van de Vliert et al., 1999). Concerning this matter, the literature also turned out to be inconclusive and contradictory, particularly regarding the role in group effectiveness of the differentiated use of strategies, for each type of conflict.

This research, set in the framework of the issue we have just addressed and that associates types of conflict (task and relationship), conflict management strategies (integrating, dominating compromising, obliging and avoiding)¹, and group effectiveness (performance and satisfaction), has two main purposes: 1) to analyze if there are differences between types of conflict (task and relationship) regarding the frequency with which the group chooses to use a certain conflict management strategy, and 2) to determine if the frequency with which the group – under task conflict situations on one hand, or under relationship conflict situations on the other – chooses to use a different conflict management strategies is related to different levels of performance and satisfaction, in the observed groups.

2. THEORETICAL FRAMEWORK

2.1. Intragroup Conflict

According to Thomas (1992, p.653) conflict may be defined as the process that begins when one party perceives that another has affected, or is about to affect, something negatively, about which the former cares. Therefore, this phenomenon implies a high level of engagement in the conflict situation, some emotional intensity, and the perception that some tension exists between the parties (Dimas, 2007, p.99).

In an organizational context, two types of conflict have mainly been studied: relationship conflict and task conflict (Jehn, 1997a). Relationship conflict concerns the tension associated with the interpersonal relationships between the elements of the group, and may be due to personal characteristics as well as to divergences in beliefs or values. This type of conflict is related to features which are unrelated to the task to be performed, involves negative emotions and attacks the personal identity and the self-esteem of the other individuals, which is why it is associated with decreases in productivity, satisfaction, commitment and decision quality (Bono et al., 2002; De Dreu & Van Vianen, 2001; Franco, Di Virgilio, & Di Pietro, 2006; Jehn et al., 2008). On the other hand, task conflict concerns

¹ Though we have anchored our research in Rahim's model (2001), which establishes five conflict management strategies, as our instrument (which we will present in the method section) does not comprise the compromising strategy (for reasons we will further explain in the same section), it will not be considered in our analysis.

tension situations caused by disagreements between the team members about the content of the tasks to be performed, including divergent points of view, ideas and opinions (Bowditch, Buono, & Stewart, 2008; Jehn & Bendersky, 2003). This type of conflict seems to be associated with less harmful consequences and may even prove beneficial, particularly when it comes to performance (especially in complex tasks) and to decision-related satisfaction. However, many studies indicate the existence of negative consequences related to this type of conflict, especially regarding group satisfaction (Amason, 1996; Amason & Sapienza, 1997; Jehn, 1995, 1997).

In this context, we underline the results from a meta-analysis conducted by De Dreu and Weingart (2003a), which goes against the dominant tendency and indicates a strong negative correlation with group performance and satisfaction, both in task conflict situations and in relationship conflict situations. More recently, however, De Wit and cols. (2012) argued that task conflict is not necessarily disruptive to group effectiveness and that, under certain conditions, it can be positively associated with group performance.

It is important to mention that task conflict situations tend to create relationship conflict situations, since divergent opinions about the task can be interpreted by the parties as a personal attack (Friedman et al., 2000; Simons & Peterson, 2000), which may reduce the positive impact we described above. In fact, the results obtained by De Dreu and Weingart (2003a) revealed that the lower the correlation between task conflict and relationship conflict in the group, the lower the negative impact of task conflict in group performance.

Considering the consequences that may result from a conflict situation, some authors (e.g., Antonioni, 1998; Birmingham & Michaelsen, 1999; Dimas, Lourenço, & Miguez, 2008; Holt, 2000; Rahim, 1983a; Shih & Susanto, 2009; Wu, Yuen, & Zhu, 2001) argue that, along with other variables (e.g. gender, organizational role, personality traits, emotional intelligence), the conflict management strategies used may contribute to explaining the differentiated effects of the conflict situation.

2.2. Conflict Management

There are several explanatory models of intragroup conflict management strategies (e.g., Deutsch, 1949; Putnam & Wilson, 1982; Rahim, 1983a; Thomas, 1976).

Among the many models, this study is anchored on the model proposed by Rahim (1983a). This author conceptualizes a two-dimensional model composed of five conflict management strategies, differentiated from the combination of two basic dimensions: concern for self and concern for others. Accordingly, a strategy that reveals a high concern for both parties is called integrating. This strategy involves collaboration between the parties, particularly when it comes to exchanging information and analyzing differences, in order to find an acceptable solution for both parties. The strategy associated with low concern for self and high concern for others is obliging. With a noticeable component of self-sacrifice, a person that uses this strategy is seen as conflict “absorbing”, responding to a hostile act with little hostility, or even with kindness. The dominating strategy reveals high concern for self and low concern for others, assuming a win-lose orientation, since the dominating person often ignores the needs and expectations of the other party. On the other hand, avoiding shows a low level of concern both for self and for others, which results in a denial and escape attitude regarding the existing problem. Due to the lack of confrontation and will to resolve observed problems, this strategy leads to a decrease in both parties’ satisfaction. Lastly, the compromising strategy indicates an equal level of concern for self and for others, and searches for an intermediate point between the two opposing positions (Dimas & Lourenço, 2011; Rahim, 2001).

The conflict management strategies and the circumstances that lead to the differentiated use of each one have been studied in the most diverse frameworks. The results obtained, however, are not always convergent.

At the group level, Vokić and Sontor (2009), for example, argue that the most used strategies are compromising and dominating. On the other hand, Farmer and Roth (1998) state that the strategies grounded in high concern for others – integrating and obliging – are used more often than those that reveal a low level of concern for others – avoiding and dominating. According to Rahim and Buntzman (1989), the avoiding strategy is used least often, while DeChurch and Marks (2001), as well as Dimas (2007), argue that competitive strategies are usually less used. When it comes to integrating strategies, the authors above (DeChurch & Marks, 2001; Dimas, 2007; Farmer & Roth, 1998; Rahim & Buntzman, 1989) agree that these are used more often.

Despite the fact that cultural differences may play a decisive role in conflict management (Sousa, Gonçalves, & Cunha, 2015), the tendency to use integrating strategies more often seems to be cross-cultural. In collectivist cultures people also tend to use less competitive strategies and more indirect communication strategies, particularly avoiding; in individualistic cultures, direct communication is used more often, with dominating the most used strategy (Denhardt, Denhardt, & Aristigueta, 2009; Hong, 2005; Lather, Jain, & Shukla, 2010; Morris et al., 1998; Oetzel & Ting-Toomey, 2003; Wu, Yuen, & Zhu, 2001). According to Morris and cols. (1998), the frequency with which these two kinds of strategy are used in individualistic and collectivist cultures is mediated by their underlying values: the societal conservatism of collectivist cultures, based on values of tradition and compliance is thus associated with avoiding strategies; on the other hand, the higher use of competitive strategies in individualistic cultures is related to their result orientation and self-promotion. Though these studies analyze conflict management at an individual level, they can be projected into a group reality, considering that the sample's subjects were categorized according to their culture. With regard to the compromising strategy, Birmingham and Michaelsen's (1999) research shows that the group development stage can be relevant to its use: results reveal that the higher the level of maturity in the group, the less its elements will tend to use compromising strategies. Also Dimas, Lourenço, and Miguez (2008) present relevant results in this matter, arguing that as the group advances in its maturity, the use of integrating strategies increases. These authors also mention that, when the group is at a development stage which is marked by competitive and tempestuous relationships (which matches the second stage of group development, of the four proposed by the group development model in which they anchored their studies), the dominating strategy is used more often.

At the individual level, several studies reveal that the conflict management strategy used is also influenced by dispositional factors, particularly by personality traits, gender and organizational role. Based on the Big Five Model by Costa and McCrae (1992), Antonioni (1998) shows that the use of integrating strategies is positively associated with extroversion, conscientiousness, agreeableness and openness traits. About the use of obliging strategies, this author enhances its positive association with agreeableness and neuroticism traits. When it comes to the personality traits related to dominating strategies, Antonioni's (1998) results stress the positive association with extroversion traits, opposed to agreeableness and neuroticism traits, which are negatively associated with the use of competitive strategies in conflict management. Regarding the use of avoiding strategies, according to the same author, there are positive associations with neuroticism and agreeableness traits and negative associations with extroversion, openness and conscientiousness traits. The literature revision from Wall and Blum (1991) and also from Wall and Callister (1995), however, argue that there are not enough consistent data in the literature to assume that there is a significant impact of personality traits on the conflict management styles used. Concerning the

gender variable, McIntyre (2007) states that, generally, there are no significant differences between men and women when it comes to the use of a certain conflict management style. Nevertheless, the author mentions a possible exception, claiming that women use more negotiation strategies and less confrontation strategies. On the other hand, Holt (2000) found evidence that women prefer obliging and compromising strategies, while men like competitive strategies better. Shih and Susanto (2009) also stress the role of emotional intelligence, arguing that this feature is positively associated with the use of integrating and compromising strategies, since it allows people to manage and regulate their own emotions properly, as well as others'. About the influence of the organizational role variable, Rahim (1983a) states that managers use mostly integrating strategies with their subordinates, obliging strategies with their superiors and compromising strategies with their colleagues. Holt's (2000) results reveal that people tend to use avoiding strategies more with peers than with subordinates and compromising strategies less with subordinates than with superiors.

Wall and Nolan (1986) analyze, among others, the association between types of conflict and conflict management strategies at the individual level from a sample of 375 subjects involved in a group task. Their results show that task conflict tends to be resolved through integrating strategies while relationship conflict is usually approached with avoiding strategies. However, we were not able to find more recent studies that associated the types of conflict with the strategies used, nor that focused on that association at a group level, which enhances the pertinence of this study.

2.3. Conflict, Conflict Management and Group Effectiveness

Despite the multidimensional nature of group effectiveness and regardless of the criteria used to measure it, it is widely accepted that group effectiveness refers to the comparison between the results obtained and the results expected or desired by the evaluator (e.g., Chiavenato, 1987; Ostroff & Schmitt, 1993; Pennings & Goodman, 1978). In line with other authors (Jehn, 1994; Santos, Gonçalves, & Gomes, 2013), we consider that two of the most important aspects of the functioning of the group are its performance and the satisfaction of its members. These are, then, the two criteria we use to measure the group effectiveness in its task and socio-affective dimensions, respectively.

De Dreu and Weingart (2003a), in their meta-analysis (to which we have already referred), found, as might be expected, strong negative correlations between relationship conflict, group performance and group satisfaction; However, contrary to what would be expected, in task conflict situations the authors also observed a strong negative correlation with group performance and group satisfaction. Moreover, this correlation was always stronger the more complex was the task at hand. More recently, as we already alluded, De Wit, Greer, and Jehn (2012) in a new meta-analysis for the same purpose, found a stable negative relationship between relationship conflict and group effectiveness in accordance with the previously mentioned results. However, in contrast with the findings of De Dreu and Weingart (2003a), De Wit et al. (2012) noted that, in the face of some contingent variables, a positive relationship between task conflict and group performance can be found, as demonstrated by studies of top management teams and also by studies where performance was measured by specific financial criteria or by quality of the decision, and not by an overall criterion.

Regarding the effects of the different types of conflict on team performance and team satisfaction, and, in particular, concerning the role of the conflict management strategies, De Dreu and Weingart (2003a) in their contingency model of task conflict, suggest that the use of integrative strategies, as opposed to the use of dominating strategies, are more likely to minimize and even reverse the negative effects of task conflict. These authors point out the fact that, in the relationship conflict, however, the use of avoiding seems to be a better

strategy than integrating or dominating. Jehn and Bendersky (2003) in their COM Model (Conflict-Outcome Moderated), an extension of the intragroup conflict model proposed by Jehn (1997a), state that the use of integrative strategies of conflict resolution is an amplifier of the positive effects of task conflict on group effectiveness - the collaboration between group members allows them to find integrated solutions based on various perspectives, resulting in group gains. However, in the context of relationship conflict, the use of integrating strategies amplifies the negative effects of the conflict on group effectiveness, since it increases the time and energy spent on its management and deviates the group's attention from the tasks to be performed, thus resulting in a decrease in productivity and performance (Dimas, 2007; Schermerhorn, Hunt, & Osborn, 1998).

As well as the proposals of the previous models, several studies point to the presence of a relationship between the differentiated use of conflict management strategies and group effectiveness, though, as a whole, those studies are not consensual.

Thus, while not fully supporting the COM model, the use of integrative strategies (considered by that model as an amplifier of the positive effects but also of the negative effects), for example, seems to have a positive effect both on performance and on satisfaction in the group (Alper, Tjosvold, & Law, 2000; De Dreu, Dierendonck, & Dijkstra, 2004; Shih & Susanto, 2009). Indeed, several studies suggest that integrative strategies allow each individual to express his/her own expectations, benefiting both parties. The use of integrative strategies leads to long-term relationships and contributes to creativity, motivation and group performance, which is reflected at the level of satisfaction and involvement of team members (e.g., Bradford, Stringfellow, & Weitz, 2004; Chou & Yeh, 2007; DeChurch & Marks, 2001; Friedman et al., 2000; Gross & Guerrero, 2000; Kuhn & Poole, 2000; Robbins, 2008; Tjosvold & Tsao, 1989; Wall & Nolan, 1986). In contrast, the use of dominating strategies tends to be seen as ineffective in conflict management, with a negative impact on the satisfaction and on performance (e.g., Alper, Tjosvold, & Law, 2000; Andrews & Tjosvold, 1983; Behfar, Peterson, Mannix, & Trochim, 2008; Deutsch, 1998; Euwema, Van de Vliert, & Bakker, 2003). Concerning compromising, while Birmingham and Michaelsen (1999), and also Shih and Susanto (2009), indicate that the use of this strategy is associated with a decrease in productivity, Chou and Yeh (2007), in the opposite direction, point out the advantages of compromising strategies, namely improvements in group performance. Finally, the literature points to the fact that although obliging may have some impact on emotional level - that is, on the satisfaction of group members - it is not a productive strategy for group performance (Friedman et al., 2000; Wayne, Liden, Graf, & Ferris, 1997; Yukl & Tracey, 1992).

Thus, the belief that there is a one-best-way with regard to conflict management does not seem to be supported in the literature, a fact that has led several researchers to advocate a contingency perspective. According to this view, each type of strategy is appropriate depending on the circumstances, to the extent that each situation is unique and requires a specific response (Dimas & Lawrence, 2011; Rahim., 2001; Van de Vliert et al, 1999). LaFasto and Larson (2001), for example, and also Schermerhorn, Hunt and Osborn (1998), while recognizing the benefits of the integrating strategy in a wide range of situations, state that the use of an integrative strategy is not always needed - some types of negotiation may be merely distributive and some decisions may be too trivial and do not justify the time and effort that this type of strategy requires. According to İslamoğlu, Boru, and Birsal (2008), integrative strategies are appropriate for dealing with strategic or complex issues, while the remaining styles are preferred in tactical issues or everyday matters. Moreover, Chung-Yan and Moeller (2010) also reported that although the moderate use of compromising and integrating strategies could be beneficial at a psychosocial level, they are associated with an increase in tension levels, and ill-will of employees when the degree of conflict is

high. Andrews and Tjosvold (1983), studying the influence of various strategies on trust and on relational effectiveness between the group members, concluded that avoiding and compromising strategies tend to relate negatively, or not at all, with trust and relational effectiveness in groups with low or moderate levels of conflict intensity. However, when used in groups with high conflict intensity, the same strategies showed positive correlations with the relational effectiveness.

In an attempt to integrate the two previous perspectives (one-best-way and contingency), Thomas (1992) sets out a time framework, based on the time horizons of the short and long term. According to the author, the contingency approach is adequate for short-term situations, “here and now”, while the one-best-way approach deals better with long-term issues, related to the construction of desirable future circumstances.

The suitability of the various strategies also depends on the type of conflict and has an influence on group effectiveness. With regard to relationship conflict, according to De Dreu and Van Vianen (2001), it should be managed in two complementary ways. First, its occurrence can be prevented through the creation and maintenance of trust relationships within the group, which reduces the probability of task conflict changing to relationship conflict. In situations where this type of conflict emerges, the avoiding strategy is considered the best. Besides being difficult to resolve a relationship conflict to the satisfaction of both parties, when team members invest their time and energy in resolving the conflict, and not in the work to be done by the team, this produces a decrease in effectiveness. This view is supported by De Dreu and Beersma (2005), who also relate that the strategy “agree to disagree” is valid and relevant in the management of relationship conflict. Friedman et al. (2000) also stress the positive effect of obliging in the management of relationship conflict, in that it resembles ingratiation, one of the tactics of social influence identified by Yukl and Tracey (1992) which seeks to show approval of the ideas of the other party. However, although obliging produces a positive effect (reducing the relationship conflict between the parties), this type of strategy does not seem particularly productive and, thus, we can't expect a definite impact on task conflict situations (Wayne et al., 1997; Yukl & Tracey, 1992). For this type of conflict (task), the studies of Wall and Nolan (1986) show that higher satisfaction arises when integrative strategies are used. Friedman and colleagues (2000) also found that the use of integrating strategies is associated with lower levels of task conflict, while the use of dominating strategies is linked to higher levels of task conflict.

The literature reviewed in the previous sections showed that the research on the use of different conflict management strategies with regard to different types of conflict (task or relational), and on the association between the use of each one of the different strategies in different types of conflict and group effectiveness (namely in terms of performance and satisfaction) is still scarce and somewhat contradictory. Thus, the results produced should be taken with caution and, in our opinion, do not appear strong enough to give clear support to the formulation of specific hypotheses. Thus, assuming that the present study presents exploratory characteristics, we have chosen to make only general hypotheses.

In accordance with this explanation, and taking into account the two objectives that guide this research - 1) analyze if the use of different conflict management strategies is done differently for the two types of conflict and 2) analyze if the frequency of use of the different strategies is associated with different levels of performance and satisfaction depending on the type of conflict - the following research hypotheses are formulated:

H₁: There are significant differences in the average of the use (frequency) of the same conflict management strategy (obliging², avoiding, dominating or integrating), depending on the type of conflict (task or relationship).

² As we explain in the method section, due to the reliability studies showing weakness in the instrument regarding the obliging strategy, we couldn't test our hypothesis for this strategy.

H₂: Given a task conflict situation, the conflict management strategies used by the group (frequency of use) are statistically significant predictors of group effectiveness level, measured by group performance (task dimension)

H₃: Given a task conflict situation, the conflict management strategies used by the group (frequency of use) are statistically significant predictors of group effectiveness level, measured by group satisfaction (social dimension)

H₄: Given a relationship conflict situation, the conflict management strategies used by the group (frequency of use) are statistically significant predictors of group effectiveness level, measured by group performance (task dimension)

H₅: Given a relationship conflict situation, the conflict management strategies used by the group (frequency of use) are statistically significant predictors of group effectiveness level, measured by group satisfaction (social dimension)

3. METHOD

3.1. Sample

The original sample consisted of 89 work teams that perform highly complex tasks in 14 organizations pertaining to the industry and services. From a total of 405 questionnaires distributed, 343 were returned³. Twenty-three questionnaires (6.7%) were eliminated from the sample due to problems with completion⁴. After these initial procedures, the sample was left with 321 participants belonging to 77 teams, whose team dimension ranges from a minimum of 2 and a maximum of 14 ($M = 4.21$, $SD = 2.85$). The majority of participants is included in an age range between 26 and 35 years (64.5%) and has a high level of education (69.2% have a level of education higher than a bachelor's degree). With regard to team tenure, the modal class (about 44.5%) corresponds to participants that have been inserted into the current team for less than six months. On the other hand, 32.1% of participants have been in the team for a period between 6 months and 1 year. The low level of tenure in the team found in the sample is due to the fact that 59 of the 77 teams⁵ are project teams, whose nature is temporary.

For the leaders of the teams, 89 questionnaires were given (as many as the teams involved), with 80 returned and found to be valid. It should be noted that of the 80 questionnaires, only 68 corresponded to the teams that remained in the sample on which the final analysis of this research data was focused.

3.2. Measures

3.2.1. *Roci-II*

To assess conflict-handling strategies used by the teams when facing relationship conflicts, on one hand, and task conflicts, on the other hand, we used an adaptation of the Rahim Organizational Conflict Inventory - II (Rahim, 1983a) developed by Dimas (2007). The original version of ROCI-II is composed of 28 items that measure five strategies of conflict handling: integrating (7 items), avoiding (6 items), obliging (6 items), dominating (5 items) and compromising (4 items). Respondents are asked to rate on 5-point Likert scales (1 = totally disagree, 5 = totally agree), the way they usually react when facing conflict

³ All of the questionnaires not returned correspond to teams whom we opted to e-mail in order to obtain the data.

⁴ Of these 23 questionnaires, 16 contained more than 10% of missing values in each of the scales of the questionnaire and 7 were incorrectly filled in (Bryman & Cramer, 2001; 2004).

⁵ Of the 89 teams that were invited to participate in this research, the number of returned and/or valid questionnaires was less than 50% in 12 of them, so it was decided to remove them from the sample. Thus, in each one of the teams of the final sample, more than 50% of the members returned valid questionnaires. The average percentage of valid questionnaires by team is 78%.

situations⁶. Hence, in the original scale, the referent is the individual. The first adaptation studies developed by Dimas (2007) were based on a sample constituted by 382 members of 64 production teams from different industrial companies. After the initial procedures concerning the translation and content validity, the assessment of the dimensionality and reliability of the scale, tested through exploratory factor analysis and the estimation of Cronbach's alpha, respectively, led to a reduced version of the ROCI-II composed of 15 items that measure 4 dimensions (4 items measuring integrating, 4 items measuring dominating, 3 items measuring avoiding and 4 items measuring obliging). Due to statistical and theoretical problems, the compromising items were eliminated from the scale. The four factors explained, jointly, 61.56% of the variance. Three dimensions presented acceptable reliability values - integrating (.85), dominating (.72) and avoiding (.69) – whereas obliging presented a less satisfactory value but above the limit defined by Nunnally (1978)⁷.

In the present research we used the 15 items that remained from the validation process described above. Items were adapted, however, to the team level, to reflect the way the team as a whole manage conflict situations.

In addition, a ranking scale was introduced, asking respondents to indicate, in order of decreasing frequency of use, the five items that best encapsulated the way the members of his/her team usually reacted when they face conflict situations caused by affective issues (personality differences, values and attitudes towards life), and the five items that best encapsulated the way the members of his/her team usually reacted when they were in situations of task conflict (caused by differences in the distribution of work, the team objectives and how the work should be executed)⁸. After the dimensionality studies, conducted via Exploratory Factorial Analysis, the scale was reduced to 13 items explaining 67.7% of the total variance (4 items concerning integrating, 4 items assessing dominating, 3 items related to avoiding, and 2 items for obliging). Two of the items developed to measure obliging were eliminated because they loaded, simultaneously, on two factors, and in none of the factors were the loadings above .50. Concerning reliability, values for integrating and dominating were good (.90 e .86, respectively). Avoiding, while presenting a less acceptable Cronbach's alpha (.65), had a value above the limit defined by Nunnally (1970). Obliging, however, presented an unacceptable value of reliability (.55) and, in consequence, was dropped from the subsequent analysis.

3.2.2. Team Member Satisfaction

To measure satisfaction with the team we used the scale developed by Dimas (2007). This scale is composed of seven items that measure members' satisfaction with different aspects related to the task and the affective system of the team. Statements are evaluated on a 7-point Likert scale ranging from 1 (*totally dissatisfied*) to 7 (*totally satisfied*).

After the initial procedures concerning content and face validities, construct validity was assessed through an exploratory factorial analysis. A one-factor solution explaining 65.4% of the total variance emerged. All items presented loadings above .70 and communalities above .50. The reliability of the scale presented a very good value (.91).

3.2.3. Group Performance

Group performance was assessed with a scale developed by Dimas (2007). Only team leaders answered this scale because they are the most legitimate authority to evaluate

⁶ ROCI-II is composed of three distinct forms – A, B and C – which are related to conflict situations with the leader, the subordinate and the peer, respectively. Dimas (2007) adapted form C, asking participants to rate the way they react when facing conflict situations with the other members of the group.

⁷ For Nunnally (1978) a value above .90 is excellent; between .80 e .90 is good; between .70 e .80 is acceptable; between .60 e .70 is poor; and less than .60 is unacceptable.

⁸ It is important to mention that despite having requested the selection of 5 of the 15 items, in this study we considered only the answers relating to items placed in the top three positions by the participants, to be the ones that best describe the strategies used in the group.

team performance, due to their proximity and knowledge concerning team strengths and weaknesses. Moreover, since team effectiveness is, in general, assessed against the standards required for those who receive and review this output, is the leader who usually carries out this review at least initially. This scale is composed of ten items that measure the leaders' perception regarding different issues related to the quality and quantity of work produced by the team (for instance, the ability to approach problems appropriately, the efficiency in carrying out tasks, the ability to meet deadlines). Statements are evaluated on a 10-point Likert scale ranging from 1 (*poor*) to 10 (*excellent*). After the initial procedures concerning content and face validities, construct validity was assessed through an exploratory factorial analysis that led to a solution composed of two dimensions: the first dimension, labeled as innovation, constituted six items and explained 38.1% of the variance; the second dimension was composed of four items and explained 30.3% of the variance. The reliability of the dimensions presented very good values (.88 for innovation and .84 for efficiency).

3.3. Procedures

In the process of data collection, 187 companies, 109 from the services sector (52% information and technology companies) and 78 from the industrial sector, were contacted.

In the organizations that agreed to participate in our study, the selection of the teams to survey was made with a member of the board of directors and was based on the following criteria: a) teams must consist of members, who are perceived by themselves and others as a team (1), who interact regularly, in an interdependent way, to accomplish a common goal (2) and who develop complex, non-standard tasks. In each organization on average 6 teams were surveyed.

In all of the different organizations we had to collect two kinds of information: the questionnaires of the team members and the team leaders. Team members were surveyed about demographic data, leader and peer coaching, and members' satisfaction with the team. Team leaders were asked to evaluate the team through a set of performance indicators. All procedures to ensure the confidentiality and anonymity of the data were met, and the participants were informed about them, as well as about the objectives of the research.

4. ANALYSIS AND RESULTS

4.1. Data Analysis Procedures

Since data concerning team satisfaction were obtained from individuals, but the present research is at the team level, the Average Deviation Index (AD_M Index) developed by Burke, Finkelstein, and Dusig (1999) was performed to justify aggregation. Following the authors' recommendations, we used the criterion $AD_M \leq 1.17$ to aggregate, with confidence, individual responses to the team level. Values were between 0 and 1.2, with an average of 0.53 ($SD = 0.30$). Since the AD_M average value were below the upper-limit criterion of 0.83 all teams in the sample were retained, following the procedure adopted by other authors (Gamero, González-Romá, & Peiró, 2008).

In each team, the identification of the frequency of use of the different approach strategies to conflicts was based on the ranking scale included in ROCI-II. In order to provide a joint analysis of both the frequency and the position of choices, we created a composite indicator, which takes into account the frequency and the position of each of the strategies, within the team. This procedure allowed us to identify, per team, the proportion of the frequency of use of each one of the strategies of conflict handling. It is important to mention that when respondents did not indicate at least one item in any of the three positions of the ranking scale, concerning task conflict, on the one hand, and relationship conflict, on the other,

they were excluded from the team, regarding the type of conflict in which the missing data occurred. In any case, it was necessary for a team to remain in our sample when, after the above procedure, the team remained with more than 50% of its members.

The results will be presented in two following sections, each one dedicated to one of the main objectives that guided this research.

4.2. Types of conflict and conflict management

The test of the first hypothesis was done through the Student T-test for paired samples, which compared the average values registered, given the two types of conflict, concerning the frequency of each strategy of conflict management. When checking the normality assumptions for applying the t-test for paired samples, we concluded that normality was not assumed for some variables. However, since the t-test is a fairly robust test for less severe violations of the assumption of normality, as happened to the data analyzed (Welkowitz, Cohen, & Lea, 2012), we considered that the statistical technique could be applied.

Thus, three pairs of means were analyzed: the mean frequency of use of integrating strategies when facing task conflict (TC_I) and the mean frequency of use of integrating strategies when facing relationship conflicts (RC_I); the mean frequency of use of dominating strategies when facing task conflict (TC_D) and the mean frequency of use of dominating strategies when facing relationship conflict (RC_D); the mean frequency of use of avoiding strategies when facing task conflict (TC_A) and the mean frequency of use of avoiding strategies when facing relationship conflict (RC_A). Table 1 presents the t-test values for each pair. For both types of conflict, the strategy of conflict management most used was integrating, followed by avoiding, whereas dominating was the least used. Results revealed that teams use significantly more integrating when facing task conflict ($t_{(72)} = -2.25, p = .028$) and more avoiding when facing relationship conflict ($t_{(72)} = 4.31, p < .001$). Concerning dominating, no significant differences were found.

Table 1. Comparison between mean pairs TC_I - RC_I, TC_D - RC_D e TC_A - RC_A

	<i>n</i>		<i>M</i>	<i>SD</i>	<i>t</i>	<i>p</i>
Pair 1	73	RC_I	51.15	27.03	-2.25	.028
	73	TC_I	58.77	26.75		
Pair 2	73	RC_D	13.66	17.27	0.14	.892
	73	TC_D	13.40	17.45		
Pair 3	73	RC_A	25.93	20.33	4.31	.000
	73	TC_A	14.23	15.63		

Thus, hypothesis 1 received partial empirical support since, despite no significant differences being found for dominating, the frequency of use of integrating and dominating depends on the type of conflict that the team has to face.

4.3. Conflict management and group effectiveness in the face of different types of conflict

To test the hypotheses 2, 3, 4 and 5 of this research we first analyzed the correlations between the different variables (see Table 2). This procedure provides relevant information about the relationships under study, such as the identification of the variables to be included in the regression analysis.

Table 2. Intercorrelations, means and standard deviations of conflict management strategies and of group effectiveness dimensions (N = 73)

Dimensions	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8	9
1. RC_I	51.15	27.03	--								
2. RC_D	13.66	17.27	-.538**	--							
3. RC_E	25.93	20.33	-.658**	-.178	--						
4. TC_I	58.77	26.75	.418**	-.351**	-.115	--					
5. TC_D	13.40	17.45	-.308**	.548**	-.087	-.670**	--				
6. TC_E	14.23	15.63	-.164	-.012	.189	-.518**	.044	--			
7. Innovation	6.85	1.13	-.059	.128	.024	.034	-.081	.007	--		
<i>n</i> = 68											
8. Efficiency	7.24	1.32	-.107	.099	.020	.015	-.094	.042	.574**	--	
<i>n</i> = 68											
9. Satisfaction	5.28	0.70	.384**	-.370**	-.074	.540**	-.462**	-.158	.046	-.021	--

Note. * $p < .05$. ** $p < .01$.

As shown in Table 2, and taking into account the hypotheses, significant correlations were observed between satisfaction and integrating and dominating strategies, regarding relationship conflict and task conflict. With regard to performance no significant correlations were observed. Thus, only satisfaction was considered as a criterion variable in the following multiple regression analysis for testing the hypotheses. It will be considered the RC_I ($r = .384$, $p = .001$) and RC_D ($r = -.370$, $p = .001$) variables as predictors in the relationship conflict situation, and TC_I ($r = .540$, $p < .001$) and TC_D ($r = -.462$, $p < .001$) variables in the task conflict situation.

Nevertheless, in view of these preliminary results, it can be already concluded that hypotheses 2 and 4 did not achieve empirical support since there were no significant associations between the conflict management strategies and both dimensions of performance.

To test hypotheses 3 and 5 two analyses of multiple regression were conducted, taking satisfaction as criterion variable and integrating strategies and dominating as predictor variables.

Table 3 shows the results of the regression model that includes TC_I and TC_D variables as predictors of satisfaction in task conflict situation, indicating that these variables together explain 31% of the variance of group satisfaction ($R^2 = .310$; $F(2,72) = 15.735$, $p < .001$). This analysis also indicates that TC_I variable has a positive effect ($\beta = .418$, $p = .003$) on satisfaction. With respect to variable TC_D, it does not statistically predict group satisfaction ($\beta = -.182$, $p = .177$). Thus, we can conclude that Hypothesis 3 gets partial empirical support in our study, since, although the use of dominating strategies did not predict group satisfaction, the use of integrative strategies positively predicts it.

The analysis of Table 3 also allows us to observe the results for the regression model that includes RC_I and RC_D variables as predictors of satisfaction in situations of relationship conflict, revealing that together they explain 18.5% of the dependent variable ($R^2 = .185$; $F(2,72) = 7.946$, $p = .001$).

The analysis also indicates that RC_I has a positive effect ($\beta = .26$, $p = .047$) on team satisfaction. Regarding RC_D we can see that it is not a predictor of group satisfaction ($\beta = -.231$, $p = .076$).

Thus, we can conclude that Hypothesis 5 is partially supported in our study, since the use of integrating strategies positively predicts group satisfaction in a relationship conflict situation.

Table 3. Results of multiple linear regression analyses of conflict management strategies predicting group satisfaction according to the type of conflict (N = 73)

Variables	<i>B</i>	<i>EPB</i>	β	<i>R</i> ²
Regression Equation 1 (Task Conflict)				.310***
CT_I	.011	.004	.418**	
CT_D	-.007	.005	-.182	
Regression Equation 2 (Relationship Conflict)				.185**
RC_I	.007	.003	.260*	
RC_D	-.009	.005	-.231	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

5. DISCUSSION AND CONCLUSIONS

With regard to the frequency of conflict management strategies, the findings postulate that the strategies most used are integrating, followed by avoiding and, finally, dominating. These results fit the conclusions of DeChurch and Marks (2001) and Dimas (2007) for whom integrative strategies are the most used and competitive strategies are the least used.

These results, although they partially support the results of Farmer and Roth (1998) and Rahim and Buntzman (1989), which also point to a greater use of integrating strategies, are in the opposite direction with respect to the use of avoiding strategies. In fact, contrary to these studies, they indicate that this is the least used strategy. This divergence may be related to differences in sample size (the sample used by Farmer and Roth (1998), for example, contained only 19 groups). Also the conclusions of Vokić and Sontor (2009) do not fit with the conclusions of this study, to the extent that these authors found that the dominating strategies (along with commitment) were the most frequently used. However, this discrepancy may also be associated with substantial differences in sample sizes (in the aforementioned study, the sample comprised only 22 teams). Cultural differences are another possible explanation, as the participants of this study were all Croatians.

On the other hand, our results partially support, at a of group level of analysis, the results obtained by Wall and Nolan (1986) at the individual level. These authors suggest that task conflicts tend to be resolved through integrative strategies, and relationship conflicts through avoiding strategies. Similarly, our study suggests that integrative strategies are the most used in task conflict. However, integrative strategies, and not avoiding strategies, also emerged as the most used in relationship conflicts. Nevertheless, the frequency of avoiding strategies is significantly higher in this type of conflict than in task conflict situations.

The evidence found regarding the advantages of using integrative strategies on group satisfaction in task conflict situations fits the findings of previous studies, such as Alper, Tjosvold, and Law (2000), De Dreu, Dierendonck, and Dijkstra (2004), Shih and Susanto (2009), and Jehn and Bendersky's (2003) COM model, which considers the use of integrative strategies as an amplifier of the positive effects of task conflict on group effectiveness.

However, the result that suggests that an integrative strategy is a positive predictor of satisfaction (one dimension of group effectiveness) when faced with relationship conflicts does not fit Jehn and Bendersky's (2003) model, which states that the use of integrative strategies is an amplifier of the negative effects of the conflict in group effectiveness.

Also with regard to relationship conflict management and its impact on group satisfaction, our results question De Dreu and Van Vianen (2001), and De Dreu and Weingart's (2003a) position of not considering likely the resolution of a relationship conflict with all involved parties satisfied, suggesting that it is preferable to use avoiding strategies. Actually, in our study, avoiding strategies in relationship conflict situations are not correlated with group effectiveness, while integrative strategies contribute positively to the group's satisfaction when faced with this type of conflict. However, regarding the task of conflict management, our results are in accordance with Wall and Nolan's (1986) conclusions, which indicate that the use of integrative strategies is associated with satisfaction. As the sample of this study consists of teams whose tasks are characterized by high levels of complexity, our results are also in line with İslamoğlu, Boru, and Birsel (2008), who found that integrative strategies are appropriate for dealing with strategic or complex issues.

It should also be mentioned that group effectiveness, both in the socio-affective dimension (satisfaction) as well as in the task dimension (performance), is influenced by multiple factors. Thus the fact that the variables under study (conflict management strategies), explain 18.5% of the criterion variable in relationship conflict situations and 31% in task conflict situations (effects that are classified, according to Cohen's convention (1988), as small and medium, respectively) can, in our opinion, be considered relevant.

In addition, although the dominating strategy was not supported as a predictor of satisfaction, the correlations, significant and negative, give important directions to team management, insofar as they converge with the idea already supported by the literature that the use of dominating strategies tends to be seen as unwise and ineffective in conflict management, linking it negatively with group satisfaction (e.g., Alper, Tjosvold, & Law, 2000; Andrews & Tjosvold, 1983; Behfar et al., 2008; Deutsch, 1998; Euwema, Van de Vliert, & Bakker, 2003).

One of the limitations of our study is the lack of statistical power to test the significance of predictors, since a larger sample would be required for a comfortable application of the regression analyses. In this regard, Field (2009) and also Tabachnick and Fidell (2007) report that the minimum acceptable sample is $50 + 8k$ (k is the number of predictors in the model). Since our model has two predictors, the minimum acceptable is 66 cases. It means that the size of our sample (73 cases regarding satisfaction, 68 regarding performance) meets this requirement fairly. Field (2009) adds that smaller the effect expected the more subjects are needed, in order to reach a model with statistical power. Thus, although the regression analysis did not conclusively support dominating as a predictor of satisfaction, the significant correlations between them suggest that with a larger sample size, the results could be statistically significant. So it would be relevant to increase the sample size in future studies. Our study could also benefit from a larger sample with respect to the test of hypothesis 1, as the normality assumption required for the application of Student's *t*-test for paired samples was partially violated. Although we found sufficient theoretical basis to keep our analysis, it would be important to check if by increasing the sample size, the results would be similar to those obtained in the present study.

Despite the methodological and conceptual rigor that we seek to ensure throughout the investigation, there are other limitations to take into account, in particular its cross-sectional design, which prevents the analysis of the dynamic aspects of the variables under study and the establishment of causal relationships. It would be useful, therefore, to carry out a longitudinal study to assess the behavior of the variables over time or even, for example, through different stages of group development. Another limitation is that most of the data were perceptions of team members (only performance was evaluated by the leaders) which may lead to common method variance bias (Conway, 2002). In future studies, it would be relevant to complete the group effectiveness information with data obtained from other

relevant stakeholders, as well as through certain objective measures (in the task dimension). It would also be advantageous to include measures from other sources, with regard to the use of conflict management strategies (observation and/or the collection of information from the leaders could be techniques to use). However, whereas teams, as already mentioned, are a predominant reality in the current organizational context, we believe that the fact that our sample was made up of natural work teams, belonging to real organizations, is an added value of this research.

We conclude by stating that the present investigation, despite the limitations pointed out, is a valuable contribution to enriching the vast literature on conflict management and on its relationship with group effectiveness. The work carried out, although it can be considered exploratory, has produced results that are relevant and give clues for futures studies. Similarly, from the point of view of intervention, the results seem to be useful, suggesting that to develop the ability to handle conflicts in a group based on an integrative strategy can be a way of enhancing group effectiveness, particularly in their socio-affective dimension.

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THE RELEVANCE OF FAIR VALUE ACROSS COUNTRIES: FIRMS LISTED IN LISBON AND MADRID STOCK EXCHANGE

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ABSTRACT

Following the theories of gray and positive accounting this study examines the options in the measurement of assets and the usefulness of fair value. Using a sample of 104 Portuguese and Spanish companies with listed securities, the research analyzes factors associated with the fair value option and whether the listing incorporates this information. The results reveal a conservative behavior, where only 19% of companies use the fair value, specially the Portuguese (35%), confirming that the country of origin has a significant influence on this choice. The fair value option is more expressive on investment properties, and less expressive in intangibles. The sectors denote significantly different behaviors, and companies with higher quotes are more cautious using the fair value. The market reacts differently about the nature of this information. It is favorable to its sectorial utilization, reacting negatively to a more widespread use (Portugal), which supports the argument that the relevance of fair value estimates are dependent on the confidence placed by investors. This study contributes to stress the culture and market price of companies as explanatory variables for the use of fair value. Our findings suggest a more conservative culture in Spanish than in Portuguese companies.

Keywords: Fair Value, Historical Cost, Market Value, Cultural Environment

JEL Classification: M40

1. INTRODUCTION

Despite the efforts of standards bodies for greater comparability of financial information, there is still a debate in several areas about the most appropriate measures. With convergence rules, it was expected an increment of the comparability of financial information, and thus a reduction of the risk associated with accounting diversity (Doupnik and Perera, 2007). Measuring by fair value (FV) or by historical cost (HC) is one of the aspects with no consensus of which best represents the financial information in its reliability and utility. The definition of the accounting options lies with the administration, that incorporate in this decision organizational practices, being that conservative options (cautious) are not neutral on its impact on the balance and/or results. As several studies show, these practices reflect a country's culture (Rego and Cunha, 2009).

Choi, Frost and Meek (1999) studied accounting through three dimensions - measurement, reporting and audit. This study focuses on the measurement criteria, and aims to examine the extent to which the FV's adoption is influenced by certain factors, namely the cultural aspect, according to Gray's theory (1988), and if that information is incorporated in the

assessment of investors, following the assumptions of the positive theory of Accounting (Watts and Zimmerman, 1990), and reflected in the stock price (Ohlson, 1995). In this context we carried out an empirical study, whose objects are listed entities in Lisbon and Madrid's Stock Exchange, during the period of 2007-2013. Since accounting choices are influenced by several factors, we introduced in the study a set of control variables related to the internal characteristics of the entities (e.g. size, performance indicators and debt), as well as structural factors (sector). The information was taken from reports and consolidated accounts.

Besides this introduction, we present the theoretical framework in section 2, the empirical study in section 3, and on sections 4 and 5, the results and conclusions, respectively.

2. BACKGROUND

The option to measure certain assets thorough FV or HC can be analyzed in several dimensions, particularly in the light of the reliability perceived by markets, regulation, legal and tax system, cultural traits, contracts and litigation, results management, bonus plans of managers, among many other aspects. Traditionally accounting was based on the concept of HC being or seeming to be, the most reliable means of satisfying the requirement of objectivity (Pinto, 2013). The HC has recognized advantages, such as objectivity, prudence, consistency and reliability, because it is supported by documentation, as advocated by Ferreira (2009), Guimarães (2000), Gouveia (2009), Benau and Grima (2002) and López (2005). Its drawbacks are outdated values related to the past, not reflecting the inflation, not recognizing the current market value, therefore being of little relevance (Guimarães, 2011; Pinto, 2013, and López, 2005). In defense of the HC, Ferreira (2009), Sá (2008), García and Fernández (2007), Bastos (2009) and Galera (2005) argue that the measurement by the FV, when based on expert information, can be manipulated. This subjectivity is also identified as a negative factor by Ferreira (2009), Rua (2013), Guimarães (2008), Whittington (2008) and Marques (2007), claiming that the FV is volatile and may be subject to manipulation by managers, promoting the agency theory to their advantage. Watt (2002) in turn argues that the existence of a conservative approach in accounting options can be primarily explained by the costs of agency and litigation.

In a more structural approach, various theories and studies analyze the options of the accounting jurisdiction under practices influenced by environmental factors, such as cultural traits, legal, financial and/or tax systems, among others. Naturally, the choice between FV and HC can also be explained according to these environmental factors, namely cultural ones. Some authors, in particular Salter and Niswander (1995) and La Porta, Lopez-De-Silanes, Shleifer and Vishny (1997) suggest factors such as legal origin (*common law versus code law*) as primitive aspects of these cultural traits, i.e. those that influence other dimensions, such as the normative production, the independence of the accounting profession, and thus also their practices. However, from a different perspective, Nobes and Parker (2008) find it difficult to establish the relationship between cultural values and accounting practices, as there are aspects such as legal systems, financial and fiscal environment, among others, that can be the dominant agents of influence.

Studies following the influence of culture on organizational practices approach are based on Hofstede (1980), who provided measures to attributes and established relationships between cultural traits and behaviors. This characterization has been subject to multiple developments in various areas of research, such as Sousa, Gonçalves and Cunha (2015), Santos, Gonçalves and Gomes (2013), Orgambidez-Ramos, Mendoza-Sierra and Giger (2013).

Based on four cultural dimensions of Hofstede (1980), Gray (1988) develops an exploratory framework incorporating accounting values, as professionalism *versus* statutory control, uniformity *versus* flexibility, conservatism *versus* optimism and secrecy *versus* transparency. Salter and Niswander (1995) tested Gray's (1988) theory, concluding that the secrecy *versus* transparency was related to the financial reporting. Zarzeski (1996) also found this relationship in companies operating at the national level, except for those with a higher exposure to financial and commercial markets. A study of Hooi (2007) regarding the banking sector from 27 developed countries supports Gray's (1988) proposed hypothesis that the secrecy and its impact on disclosure is a function of cultural values identified by Hofstede (1980).

The principle of conservatism (or prudence) is traditionally defined as the non-anticipation of income, but the anticipation of all losses, even the unrealized ones (Watts, 2002). This principle has always influenced the accounting practices and the theory of accounting itself (Basu, 1997). It is considered that the use of the FV is not consistent with this principle as it was usually applied in the countries of continental Europe (Bertoni and Rose, 2013, and Demaria and Dufour, 2007). Gray (1988) classified the accounting culture of Portugal and Spain as similar, evidencing the cultural traits of the statutory control, uniformity, conservatism and secrecy. Regarding the accounting value of conservatism in Portugal Marcelino (2013) noted its strengthening around items related to the measurement of assets and liabilities, as well as the preference of the cost model rather than the fair value basis. He concluded that the results obtained are consistent with a conservative approach. On the other hand, Martins, Silva and Gama (2014) concluded that there is still conservatism in Portugal, albeit less fortified, as an evidence of a prudent recognition of impairment, particularly in larger entities with larger *earnings before interest and taxes*, and obliged to statutory audit report, thus fitting in the standard profile of the countries that adopt the *International Accounting Standards* (IAS).

Several studies introduce the Iberian cultural factor (*proxy* for country) in the study of accounting practices. Of particular relevance are studies by Fernandes, Gonçalves, Guerreiro and Pereira (2014), concluding that there are significant differences in the recognition of impairment, which are higher in Spain. Silva (2010) does not show differences between the two countries, with respect to intangible assets. Outside the Iberian context, Costa (2014) analyzed a sample of 44 companies from five European countries (Portugal, Spain, France, Italy and Greece), with securities listed on major stock indexes, with investment properties and/or biological assets in their assets. He concludes that the use of FV is larger for biological assets (7 of 9 companies, of which 5 were in the sectors of farming and related services) being reduced (8 of 43) on investment properties. Christensen and Nikolaev (2013) analyzed 275 companies (124 English and 151 German) that held investment properties, and concluded that the use of the FV has little importance, only used when it is available and at a low cost. They found a positive relationship between use of FV and the country (England) and concluded that German companies are more likely to use the HC. They also concluded that the housing sector is more likely to use the FV. Lourenço and Curto (2008) analyzed listed companies of four European countries (France, Switzerland, England and Germany) and found no significant differences concerning measurement practices of investment property. However, most companies (about 82%) have used the FV.

The use of the FV and its impacts has been the subject of many research papers. Among these studies it is important to emphasize those that seek to gauge the level of compliance. With this objective, we highlight the conclusions of Conceição (2009) and Teixeira, Fernandes, Gonçalves and Pereira (2013), that shows that the companies have chosen mostly the HC. On the other hand, Dinis (2013) concludes that, although most companies have opted for the HC (60%), the difference is not significantly different. Selas (2009), analyzing the

measurement practices of Portuguese companies with listed securities regarding investment properties (2005-2008), found that, of the 75 observations, 39 corresponded to companies that used the HC, and 36 using the FV model. On the contrary, Arrenega (2012), Muller, Riedl and Sellhorn (2008) conclude that the companies have chosen mostly the FV. However, Barros (2013) concludes that this option is only statistically significant in companies in the financial sector. Also Costa (2014) found that, in companies that include real estate as one of the main activities, 66.7% have adopted the FV, confirming the link between the use of the FV and certain sectors. For the agricultural sector, Filho, Martins and Machado (2013), Argilés, Garcia-Blandon and Monllau (2011) and Gonçalves and Lopes (2014) concluded that the adoption of the FV in biological assets was positive and closer to market value.

Several studies have analyzed reasons for not choosing the FV. Quagli and Avallone (2010) found that one of the impediments to the use of FV were the agency costs. They also found that there is a negative relationship with the ratio market-to-book and the debt ratio and a positive association between the FV option and the size of entities. Christensen and Nikolaev (2013) report that 44% of companies that used the FV, upon adoption of the IAS, opted for the HC, justifying such a change as the most appropriate to the market. In turn, Palavecinos (2011) concluded that the objectivity of the HC model was insufficient to provide transparent information to the market and, despite the FV having some associated risks, that it should be used, if well explained. Gómez, Hoz and Lopez (2011) reached the same result, stating that the FV facilitates comparability. Suarez and Fernandez (2007) concluded that there are factors that affect the FV adoption, such as rising political and agency costs. Benau and Grima (2002) found that countries estimate and sources, question the reliability and confidence of information.

The financial crisis of 2008 created the need to examine whether the measurement by the FV would have negatively affected entities. Barreto's (2009) and Laux and Leuz (2009) concluded that the measurement by FV contributed to a more rapid diagnosis of the crisis. These findings contradict what some authors have argued that the use of FV contributes to the financial crisis (e.g. Soto, 2012). The impact of the FV in the market value of the entities has been questioned by several authors, notably by Gonedes and Dopuch (1974) and Leftwich (1981), who concluded that the accounting rules are not associated with stock price, except when those rules have economic impacts. There are economic consequences when, as a result of new information, there is an impact particularly on the cash flow of companies. Following this line of research, Aboody, Barth and Kasznik (1999) analyzed the surplus revaluation of fixed assets of English companies, confirming that it was positively related to the results, cash flow, operational future and the stock price. Similarly, Barth and Clinch (1998) found that the revalued tangible fixed assets of Australian companies were associated with the stock price. They have also shown that HC and the FV in non-financial companies were rated differently by investors. Lourenço and Curto (2008) show the importance of both the FV as the HC for the stock price. They found significant differences regarding the measurement of investment properties to the FV between British, French, German and Swiss companies with securities listed. Considering the country, they found a positive relation to the stock price in Germany, the UK and Switzerland, and a negative in France. On the other hand, Li and Kyu (2010) concluded for the relationship between changes of the FV and the fluctuation of the stock price of Chinese companies. Selas (2009) found no significant differences in the market price of companies with securities listed in Lisbon regarding the use of HC or FV.

A number of studies have examined whether the loss of value of assets also has implications on the market. Kvaal (2005); Xu, Anandarajan and Curatota (2011) and AbuGhazaleh, Al-Hares and Haddad (2012) concluded that the goodwill impairments were relevant to the market. Albuquerque, Almeida and Quirós (2011) concluded that the size of

the entity was related to the recognition and disclosure of impairments. Oliveira, Rodrigues and Craig (2010) when evaluating the significance of the amount disclosed of intangible assets and goodwill in the market, following the full entry of the IAS, found that there was a positive association with the stock price, being the most significant the goodwill. In the same reasoning of previous studies, Fernandes and Gonçalves (2014) concluded that the goodwill and respective impairments are relevant to the market, but in a differentiated way for entities that are not part of the Portuguese Stock Index 20.

Given the different results of previous studies and following Landsman (2006) argument, it can be concluded that both the dissemination and measuring by the FV are useful for investors. However, this utility depends on several factors, including the recognized amounts, the estimation errors and their sources, which question the confidence in the reliability of the information.

3. METHOD

3.1. General objectives and research hypotheses

There are several factors associated with the use of the FV or HC and the studies referred above indicate various contingencies associated with their use. This study analyzes factors associated with the adoption of the FV and if this information is assimilated in the stock price. We set up explanatory factors of external nature (division) and internal (the relevance of items to review, audit firm, dividend policy, net profit). We introduced the cultural factor (There are several factors associated with the use of the FV or HC and the studies referred above indicate various contingencies associated with their use. This study analyzes factors associated with the adoption of the FV and if this information is assimilated in the stock price. We set up explanatory factors of external nature (division) and internal (the relevance of items to review, audit firm, dividend policy, net profit). We introduced the cultural factor (using country as a proxy) to analyze the extent to which it justifies accounting practices between different countries.

We defined the following research hypotheses:

- H1: The use of FV as a criterion for measurement of tangible fixed assets, intangible assets and investment properties is associated with variables of cultural and sectorial nature, and internal to the entities.
- H2: FV's application influences the perception of investors, being reflected in the market value of the entities.

3.2. Universe and sample

The study focuses on a sample of 104 companies with listed securities (35 from *Euronext Lisbon* and 69 from the *Bolsa de Madrid*). Both samples are statistically representative of the universe (random samples), considering the exclusion of the financial and insurance industry.

Financial and insurance industry entities were excluded, since the information disseminated by these entities is not comparable, as they apply specific rules imposed by their respective supervisory bodies.

Data were taken from the consolidated financial statements (2007-2013) collected from the webpage of the *Comissão do Mercado de Valores Mobiliários* and from the *Comisión Nacional de Mercado de Valores*. The listed prices of securities were collected from the webpage of the *Euronext Lisbon* and *Bolsa de Madrid*, considering the dates of 12/31 and 3/31, for every observed year.

We used the STATA software for the data analysis.

3.3. Variables

3.3.1. Dependent variables

It was defined as dependent variables for the two hypotheses, with the selection criteria those that translate the phenomenon under study and have been used by other authors. Hypothesis 1 for the dependent variable is dichotomous (aplica_JV), wherein 1 refers to the use of the FV in at least one of the entries, and 0 for non-use. This variable was used by Conceição (2009), Teixeira et al (2013) and Dinis (2013).

For hypothesis 2 it was defined as the dependent variable the natural logarithm of the market value (log_mkt_val_d), with reference to the end of each year. This variable has been used in several studies which associate the market value with determined dependent variables, including Fernandes and Gonçalves (2014) and Albuquerque *et al.* (2011).

3.3.2. Independent variables

Independent variables are potentially explanatory variables of the outlined hypothesis, grouped into factors associated to a diverse nature. To estimate the underlying model for the first hypothesis, the following independent variables were considered:

- Intangible assets (a_intg), that correspond to one of the items analyzed in terms of application of the FV (IAS 38). Expected sign (+) References: Silva (2010).
- Logarithm of tangible fixed assets (log_AFT), that correspond to one of the items analyzed in terms of application of the FV (IAS 16). Expected sign (+) References: Christensen and Nikolaev (2013) and Fernandes *et al* (2014).
- Investment properties (prop_inv), that correspond to one of the items analyzed in terms of application of the FV (IAS 40). We expect a positive relationship because the standard implicitly leads to the obligation of measuring by the FV. Expected sign (+) References: Fernandes *et al* (2014) and Costa (2014).
- Country × total assets (país_ativos), variable of interaction between the variable Country [Portugal (1) or Spain (0)] and Asset. As variable of interaction it has an exploratory nature, however the variable country has been used in several studies. To determine the country we considered the International Securities Identification Number with the prefix PT (Portugal) and ES (Spain). Expected sign (+) References: Lourenço and Curto (2008), Silva (2010), Christensen and Nikolaev (2013), Costa (2014) and Fernandes *et al* (2014).
- Sector × assets (setor_ativos), variable of interaction between industry [dichotomous variable where tradable goods (1) and non-tradable (0)] and the variable Asset. Despite the variable of interaction having an exploratory nature, the sector has been used as an explanatory variable in several studies. Expected sign (+) References: Dinis (2013), Argilés *et al* (2011), Christensen and Nikolaev (2013) and Costa (2014).
- Auditors (audit), on the grounds that the multinational audit firms, called the *big4*¹ will be more demanding of customers with regards to the careful application of the rules. It is a dichotomous variable, where one (1) corresponds to big4 companies and zero (0) to the others. Expected sign (-) References: Teixeira *et al* (2013) and Gonçalves and Lopes (2014).
- Entity's share price in the previous year [cot_dez (n-1)], which aims to determine to what extent the FV option is influenced by market value. Expected sign (-) References: Muller *et al* (2008), Teixeira *et al* (2013), Christensen and Nikolaev (2013) and Fernandes *et al* (2014).
- To estimate the underlying model of the second hypothesis, we considered as independent variables those resulting from previous studies:

¹ PricewaterhouseCoopers, Deloitte Touche Tohmatsu, KPMG e EY (Antiga Ernst & Young).

- To estimate the underlying model of the second hypothesis, we considered as independent variables those resulting from previous studies: Natural logarithm of the asset (\ln_ativo): The asset is used generally as a proxy of the entity's size, coupled with the expectation of future economic benefits, facts justifying the expected positive relationship between this variable and the market value of the entities. Expected sign (+) References: Watts and Zimmerman (1990), Conceição (2009), Quagli and Avallone (2010) and Christensen and Nikolaev (2013).
- Market-to-book [$mkt_book_IT(n-1)$]: Ratio that compares the market value to book value, based on the year $n-1$:

$$\text{Market to book} = \frac{\text{Book value}}{\text{Market value}}$$

with market Value = market price (31 mar N-1) x number of shares and book Value = Equity in n-1.

The introduction of a lag of 1 year explains the hypothesis that the market value of year n is influenced by the previous year. Several studies, not related to the topic of FV, introduced this variable, and concluded that it provided incremental information to the market. Expected sign (+) References: Aboody *et al* (1999).

- Dividend distribution ($distr_divid$): Dichotomous variable where Distributes dividends = 1; Does not distribute dividends = 0. Dividends reflect the remuneration policy for shareholders and carry management signals that may influence the stock price. Expected sign (+). References: Ohlson (1995).
- Application of the FV by country ($pais_aplica_JV$): Results from the interaction between the variable country (Portugal = 1; Spain = 0) and the variable $aplica_JV$, also dichotomous (applies $JV = 1$, does not apply = 0). As variable of interaction, it has an exploratory nature, however, the variable country has been used in several studies because it is assumed different behaviors by country. Expected sign (+) References: Lourenço and Curto (2008), Silva (2010), Christensen and Nikolaev (2013) and Fernandes *et al* (2014).
- Application of the FV by sector ($setor_aplica_JV$): Variable that results from the interaction between the variable Sector (Tradable goods = 1; Non-tradable goods = 0) and the $aplica_JV$ variable. According to Watts and Zimmerman (1990) companies in the same industry tend to adopt dissemination strategies they perceive as the most suitable for the specification of such sector. Expected sign: not set. References: Watts & Zimmerman (1990) and Christensen & Nikolaev (2013).
- Net income (NI): The net income is the performance of which it is expected a positive relationship with the market value. Expected sign (+); References: AbuGhazaleh *et al* (2012), Xu *et al.* (2011) and Oliveira *et al* (2010).
- Current liabilities ($passivo_corr$): The liability represents the gross debt. It studies the impact of short-term liabilities, which is directly related to the pressure in the treasury, assuming a negative relation to the market value. Expected sign (-); References: Kvall (2005), Selas (2009), Albuquerque *et al* (2011) and Christensen & Nikolaev (2013).
- The majority interests ($int_maiorit$): Reflect the concentration of capital in the dominant shareholder, as opposed to minority interests. Astami and Tower (2006) argue that when there is a high level of ownership concentration, these shareholders may influence the reporting of financial information. On the contrary, when the

ownership structure is diffuse, managers have greater opportunity for the exercise of discretion on accounting choices. It is assumed that investors associate a higher concentration to a higher credibility of the accounting information, with a positive impact on the stock price. Expected sign (+) References: Conceição (2009).

3.4. Models

In the first hypothesis, given the dependent variable's dichotomy, we defined a multivariate regression model logit for panel data, which provides the probability of a given observation to belong to a particular set on the basis of the behavior of independent variables.

$$aplica_JV_{it} = \beta_{0it} + \beta_1 a_intag_{it1} + \beta_2 log_AFT_{it2} + \beta_3 prop_inv_{it3} + \beta_4 audit_{it4} + \beta_5 setor_ativos_{it5} + \beta_6 pais_ativos_{it6} + \beta_7 cot_dez_n-1_{it7} + \mu_{it}$$

where $i = 1, \dots, 104$, $t = 2007, \dots, 2013$ and μ_{it} represents the error or idiosyncratic disturbance, as it varies along i and t .

In the second hypothesis - the relationship between the market value and a set of potentially explanatory variables - we set up an econometric model of multivariate regression for panel data:

$$log_mkt_val_d_{it} = \beta_{0it} + \beta_1 ln_ativo_{it1} + \beta_2 mkt_book_IT(n-1)_{it2} + \beta_3 pais_aplica_JV_{it3} + \beta_4 setor_aplica_JV_{it4} + \beta_5 distr_divid_{it5} + \beta_6 RL_{it6} + \beta_7 passivo_corr_{it7} + \beta_8 int_maiorit_{it8} + \mu_{it} \text{ where } i = 1, \dots, 104, t = 2007, \dots, 2013 \text{ e } \mu_{it} \text{ represents the error or idiosyncratic disturbance, as it varies along } i \text{ and } t.$$

4. RESULTS

4.1. Sample characterization

Companies were grouped in two sectors: tradable (73) and non-tradable (31) goods. We analyzed in the following table the FV use, finding that, in absolute terms, a similar use between the two sectors (between 17 and 19%) but different in type of assets the FV is used.

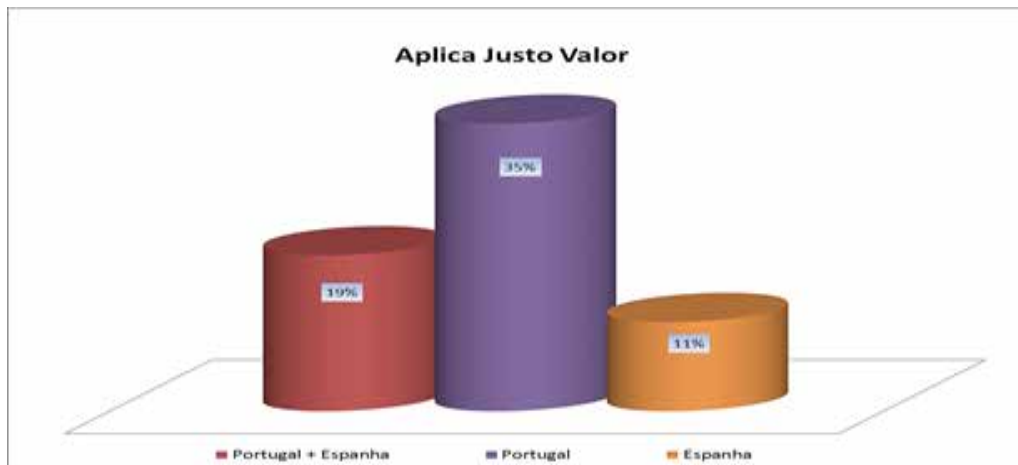
Table 1. Use of FV by sector²

Sector Type	Aplica_JV	JV_AFT	JV_INT	JV_PI
Non-tradable goods (217 obs.)	42 (19,4%)	28 (12,9%)	0	21 (9,7%)
Tradable goods (511 obs.)	88 (17,2%)	29 (5,7%)	31 (6,1%)	43 (8,0%)

Considering the country, it is confirmed a greater adhesion of Portuguese companies (35%) compared to the Spanish (11%), presenting this difference as statistically significant (Pearson $\chi^2 = 86.448$; $p\text{-value} = 0.000$).

² Several companies use the FV in more than one category of assets. Percentages calculated on the total.

Figure 1. Use of FV by country



The companies also differ by country and by the type of assets of which FV is used, the Spanish differing by increased use in intangible assets.

Table 2. Use of the FV by country and type of asset³

COUNTRY	Aplica_JV	JV_AFT	JV_INT	JV_PI
Portugal	78 (60%)	50 (88%)	7 (23%)	43 (67%)
Spain	52	7	24	21
Total	130	57	31	64

As shown, it is in the investment properties where the FV appears most often, a giving that the standards require its use as a criterion for measurement or, alternatively, the disclosure attached, so that the entities must support, in both alternatives, the costs associated with its acquisition. On the other hand, it is less frequent the use of FV for intangible assets, which can be explained by the fact that IAS 38 requires the existence of an active market to use this option.

4.2. Estimated models

4.2.1. Application of fair value

To find out whether the regression is properly specified, we used the Reset test (*Regression Equation Specification Error Test*) from Wald ($\chi^2 (1) = 00.53$; $p\text{-value} = 0.0000$) the outcome of which cannot reject the hypothesis of the model being correctly specified.

The model adjustment was also proven by Hosmer, Lemeshow and Klar's test (1988) with $\chi^2 (8) = 14.26$; $p\text{-value} = 0.0752$, whose result indicates that 85.58% of the variables are correctly classified.

Panel data provides three types of statistical models: pooled, fixed effects and random effects. The result of the maximum likelihood test ($\chi^2 (01) = 327.25$; $p\text{-value} = 0.000$) justifies the use of the model *logit* with panel data. With the Hausman test ($\chi^2 (4) = 0.0$; $p\text{-value} = 1.000$) it was found that the random effects model is the most adequate, instead of the fixed effects model and this is the reason for its use in present analysis..

To examine whether the defined model was adequate to explain the behavior of the dependent variable, we used the Wald test and the test of maximum likelihood. The value

³ Several companies use the FV in more than one category of assets. Percentages calculated on the total.

of the Wald test ($\chi^2(7) = 47.51$; $p\text{-value} = 0.0000$) and the maximum likelihood test (LR $\chi^2(7) = 25.44$; $p\text{-value} = 0.0006$) showed a good adjustment of the model. The estimation results are presented in the following table:

Table 3. Coefficients and significance (H1)

aplica_JV	Coefficientes	e ^B	Z	P>z
a_Intg	-.0086708	.9913667	-1.17	0.244
log_AFT	1.055062	2.872153	1.15	0.252
prop_inv	.0258633	1.026201	3.28	0.001
país_ativos	.0052698	1.005284	3.96	0.000
setor_ativos	-.0095001	.9905449	-5.44	0.000
auditores	-2.688456	.0679858	-1.24	0.214
cot_dez LI.	-.5816946	.6618292	-1.93	0.053

No of observations = 624¹

No of groups = 104

From the results it can be seen that, for a significance level of 5% (5.3% for market price), the general hypothesis was validated and several variables are significantly associated with the FV option.

The country (Portugal) becomes associated with the expected positive sign.

The results show that the Portuguese companies have a practice of using the FV far superior to the Spanish (35% vs 11%) and is therefore deemed substantiated the existence of more conservative practices in the neighboring country, naturally confirming the assertion of Benau and Grima (2002) that the country positively influences the choice of measurement models. These results are confirmed by Costa (2014) where none of the Spanish companies in the sample used the FV, whereas about half of the Portuguese companies used it (investment properties).

Investment properties are explanatory of the use of the FV, confirming Teixeira *et al.* (2013) results. These results also are consistent with those of Selas (2009) which confirmed that a significant percentage (48%) of companies with listed securities (Portuguese and Spanish) with investment properties used the FV model. Christensen e Nikolaev (2013) found that, while only 3% of companies revalued its tangible fixed assets, more than half of the investment properties were measured by the FV. Costa (2014) found a reduced percentage of the application of the FV model on investment properties, going in the opposite direction to those obtained. The remaining assets (tangible and intangible) appear as not relevant to the FV model, as well as the role of audit firms on this choice.

Assets associated with the business sector (tradable goods) as well as the share price are related to the FV with negative signs. This result can be interpreted as a conditioned behavior of companies to the dominant practices in the industry, a phenomenon explained in the light of various theories, including the institutional theory. The negative relationship found clarifies that entities in the sectors of tradable goods will most likely not use the FV significantly. On the other hand, Dinis (2013) concluded that the variable sector had a positive influence on the choice of the FV. Studies of Costa (2014) and Christensen and Nikolaev (2013) also go in the same direction, and the different results can be explained by the industry groups used in the analysis. In this particular case, it is concluded that this use

¹ The use of the lag of one year on the Market price variable, withdrew from the observation 104 data corresponding to a one year/company.

is not significant in the context of the universe of companies, so the result reflects the HC preferences.

The variable market price presents the expected sign, in that it is expectable that entities in the market already recognize their intrinsic value and do not use the asset adjustments for more favorable images, subjecting themselves to the investors' judgment on the quality of these adjustments.

It can be concluded that the results are consistent with those of other studies, and that the adoption of the FV model is influenced not only by the dominant accounting practices for a particular sector, as there is a strong influence of the cultural factor, embodied in the variable country. It is also confirmed that the use of HC prevails over the FV, and that it is used preferably in subsets of assets, in association with certain sectors of activities, reinforcing the view that this is still the dominant practice.

4.2.2. Application of FV and market value

To test the hypothesis of the importance of applying the FV and remaining independent variables in the market value of the entities, we analyzed the most appropriate functional model, and which estimator to use. The Reset test (Ramsey, 1969) checks the linearity of the relationship between covariates (Ferreira, 2010) and confirms the correct specification of the functional form of the proposed model ($F(3, 611) = 2.08$; $p\text{-value} = 0.1022$).

With regard to the estimation model, we can consider three ways: pooled, random effects or fixed effects. The LM test of Breusch-Pagan (1980) with a value of $\chi^2(1) = 461.13$; $p\text{-value} = 0.0000$ allows to reject the null hypothesis, thus the random effects model is more appropriate than the pooled. To decide between the use of the pooled model and fixed effects, we used the F test, whose null hypothesis is that the coefficients associated with the years are null. To an $F(103.511) = 12.24$ and $p\text{-value} = 0.0000$ it allow to refute this hypothesis, so the fixed effects model should be accept.

To decide between the models of random effects and fixed effects we used the Hausman test. For a $\chi^2(6) = 153.69$ and $p\text{-value} = 0.0000$ we opted for the use of the fixed effects model. Tests diagnostic revealed the presence of heteroscedasticity [modified Wald test ($\chi^2(104) = 1417.62$; $p\text{-value} = 0.000$)] and residual autocorrelation (autocorrelation Wooldridge test for panel data with $F(1, 103) = 113,687$ and $p\text{-value} < 0.000$). To test the possible multicollinearity of the independent variables, we calculated the VIF (variance inflation factor). The literature shows that the closer to zero FIV is, the lower the multicollinearity. The results indicate the absence of multicollinearity, since $VIF < 10$ and the tolerance superior to 0.1. Given the presence of residual autocorrelation and heteroscedasticity, the model was estimated with the option *robust*, in order to obtain more robust estimators (Drukker, 2003).

In a preliminary analysis it is confirmed that all the variables included in the model are correlated significantly (5% significance level) with the dependent variable (market value). Note that the correction variable with the largest index (*pearson's r*) is the asset, then the balance sheet, this with a different sign than expected.

Table 4. Table of correlations

INDEPENDENT VARIABLES	LOG_ MKTV	LN_ ATIV	MKT_ BOOK	PAIS_ APLIC	SETOR_ APLI	DIST_ DIV	RL	PASS_ CORR
LOG_MKTV_D	1.0000							
LN_ATIVO	0.8710*	1.0000						
MKT_BOOK_D	0.1638*	-0.0166	1.0000					
PAIS_APLIC_JV	-0.1118*	-0.0195	0.0445	1.0000				
SETOR_APLIC_JV	-0.2444*	-0.1807*	-0.0722	0.5527*	1.0000			
DISTR_DIVID	0.4993*	0.3700*	0.0615	-0.0091	-0.0793*	1.0000		
RL	0.5012*	0.5006*	0.0084	-0.0262	-0.0878*	0.2301*	1.0000	
PASSIVO_CORR	0.5807*	0.6801*	-0.0147	-0.0557	-0.1240*	0.2298*	0.7424*	1.0000
INT_MAIORIT	-0.2144*	-0.3224*	-0.0848*	-0.1807*	0.0149	-0.0439	-0.1567*	-0.3201*

The results are shown in the following table and, as it turns out, the variables, except for the shareholder concentration, are presented as explanatory of the market value of the entities.

Table 5. Coefficients and significance (H2)

log_mkt_val	Coefficients	T	P> t
ln_ativ	.6707732	5.33	0.000
mkt_book_1t(n-1)	.0105492	2.05	0.043
país_aplica_JV	-.9422926	-41.52	0.000
setor_aplica_JV	.3439983	77.09	0.000
distr_divid	.224311	2.80	0.006
RL	.000136	4.80	0.000
passivo_corr	-.0000302	-2.61	0.010
int_maiorit	-.1207428	-0.74	0.460

No of observations = 623

F(8,511) = 11.48; *p-value* = 0.0000

No of groups = 104

Adj R-squared = 0.9468

It is relevant the FV variables in interaction with the country and sector. As shown in the previous hypothesis, there is a positive and significant association between Portugal and its use as a measurement criterion, confirming a more optimistic attitude of these companies, in the context of the theoretical framework of Gray (1988). The negative relationship found in this model can be interpreted that investors of Portuguese companies penalize this practice, possibly by not trusting completely the accounting figures presented. This impact of the FV in the market value of the entities can be interpreted, according Gonedes and Dopuch (1974) and Leftwich (1981), that the accounting rules are not associated with stock price, except when they have economic impacts. In this case, one can conclude that investors perceive the use of FV as a management tool of unknown economic future consequences. Lourenço and Curto (2008) also found a negative relationship between the stock price and a country (France), but this difference did not extend to the (positive) impact of the use of the FV in that price. Soderstrom and Sun (2007) argued that the differences between countries as to the relevance of book values are due to several factors, including characteristics associated

to companies, including the legal and political systems of the country where the company resides.

The use of the FV by sectors (tradable goods) appears to be well received by the market, in that it is a significant positive relationship. As analyzed, this practice is not dominant in this sector, putting forward the hypothesis that there is an investors' perception that, when this accounting policy is adopted, it is reliable and credible basis. Conceição (2009) tested the hypothesis that the financial industry would be most likely to use the FV, but it did not assume as statistically significant. Christensen and Nikolaev (2013) associated the use of the FV to real estate.

The variable (*ln_ativ*) as *proxy* of the size, presents the expected and statistically significant positive relationship with the entity's market price in line with Watts and Zimmerman (1990), Conceição (2009), Quagli and Avallone (2010) and Christensen and Nikolaev (2013).

As regards the relationship with *mkt_book_1T* variable (*n-1*), it is confirmed that the past market performance influences the perception of investors about the value of companies. These results follow the conclusions of Beaver and Ryan (2000) that there is an association and that the *market-to-book* provides incremental information.

The positive relationship of the variables net income and distribution of dividends to the value of the market can be explained by the attractiveness that investors have for entities that have a higher net income, and the expectation of a higher dividend. These results confirm Ohlson (1995), who concluded that dividend policies had a positive relationship with the market value and the book value. Campbell and Robert (1998), likewise, concluded that current dividends have a positive relationship with the stock price in the future.

The negative sign of the variable (*passivo_corr*) can be justified by the negative market reaction to indebtedness of the entities. The entity value may be questioned due to cash flow problems, and having to resort to the capital to honor its commitments. This negative relationship is consistent with the results from several studies including Kvall (2005), Selas (2009), Albuquerque *et al.* (2011) (2011) and Christensen & Nikolaev (2013).

Of the studies reported in the literature, only Filho *et al.* (2013) presents some similarities with the current, differing in the objective and methodology, and concluding that the evaluation by the FV has a positive relationship with the market.

5. CONCLUSIONS

The object of this study is to investigate whether there are structural explanatory factors associated with the country of origin and characteristics of the entities to justify the choice of the FV model as measurement criteria and if this choice has an impact on the market value of the entities.

The sample consists of 104 entities, 35 Portuguese and 69 Spanish, covering the period 2007-2013, and is classified in sectors of tradable and non-tradable goods. It was found that the use of the HC is dominant in the analyzed companies (81%) and that the FV acceptance is statistically different between Portuguese (35%) and Spanish (11%) companies. It can be deduced that, in a general framework of conservatism, there is a different behavior of the Portuguese entities in relation to the Spanish, highlighting the greater conservatism of the latter. These differences between countries, as demonstrated in several studies, including Christensen and Nikolaev (2013) and Fernandes *et al.* (2014), assume that the environmental context can explain differences in accounting culture. According to Gray (1988), Portugal and Spain are homogeneous countries in the point of view of accounting culture. However, despite not being able to consider that Portuguese companies as abandoning the value of

conservatism (as shown by Marcelino, 2013) the results may signal a cultural change, which is consistent with studies that focus on other research lines (Rego and Cunha, 2009).

In addition to the country of origin of the entities, we concluded the existence of other factors of internal and external order, influencing their choice for the application of the FV method.

Investment properties are identified (nature of the asset) as positively related, evidence cited by Christensen and Nikolaev (2013), Teixeira *et al.* (2013) and Selas (2009).

In the second case, we sought to analyze whether the application of FV influences the perception of investors about the value of companies, and if this is reflected in the stock price. All variables considered in the model are significantly explanatory, except for the variable shareholder concentration, which is expected to present a positive sign.

Of the variables analyzed, we highlight the ones directly related to this study's theme: the relationship between the market value and the countries and sectors, both crossed with the FV's application.

The negative relationship found in the variable country leads to interpret that investors of Portuguese companies penalize the FV measuring method, possibly by a lack of absolute trust of the accounting figures presented. Contrary to the expectation of positive influence or no influence of this information on the stock price formation, this negative relationship may be interpreted as a penalty for the use of measurement criteria with the objective of performance management. Thus, investors will discount on the price of securities the effect of expected addition for these results.

As for the use of the FV at the sectoral level (tradable goods sector) seems to be well received by the market, in that it is a significant positive relationship. The other control variables [asset (+), RL (+), *market_to_book* (+), dividends (+) and liabilities (-)] showed the expected signs, based on the presentation of the respective variables.

We considered that this study contributes to the knowledge on the application of the FV measurement in non-financial assets of the entities, concerning the two countries that are part of the European Union, having been introduced the cultural factor in this analysis.

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