Reshma Dsouza

Leadership Challenges in Finnish and Indian Multi-Cultural Project Teams: Strategies for Enhanced Collaboration

School of Technology and Innovation
Master's in Strategic Project Management

Vaasa 2025

UNIVERSITY OF VAASA
School of Technology and Innovation
Author: Reshma Dsouza
Title of the thesis: Leadership Challenges in Finnish and Indian Multi-Cultural Project Teams: Strategies for Enhanced Collaboration
Degree: Master of Industrial Engineering and Management
Discipline: Strategic Project Management
Supervisor: Marko Mäkilouko
Year: 2025 **Pages:** 112

ABSTRACT:

This thesis discusses leadership challenges and strategies for facilitating team collaboration in multicultural project teams, especially in Finnish–Indian professional environments. The increasing phenomenon of global project teams necessitates for the understanding of cross-cultural dynamics and the implementation of culturally responsive leadership practices.

The research objective was to determine the differences in leadership expectations, communication norms, and trust mechanisms among Finnish and Indian project team members. A qualitative approach was adopted, and data were collected via a structured questionnaire with open-ended questions distributed to 13 Finnish and Indian professionals with experience in multicultural project environments. Data were analyzed thematically to uncover recurring themes and information about intercultural project leadership.

The theoretical foundation integrates Transformational Leadership Theory, Schwartz's Cultural Value Theory, Social Identity Theory, and adaptive leadership strategies. These theories provided a broader understanding of leadership styles, value-based communication styles, identity recognition, and team cohesiveness. According to the findings, the primary challenges in multicultural project teams are communication barriers, cultural values, conflict styles, ownership and accountability, trust relationships, and inclusions. Leadership strategies identified include the adoption of culturally adaptive leadership styles, open and inclusive communication processes, consensus-building, flexible task designs, and building trust through openness and constant feedback. It highlights that while Finnish professionals value egalitarianism, autonomy, and direct communication, and Indian professionals valued structured hierarchy, interpersonal sensitivity, and indirect feedback.

Transformational leadership was utilized because it emphasizes establishing trust, inclusion, and individualized consideration that is critical in multicultural settings. Schwartz's model breaks down the Indian and Finnish professional conflict of value orientations, while Social Identity Theory explains why inclusion and cultural appreciation are essential in team building. However, participants also highlighted effective methods like joint planning, inclusive meetings, and team-building practices that accommodate cultural variation.

The thesis concludes that culturally adaptive leadership is essential in multicultural teams. Emotional intelligence and intercultural training were strongly recommended by participants as essential for global team leaders. While the research provides practice implications, the research is of limited scope and extent to Finnish–Indian teams and face-to-face context. The research can be extended to virtual multicultural teams and additional cultural contexts in the future.

KEYWORDS: (Communication, Cross cultural teams, Leadership, Cultures, Trust).

Contents

Figures

Tables

1 Introduction

In the last few years, Finland has had continuous growth in foreign firms and foreign labour, with considerable growth in staff from outside the EU. Foreign labour has been primarily utilized in large-scale construction projects such as the Turku shipyard and other sectors like healthcare, social care, and expanding service sectors (Finnish Immigration Service, 2024). The Finnish workforce has become increasingly international. Official government figures show that as of 2023, around 11–12% of the working population of Finland are foreign citizens, of which 3.6% are from other EU countries and 8.1% from non-EU countries (European Commission, 2023). The Finnish government openly acknowledges the need for international talent. In a policy column in 2023, Finnish Minister of Employment Arto Satonen had stated in a 2023 policy article that Finland needs foreign labour to reverse the need and shortage in the labour market (Satonen, 2023). It is a reflection of a country strategy to attract and retain foreign professionals to maintain labour shortages as well as an aging population. Finland's main industries rely on a multicultural labour force, most notably information technology, engineering, consulting, and manufacturing. For example, Finland's IT and technology industry is especially international in character as English is the language of work at the majority of technology offices across Finland, a reflection of the global nature of the industry's labour force (Yle News, 2024). As of 2024, 20,000 Indian professional**s** contribute across major companies like Nokia, Kone, Wärtsilä, Nordea, Finnish SME’s and startups (Ministry for Foreign Affairs of Finland, 2024). As per the report, in 2018 there were around 100 there were nearly 100 Finnish companies operations in India. Large companies like Nokia Networks, Kone, Wärtsilä, UPM, Ahlstrom, Cargotec, Konecranes, Fortum, Metso, Huhtamäki and Ensto are manufacturing in India. Indian firms such as Tata Consultancy Services, Infosys, HCL, Wipro, Tech Mahindra, ITC Infotech operate in Finland (Embassy of India in Helsinki,2020).

As industries across the globe have standardized on multi-cultural project teams in response to globalization, organizational structures have been fundamentally transformed. With increasing cross-border operations and diverse workforces, multicultural project teams are now a strategic necessity for most organizations requiring innovation and competitiveness (House et al., 2004). However, while such diversity has the potential to drive creativity and expand horizons, it also creates major challenges particularly for leadership where varying cultural values, communication styles, and work ethics have the potential to undermine successful collaboration. Finland has a high level of international workforce and multiculturalism is integrated in the workplace of particular industries such as IT, manufacturing, academia, engineering and consulting.

1.1 Background and Importance of Multicultural teams

The thesis discusses the leadership challenges of multicultural project teams focusing specifically on Finnish-Indian professional cooperation. Since Finland and India symbolize two disparate cultural paradigms influencing working behaviour and management practices, this research endeavours to break the intercultural dynamics critical to leadership in multicultural teams. Finland and India provide specific cultural paradigms that define their workplace behaviour and management practice. Finnish culture, according to Schwartz (2004), is very autonomy-oriented and egalitarian, reflecting itself in a low power distance work environment with high individualism orientation and direct communication preference. On the other hand, Indian culture, with more hierarchy and embeddedness, tends to have higher power distance, collectivist orientation, and indirect communication tendency (Schwartz, 2004). These fundamental cultural differences have the potential to cause significant leadership and collaboration issues, influencing decision-making, conflict resolution, and team building.

1.2 Definitions of Key concepts

It is important to define the primary concepts to lay a groundwork for this research such as culture, multicultural teams, leadership, social identity theory and cultural intelligence, and applicable theoretical frameworks. The concepts are defined below using academically credible definitions in literature.

Culture:

Schwartz (1999) defines cultural values clearly, stating that they "represent the implicitly or explicitly shared abstract ideas about what is good, right, and desirable in a society (Williams, 1970). These cultural values (e.g., freedom, prosperity, security) are the bases for the specific norms that tell people what is appropriate in various situations" (p. 25). Similarly, Hofstede (2011) describes culture as “the collective programming of the mind that distinguishes the members of one group or category of people from others” (p. 3).

Multicultural team:

A multicultural team refers to a group of employees from various cultures that cooperate towards shared organizational goals. Multicultural teams accumulate an abundance of perceptions, values, as well as knowledge systems, thus being capable of delivering innovative outcomes when effectively managed (Lisak et al., 2016). Inclusion of communication refers to the team's ability for mutual comprehension through culturally diverse employees through active interpreting and sharing of multiple perspectives. It is an important contributor to translating universal innovation goals into innovative performance outcomes. Its influence is very important in teams where its members experience high cultural diversity, as such teams benefit most from leadership emphasizing common direction and inclusive communication (Lisak et al., 2016).

Social Identity Theory:

Social identity theory views leadership as a group process, on the basis of people's self-categorization into membership of a group. Leadership arises when one person is

perceived as the most representative member of the group and is desirable socially due to conformity to the norms of the group. These leaders are charismatic not necessarily due to their individual differences, but due to attributional processes driven by their perceived centrality to the group identity (Hogg, 2001). Global identity is a psychological affiliation of a leader with the broader global society. High-global-identity leaders see diversity as an asset and foster inclusion, alignment, and common innovation goals in multicultural teams.

Transformation Leadership:

According to Bass (1999), Transformational leaders inspire their teams to exceed expectations. This is a vision-based leadership in which the leader can articulate a clear and powerful vision that creates unity and motivates team members to pursue common goals. While doing so, followers can also have personal transformation or change so that they fit into this vision. Core transformational behaviours include inspirational or charismatic motivation, intellectual stimulation, and individualized support (Avolio, Bass, & Jung, 1999). These are what the transformational leaders use to foster individual growth among the followers, encouraging them to change and grow in such a way as to support the leader's strategic objectives**.**

Cultural intelligence:

Thomas et al. (2015) define cultural intelligence as a system of interacting knowledge, motivation, and behaviour capabilities that enable people to adapt well to culturally diverse settings. Cultural intelligence is more than cultural awareness and it entails metacognitive capacity (to be able to reflect on assumptions), behavioural flexibility, and motivation to engage across cultures. Multicultural project environments, including culturally diverse teams, are where cultural intelligence is a key skill for both leaders and members to confront cultural complexities, adapt communication, and foster collaboration.

1.3 Problem Statement and Research Gap

Although cross-cultural models such as Hofstede's Dimensions (1980), Schwartz's Value Theory (1992), and the GLOBE Study (House et al., 2004) yield broad information about differences across cultures and leadership expectations, they are not detailed in analysis of leadership dynamics of the Finnish–Indian multicultural project team. Current literature falls short of providing a detailed exploration of this particular cultural combination, although multicultural teams are growing significantly in sectors such as ICT, consulting, research and engineering. However, there is still a significant knowledge gap regarding how leadership styles can simultaneously adopt and leverage cultural diversity to enhance team harmony and project performance. Although existing literature has examined leadership practices in multicultural environments, there is notably lack of scholarly research and only few have been specifically interested in the dynamic relationship between leadership styles and cultural dynamics in the context of Finnish and Indian project teams. This study attempts to fill this gap by looking into real leadership challenges and providing culturally appropriate recommendations to foster collaboration and improve project results particularly for these two cultures. Besides, recent studies are beginning to consider leadership within virtual environments, but the current research intentionally concentrates on traditional in-person settings, thereby separating and analyzing the restraints of the challenges resulting from face-to-face personal interactions.

1.4 Research Questions

1. What are the key leadership challenges in managing multi-cultural project teams between Finnish and Indian team members?

2. How can leadership strategies enhance collaboration and project success in Finnish and Indian multicultural team?

1.5 Research Objectives

1. To identify and critically analyze the key leadership challenges experienced in multicultural project teams comprising Finnish and Indian professionals.
2. To analyse leadership strategies that best enhance cooperation and address cultural diversity among Finnish and Indian team members.
3. To develop evidence-based recommendations to enhance leadership effectiveness and team performance in multicultural project environments

1.6 Structure of the thesis

The thesis consists of five chapters carefully designed to handle systematically the aims of the research and provide a general overview of the leadership challenge in multicultural project teams. Chapter 1: Introduction sets the context for the study by providing the background, stating the problem statement, showing the research gap, and stating the research questions and objectives. It also provides an overview of the thesis structure. Chapter 2: Literature Review establishes the existing theories and models of cultural values, leadership, and team dynamics with specific reference to the work culture of India and Finland. It is the theoretical foundation of the study and identifies the gap between literature. Chapter 3: Methodology outlines the research design, data collection procedure, sampling methods, and analytical techniques used in the study. It also mentions ethical issues and potential constraints. Chapter 4: Results and Analysis present the empirical study findings and interprets them based on the background of the literature, offering insights into the most important leadership challenges and strategies that participants reported. Finally, Chapter 5 concludes with Discussions by summarizing the key findings, discussing their theoretical and practical implications, listing the challenges and strategies to the practitioners of project management, and proposes directions for further research on multicultural leadership.

2 Literature Review

The study involves leadership challenges in multicultural project teams. In this chapter, the common leadership challenges in multicultural project teams will be observed along with effective utilisation of leadership for promoting collaboration and managing cultural differences. The details provided in previous journals will be discussed in this chapter and a conceptual framework will be created based on it. The relationship between multiple variables associated to the study will be represented in the conceptual framework. Additionally, the prevailing gap in literature will also be observed.

2.1 Cultural value models between Indian and Finnish context

2.1.1 Hofstede's Cultural Dimensions

By using Hofstede Framework, it can be found that Finnish team believes in independent working and the hierarchy is for convenience only whereas the power distance in Indian team is high and team members are entirely controlled by team leaders (The Culture Factor, 2025).

Hofstede's cultural dimensions theory suggests that Power Distance, Individualism, and Collectivism are likely to be interrelated. Countries with high Power Distance Index (PDI) scores typically show high collectivist orientations with a focus on hierarchy and group harmony. Low power distance societies tend to stress individualism and autonomy, however. Hofstede (2011) also found that there was a connection between these dimensions and a nation's wealth: wealthier nations are high on individualism and low on power distance, while developing nations are collectivist in nature and more hierarchical in structure. This insight helps explain the leadership expectations in countries like India and Finland, where socioeconomic background is aligned with different understanding of authority and personal expression.

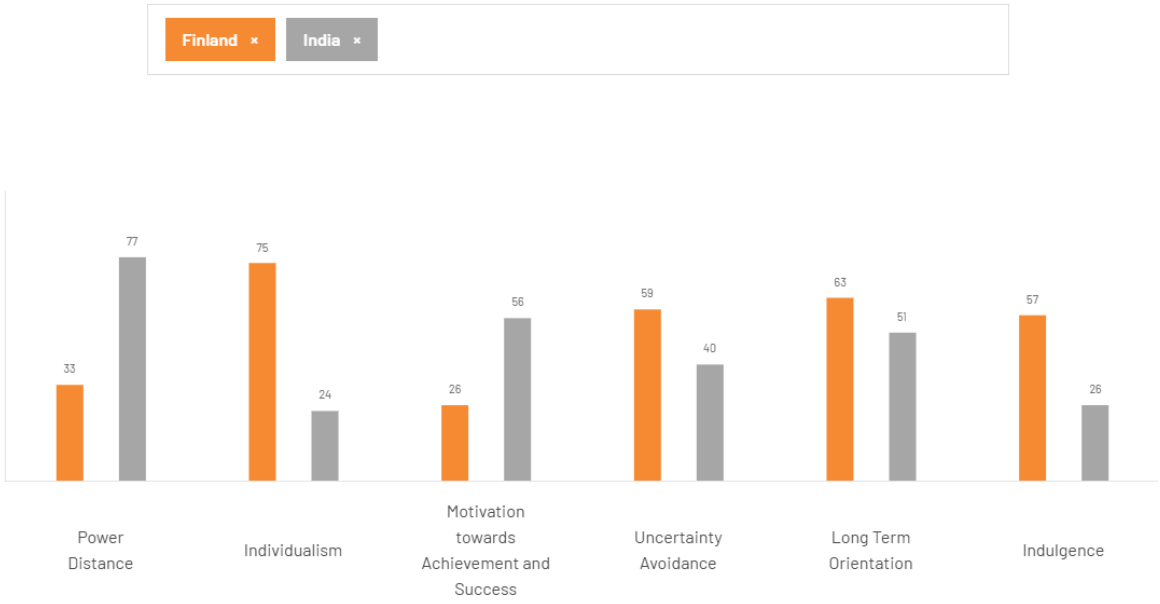


Figure 1: Hofstede country comparison, (The Culture Factor, 2025)

Finnish team members like to avoid uncertainty in work and maintain high preference for codes of belief whereas in India, team members are more open to changes in workplace. As a result, implementation of change management is easier in Indian context than Finnish context. Organisational changes are obstructed by employees fear of ambiguity and uncertainty. It is argued by Chughtai *et al.* (2023), that, culture and learning environment in a company are associated with various results like organisational efficiency, employee preparedness for change, and commitment. According to Hofstede (2011), indulgent cultures encourage gratification of desires and place a higher value on individual freedom and emotional expression. In contrast, restraint cultures regulate such gratification through strict social norms and value conformity. When it comes to multicultural teams of Finnish and Indian professionals, this dimension is relevant. Finland is an indulgent culture in which the expression of emotions and opinions is more acceptable and people experience a sense of control over life. Indian professionals, being in a more restraint-based culture, tend to moderate emotional expression and will be likely to conform to hierarchical or situational expectations in the team setting (Hofstede, 2011). This can influence how openly team members convey ideas or emotions in multicultural projects.

While Hofstede's theory is informative in comparing broad national trends in culture, Schwartz's theory gives a deeper understanding of individual values that drive leadership behaviour and interpersonal dynamics in a team. According to Schwartz (1992), values represent as the guiding principles that influence individuals decisions and behaviour across contexts, which makes this model particularly efficient in describing team level participation. In addition, the scholars argument is that Hofstede's dimensions universalize cultural conduct on a national level, whereas Schwartz's theory embodies a more dynamic and individualistic perspective (Fischer, Vauclair, Fontaine, & Schwartz, 2010). This renders Schwartz's model of vital significance in multicultural project environments, where intra-cultural value difference (variation within a nation) may have an impact on communication, trust, and leadership expectations.

2.1.2 Schwartz's Cultural Values Framework

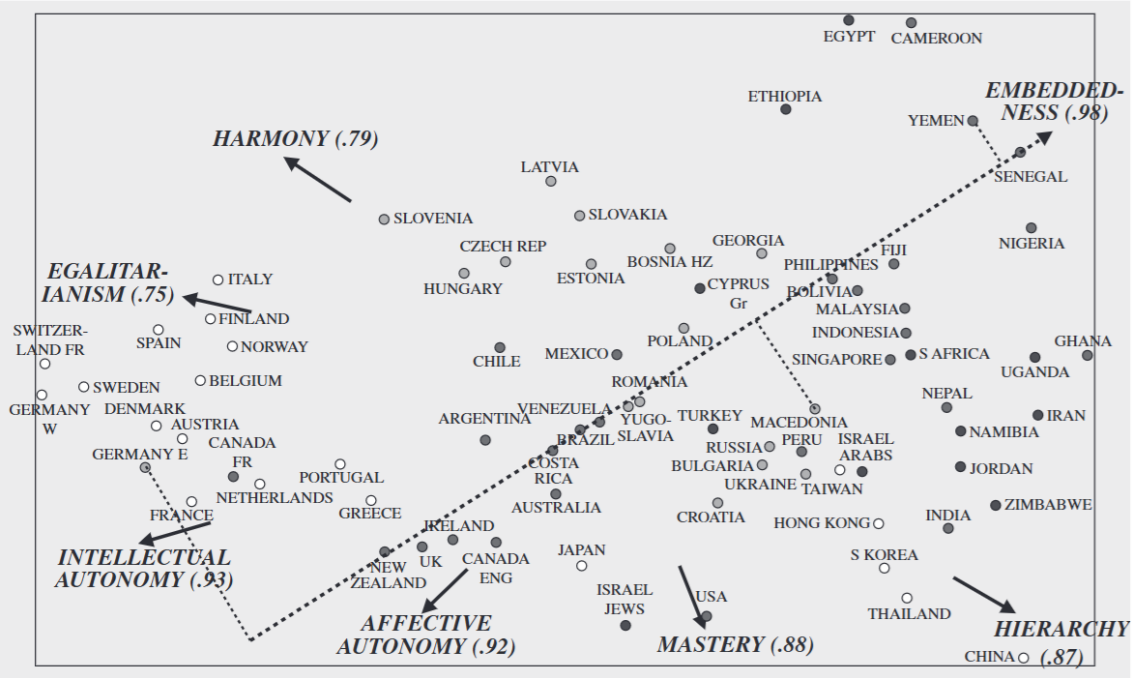


Figure 2: Schwartz's seven cultural orientation (Schwartz, 2004)

Schwartz's (2006) cultural value orientation theory presents a robust system for explaining societies valuation of goals and management of interpersonal and institutional behaviour. The values explain different expectations for leadership,

communication, and group behaviour across multicultural teams. It is based on three bipolar dimensions with seven distinct value orientations: Embeddedness vs. Autonomy (Intellectual and Affective), Hierarchy vs. Egalitarianism, and Mastery vs. Harmony. Both India and Finland, according to Schwartz's cultural value orientations theory, possess culturally opposite profiles that significantly influence leadership and teamwork.

2.1.2.1 Embeddedness vs. Autonomy (Intellectual and Affective)

Embeddedness refers to those cultures that are concerned more with the maintenance of social order, tradition, and group. These individuals are viewed primarily as belonging to a wider group. Obedience, security, and respect for tradition constitute core values. In leadership context, embeddedness generally equates to strong hierarchical structures and fewer priorities on personal initiative, as seen in collectivist culture in India (Schwartz, 2006).

Intellectual Autonomy refers to cultures that encourage individuals to pursue their own thoughts, imagination, and independent thinking. Open-mindedness, curiosity, and independence are encouraged values. Leaders in these cultures tend to prefer participative decision-making, openness to discussion, and respect for individual expression. Finland is a good illustration of this value orientation in its society as well as organizational settings. Affective Autonomy, on the other hand, refers to the extent to which cultures allow individuals to pursue affective goals such as an affectively positive experiences in life. This orientation prefers emotional expression and individual delight. In the workplace, it is usually manifested in terms of adaptive leadership, relaxed team relationships, and interest in personal welfare and motivation (Schwartz, 2006).

India is high in embeddedness, hierarchy, and mastery, meaning there is an emphasis on social tradition, respect for authority, and assertiveness in getting the task done. This value leads the leadership structures to be centralized, status-focused, and directive. On the other hand, egalitarianism, intellectual autonomy, and self-transcendence scores are high in Finland (Schwartz, 2006; Sagiv & Schwartz, 2007). The culture is one of equality, autonomous action, and cooperative interaction, as experienced through participative

leadership, no-hierarchy forms, and dependence on consensus-making during decision-making. Hierarchy and embeddedness are highly valued in Indian culture where people are expected to carry out their responsibilities within a rigid framework that prioritizes obedience and respect for authority. Leadership, as a result of this hierarchical bias, is likely to be directive with a focus on social harmony and order. In South Asian cultures, including India, individuals are encouraged to place a higher value on group harmony than on individual pursuits (Schwartz, 2006).

2.1.2.2 Hierarchy vs. Egalitarianism

Hierarchy is the acknowledgement of differential power distribution and legitimation of authority and roles. It expresses values such as social power, humility, and authority. Top-scoring cultures like India generally emphasize directive, respect-based, and centralized leadership with well-delineated distinctions between roles and responsibilities. Egalitarianism refers to a culture emphasising social justice, cooperation, and treating people equally by providing rights and opportunities. This orientation promotes values of social responsibility, equality, and honesty. In egalitarian cultures, leaders are tasked with creating inclusive contexts, shared responsibilities, shared accountability and consensus decision-making (Schwartz, 2006). Finland is an excellent example of this orientation with its flat organizational structures and emphasis on fairness. The model depicts that in hierarchical culture, individual people are considered as resources in a highly organised society. Indian culture is highly hierarchical, therefore, human resources of a firm focuses on the wellbeing of its people. Indian culture values social harmony where individuals try to fit in the society rather than changing it. Finland was also one of the six societies that participated in social dilemma game experiments. The hypothesis is that Finnish groups should be expected to have higher self-transcendence values those favouring cooperation, trust, and mutual gain.

Finnish groups show higher self-transcendence values such as cooperation, mutual gain, and consensus-seeking, supported by social dilemma experiments (Lönnqvist et al., 2013). Finland is recognized as a highly egalitarian and harmony-oriented society, valuing

consensus and mutual trust over assertive goal attainment (Schwartz, 2006; Lönnqvist et al., 2013).

On the contrary, studies that conducted surveys on conflict management styles in countries such as India show Indian teams would likely display relatively higher self-enhancement values. It is associated with more competitive or dominating behaviours where the concern may be to perform better than others and control things. In this regard, Indian teams might struggle to work within collaborative cultures if competitive tendencies overwhelm cooperative ones (Anjum et al., 2014; Morris et al., 1998). Additionally, such values have the potential to influence leadership approaches and even vocation, with individuals who are competitively and self-enhancement oriented being drawn to careers in business and economics (Adams et al., 2011; Arieli et al., 2020).

Self-enhancement values like dominance and power as Lönnqvist et al. (2013) observe, often drive for competition in which individuals desire to dominate others in order to attain personal goals or status. This desire to control can cause problems among teams, particularly in multicultural environments where competitive tendencies might be incompatible with the universal objective of cooperation. Individuals placing high value on self-transcendence values, however, will be more cooperative in behaviour, emphasizing values of helping others and working towards common goals. These differing orientations to values could create tensions in multicultural groups, particularly when the group has Finnish and Indian participants. Finnish culture with a focus on equality and clear, direct communication can encourage more cooperative and individualized leadership whereas Indian culture often characterized by hierarchy and power distance can highlight competition and structural leadership. Social dilemma game studies have demonstrated how value orientations that differ on self-enhancement versus self-transcendence affect conflict management and cooperative behaviour (Anjum et al., 2014; Morris et al., 1998). For example, in the field of project management, groups of individuals belonging to self-enhancement cultures will struggle to come to a consensus because of incompatible individual agendas, whereas groups that lean towards self-transcendence will more likely cooperate but sacrifice individual

power or dividends. Against such differences, multicultural team leaders must come up with strategies that blend cooperation and competition, for instance, establishing a culture in which various cultural perspectives of success and collaboration are appreciated and accepted.

2.1.2.3 Mastery vs. Harmony

Schwartz states that these two orientations form a bipolar dimension in the sense that a society will prioritize one and downplay the other due to their mutual incompatibility. Mastery inspires competitive organizational cultures, while harmony inspires collaborative and sustainable behaviours.

Mastery is based on personal accomplishment, assertiveness, and success through active control over the environment. The mastery values are achievement, courage, and ambition. Societies that have strong mastery values reward performance-based leadership and competitive environments. India also has significant features of mastery, particularly in competitive and achievement-centered contexts. Mastery, as a set of values, emphasizes ambition, success, and the ability to control and direct one's surroundings in a way that helps achieve individual or group goals. This is evident in India based on the importance that is given to academic success, career advancement, and economic growth, where competition is fostered and personal success is at the center particularly in the business and education sectors (Schwartz, 2006). Cultures with high harmony value place emphasis on being in harmony with nature, peacefulness, and avoidance of conflict (Schwartz, 2006). Leadership in such cultures is likely to be consensus-building and sustainable in character. Finland's emphasis on social cohesion and environmental sustainability aligns to this value.

Schwartz's Mastery vs. Harmony dimension is an underlying difference between cultures' way of dealing with their external world. It indicates that harmony-oriented cultures try to fit the world the way it is rather than control or exploit and mastery-oriented cultures try to change and direct the environment in order to achieve goals as

these societies reward performance, competition and personal achievements (Schwartz, 2006).

Harmony in India reflects of a collectivist culture, where behaviours that maintain social order and intergroup harmony are highly valued and those that disrupt this harmony are discouraged (Schwartz, 2006). This cultural orientation towards harmony might also have an impact on leadership styles, with Indian team leaders looking more to preserve order and play traditional roles, and being less likely to encourage individual creativity or autonomy, as is evident in more equal cultures like Finland.

These seven cultural orientations in combination form the foundation for analysing the influence of cultural values on leadership styles and team dynamics in multicultural settings.

2.1.3 Cultural variations and leadership approach

Both India and Finland have structurally different cultural norms that affect leadership approach in project groups. India, featured by a high power distance culture has a hierarchical method to leadership. Decision making is mostly centralised, with the workers expecting transparent interactions from the hierarchy. Leadership is affected by connections, respect for authority, and mostly similar connections in business contexts. Further, the managerial context in the Indian companies has lifted the different sectors in a way that has verified the productivity rate over different constitutional elements (Gambhir *et al.* 2024). Also, the Indian leaders mostly take the benevolent method, where they are anticipated to give guidance and security to their subordinates. Whereas, Finland supports a low power distance culture in which companies are comparatively flat, and there is participative leadership. Companies have been proven to be playing a significant role in successful execution of a circular economy in society (Rovanto, and Finne, 2023).

In multicultural project teams, leadership decisions might be made based on individual values, which in themselves can be quite different across cultures. Adams, Licht, and

Sagiv (2011) highlight how personal values of directors drive their approach to balancing shareholder and stakeholder interests. Directors who have achievement, power, and self-direction as key values will likely stress shareholder value, while those with universalism and benevolence as top values will likely have a more stakeholder-oriented approach. This contrast works particularly in the context of Finnish and Indian project teams, where Finnish leaders from egalitarian backgrounds could be worried about cooperation and stakeholder interests. Conversely, Indian leaders from achievement and hierarchical backgrounds can be inclined towards shareholder interests, thus leading to diverse leadership challenges in cross-cultural contexts.

2.1.4 Communication style and feedback approach

Finnish and Indian professionals vary significantly in the style of communication and openness to work feedback. Finnish communication is typically direct, explicit, and forceful with an emphasis on openness. Finnish professionals prefer straightforward, direct-to-the-point communication with fewer small talk conversations, in line with their low-context orientation (Brandt & Uusi-Kakkuri, 2016). Alternatively, Indian communication is indirect and contextual in nature, often being guided by relational clues, deference to authority, and a desire to maintain group harmony (Croucher et al., 2012).

For example, Indian employees do not challenge senior people directly so as not to be impolite, while Finnish specialists are accustomed to asking questions and freely arguing regardless of status (Hofstede Insights, 2024). These variations can lead to conflict in multinational teams if managers are not culture-sensitive. Managers therefore have to create psychologically safe environments where there is feedback and various team members are encouraged to raise their voices.

2.1.5 Gender dynamics and workplace diversity

The notion of gender dynamics varies remarkably among India and Finland, affecting the dynamics of workplace leadership. Finland is one of the most gendered nations in the

world, with strong administrative policies, encouraging the participation of females in leadership rules. Finnish females enjoy a higher degree of representation in different contexts, like politics, technology, business, and other sectors, and gender inclusive is the primary area of workplace policies.

On the contrary, Women empowerment is a highly controversial problem in India (Adhikari *et al.* 2023). India, in spite of huge development in female empowerment, still encounters remarkable gender imbalances in leadership and workplace participation. Highly rooted in sociocultural beliefs, safety issues, and workplace imbalance constantly is hindering the representation of females in the senior roles.

To assess gender-disadvantage in national cultures on a broader level, informative information is provided by the Gender Inequality Index (GII) developed by the United Nations Development Programme (UNDP). GII estimates inequality between men and women along the three dimensions of reproductive health, empowerment (such as political participation and education), and labour market participation. It ranges from 0 (perfect equality) to 1 (highest inequality) and estimates human development loss due to gender inequalities (UNDP, 2025). According to the 2024 GII statistics (see Figure 3), India ranked 122 out of 166 countries with a GII score of 0.403, indicating a continued challenge in female participation in the labour market, education, and political empowerment. This is in contrast to the ranking of Finland at a GII score of 0.021, Rank 3 worldwide, that reflected near-parity in almost all areas as well as extremely high gender equality (UNDP, 2024). Such imbalances are ready to shape assumptions and expectations between multicultural teams. For example, Finnish women will be accustomed to equal opportunities to lead and participation in full measure, as contrasted with Indian women, whose access to such can be open to structural or cultural limitations in hierarchical organizational configurations.

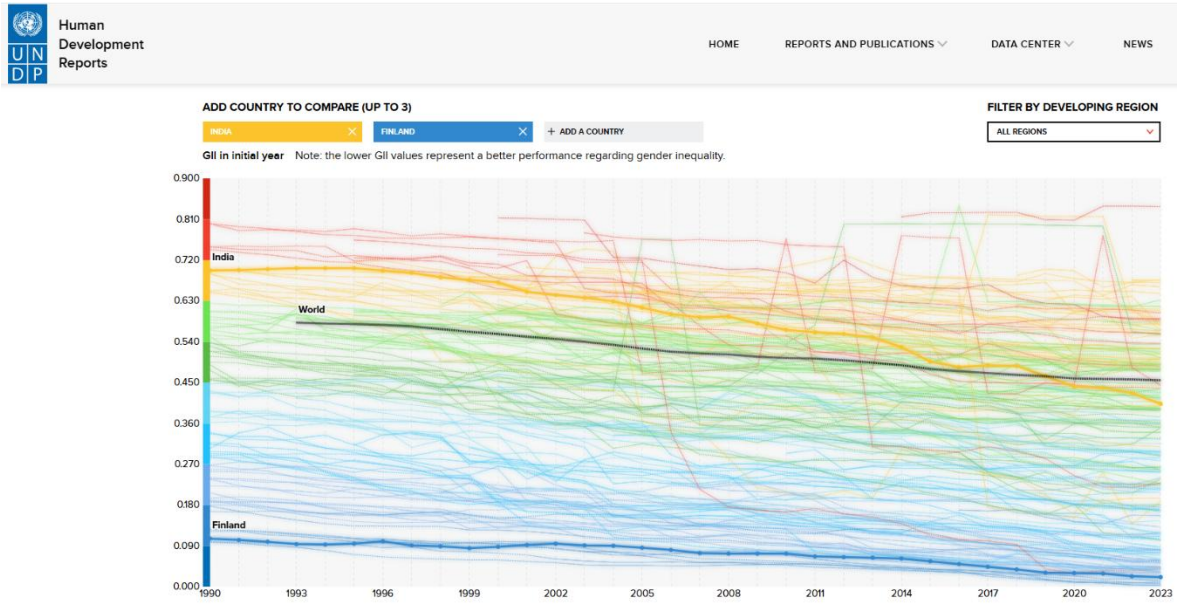


Figure 3 : Gender Inequality Index Trends in Finland and India (UNDP, 2025)

2.2 Transformational leadership theory

The theory of transformational leadership strongly emphasizes the ability of a leader to motivate and inspire its followers to achieve excellent outcomes and develop their own capabilities associated with leadership. Managing a multicultural team may be distinctively challenging because of differences in expectations, values, and communication. Even though research has established that diversity of culture can broaden perspectives, it is generally considered a leadership challenge for leaders (Caza, Caza, & Posner, 2021). One of the effective leadership styles for bringing together various team members towards shared common goals is transformational leadership (TL), which is defined by inspirational vision, intellectual stimulation, individualized consideration, and inspirational influence (Caza et al., 2021).

Transformational leaders create alignment between organizational and individual values, and this is essential for multicultural teams to formulate shared goals and cohesion (Bass, 1999). Building trust is fundamental in transformational leadership, and in multicultural teams, it overcomes communication and expectation gaps because of cultural diversity. Transformational leaders inspire and intellectually stimulate team members by

encouraging a supportive environment where team members care for one another and align with shared goals. This leadership is particularly beneficial in multicultural teams as it encourages teamwork and empowers individuals from diverse backgrounds. By promoting values such as creativity, flexibility, and the sense of belonging, transformational leadership can cut across cultural differences, leading to high-performing teams. Furthermore, it draws attention to the need for organizations to adapt their leadership style in order to effectively capitalize on the strengths of both individualist and collectivist cultures, in turn influencing overall team satisfaction and performance. Transformational leaders can effectively mitigate the gaps which can be observed between different cultures by developing trust. They also promote open communication and develop an area for sharing perspectives and visions that mitigate the cultural differences. Transformational leadership is crucial in multicultural teams, according to recent studies. Lisak and Harush (2021) noted that balanced "glocal" identity leaders who felt a connection with both the local and the global culture exhibited stronger transformational leadership behaviours and stronger performance in diverse cultural teams. This balance enables the leaders to integrate global mindsets with local cultural understanding and this enables to creates more cohesive teams. Stronger team cohesion is fostered by leaders who are able to combine a global mindset with local cultural awareness.

Lisak et al. (2016) studied R&D teams at multinational companies and illustrated that "global leaders" (high-global-identity leaders) positively influenced driving innovation within multicultural teams. Those leaders that managed to cross over a one-culture attitude by embracing diversity and sharing a common team identity performed better in inducing a climate of innovation. This indicates that elements of transformational leadership, such as inspiring a shared vision and enabling collaboration are relevant to innovation within diverse teams.

Transformational leadership is a well-established theory of leadership that focuses on the capacities of leaders in motivating, encouraging, and psychologically challenging their teams to do beyond the expected standard. Poturak et al. (2020) characterizes

transformational leaders as the individuals who embrace four major behaviours that consist of idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Idealized influence leaders are ethical role models, while inspirational motivation is conveyed in the form of a challenging vision that appeals to and motivates people. Intellectual stimulation develops creativity and problem-solving through new and more conventional means, and individualized consideration focuses on mentoring and addressing upon the individual development needs of employees.

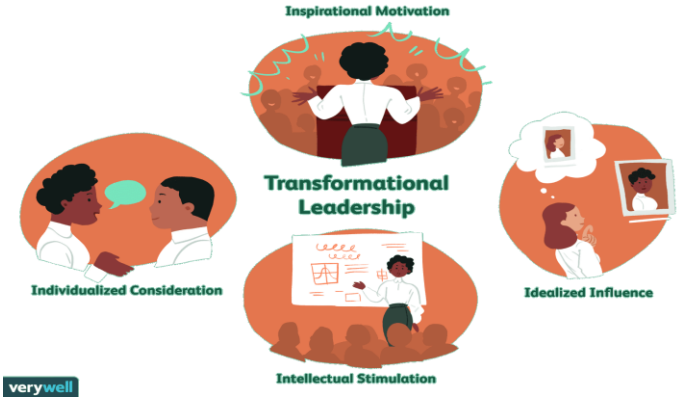


Figure 4: Key components of Transformational Leadership (Adapted from Cherry, 2024)

Poturak et al. (2020) argue that transformational leadership fosters higher degrees of trust, commitment, and communication within teams, which are particularly desirable in current multicultural project environment. However, research also emphasizes that effectiveness in transformational leadership is not absolute for all cultures. In high power-distance or uncertainty avoidance cultures such as exist in some regions of Asia or the Middle East, the participative and empowering elements of transformational leadership will tend to conflict with hierarchical tradition expectations. In egalitarian, autonomous, and open cultures such as exist in many Western and Nordic countries, however, transformational leadership is extremely congruent with work norms and is likely to exert a strong positive influence on cooperation and innovation. Hence, although transformational leadership has a sound theoretical foundation to leadership in multicultural settings, its application is dependent on cultural flexibility and awareness

on the part of project leaders (Poturak et al., 2020). Transformational leaders influence voice behavior by creating high performance expectations and support, which encourages culturally diverse members to speak out even in the presence of hierarchical or cultural restrictions (Duan et al., 2016). The psychological empowerment mediates between transformational leadership and proactive behaviour, which is crucial in multicultural settings where team members do not want to engage due to culture. As per Duan et al. (2016), if leaders can communicate optimistic expectations and empower individuals regardless of background then diverse teams will tend to come together and collaborate harmoniously.

Transformational leadership and cultural intelligence are both important concepts that have a tremendous effect on how multicultural teams are effective. Transformational leadership performs best in multicultural environments when underscored with strong cultural intelligence. Ramsey et al. (2017) found that leaders who have high Cultural intelligence are highly likely to perform transformational acts like portraying a vision inspiring people, portraying behavior fitting for the situation, inspiring teamwork among staff, and offering individualized consideration. All four aspects of Cultural intelligence such as metacognitive, cognitive, motivational, and behavioural are crucial in equipping leaders with the ability to adapt their style according to cultural expectations. For instance, metacognitive and motivational cultural intelligence enable leaders to refocus their vision so that it communicates across cultures, and behavioral cultural intelligence plays a part in role-modeling proper conduct. The research also emphasized how global experience ensures this link is in place so that leaders are able to operationalize Cultural intelligence in effective leadership practices. In multicultural teams, these culturally aware transformational leaders enhance teamwork, reduce misunderstandings, and build trust, enhancing project performance overall. When these two concepts are implemented together, they can greatly enhance the effectiveness of multicultural teams. Leaders who are culturally intelligent are able to better connect with their team members and handle any disputes that arise due to cultural misconceptions. In the meantime, transformational leaders can drive team members to collaborate, share ideas,

and leverage their diverse backgrounds to achieve shared goals. This synergy fosters a positive atmosphere making the team even more innovative and successful (Ramsey et al.,2017).

2.3 Social Identity Theory

Social Identity Theory developed by Tajfel and Turner (1986), explains how individuals identify themselves as belonging to a group based on nationality, culture, or language. Social identity theory highlighted that individuals obtain a part of their self-understanding from their interaction in social groups. In a multicultural team of a project, social identity theory helps in contributing towards the dynamics related to in groups and out groups on the basis of cultural affiliation which potentially affects the team question as well as collaboration. Verkuyten (2006) believes that multicultural acceptance is based on how openly accepting and appreciative people are of ethnic backgrounds by ensuring positive self-esteem and group status, which are the foundations of effective intergroup relations. If groups feel that they are being accepted because of their respect for group membership, they can cooperate with others more and become less discriminating or exclusionary. This is particularly relevant in multicultural project teams, where identity differences can either serve as a source of conflict or when accepted, the basis for psychological safety and shared purpose. Verkuyten's analysis highlights that multicultural recognition not only improves intergroup harmony but also team functioning by legitimized identity expression and reducing perceived outgroup threats. Thus, social identity theory, provides a fascinating framework for understanding the ways that developing inclusive settings contributes to greater cooperation and performance among culturally diverse teams (Verkuyten,2006).

Self-categorization of people in multicultural teams based on such group affiliations can lead to in-group bias and favoritism and out-group discrimination which may often generates relational conflict. This phenomenon becomes even more complex in international joint ventures, where members of top management teams are from

different parent companies with dissimilar national and organizational cultures. Li, Xin, and Pillutla (2002) argue that such multicultural leadership groups are likely to possess fragmented organizational identities, in which managers simultaneously identify with the parent company as well as the international joint ventures. This double identification can lead to role conflict, identity ambiguity, and ultimately factionalism in the leadership team.

Harush, Lisak, and Glikson (2018) found that individuals who hold a more global identity and seeing themselves as part of a larger, international family suffer less interpersonal tension and work better together in multicultural teams. It is particularly useful to have this knowledge for Indian–Finnish project environments, in which differences between cultural communication styles and leadership expectations can lead to confusion. Encouraging a shared and cohesive team culture can help leaders bridge over these cross-cultural barriers to achieve more integrated working across global borders.

As understood by Hogg (2001), leadership must be viewed as an active group process instead of the outcome of stable personality characteristics. Based on Social Identity Theory, Hogg underlines how people classify themselves and others on the basis of prominent group prototypes, mental frameworks of what characterizes a typical group member. When group membership becomes salient, people start to depersonalize and conform cognitively and behaviourally to these prototypes. Over time, this image of influence is translated into actual leadership, reinforced by group members' social attraction to prototypical individuals. Significantly, Hogg underscores the role of attribution processes in the emergence of leadership. Followers have a tendency to commit the fundamental attribution error by attributing the influence and status of a leader to internal personality traits such as charisma, rather than the prototypicality of the leader within the group. Thus, a charismatic leadership personality is socially constructed, even without enduring dispositional traits (Hogg, 2001). Such insight de-legitimizes traditional leadership views that are personality based and underscores the importance of gaining an understanding of leadership through group identity and social cognition.

However, the major limitation of social entity theory is that it is very complicated for identifying the social identity of an individual as a person may hold multiple social identities which significantly influence their behaviour. In spite of this limitation, this theory offers effective information about the dynamics of a multicultural team and remains the leader to actively cultivate and identify the potential outcomes from a multicultural team.

2.4 GLOBE study

The GLOBE study observes cultural differences in several aspects such as uncertainty avoidance, collectivism, assertiveness, egalitarianism, and human orientation. Nine dimensions of culture affect organizational behaviour and leadership perceptions based on the research. Some of these apply directly to leadership of multicultural project teams, where cultural diversity may affect communication, cooperation, and interpersonal relationships. . The investigators in GLOBE study measured culture from the perspectives of 3 industries such as telecommunication, food processing, and financial service (House, 2004).

The GLOBE study (House et al., 2004) is very informative on how leadership effectiveness is perceived in different cultures and is thus of great value for multicultural project team challenges understanding. The study determined that cultural values such as power distance, collectivism, and uncertainty avoidance significantly shape the manner in which leadership is practiced and perceived. For example, by GLOBE's cultural clusters, countries like India (South Asia cluster) are favourable towards hierarchical leadership styles with clear authority which is reflective of high power distance. In contrast, countries like Finland (Nordic Europe cluster) favour more participative and more egalitarian leadership styles which is reflective of low power distance and high institutional collectivism. Additionally, leadership prototypes vary across cultures;

visionary and inspirational in one context can be perceived as overbearing in another. The GLOBE study also classifies societies into clusters of cultures like Anglo, Nordic, and South Asian—with each having a different leadership expectation set. These findings are critical to leaders who must function in multicultural teams since performance within these situations depends on whether one can adapt leadership behaviours to meet expectation-influenced cultures as well as communication patterns (House et al., 2004). Cultural dimension knowledge, thus, is not only important for effective leadership but also essential in building trust, cooperation, and motivation among heterogeneous project groups.

Cultures dimensions like uncertainty avoidance and assertiveness, as defined in the GLOBE study, help us to understand the leadership practice across cultures. Uncertainty avoidance refers to the extent to which the members of a society rely on rules, procedures, and formal structures for handling ambiguity. High uncertainty avoidance cultures tend to expect orderly planning and cautious leadership, while low-scoring societies are more tolerant of ambiguity and flexibility in decision-making. Similarly, assertiveness calculates the extent to which direct, confrontational, and competitive interpersonal behaviour is observed. In more assertive cultures, leadership may be synonymous with firmness and authority, while less assertive cultures value diplomacy, modesty and consensus-seeking. These cultural traits, grouped together within GLOBE's framework, lead to diverse definitions of effective leadership, and thus may create tension or incompatibility in multicultural teams. Leaders will have to become culturally competent in order to manage these subtle but significant differences in expectations regarding behaviour (House et al., 2004).

Humane orientation, as the concept has been defined in the GLOBE study, can be defined as the degree to which a society rewards and encourages people for their fairness, altruism, generosity, and affection for concern for others (House et al., 2004). In cultures high in humane orientation, leaders are expected to demonstrate empathy, supportiveness, and concern for the welfare of their subordinates. Such leadership

approaches are particularly helpful in establishing psychological safety and trust in team work environments. In low humane orientation cultures, task achievement and assertiveness may be more prized than interpersonal warmth, which could lead to issues in emotionally intelligent team dynamics. In multicultural project teams, differences in humane orientation can have a significant impact on team cohesion and communication. Leaders who fail to value the emphasis placed on interpersonal relationships in high humane orientation cultures may come across as distant or indifferent, undermining cooperation. Thus, awareness and adaptation to varying expectations of empathy and people-centered leadership are therefore essential to comprehending leadership challenges to effective cross-cultural cooperation (House et al., 2004).

House et al.'s (2004) Global Leadership and Organizational Behaviour Effectiveness (GLOBE) research provides an integrated framework for how culture affects expectations of leadership in societies. The research establishes nine organizational behaviour and leadership perception dimensions that are culture-influenced. Some of these dimensions apply directly to leadership in multinational project teams, where cultural differences could affect interpersonal relations, communication, and cooperation.

2.5 Leadership challenges in multicultural project teams

In the current globalised business context, multicultural project groups are highly common, needing leaders to go through critical cultural dynamics to make sure that there is successful collaboration. Both India and Finland, have different cultural and leadership styles, and a unique differentiation in leadership approach, norms of communication, gender dynamics, and organisational hierarchies.

Multicultural project teams are likely to face intense leadership challenges due to differences in cultural backgrounds, communication styles, and work process expectations. Among the key challenges, as identified by Lisak and Erez (2015), is the lack of shared group identity because members hold varying norms, values, and

decision-making styles. The cultural differences can act against trust and cooperation if the problem is not addressed in an effective way.

(Godfrey Ochieng & Price, 2009) note that while cultural diversity can promote creativity and problem-solving, if poorly managed, it leads to conflict, misunderstandings, and delayed project performance. One of the most basic leadership challenges is managing different expectations in team dynamics, decision-making, and communication styles. Project leaders must often maintain with hierarchical sensitivities, language disparities, and contrasting ethical norms, all of which could undermine team integration. According to the study, there are eight cross-cultural dimensions that leaders need to successfully manage and they are leadership style, team composition, team development, communication, collectivism, trust, management practices, and uncertainty. Cross-cultural communication and trust emerged as crucial, while emotional intelligence and interpersonal skills were considered more valuable than technical expertise. The findings underscore the need for adaptive leadership and cross-cultural competence because leaders must create cohesion without disregarding individual and cultural distinctions (Godfrey Ochieng & Price, 2009).

Leadership in hierarchical cultures like India is often characterized by centralized authority, minimal upward feedback, and a clear differentiation between the positional ranks of leaders and subordinate roles. Leadership legitimacy in such settings is closely tied to positional power and not to transformational leadership attributes. Indian organizations tend to reinforce power distance by structures that focus on obedience, respect for position, and reluctance to contradict authority. Such leadership may yield compliance but possibly at the expense of innovation, empowerment, and shared responsibility so vital in global, multicultural project teams (Agrawal & Tyagi, 2010). Finland, however, is a country with a low-power distance culture where equality, openness, and flat organizational structures are valued. Finnish professionals like to communicate directly with managers and expect respect from one another regardless of the status (Brandt & Uusi-Kakkuri, 2016). These concerns highlight the necessity of

adjusting leadership styles when working across hierarchical lines in multicultural environments.

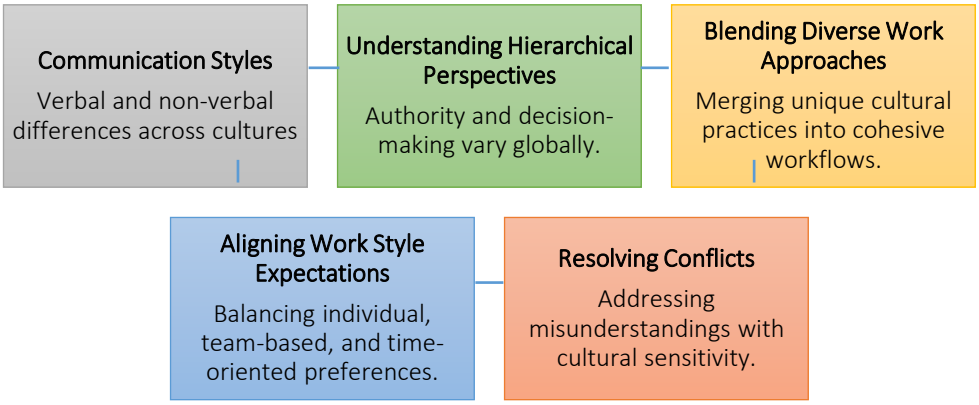


Figure 5: Cross cultural leadership issues

2.5.1 Communication barrier

Communication barriers are found as a complicated challenge that makes it difficult for all team members to understand each other. Tenzer et al. (2021) emphasized that differences in language and various type of communication styles can develop misunderstandings in multicultural teams. Hence, the interaction issues like differences in communication style and interpretations of nonverbal signs can also develop conflicts and impact effective communication. Kania et al. (2020) found that communication barriers can reduce the efficiency level of the team as it can cause delays to effectively communicate information with proper discussion. Multicultural teams commonly experience communication issues that may influence the overall team performance. Such issues are caused by variations in communication styles, with individuals from low-context, individualistic cultures communicating directly and individuals from high-context, collectivistic cultures communicating indirectly. The variation may lead to misunderstandings or perceptions of disrespect (Behfar, Kern, & Brett, 2006).

Mäkilouko (2004) identifies communication barriers among the key challenges of multicultural project teams, more precisely due to differences in direct and indirect communication. Finnish project managers are used to preferring direct and task-based

communication and may unintentionally generate tension with team members from more indirect or context-oriented cultures.

Teams can modify their communication styles to accommodate different styles more effectively. For instance, members can develop an awareness of various confrontation styles and adjust, either by embracing direct or indirect communication styles. Having well-defined communication norms that are embraced can significantly reduce misunderstandings. This involves having well-defined guidelines for the use of language, codifying the terms of reference, and implementing rules to prevent offensive or disruptive interactions (Behfar et al., 2006). Managers play an important role in overcoming communication problems by redirecting the teams on objectives, resolving interpersonal disputes, and establishing a setting in which clarification is encouraged actively (Behfar et al., 2006). Where variation in communication patterns or procedural approaches is slowing progress, managers can introduce structural interventions to improve collaboration. Providing comprehensive training that goes beyond culture awareness to the inclusion of effective conflict-resolution and communication skills can be very beneficial as this enables team members to recognize possible communication barriers and learn how to overcome them (Behfar et al., 2006).

Communication styles are significantly different between cultures, and mostly along high-context and low-context dimensions. In high-context cultures, the message is given indirectly by means of nonverbal cues, mutual understanding and forms of expressions, whereas in low-context cultures the message is explicit and direct (Hall, 1976). Croucher et al. (2012) described India as a high-context culture where communication is relational and indirect, and conflict is dealt with by avoiding or accommodating. It is a typical communication pattern for a broader cultural commitment to maintain harmony, showing deference to the hierarchy, and maintaining face in human interactions. Compared to high-context cultures, Finland is recognised as a low-context culture, in which communication is often direct, emotion-controlled, and clear. Brandt and Uusi-Kakkuri (2016) noted that Finnish CEOs avoid overly expressive behaviour and prefer

professional, clear, and undramatic communication. This conservative style aligns with the attributes of low-context cultures, where meaning is stated explicitly and verbally articulated clearly rather than relying on non-verbal communication or common context. In multicultural project teams, such differences can lead to misunderstandings or misinterpretations, particularly if low-context culture leaders like Finland insist on direct interactions and open criticism. Cross-cultural leadership and communication largely rest on an awareness of such different norms.

In multicultural teams, communication is further strained by the dynamic and not always predictable nature of project contexts. Not only are project managers expected to communicate across cultures, but they must also adapt their communication and leadership style to the rapid change of the context. Turner and Müller (2005) state that leadership must be context-sensitive, particularly in contexts where discontinuous change prevails. Leaders who operate in such environments must move beyond transactional styles and move towards more transformational styles that develop shared understanding, motivation, and cohesion across culturally diverse teams. This flexibility in communication and leadership becomes essential to cope with both project volatility and cultural complexity.

2.5.2 Different working style and ethics

Another significant challenge which can be observed by the leaders while working with multicultural team members is different working style and ethics. Multicultural team leaders often are required to make decisions that are made complex due to varying values, perceptions, and communication styles. Rodgers et al. (2023) point out that ethical decision-making is not easy but is guided by the manner in which people perceive information, exercise judgment, and utilize ethical thinking in action. This is a significant factor to consider in explaining how cultural values influence leadership behaviour and equity in multicultural teams. Hence, as a result, different types of communication issues and conflicts can be observed due to different working styles which can contribute towards frustration and disagreement in the performance level.

Differences in working style and ethics in multicultural project teams are often based on varying degrees of autonomy, decision-making, and communication styles. Finnish managers work based on task-oriented leadership, where efficiency, autonomy, and direct communication are highly valued (Mäkilouko, 2004). Ethical differences also exist in terms of time management, conflict resolution, and role expectations, with some cultures ensuring punctuality and open communication while others emphasize flexibility and indirect conflict resolution. In a bid to overcome these challenges, Mäkilouko (2004) suggests adaptive leadership practices that balance task- and relationship-oriented styles so that leaders can understand and adjust to different work ethics. Clarity in communication norms, systematic decision processes, and culturally sensitive management practices can reduce the gaps to a large extent. Additionally, creating individual relationships, capitalizing on trust, and using standardized management principles can enhance team cohesion and performance in multicultural settings.

2.5.3 Cultural sensitivity, respect and personality

Cultural sensitivity and respect on the other hand is another vital challenge which can be faced by the leaders while working with multicultural team members. According to Ridley et al. (2021), unintentional cultural insensitivity and lack of respect for diverse ideas and perspectives can significantly develop conflicts within the team members.

While cultural sensitivity training is common in multicultural organizations, a meta-analysis conducted by Bezrukova, Spell, Perry, and Jehn (2016) determined that these interventions fail to deliver when not supported by continuous learning. Organizations may attempt to create awareness but are lacking in offering subsequent experiences that enable such learnings to be embedded into everyday leadership practice. The leaders may thus end up not applying cultural awareness in fluid, in-context situations. The study emphasizes that sustainable long-term effect of cultural training is heavily dependent on such follow-up practices as mentorship, feedback, and experiential learning, which can

promote lasting change in behaviour. Without it, cultural sensitivity turns into a checkbox exercise rather than a tool for change in leadership.

Mäkilouko (2004) emphasizes the importance of respect and cultural sensitivity in effective leadership in multicultural project teams. Leaders who are aware of cultural difference in communication, autonomy, and decision-making foster a more inclusive and collaborative work environment. He recommends synergistic and polycentric leadership styles as the most effective since they incorporate building personal relationships, performance as a cultural intermediary and the integration of diverse work practices. On the other hand, ethnocentric leadership that lacks cultural sensitivity inevitably leads to team fragmentation and ineffective collaboration. Adaptive leadership should be adopted to find a balance between task and relationship-oriented leadership styles in order to lead through cultural challenges. By practicing cultural empathy, building trust, and practicing open communication, leaders can overcome challenges and form cohesive and high-performing teams in multicultural settings (Mäkilouko, 2004).

Cultural ignorance tends to be caused by personality traits, particularly ethnocentricity, rigidity of thinking, and low open-mindedness to experience. Leaders who show high control needs and fixed mindset will tend to underestimate cultural variations and engage in favouritism within the group coupled with exclusivism (Stahl and Maznevski, 2021). They are likely to face cross-cultural interaction by differences in perception and thus creating power imbalances between teams. On the other hand, leaders who build cultural intelligence emotional awareness, and flexibility can mitigate these biases by building high-performing and inclusive multicultural teams (Stahl & Maznevski, 2021). Cultural intelligence theory suggests that organisations and individuals experience challenges while interacting with people from other cultures. In cross cultural project management, cultural challenges can lead to conflicts, misunderstandings, and low performance (Rachmad, 2022). The theory mentions involving key aspects such as self awareness of one’s own culture, developing knowledge about various cultures, and applying effective intercultural communication style.

2.5.4 Conflict resolution

Conflict resolution is considered as unavoidable in any team however, it is more complicated while dealing with a multicultural team due to the difference in cultural norms as well as communication styles regarding the resolution procedure of conflicts. As per the opinion of Verhoeven and Metze (2022), conflicts which are unsolved escalate and damage the relationship of the team members. However, it can also have a negative impact on the timeline of the project along with its outcome. As a result, leaders need to effectively handle the conflicts through constructive and sensitive approaches by taking the cultural differences into account and deliberately highlighting the differences and conflicts among paradigms (Grosskopf and Barmeyer, 2021). Developing clear resolution procedures for mitigating the conflicts and providing training sessions to the team members for conflict prevention help in promoting a positive working environment.

Hierarchy is linked with higher conflict-enabling states, which have a negative impact on team performance (Greer, de Jong, Schouten, & Dannals, 2018). This implies that high hierarchical levels can intensify conflicts, preventing effective collaboration. Hence, it is important to understand the role of hierarchy in order to formulate effective conflict resolution strategies in teams. Hierarchical differences in multicultural teams can be challenging for effective communication. Greer et al. (2018), observes that hierarchy is likely to cause coordination issues particularly if the team members vary in what they anticipate from power relations. This calls for cultural sensitivity and adaptability when handling hierarchical differences to facilitate effective communication between various teams.

2.5.5 Trust building in team management

Trust building is maintained through leader-member relations. This is a degree to which a leader is trusted by members (Turner and Müller, 2005). In cross cultural team environment, trust building is an important factor. If leaders are expert with shared responsibilities, then team members are likely to trust their leader and follow a lower

power distance. In some cultures, trust is built on the grounds of familiarity and interpersonal relationships, whereas in others it is built on the grounds of competence and the ability to deliver results. In order to allow for cohesion within multicultural teams, leaders must recognize these different dynamics and initiate team-building that allows members from different backgrounds to connect with each other (Mäkilouko, 2003).

Leaders need to cultivate trust by improving the level of transparency and demonstrate both integrity and consistency in acting fairly and equally for the team members. The deficiency in trust results in consequential results of organisational performance (Chen and Sriphon, 2022). Leaders need to develop opportunities for the team members to engage with each other on a personal level and promote the essence of shared purpose. However, effective tasks associated with team building can also help in mitigating the cultural gaps and building a strong interpersonal relationship with the team members.

Zander and Butler (2010) observes that it can be particularly challenging to build trust in multicultural teams due to differences in cultural leadership expectations, communication, and authority. Cultural values in multicultural teams are different i.e., different attitudes toward hierarchy, decision-making, and the leader's role causing conflict and misunderstanding. These elements can hinder establishing trust since members of other cultures may have different views on legitimate leadership and teamwork management.

Trust in such teams is also influenced by leadership style and cross-cultural navigational skills, according to Zander and Butler (2010). Four modes of leadership are put forth by them such as single, paired, rotated, and shared leadership each corresponding to different structures of a team. These leadership styles help to build trust by harmonising leadership practices and authority with the expectations of team members regardless of culture. For example, in faultlines teams with a clear cultural divide, single leadership can provide conformity and conflict minimization, but will limit the development of trust if the team members anticipate a more participative leadership style. Alternatively, dual leadership (two leaders with joint authority) works well in mixed status cue teams

because it reduces inter-group tensions and increases trust through joint decision-making. Distributed leadership, where leadership is distributed across the team will work best in weak faultline teams and increases trust through active collaboration, so that team members feel valued and heard. Zander and Butler (2010) note that culturally responsive leadership and leadership that promotes personal engagement among members enable the building of trust and higher team performance.

2.6 Leadership strategies for promoting collaboration in multi-cultural teams

2.6.1 Cross Culture Communication

An essential role is played by effective leadership for promoting collaboration and managing the cultural differences in multicultural project teams. Leaders need to promote an inclusive and diverse working environment which shows respect and values to diverse perspectives, communicate clearly and empower the team members to contribute their best. Postmodern perspectives of cross-cultural practice highlight responsiveness and flexibility in leadership. Leaders are encouraged to be open to cultural ambiguity and adapt their leadership to shifting team dynamics. Responsiveness allows leaders to manage challenges created by shifting cultural expectations and creates a culture of collaboration. By embracing fluidity of leadership, leaders are able to respond successfully to the different needs of diverse teams and overcome leadership barriers (Romani et al., 2018). Power in multicultural teams, particularly cultural hierarchies and authority, is also a focus of critical cross-cultural strategies. Focusing on power imbalances and inclusive leadership, cross-cultural strategies help leaders to resolve power issues that otherwise lead to team disagreements. Leaders are encouraged to embrace empowering leadership styles that ensure all members feel valued and respected as it is an important consideration in addressing leadership challenges (Romani et al., 2018). Interpretivist approaches emphasize mutual meaning-making and the significance of cultural difference understanding through interpersonal

communication. By facilitating open communication and real time negotiation of cultural meanings, leaders can lower the rate of misunderstandings, establish trust, and ensure that the team members are aligned on expectations. This is essential in overcoming leadership challenges with cultural miscommunication and misinterpretation are common (Romani et al., 2018).

Cross-cultural communication is still among the most significant roles of managing multicultural teams. As Ochieng and Price (2009) point out, culturally diverse groups often experience communication issues caused by language differences, accents, and variations in styles of communication such as directness versus indirectness. These issues can lead to misunderstandings, conflict, and inefficiencies. Project managers therefore must adopt a culturally responsive communication style that prioritizes clarity, mutual comprehension, and the development of a "common language" that accommodates team diversity. Cultural respect and empathy were also regarded as key facilitators of successful team interaction, particularly in dealing with sensitive or conflict-prone matters. Leaders must effectively communicate goals, set clear roles, and provide continuous feedback through ways that are culturally appropriate and inclusive. Open communication and addressing the cross-cultural challenges help leaders significantly improve cohesion and achieve team results in multicultural teams (Ochieng & Price, 2009).

2.6.2 Leadership Adaptability

In contemporary multicultural organizations, being flexible in leadership is a vital skill to develop for fostering inclusion, teamwork, and team performance. Positive leadership is described by Adams et al. (2020) as a flexible mixture of authentic, inclusive, and respectful leadership styles, each of which requires flexibility in thinking, communication, and action. These leaders are adaptable and adjust their decision-making, communication style, and conflict management techniques in accordance with the different cultural values and working styles of team members. This adaptive leadership style allows leaders to build trustful relationships, a sense of belonging, and decreases

discrimination among diverse teams. Based on studies conducted in five culturally diverse countries, Adams et al. (2020) point out that adaptive leaders are role models as they create psychologically safe environment by making employees feel empowered, valued, and motivated. In adopting adaptability, leaders not only accommodate cultural diversity but actively transform diversity into a strategic resource, with positive implications for both employee well-being and team performance. This is associated to adopting their communication styles along with decision making procedures and offering feedback on the basis of cultural choices. Utilising effective leadership is important in developing the awareness about one's own cultural issues as it helps in working actively in order to prevent its impact from the dynamics associated with the team members. Reversing it, fostering inclusivity in the team is a crucial aspect of appropriate leadership in a diverse team. As per the opinion of Adams et al. (2020), workers who feel to be discriminated, considers themselves valued less favourably than other workers because of their personal features or social team membership. Hence, leaders need to create a positive and safe working environment for the team members which can represent values as well as respect the cultural backgrounds and beliefs of the team members. This is associated to the diverse type of ideas along with perspectives which helps in assuring that every team member has an opportunity in addressing and also contribute any issues associated to cultural insensitivity or discrimination. Therefore, all the leaders also need to recognise the contributions of the diverse team members and highlight their strengths as well as areas of development which can help in developing a positive working area.

2.6.3 Conflict Management Strategies

(Boroş et al., 2010) identify four dominant conflict management styles: cooperating (integrating), contending (dominating), avoiding, and third-party intervention. Their study demonstrates that groups with individuals high in horizontal collectivism who view themselves as equal and interdependent will be more likely to utilize cooperative conflict resolution strategies. On the other hand, high vertical individualism members, who view themselves as unequal and independent, employ avoiding and contending styles more

frequently, prioritizing personal objectives over group cohesion. Additionally, collectivists prefer avoiding third-party styles to hold the group together, whereas individualists and particularly vertical individualists are more tolerant of conflict and prefer styles that preserve personal autonomy. Amazingly, even group compositions play a role small and stable in-group cultural value differences enable cooperation, while dissimilar membership (one member who is very different) can enhance misunderstandings and reduce cooperative efforts. As these findings point out, multicultural team composition does make a difference, and building a shared group identity and recognition of cultural value differences can be used to further improve conflict resolution processes (Boroş et al., 2010).

Yin et al. (2020) emphasized the significance of cooperative conflict management style is beneficial for improving team innovation performance suggesting that this style promotes open communication, encourages diverse viewpoints, and fosters mutual respect within teams. Based on research derived from affective theory, their study shows that a leader's cooperative conflict management style has a positive impact on team passion and a high level of emotional engagement among team members, which in turn improves innovation outcomes. On the other hand, competitive conflict management styles, in which one's own viewpoint is imposed and team members are limited from providing input, stifle passion and reduce cooperative effort. Moreover, the study also found that team emotional intelligence acts as a moderator in this context, meaning that teams with higher emotional awareness and regulation strengths can better keep positive emotional environment even when in conflict contexts. These findings suggest that in multicultural settings, leaders need to emphasize cooperative conflict resolution and build emotional intelligence to maintain a high team cohesion and innovation potential(Yin et al., 2020).

Leaders must use flexible conflict-resolution styles that combine different strategies like collaboration, negotiation, smoothing, or yielding depending on the cultures involved (Appelbaum et al., 1998). They also emphasize selecting conflict management methods that are culturally relevant to team members, for example, actively promoting harmony

in societies where social cohesion is a central value and using cooperative approaches in societies where equality and individual initiative are valued.

To conduct successful conflict management, leaders should proactively diagnose conflict sources, strategically plan responses in culturally congruent ways, actively execute solutions through respectful engagement, and follow up consistently to ensure conflicts are maintained constructively managed (Appelbaum et al., 1998). They also highlight important individual competencies for leaders, including setting clear directions, managing organizational and interpersonal relationships effectively, constructively using cultural diversity, and having clear communication and feedback systems that are culturally responsive. Through the inclusion of these strategies and competencies, leaders are able to transform multicultural conflict from disorderly tension into beneficial opportunities for enhanced creativity, cohesion, and organizational effectiveness (Appelbaum et al., 1998).

2.6.4 Building Trust and Inclusion

Developing trust and an inclusive culture in multicultural groups are vital strategies that allow effective cooperation and creativity. Pless and Maak (2004) offer a clear conceptual framework highlighting that genuine inclusiveness must be founded on the basis of mutual recognition with emotional, legal, and solidarity dimensions. They argue that inclusive diversity culture goes beyond compliance and requires an active and genuine recognition of each person's unique contribution. Leadership is an important aspect here in providing an inclusive environment where team members are asked for their opinions and they are valued, recognized, and incorporated into organizational decisions. It encourages trust because employees feel truly acknowledged and appreciated in their individuality, thus making them more willing to be creative and cooperative in contributing towards team objectives (Pless & Maak, 2004). Following this, Lisak et al. (2016) highlight that inclusive communication encouraged by leaders who emphasize common team innovation objectives enhances trust between multicultural team members. This inclusion of communication maintains clarity, minimizes

misunderstandings, and maximizes understanding between both parties which are critical elements of a collaborative environment (Lisak et al., 2016). Thus, establishing trust and inclusion in multicultural teams requires leaders to be actively engaged in communication practices and assume leadership behaviours grounded in ethical values, thus fostering a positive and innovative team atmosphere.

Mäkilouko (2003) highlights that relationship-building and maintaining an atmosphere of open communication are essential to developing mutual trust as one of the defining features of a successful multicultural team. This is further complemented by consistent respect for cultural differences, fairness and equity, and approaches to dealing with problems in a manner that avoids isolation and stigma for any particular group. As trust builds, so does team members' cooperation, sharing, and willingness to assist each other. With experience, a basis of trust allows the team to tackle issues as a team, rather than blaming or having cultural misunderstanding.

2.7 Literature gap

The existing literature effectively addresses the challenges, leadership styles, dimensions and social identity theories but however, the gap of understanding the dynamic interplay between these factors can be observed. Specifically, how the strategies associated with transformational leadership can help in mitigating the negative effect of social identity and leverage diverse culture for improving the outcomes and success of projects.

Although the present study provides comprehensive data on leadership issues and teamwork styles in traditional settings involving Finnish and Indian professionals, it intentionally does not address the virtual context. This gap opens a pathway for future research to explore how online interaction modalities might further complicate or facilitate leadership effectiveness in multicultural teams.

While there is a sufficient amount of research on leadership theories and multicultural management, research concentrating on the interface of leadership styles and cultural

adaptability in Finnish-Indian project teams is limited and not explored. Additionally, very little is known about the mechanisms of trust creation in cross-cultural teamwork for these two specific cultures. The present study aims to bridge these gaps in research by providing insights into effective leadership styles in a traditional multicultural project settings between Finnish and Indian project teams and further laying the groundwork for subsequent research to extend these findings into virtual environments.

2.8 Summary

Multicultural project teams faced different challenges which involved different communication styles, work ethics and potential issues. Utilising the theories and implementing effective leadership style and understanding the different dimensions of culture is essential for promoting collaboration, developing trust and leveraging diversity for the success of the project.

3 Research Methodology

This chapter highlights the research methodology which is utilised in the study on the challenges faced by leaderships in multicultural project teams. It will outline the research design, data collection methods, analysis approach and ethical considerations.

3.1 Research Design

The overall framework which helps in outlining how research study will be conducted is known as research design (Öztürk *et al*. 2024). A well-defined research design helps in improving reliability, validity as well as the accuracy of the findings of the study. This study employs exploratory research design as its main aim is to explore the challenges of leadership in a diverse workplace. Exploratory research design is used due to lack of availability of extensive literatures which particularly address the challenges associated with leadership in multicultural project team. The exploratory research design helps in identifying new perspectives associated with the behaviour of different leaderships, communication barriers and collaboration with team members by analysing the primary data. Exploratory research allows this study to adopt on the basis of emerging themes as well as insights from the participants.

The underline group of belief as well as assumptions which helps in guiding how the knowledge will be developed in a study is known as research philosophy (Themelis *et al*. 2023). The four main types of research philosophy which can be observed involve positivism, interpretivism, pragmatism and realism.

However, interpretivism strongly emphasizes understanding the experience of humans and it is mainly used in qualitative research. Hence, the interpretivism philosophy is employed in the study which is considered most suitable philosophy as it aims to investigate the challenges in leadership while working with a multicultural project team through the information gathered through qualitative data. As the leadership challenges in the diverse team is dynamic, interpretivism philosophy helps in exploring the evolving team dynamics by using qualitative data. Interpretivism philosophy helps in providing a

deep understanding of the complicated social phenomena and allows flexible methods (Lim, 2024).

3.2 Qualitative Method

The study adopts a qualitative approach, allowing for flexibility in gathering insights from project managers and project management employees. Some of the respondents favoured written response over verbal interviews, and therefore a flexible qualitative survey method was utilized. The research employs qualitative methodology via web-based questionnaires distributed via Webropol or internet forms. The questionnaires were used to accommodate participants flexibility of means of participating. The questionnaires were made up predominantly of multiple choice and open ended questions where the participants were able to select multiple answers and an option for a text box to give additional input outside the provided options. Additionally, open questions were employed to enable participants to provide more information in terms of their experiences and opinions. Since comparatively few publications, up to now, have dealt with the specific cultural blend of concern to this research, exploratory design is appropriate for uncovering new information about leadership behaviour, communication, and collaboration under culturally mixed circumstances.

The particular plan which is employed for achieving the objectives of a study and outlines the effective methods for collecting and analysing the data is known as research strategy (Ghanad, 2023). Research strategy helps in assuring that the procedures of research are conducted systematically and properly aligned with the goals of the study.

3.3 Research Procedure

Data collection

The procedure which is used for collecting relevant information for addressing the objectives of a research study is known as data collection (Busetto *et al*. 2020). Data collection helps in assuring that the study is developed on the basis of valuable insights

and data which are gathered from credible and reliable sources. This contributes towards enhancing both validity as well as the accuracy rate of the findings.

The data were collected through a self-administered questionnaire. This questionnaire included:

- Closed-ended, multiple-choice items where the respondents were required to select only one alternative.
- Multi-choice questions where more than one value or idea pertaining to participant's experience could be selected.
- Open-ended questions were used to enable participants to discuss at length their experiences and opinions.

Data collection involved sending Participants standardized but flexible structured online questionnaires to collect in-depth information. Detailed instructions were communicated in the guide for surveys, emphasizing anonymity, confidentiality, and not capturing any personal or identifiable information.

Selecting Interviewees

This study involves project managers and project management employees from diverse-culture team i.e., Finnish and Indian over different industries. This approach is used as it helps in exploring in-depth information about the leadership challenges, cultural dynamics and strategies for conflict resolution.

Participants*:* Approximately 13 project managers and management professionals from Indian and Finnish origin are involved. The screening criteria included experienced professionals with a long tenure from minimum 3 to 20 years of managing or working within multicultural project teams. The participants came from different industries like IT, Research, Manufacturing, Engineering, and Consulting to provide varied and rich experiences about leadership challenges across industries. The participants were chosen by utilising *Purposive sampling* which helps in assuring that the individual has experience in multicultural project team. The eligibility criteria involves individuals who has more

than 3 years of experience in multicultural project team. The participant need to be involved directly with leadership or decision making procedures and should have experience of managing leadership challenges.

***Industries**:* IT, Manufacturing, Research, Engineering and Consulting which prevalent diverse teams. The key point of data are the challenges associated with leadership, cultural dynamics, strategies for resolving conflicts and building trust.

Participant	Role in the project team	Experience working in multicultural project teams	Cultural background
Participant 1	Project Team Member (Engineer, Coordinator, Specialist)	5 - 10 years	Indian
Participant 2	Project Team Member (Engineer, Coordinator, Specialist)	0-5 years	Indian
Participant 3	Development Engineer	0-5 years	Indian
Participant 4	Project Team Member (Engineer, Coordinator, Specialist)	10 - 15 years	Finnish
Participant 5	Project Leader (Director/Manager)	5 - 10 years	Finnish
Participant 6	Project Team Member (Engineer, Coordinator, Specialist)	10 - 15 years	Indian
Participant 7	Consultant, External Advisor, Researcher	0-5 years	Finnish
Participant 8	Project Team Member (Engineer, Coordinator, Specialist)	10 - 15 years	Indian
Participant 9	CEO	10 - 15 years	Finnish
Participant 10	Project Leader (Director/Manager)	5 - 10 years	Finnish and Finnish Swedish
Participant 11	Project Leader (Director/Manager)	5 - 10 years	Indian
Participant 12	Project Leader (Director/Manager)	10 - 15 years	Finnish
Participant 13	Project Team Member (Engineer, Coordinator, Specialist)	0 - 5 years	Finnish

Table 1: List of Participants

Analysis of result

Data analysis is the procedure for examining, organising and interpreting the information and data which are collected for drawing a meaningful conclusion. According to Poucher *et al*. (2020), data analysis helps in assuring that the findings are reliable, valid and

properly align with the objectives of research study. Qualitative data collected will be coded and analyzed through thematic analysis facilitated by NVivo software. NVivo ensures systematic coding, classification, and identification of recurring themes, culminating in systematic interpretation of data (Allsop et al., 2022). This study utilises thematic analysis which helps in identifying the patterns and themes. The thematic analysis of the data which are collected will be performed for identifying recurrent themes as well as the patterns which are associated with:

1. Communication styles
2. Leadership styles
3. Cultural values and working styles
4. Conflicts and Resolution
5. Trust and collaboration
6. Cultural Identity, Inclusion and Belonging

This thematic analysis are derived by directly aligning it with the objectives of the research which assures that the themes of the study effectively address the major areas of leadership challenges in multicultural project team.

3.4 Research Sampling

Purposive sampling, or judgmental sampling, was used to sample participants due to their extensive professional experience in multicultural environments. This is a technique of conscious selection of people, places, or events believed to provide valuable information that cannot be obtained using other sampling methods (Taherdoost, 2016). Participants were selected in this study due to their comparative roles and experience, which the researcher believed were required to understand leadership dynamics in multicultural project teams. Selecting proper research sampling

is crucial for improving the validity and reliability of the findings. The two main types of research sampling method can be observed which involves probability sampling and non-probability sampling. This study utilises non probability purposive sampling technique for selecting the participants for the interviews on the basis of their working experience in diverse projective. According to Mweshi and Sakyi (2020), non-probability sampling depends on particular criteria's for choosing the participants and data resources which is often utilised in qualitative research.

3.5 Ethical Consideration

All the ethical standards have been achieved throughout the study. The ethical considerations play an important role in ensuring that the research study is conducted responsibly and credibly. It helps in maintaining these standards of ethics which improves the reliability and validity of the findings and provides protection towards the rights and privacy of the participants. In this study, the consent of the participants who are selected for the interview is taken before collecting the data. They were also given the right to leave at any stage of the interview without any negative consequences. Moreover, the anonymity as well as the confidentiality is maintained strictly throughout the study in order to provide protection to the personal information of the participants. Additionally, this study does not involve identifying details of the participants.

4 Results

This chapter presents the findings from the online questionnaires distributed to Finnish and Indian professionals, linking the results to the theoretical framework established earlier in the literature review of this study. A total of 15 participants were invited to answer the survey and 13 of them have provided their responses. Thematic analysis was conducted using NVivo and important patterns were observed based on the respondents experience. Findings are organized in significant themes based on the research aims such as leadership challenges, communication style, trust and cooperation, work style and values, identity and belonging, conflict resolution, and strategies for improving collaboration. This study analyzed responses from 13 professionals (6 Indian, 6 Finnish, 1 Finnish-Swedish) with experience in Finnish-Indian multicultural teams with participant quotes anonymized as Participant 1 to participant 13.

Themes that were identified in this results chapter emerged through a mix of theory-led and data-driven thematic analysis. The theoretical framework is a combination from Transformational Leadership Theory (Bass, 1999), Social Identity Theory (Tajfel & Turner, 1986), and Schwartz's Cultural Value Theory (1992) set out an initial set of analytical categories. Theoretical models provided guidance on leadership behaviour, value orientation, and team identity across multicultural environments.

However, as and when the responses were coded with NVivo, inductive coding allowed themes to be evolved and validated through recurring patterns in participant quotes. This led to six top level themes such as Communication, Leadership Styles, Cultural Values, Trust and Collaboration, Inclusion and Identity, and Conflict and Resolution which were not only grounded in literature but also based firmly on the data. Each theme reflects a number of subthemes supported by coding frequency and repetition of quotes, showing their importance in different participant perspectives.

A mind map was also created visually during the analysis to demonstrate the relationship between themes and subthemes to cluster and synthesis responses logically. The visual presentation Strengths the thematic coherence and is included in **Appendix 2** for greater transparency and traceability of the analysis.

While analysing and interpreting the data, I also noticed that some quotes were repeated multiple times in different answers in varied forms but expressing the same underlying meaning. These repeated expressions are main codes or core findings that are a key challenge or strategy approach in multicultural leadership.

For example, the frequent mention of "*direct communication from Finns being perceived as blunt" or "Indian appreciation for harmony and indirectness*" came up persistently under communication, leadership, and conflict resolution themes. Leaders possessing an insight into these cultural modes could adjust tone in message and improve clarity without compromising relations.

These topics were chosen based on their prevalence, depth, and interdependence within the data. Cultural values, for example, were not only seen in verbal statements but in how participants defined leadership, trust, or giving feedback. Again, issues of communication were normally associated with trust, cultural values, conflict management, or inclusion. Topics that were not present in abundance or did not align with the primary aim of examining leadership problems and approaches in Finnish–Indian multicultural teams were excluded.

To enhance transparency and clarity regarding how these topics were built, I created a conceptual mind map (**Appendix 2**). Such a visual mapping includes every core theme and their corresponding subthemes such as *"direct vs. indirect*" for communication or *"hierarchy vs. flat structure*" for leadership. Such a map demonstrates the overlap as well as relationships between themes and confirms how quotes impacted several categories. For instance, the quote on feedback can be coded under both inclusion and communication to represent its double effect.

Furthermore, linking quotes directly to categories was an intentional attempt to maintain data integrity and narrative coherence. This quote based approach allows readers to see the thematic content and understand how real voices in the world underpin the interpretations. It also allows for a deeper, more grounded reading of the data by maintaining the contextual complexity of multicultural interactions specifically in leadership, identity, and collaboration.

Furthermore, a thematic structure was used to interpret data instead of question-by-question and linear format. This provides scope for deeper exploration of participant opinions and establishment of how certain quotes can be read as addressing issues and solutions as well. For example, responses to communication failure leaned towards how teams later adapted by implementing clarifying practices, which demonstrates the dual role of some quotes as both challenges and solutions. These dual-purpose insights are further emphasized in the discussion chapter.

4.1 Leadership Challenges or expectations in Multicultural Teams

4.1.1 Leadership

Differences in leadership between Finnish and Indian professionals were a recurring theme. As shown in Figure 6, illustrates participants responses to the question, *“Do you believe leadership expectations vary between Indian and Finnish team members?”,* segmented by their cultural background. The majority of both Indian and Finnish participants agreed that leadership expectations differ across these cultural groups by reflecting high mutual awareness of cultural leadership norms.

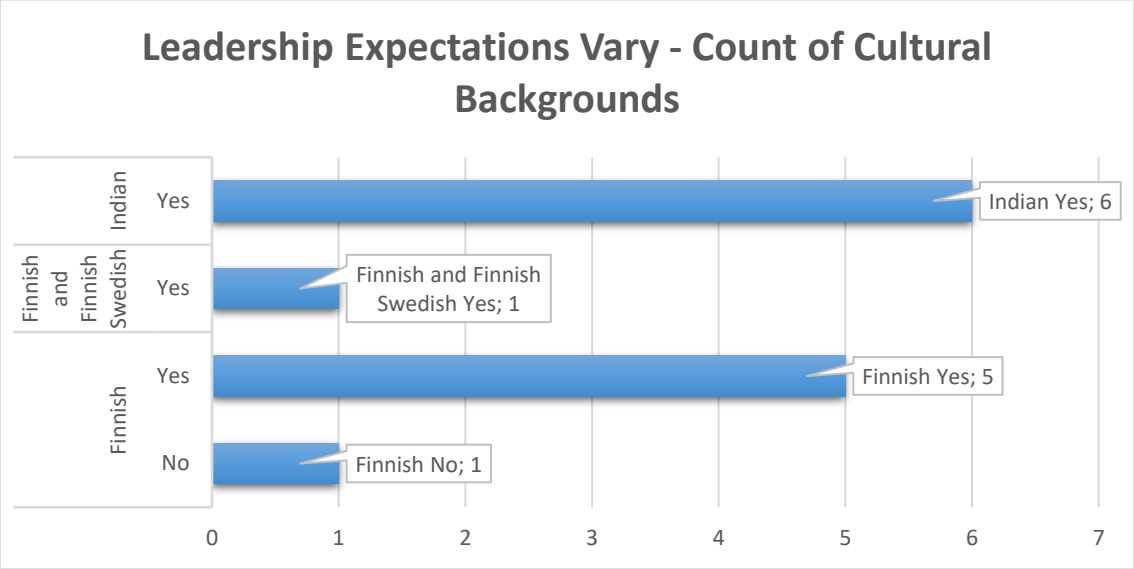


Figure 6: Perceptions of Leadership Expectation Differences by Cultural Background

Adaptability:

The majority of the participants reflected that they needed to adjust their leadership and communication styles when managing culturally diverse teams. This adaptability was seen essential for maintaining alignment and encouraging collaboration. As one participant shared:

"*Yes, I have adjusted my leadership and communication style while working in multicultural teams. For instance, I learned that different team members might prefer varying degrees of direct guidance versus collaborative decision-making.*" (Participant 3)

This quote highlights how leaders modify their behaviours depending on team preferences, emphasizing the need for flexible and culturally responsive leadership in diverse environments.

Flat Hierarchical Structure:

Participants with experience in Finnish organizations described leadership as grounded in accessibility, collaboration, open and minimal hierarchy. These traits were seen to create open communication environments and mutual respect across levels. As one participant summarized:

''Finnish organisational structures are characteristically flat, with minimal emphasis on rank and a pronounced commitment to egalitarianism. Managers are expected to be approachable, collaborative and open to dialogue across all levels.'' (Participant 9)

Hierarchical Leadership:

In contrast to flat leadership preferences, participants emphasized the presence and influence of the hierarchical structures in multicultural teams, especially in Indian organizational settings. Respect for seniority, top-down decision-making and clearly defined roles between managers and subordinates were commonly highlighted by respondents.

"Indians frequently reflect hierarchical orientation, respect for seniority seems paramount and decision-making seem to follows a top-down model there seems to be clear distinctions exist between managerial and subordinate roles.''(Participant 9)

Another participant stated on how hierarchical structures influence group decisions:

"Indian workplaces often follow a more structured chain of command where decisions may take longer but involve more people." (Participant 2)

These reflections emphasize the dual nature of hierarchical leadership as while it may introduce delays or communication barriers, it can also involve a broader base of internal consultation particularly in culturally collectivist environments.

Flexibility:

Flexibility emerged as a valued leadership trait among the Indian participants working in multicultural environments. It was described both as an interpersonal norm and a leadership behaviour, particularly in the Indian work context.

One participant explained how flexibility in communication and social interaction is culturally embedded in Indian workplaces:

"Indians prefer flexibility of time and often indulge in small talks. There is indirect communication to respect the authority." (Participant 1)

Leadership flexibility was also recognized essential for fostering an understanding across cultural differences:

"Leadership played a key role by showing flexibility and encouraging mutual understanding." (Participant 8)

These perspectives highlight that in the Indian work culture, flexibility both in interpersonal relations and in leadership style helps to create smoother interactions, improve mutual respect, and support collaboration within diverse teams.

Relationship-Oriented vs. Task-Oriented Leadership:

Participants identified notable differences in leadership orientation between Indian and Finnish team environments. Leadership in Indian teams is typically more relationship-focused, emphasising the development of interpersonal rapport, group decision-making, and casual conversations.

"*In Indian teams, deadlines can be more flexible, and task ownership is often shared, with decisions sometimes going through several layers*." (Participant 2)

"*Meetings in Indian companies might allow for more informal conversation and relationship-building, where discussions can wander into various related topics*." (Participant 3)

"*Indians may have longer, more informal meetings with open discussion*." (Participant 6)

In contrast, Finnish teams were described as more task-oriented and time-bound, with leadership practices focused on punctuality, clarity, and efficiency.

" Finnish Meetings are straight to the point, and people speak only when necessary, often preferring honesty over politeness.'' (Participant 2)

" *Finnish working style relies on timely deliveries and meeting schedules when it comes to daily and weekly routines*.'' (Participant 5).

" *While Finnish are very punctual, value efficiency and sticking timelines.''*(Participant 8)

Transformational Leadership:

The significance of transformational leadership in multicultural teams was conveyed by the participants. "*I treat everyone fairly and apply the same rules to all. I value and*

*respect different backgrounds and experiences. Make space for every voice and encourage quieter team members to contribute. Stay aware of my own biases and challenge assumptions. I use inclusive language and avoid exclusive or culturally loaded terms. I support individual needs with flexibility and empathy. I promote diversity in opportunities and leadership paths. I actively listen to feedback and take action to improve our culture."(*Participant 10)

This reflection captured key components of transformational leadership including individualized consideration, participatory decision-making, and cultural sensitivity. Such behaviours were perceived as essential for leaders navigating the complexity of multicultural team environments.

Figure 7: Participant identified Leadership expectations

Participants were asked to identify the ways in which they believed leadership expectations vary within multicultural project teams. As shown in Figure 7, the most frequently mentioned aspects included differences in communication style (direct vs. indirect), expectations around feedback and autonomy, perceptions of authority and leadership presence, attitudes toward decision-making (individual vs. collective), and hierarchical versus flat structures. These findings suggest that even though the participants may come from different professional or cultural backgrounds but they consistently recognize a common set of leadership dimensions where variation often occurs.

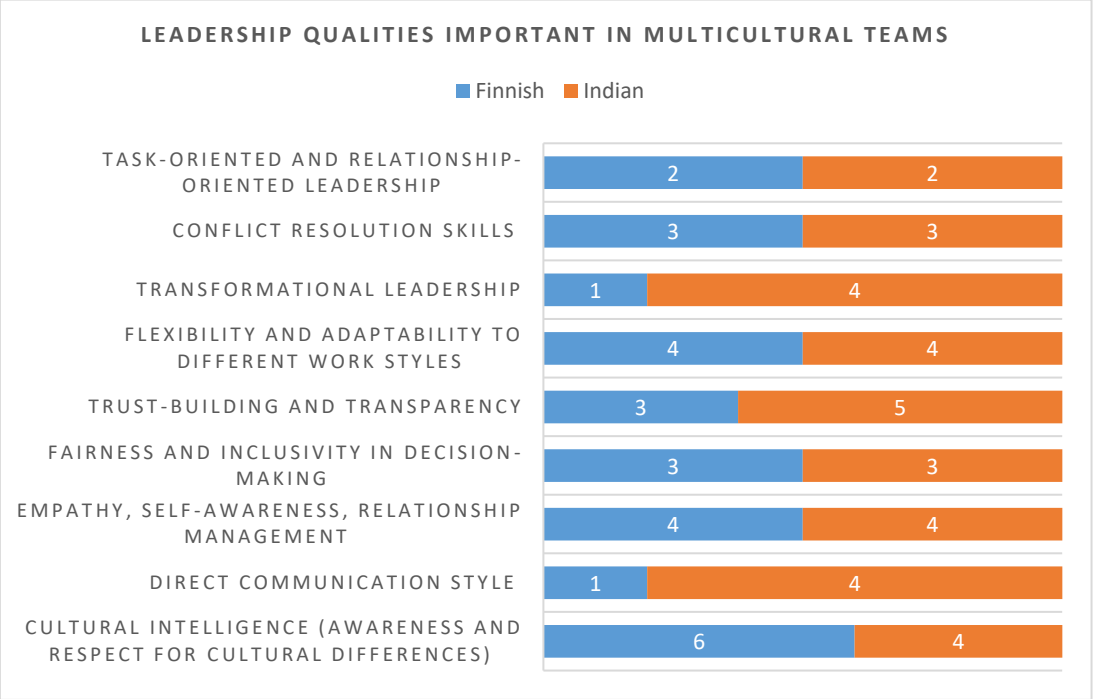


Figure 8: Leadership qualities considered important by participants in multicultural teams

To explore cultural perspectives further, participants close-ended survey responses were analyzed by cultural background. While Finnish participants placed more emphasis on cultural intelligence and conflict resolution, Indian participants highlighted transformational leadership and direct communication. Both groups recognised cultural intelligence, empathy, flexibility, and trust-building as critical leadership attributes (Figure 8).These patterns reveal shared priorities across cultures while also reflecting subtle value-based differences in leadership preferences.

4.1.2 Cultural Values and Working styles

Participants were asked to select the cultural values they felt most influenced their work style. Figure 9, presents a comparison between Indian and Finnish participants.

While both groups equally emphasized equality, Individualism, Efficiency, Finnish participants highlighted honesty/directness, Collectivism and adaptability more strongly, whereas Indian participants gave greater importance to respect for authority, hierarchy, and consensus-building. This pattern reflects subtle but significant cultural differences.

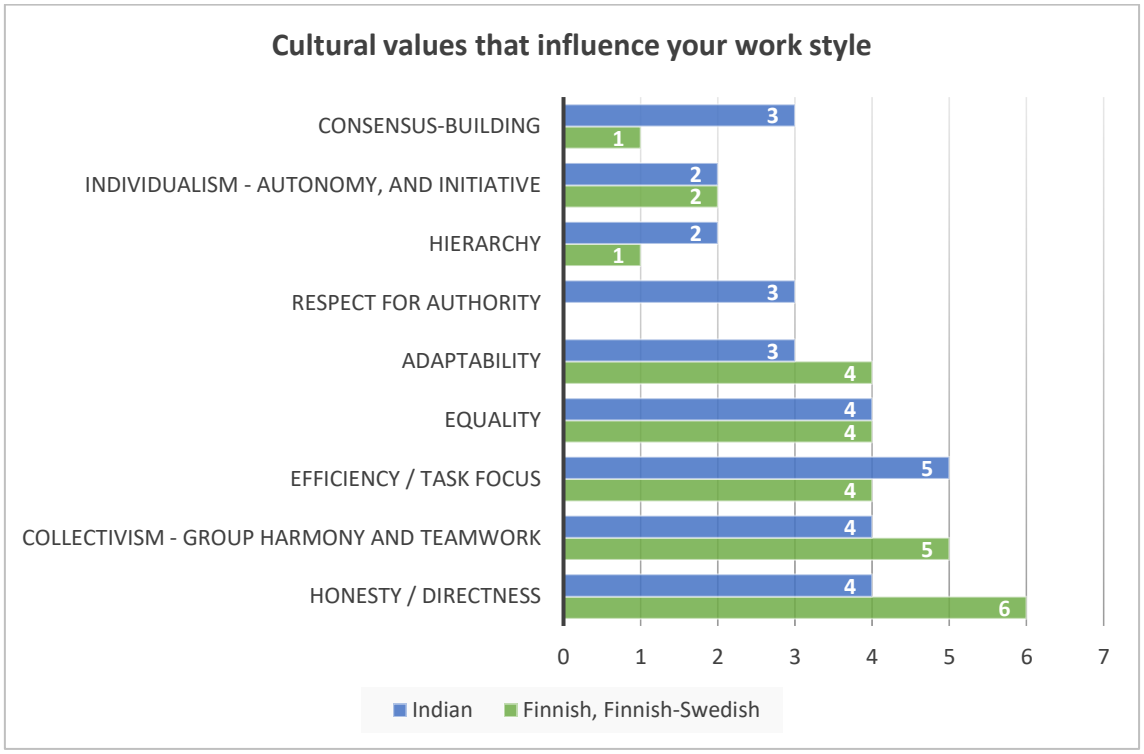


Figure 9: Cultural values they felt most influenced their work style

Embeddedness Vs Autonomy

Participants described cultural differences as how individuals approach autonomy, decision-making, and alignment with team expectations. Finnish participants emphasized self-direction and independent problem-solving which reflects a cultural orientation towards autonomy and task based ownership.

“Individual initiative to speed up the process.” (Participant 12 – Finnish)

“In my experience, Finnish team members lean towards individual initiative, which helps in handling ambiguity and making quick decisions.” (Participant 2 – Indian). This was stated by an Indian participant who observed that Finnish colleagues often took charge of decision making process.

In contrast, Indian team members were seen to work more relationally and within established group norms, indicating embeddedness and a high-context cultural approach. “Conversely, our Indian colleagues operated within a more relational and high-context paradigm.” (Participant 9 – Finnish)

“When group harmony is prioritized, we tend to invest more time in building consensus and clarifying uncertainties leading to a well-aligned team albeit sometimes at the expense of speed. ” (Participant 3 –Indian). This embeddedness was reflected by an Indian respondent in how decisions were made and how harmony within the team was maintained even if it meant compromising.

These divergent strategies impacted participants multicultural teamwork and emphasise the necessity of striking a balance between individual initiative and group cohesion.

Hierarchy Vs Egalitarianism

Figure 9 shows that while no Finnish participants chose respect for authority as a major factor influencing their work style but Indian participants did. This contrast draws attention to the cultural differences between the two groups emphasis on authority and hierarchy. Finnish participants favoured egalitarian models with independence, while Indian participants leaned towards hierarchical or authority-based models. This variation was evident in the statements of the respondents because both Indian and Finnish professionals acknowledged these variations in their cultures. Finnish participants focused on autonomy, individual initiative, and flat organizational structures (Egalitarianism), whereas Indian participants highlighted, respect for hierarchy and formal decision-making structures (Embeddedness).

Participant 2 stated that “ I've noticed differences in how leadership is viewed. Finnish teams prefer a more egalitarian style where leaders act as facilitators encouraging collaboration. In Indian teams, leadership is more hierarchical, with respect for authority and seniority playing a big role.”

“Indian individuals are much more careful with authority. In Finland, authority set by any organization or non-person entity might be went wide if seen important for the current activity.”(Participant 5)

Another participant commented this by reflecting on how ownership and responsibility are understood in both cultural contexts: “Finnish team members work independently and take personal responsibility, Indian professionals often work well in teams and follow clear guidance from leaders. ” (Participant 6)

Finnish work culture is marked by flat hierarchies and informal relations, promoting open and clear communication and a strong distinction between work and personal life. Leadership is facilitatory, rather than commanding. Meetings are agenda-driven with an emphasis on efficiency and equality of contribution.

Mastery Vs Harmony

Participants reflected on contrasting values related to goal orientation, performance pressure, and the pursuit of balance in the workplace by reflecting Schwartz’s (1992) cultural value dimension of mastery versus harmony. Finnish participants favoured balance and efficiency, reflecting Schwartz’s harmony orientation, while Indian participants exhibited a mastery orientation, emphasizing achievement and control.

One participant with experience across both Indian and Finnish teams provided a detailed comparison. “*Finnish :Deadlines are met with communication in advance in case of delay. Task ownership is seldom done voluntarily. Accountability is a hundred percent atleast in my experience. Indian : Deadlines are met with long working hours, even overtime without additional pay request as it is a norm. Task ownership is frequently voluntary to please the manager. Accountability is passed around the team, especially when something goes wrong. Most managers are also hypocritical in this sense*. ’’ (Participant 9)

These reflections suggest that Finnish professionals tend to adopt a harmony-oriented approach to work ensuring clarity, preventing conflict, and maintaining balance through structured communication and shared accountability. Indian professionals, by contrast,

demonstrate a mastery orientation that is characterized by personal sacrifice, informal task management, and pressure driven responsibility to meet targets even at the expense of fairness or personal time.

Another participant added: “With the Indians, professional commitments seem to more readily encroach upon personal time, particularly within competitive or demanding sectors.” (Participant 9)

This highlights how mastery oriented environments may dominate other spheres of life and success is pursued through enduring pressure rather than preserving equilibrium. These findings aligned closely with Schwartz’s framework and illustrate how deeply cultural values shape the working styles in multicultural teams.

Individualism vs. Collectivism

Finnish participants greatly appreciated self-management and personal autonomy. Indian participants were collectivist and emphasized team cohesiveness. The individualism-collectivism cultural dimension was evident in the way participants defined collaboration, responsibility, and decision-making in multicultural teams. One participant highlighted these differences through everyday team behaviours: “Finnish professionals usually value punctuality, clear communication, and individual responsibility and they like to get things done efficiently and expect everyone to do their part without much need for supervision. On the other hand, Indian professionals tend to be more flexible with time, and meetings can be longer, more social, and sometimes influenced by hierarchy.” (Participant 2) .These differential working styles suggest that Finnish team members operate in a highly structured and autonomous way whereas Indian teams operate with a socially embedded and relationship-oriented approach.

Another participant reflected on interpersonal dynamics and conflict handling quoted that *“ In my experience, Indian colleagues often prioritize group harmony to avoid*

conflict and maintain relationships. Finnish colleagues tend to value individual initiative and clear opinions, even during disagreements." (Participant 6)

These findings suggest that collectivist values may promote greater relational diplomacy concentration and group cohesiveness, while individualistic values stimulate straightforwardness, autonomy initiative. Sensitivity to these differences accounts for how multicultural teams can negotiate expectations for feedback, teamwork, and leadership.

Efficiency and Task Focus vs. Flexibility:

A recurring difference in working styles arose on the basis of cultural punctuality and efficiency versus flexibility and adaptability. Finnish participants emphasized formal procedures, well-defined timetables and schedules, and direct communication which highlights efficiency and task focused. Indian participants results-oriented also referred to a relationship-oriented and flexible style, particularly with managing time and tasks. One participant reflected: *"Finnish respect time and they are direct in communication, there is no small talk. Indians prefer flexibility of time and often indulge in small talks."* (Participant 1)

Another participant added: *"Finnish working style relies on timely deliveries and meeting schedules when it comes to daily and weekly routines. For Indian working style, the short-term schedules are very flexible and variation in delivery might occur. "* (Participant 5)

These findings indicate that Finnish team members support a task-oriented, linear methodology based on structure and predictability. In contrast, Indian professionals place more importance on flexibility and fostering relationships, which could lead to more flexible scheduling, communication, and meeting arrangements. Although both strategies work well in their own settings, if they are not clearly accepted and managed, they may cause miscommunications in multicultural teams.

4.1.3 Communication Styles

Participants were asked to select communication-related challenges they had encountered in multicultural teams. The results revealed several recurring issues with notable cultural contrasts. The most reported challenge among Indian participants was misinterpretation of silence or pauses (6/6), by Finnish team members which reflects the high-context communication norms in Indian culture. Finnish participants, by contrast, most commonly selected reluctance to speak up in hierarchical settings (6/7), suggesting that traditional power distance remains a discomfort in cross-cultural collaboration.

Challenges related to direct vs. indirect communication, language barriers, and giving or receiving critical feedback were shared relatively equally by both groups, highlighting common intercultural friction points that go beyond nationality. These findings set the foundation for the following subthemes, which explore communication expectations and cultural differences in greater depth.

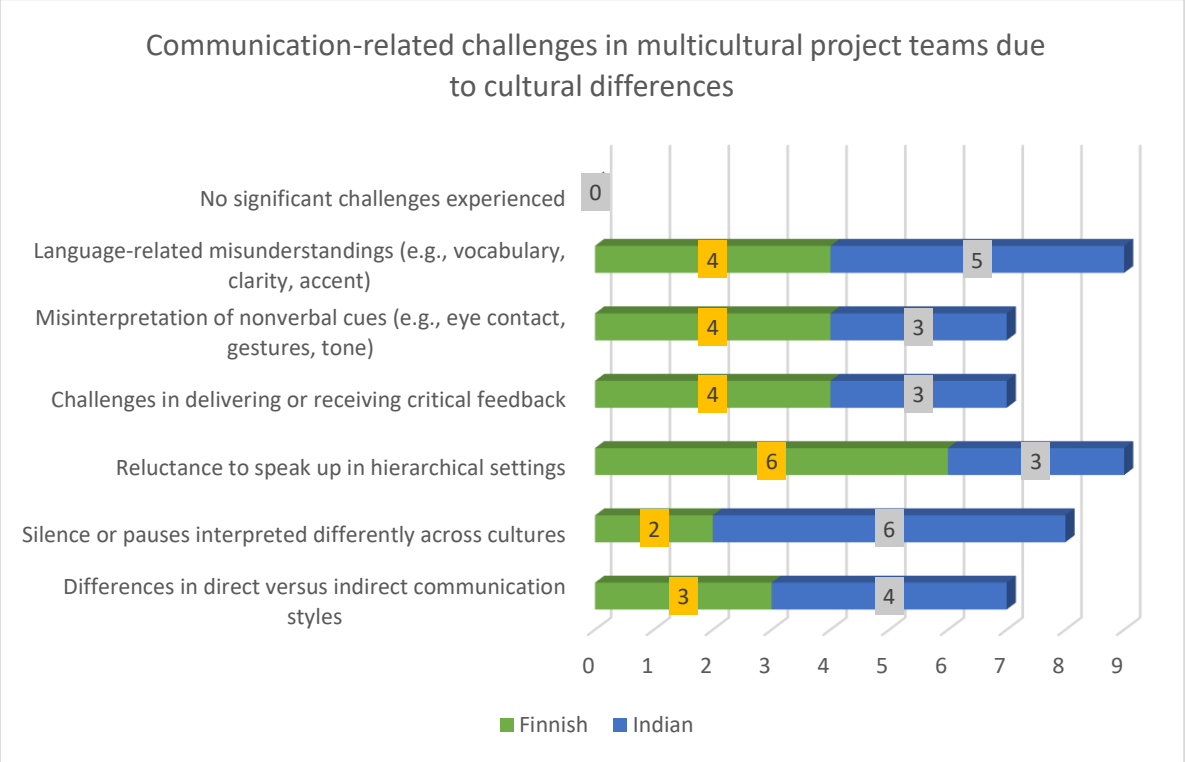


Figure 10: Communication-related challenges participants encountered in multicultural teams

Directness vs Indirectness

One of the significant themes that emerged in multicultural project teams was the difference between direct and indirect communication styles more specifically between Indian and Finnish professionals. Finnish respondents emphasized clarity, self-expression, and minimal ambiguity and while Indian respondents favoured politeness, relational tone, and non-confrontational speech.

One participant observed: *"I think Finns are more direct with their communication style. Also hierarchy is not so high in Finnish culture."* (Participant 4)

Another participant added that the difference is not just in what is said, but when and how it is communicated: *"Difference comes from the culture of delivering the work progress. Finnish people usually tend to communicate their work in a more complete form, due to self-criticism. "* (Participant 7)

Misalignment in expectations was a recurring challenge: *"The biggest challenge was balancing different expectations and communication styles within the same team."* (Participant 2)

These tensions were especially visible when indirect communication from Indian participants is often used to show respect or avoid conflict but was misunderstood by Finnish colleagues as vague or evasive.

As one participant noted: "*A Finnish team member gave very direct feedback, which an Indian team member found uncomfortable or even disrespectful and an Indian colleague said sthh like only "yes" to a deadline to be polite, but the Finnish side assumed it was a firm commitment. "* (Participant 10)

These findings align with broader cultural research, where direct communication is associated with low-context and individualistic cultures (such as Finland), and

indirectness communication with high-context and relationship-oriented cultures (such as India). Misinterpretation of these styles can impact trust, task clarity and also the way conflict is managed if not openly acknowledged within the team.

Active Listening, Feedback and Open Dialogue

Active listening, constructive feedback, and open communication were the highlighted themes in multicultural teams. There were numerous challenges to note regarding these themes, most of which resulted from variations in the patterns of communication and hierarchical relationships along cultural lines.

"*Emphasised that every voice matters — regardless of role or background. Rotated meeting chairs and task leads to promote shared leadership*."(Participant 9). This form of inclusive leadership fostered openness and encouraged participants to share ideas in spite of hierarchy or cultural norms. Another participant noted the value of showing genuine attention to individual values: *"The different values and features need to be accounted for openly and directly shown (that they matter). People feel better and are more productive when they know their values and features are considered truly. "*(Participant 5)

These views were reinforced by actions that modeled empathy and inclusion in daily communication. Another participant stated *: "I use inclusive language and avoid exclusive or culturally loaded terms. I support individual needs with flexibility and empathy."* (Participant 10)

These findings suggest that while both cultures practice giving feedback, the manner in which feedback is given could be very different. The Finnish respondents are more direct, while Indian respondents would perhaps be more cautious when providing feedback so that relationships are not harmed and conflict is avoided.

Reluctant to speak in Hierarchy settings

Finnish participants voted for reluctance to speak up in hierarchical settings as the most prominent issue, with all 6/7 mentioning it as an issue (Figure 10). This is a noteworthy finding, since it suggests that even in Finland's generally flat and egalitarian work environment, hierarchy becomes more visible and restrictive in multicultural settings. It may be one explanation for why, when Finnish professionals deal with individuals from more hierarchical cultures, they become more cautious or uncertain about how to handle authority relationships, and therefore more reluctant to speak freely. Indian participants, however, faced this obstacle to a lesser extent, with only 3/6 of them mentioning it. This may be a function of their cultural familiarity with hierarchical organizations, where communication does tend to occur through the appropriate channels. Indian professionals are possibly less inclined to challenge authority but also more accustomed to operating within these sorts of structures, and so may experience less discomfort in those situations. The comparison highlights that Finnish professionals may get stressed or unsure in multicultural settings where implicit hierarchies are in action and when they are not familiar with such structures within their own country work culture.

Overall, these findings suggest that active listening, feedback, and open communication are the key building blocks of effective communication in multicultural teams. Communication style differences particularly in regard to hierarchy, directness, and nonverbal behaviour, can nonetheless pose severe issues.

4.1.4 Work–Life Balance and Professional Boundaries

A distinct theme that emerged was the difference in managing work–life balance and professional boundaries between Finnish and Indian professionals. Finnish respondents emphasized the necessity of having a professional life and personal life, respect for time limits, and maintenance of efficiency during scheduled hours. Indian participants, in contrast, described a more fluid boundary, where extended working hours and

multitasking were not only common but often seen as signs of commitment and adaptability.

"*While Finnish are very punctual, value efficiency and sticking timelines. Work life balance is highly respected. Meetings are typically short and structured. In India : attitudes towards time: time is more flexible; being slightly late is acceptable . People often multitask and manage shifting priorities dynamically. Extended work hours are common and sometimes seen as sign of dedication*."(Participant 8)

Another participant reinforced this, stating: "*With the Indians, professional commitments seem to more readily encroach upon personal time, particularly within competitive or demanding sectors*." (Participant 9)

These reflections indicate that Finnish professionals tend to protect individual well-being and emphasize planning and accountability within defined hours. Indian groups are generally flexible and persevering, merely stretching hours to accommodate fluctuating workloads when necessary. Both approaches have advantages but mismatched differences in availability, urgency, and personal time can lead to frustration in multicultural teamwork if unresolved.

4.1.5 Cultural Identity, Inclusion and Team Belonging

Inclusion and belonging are central to the functioning of multicultural teams, especially when individuals from culturally different backgrounds come together with varying expectations of communication, recognition, and participation. As part of the survey, participants were asked to identify the factors that helped them feel included and respected in a multicultural project team (Figure 11).

As shown in the chart, clear, transparent communication was the top factor for Finnish participants (7 out of 7), while Indian participants also strongly valued it (5 out of 6). This indicates a shared emphasis on clarity, though for Finnish respondents it was nearly universal. Similarly, both the groups gave higher ratings to a culture that promotes

openness and values diversity (6 Finnish, 4 Indian), indicating the necessity of respect for one another in multicultural settings.

However, career development, frequent feedback, and inclusive decision-making were more important to Indian participants. These preferences align with cultural norms regarding advancement and recognition, indicating a desire for respect, growth, and recognition in hierarchical society settings. However, Finnish participants preferred social and team-building activities more than formal recognition (5 out of 7), which might be a reflection of their preference for informal, egalitarian bonding within professional environments.

Social Identity Theory, which highlights the importance of group recognition and membership in creating a sense of belonging, is consistent with these findings. When cultural values are identified and reinforced through team practices either through openness, career support, or communication style participants become increasingly likely to feel valued and included in the team.

The findings also support Transformational Leadership, which focuses on inspiring and motivating team members by fulfilling their individual needs, building inclusion, and encouraging participation. The focus on inclusive decision-making and career development reflects transformational leadership like individualized consideration and intellectual stimulation, which are aimed at empowering team members and encouraging engagement.

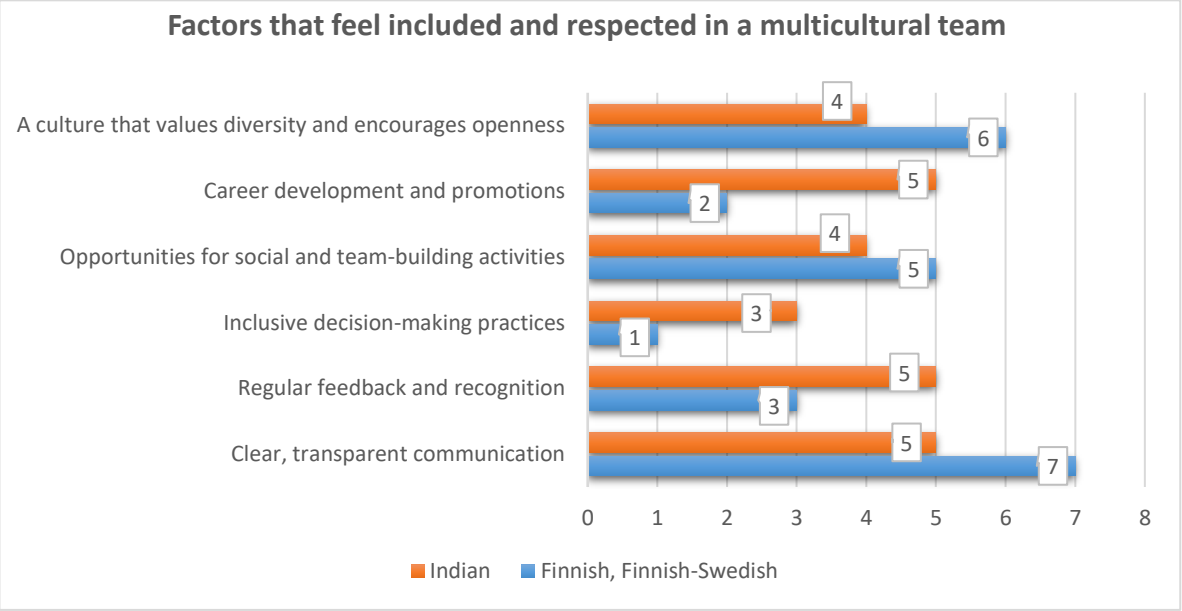


Figure 11: Factors that participants feel included and respected in multicultural project teams (n = 7 Finnish/Finnish-Swedish, n = 6 Indian).

Quote	Social Identity Theory
"The different values and features need to be accounted for openly and directly shown (that they matter). People feel better and are more productive when they know their values and features are considered truly." (Participant 5)	This highlights that when individuals cultural values are acknowledged then they feel respected and more productive which aligns with Social identity theory focus on group recognition and belonging.
"Realised that productivity depends on people, not just deadlines or deliverables.Noted that cultural differences caused friction at first but could become strengths." (Participant 9)	Notes that cultural differences though initially a source of friction but can become strengths by reflecting Social identity theory that diverse identities contribute to team success and foster a collective identity.
"By letting everyone use their own strengths. Sharing experiences and learning from each other. " (Participant 12)	Stresses the importance of inclusivity and open communication which stresses on intergroup understanding by reducing biases to strengthen team cohesion.

Table 2: Participant Quotes and link to social identity theory

4.1.6 Trust Building and collaboration

Participants were asked to identify the most important factors that help build trust and collaboration in multicultural project teams. The responses highlighted both shared values and culturally influenced preferences as shown in Table 3.

Both Finnish and Indian participants strongly highlighted the importance of clear and consistent communication (Finnish: 7, Indian: 6), establishing it as a universal trust-building mechanism across cultures. This aligns with earlier findings on communication style, transparency and clarity being critical in team settings.

what helps build trust and collaboration in multicultural teams	Finnish =7	Indian=6
Clear and consistent communication	7	6
Regular feedback and active listening	3	6
Building personal relationships (e.g., shared meals, casual conversations)	6	3
Transparency about roles, responsibilities, and decisions	5	4
Inclusion and recognition of everyone's input	4	4
Cultural sensitivity or awareness from the team	4	4
Autonomy & Freedom	2	2
Respecting hierarchy and senior roles	2	1

Table 3: Factors that help to build trust and collaboration in multicultural teams

Indian participants strongly preferred active listening and frequent feedback (6 out of 6) when compared to only three responses from Finnish participants. This highlights that Indian professionals might look for more interactive recognition or validation in team dynamics which would be more in line with interpersonal or hierarchical expectations.

Finnish participants (6 out of 7) placed a higher priority on developing personal relationships through shared meals and informal conversations more than the fewer Indian participants (3 out of 6) who chose this option. This might suggest that in the low-context, egalitarian workplace culture of Finland, casual interactions are viewed as a more natural means of fostering trust. Transparency about roles and responsibilities, inclusive recognition, and cultural sensitivity were equally valued by both groups (4–5

mentions each), showing that these are increasingly seen as cross-cultural requirements for effective collaboration.

Notably, autonomy, freedom and respect for hierarchy were mentioned by only a few respondents across both groups, which could be a general tendency toward flatter, more participative team forms in international projects. These findings substantiate that although certain trust practices are universal, others are culture-specific and must be managed carefully to ensure inclusion and cooperation.

Consensus Building and Group Harmony:

Consensus-building was also one of the key strategy for establishing trust and collaboration in multicultural groups. While the process and rationale for consensus varied across cultures, both Indian and Finnish respondents recognized the value of achieving collective agreement in ways that maintained group harmony and inclusivity.

For Indian participants, collective agreement had its most significant association with relational harmony by preserving mutual respect and avoiding confrontation. As one of the participant explained: "*In my team, there's a stronger emphasis on peaceful cooperation and harmony rather than competitiveness. Success is usually defined by how well we work together to achieve project goals, not just by individual performance*." (Participant 2 - Indian)

Finnish participants also valued consensus but through egalitarianism and structured participation. Finnish participant said "*Finns typically prefer consensus-based decision-making processes, underpinned by logical reasoning and evidence-based evaluation. Once a decision has been reached, prompt and diligent execution is expected. "* (Participant 9, Finnish)

While group harmony was valued in both the cultures, they achieved it in different ways. Finnish participants placed more emphasis on open dialogue and egalitarian

participation, while Indian participants preferred indirect consensus and interpersonal diplomacy. They both emphasised how crucial inclusive leadership is to restoring confidence in reaffirming trust and ensuring that decisions reflected mutual input.

Mutual Respect and Transparency:

Transparency and openness were repeatedly highlighted by participants as critical for building trust and sustaining collaboration in multicultural teams. These values were associated with clarity in expectations, accessible leadership, and inclusive participation, especially in culturally diverse project settings where miscommunication or perceived exclusion can arise easily.

One participant stressed the need for open communication to attain expectations and maintain accountability: "*Deadlines are met with communication in advance in case of delay."* (Participant 11)

This level of transparency was not only seen as professional but also as a way to reduce power distance and highlight mutual responsibility, something pointed out by the same participant highlighting *"An open door policy helps keep the hierarchy at a minimum and direct communication. A culture that values diversity and encourages openness*." (Participant 11)

Another participant described openness as flexibility and inclusion, two of the keys to managing diversity in cultural styles of working: *"Involve everyone in decision-making, so no one feels left out. Appreciate different working styles, and stay flexible in how we collaborate."* (Participant 6)

Leadership was seen as essential in building an open culture, especially when there were cultural breakdowns of communication. The same participant stated "*Leadership played a key role by encouraging empathy, open discussion, and setting team norms for respectful feedback moving forward."* (Participant 6)

These responses are in line with Social Identity Theory which emphasizes that individuals seek inclusion and acceptance within group settings. Openness not only facilitates the accomplishment of the task but also sends the message that divergent opinions are valued, which makes team members feel more included. This aligns with Schwartz's value dimension of Harmony, where openness facilitates peaceful relationships, reduces power differences, and builds a culture of respect within teams.

4.1.7 Conflict Resolution and Feedback Mechanisms

Conflict was not uncommon in multicultural teams, but it rarely appeared in overt or confrontational forms. Instead, participants described that conflict arose due to roles that were misinterpreted, cultural expectations that went unspoken, or incompatible leadership styles. What made the difference, however, was how these tensions were acknowledged and addressed.

One of the participants explained how decisiveness, while effective may unintentionally silence others: *" When individual initiative takes precedence, the team often resolves ambiguities swiftly through decisive action, though this can sometimes risk marginalizing quieter voices."* (Participant 3)

Another situation where differing cultural norms around task ownership created confusion was described as : "There was a confusion over a deadline. The European team expected independent follow through, while the Indian team was waiting for a confirmation from senior management. As a result the task got delayed."(Participant 8)

In this case, conflict was resolved through open communication and structural clarification: *"We addressed it through an open team call where I clarified expectations and encouraged both sides to express how they usually work. Leadership played a key role by showing flexibility and encouraging mutual understanding. From then on, we*

used written confirmation and cleared task ownership, which really helped prevent future misunderstanding." (Participant 8)

Challenges also arised due to difference in cultural expectations around hierarchy and authority. A Finnish participant described a situation where team members did not act on tasks assigned outside the formal reporting structure: *"Some tasks by non-direct supervisor (me) were not enough serious considered and it led to missed deliveries."* (Participant 5)

This is a case of hierarchy-induced conflict, wherein Indian team members would have felt that the task was informal or non-binding due to the position of the supervisor being outside the immediate line of control. Although Finnish work culture tends to promote initiative and flat organization, such incidents illustrate how implicit hierarchical expectations can override these values in multicultural teams especially where task ownership is not explicitly defined or culturally adapted.

Another participant noted how hierarchical values and customer relationships made delivering critical feedback culturally sensitive "Yes. Way of hierarchy, and flattery to customer is challenging when negative news should be given. Awareness is the key."(Participant 13)

These quotes suggest that conflict in multicultural teams is often invisible until it surfaces as delay, silence, conflicts or misalignment. Participants showed that with leadership support, clarity, cultural awareness such conflicts can be transformed into learning opportunities that strengthen collaboration. These findings are in support of adaptive leadership styles and maintain Social Identity Theory under which members felt included and effective when differences rooted in culture were openly acknowledged and addressed rather than avoided or misunderstood.

Conflict Resolution Strategies:

Finnish members were inclined to resolve conflicts openly and directly by means of structured discussion. Indian members preferred resolving conflicts informally or leaving them to the authority of leadership to prevent open confrontation.

As previously discussed in Section 4.1.3, communication style plays a critical role in how conflict is perceived and managed. Finnish professionals tend to address issues directly, including difficult topics whereas Indian professionals often use indirect communication to maintain politeness in order to avoid open confrontation. One participant said "*Finns speak directly and honestly, even about difficult topics. Indians may use indirect language to be polite and avoid conflict.*" Participant 6

These differing norms can shape how tension is expressed or suppressed in multicultural teams. Recognizing and adapting to these styles was seen as an important conflict management strategy, especially in preventing misunderstandings from escalating into larger issues.

In conclusion, the results highlight shared values and culturally unique differences in trust, communication, leadership, and cooperation between Finnish and Indian professionals. The results provide a foundation for the discussion of Chapter 5 where ways of enhancing multicultural project cooperation are addressed on the basis of the theory.

5 Discussions and Conclusions

5.1 Comparative study of multicultural team's research

1. Major Multicultural Project Team Leadership Studies

There are some studies conducted that examined issues of leadership and management in multicultural project teams. Mäkilouko (2004) examined Finnish project leaders ability to deal with multicultural leadership with qualitative interviews with 47 Finnish leaders. It ended with most default to a task-oriented (ethnocentric) leadership behaviour, which inclined towards delaying performance in multicultural settings. Mäkilouko introduced polycentric leadership, an approach aligning leadership style to diverse cultures although it demands high cultural awareness.

Ochieng & Price (2009) examined multicultural leadership within construction projects, particularly in UK–Kenya partnerships. Their qualitative study proposed eight leadership dimensions required for the success of a team, including leadership style, trust building, communication adaptation, and conflict resolution. They highlighted that multicultural leadership is not a formulaic but requires constant culturally aware effort.

Hankimaa (2019) investigated trust in Finnish–Indian offshoring project teams. Her doctoral thesis revealed that Finnish professionals prioritize cognitive trust (competence and dependability), whereas Indian professionals emphasize affective trust (relationship and rapport). Successful leaders in this case practiced "active trust-building" by encouraging understanding and reliability of behaviour to address these differences.

2. How Leadership Strategies Are Framed in the Literature

Multicultural leadership is generally informed by three general lenses: adaptive leadership, transformational leadership, and inclusive communication practices.

Adaptive leadership is emphasized as being context-dependent and culturally relative. All the studies point out that great leaders are flexible and adapt their style to the

cultural composition of the team. The leaders have to switch between directive and participative styles depending on the nature of the team context.

Transformational leadership, though not necessarily described in those terms, is a prominent component of many studies. It involves eliciting a shared vision, offering individualized consideration, and creating team identity. Transformational leaders have a tendency to create more cohesive multicultural teams by unifying various members with universal values and goals. Also crucial are inclusive communication and facilitation practices. The literature stresses the importance of creating psychologically safe spaces, being adaptable between high-context and low-context communication styles, and making each voice heard. Consensus-building and collective decision-making are also common tools for aligning diverse teams.

3. Gaps and Limitations of Current Studies

Despite their contributions, previous studies present gaps. Firstly, the majority of them are either single cultures or highly general comparisons, overlooking a particular cultural combination like Finland and India. Mäkilouko studied Finnish managers without deeply examining any one foreign culture in conjunction. Ochieng & Price studied UK–Kenya teams, while Hankimaa's study was limited to distributed offshoring and not face-to-face teams. Second, most studies are industry specific or context-bound. For example, IT offshoring or the construction industry dominates most case studies. This makes generalisability difficult. Last, recent focus has been shifted towards virtual teams, while team behaviour in face-to-face situations is underexplored. Few studies distinguish the challenges of co-located and remote teams.

Third, the literature is often lacking in practical and action-orientedness. While there are numerous conceptual frameworks, they don't usually provide concrete methods for implementation. Existing recommendations are generally descriptive rather than prescriptive. Finally, the majority of the studies employ one-way leadership perspectives without bi-directional cultural observations.

4. How This Thesis Extends and Develops from Previous Work

This thesis bridges these gaps by being especially interested in Finnish–Indian multicultural project teams, a combination not previously extensively subjected to academic research. This work provides specific analyses of how Finnish egalitarianism and directness correspond with and differ from Indian hierarchy and relational sensitivity. The thesis provides an empirical grounding based on theories such as transformational leadership, social identity theory, and Schwartz's cultural values with qualitative field data which allows for a deeper understanding of real world experiences. It gives a balanced perspective by collecting responses from Finnish as well as Indian professionals, thereby by avoiding cultural bias.

Another unique key point about the thesis is its focus on face-to-face professional settings. By removing virtual or remote work settings, the research identifies interpersonal leadership dynamics that are typically overshadowed in modern literature. It shows how face-to-face interactions, including informal conversations and non-verbal cues, affect multicultural collaboration.

5. Original Contribution and Future Research

The thesis makes a pioneering contribution in combining underexplored specific cultural pairing such as Finnish and Indian, theoretical path, qualitative richness, challenges and practical strategy into a single integrated study. It validates existing concepts and delivers new insights into Finnish–Indian team collaboration. Future research can branch out from this foundation by testing the suggested strategies on more varied or larger samples. Research might also explore how such dynamics shift under virtual or blended environments or extend it with other cultural pairing. Researchers could also study emotional intelligence or intercultural training as additional leadership facilitators.

Finally, this research fills a significant gap in multicultural leadership literature involving Finnish and Indian professionals and serves as a standard for combined, applied, and culturally specific research in global project environments.

5.2 Overview of Findings

This chapter presents a critical interpretation of the results in relation to the research questions and the theoretical framework established earlier in this study. The objective is to provide further insight into the leadership issues experienced and collaboration strategies in multicultural project teams with Finnish and Indian professionals. The discussion synthesizes the qualitative data, connects them with previous literature and discusses them from the perspectives of Transformational Leadership Theory, Schwartz's Cultural Value Theory, Social Identity Theory, and Adaptive Communication Strategies.

The findings reveal a complex but insightful picture of cross-cultural dynamics. While participants demonstrated a shared commitment to collaboration, the results shows significant differences in leadership expectations, norms for communication, values at work, and team behavior between Finnish and Indian professionals. Cultural sensitivity, flexible leadership techniques, inclusive practices and respect for one another were used to overcome these differences, underscoring the value of both theoretical understanding and real-world experience in leading diverse teams.

5.3 Interpreting Leadership Challenges in Multicultural Teams

Leadership problems in Finnish–Indian project teams primarily arise from differences in cultural values and work ethics. Finland's low power distance culture with equality being valued contrasts with India's high power distance culture where hierarchy is valued. Differences in authority and decision-making style caused by such cultural differences can lead to confusion when Finnish leaders adopt a participative style of working, whereas Indian teams expect more directive leadership. These cultural differences are consistent with the reasoning of Hofstede (1980) and Schwartz (2004) that leadership

behaviour and expectations are significantly influenced by cultural dimensions such as power distance, individualism vs. collectivism, and hierarchy vs. egalitarianism.

5.3.1 Communication Barriers and Feedback Approaches

The findings identified communication as a major barrier in multicultural teams. The Indian team members communicate indirectly and in context, whereas Finnish team members prefer explicit, direct communication. Such a contrast is likely to lead to misunderstandings and misinterpretation, which affect team dynamics. The importance of addressing communication gaps is aligned with Ochieng & Price's (2009) research, which highlights the need for culturally adaptive communication strategies to ensure clarity and mutual understanding in multicultural teams. Communication was the most difficult of all, particularly where direct and indirect communication styles are involved. Direct, explicit, and transparent communication was enjoyed by Finnish professionals, while Indian professionals favoured indirect, respectful, and context-specific communications. This finding is consistent with the Hall's (1976) high-context (India) and low-context (Finland) communication culture theory. In high-context cultures, indirect or non-verbal messages are meant to convey a lot of meaning while in low-context cultures prioritize explicit verbal messages. This also aligns with Schwartz's (1992) Harmony (India) and Autonomy (Finland) value dimension where communication is either directed by relational concern or individual expression.

The figure 10 also reflected misinterpretation of silence and pauses as a problem, primarily among Indian participants (6 out of 6). Silence in Indian settings usually means respect or reflection, particularly in hierarchical settings. Finnish professionals are, however, comfortable with silence and employ it to reflect, avoid unnecessary conversations, or show respect for another's turn in speech. Nevertheless, when in intercultural teams there is no explanation for the silence, other individuals may think that it means passivity or confusion if they do not understand it culturally.

Another key finding was hesitance to speak in hierarchical settings, where 6 Finnish participants marked it as a problem, and 3 Indian participants did. This is explainable through Finnish egalitarian values and the awkwardness which arises as a result of formality being imposed. It was mentioned by one of the participants: *"Finns are more direct in their way of communicating. Also, hierarchy is not so high in Finnish culture."* (Participant 4). Indian participants were more culturally accustomed to respect and may not place it on a list as a "challenge," despite the fact that it affects team communication.

Other issues such as misunderstanding nonverbal communication (e.g., eye contact, tone of voice) and linguistic clarity (e.g., accent, vocabulary) were issues both groups were familiar with, and responses split nearly evenly. These highlight further how diverse communication is in multicultural contexts, that includes not only what is said but also how, when, and by whom. These communication gaps, if left to go unresolved, can lead to mistrust, task uncertainty, or even implicit conflict. According to Duan et al. (2016), such gaps can be reduced by transformational leaders by encouraging open communication, active listening, and aligning their communication with the subordinates cultural norms.

5.3.2 Trust Building and Collaboration

Trust-building strategies can also be highly different across cultures. For example, in some cultures, trust may be established based on personal relationships, while in others it might be established on the reliability of work. These differences can cause misunderstandings in communication issues, feedback preferences, relationship-building practices and can affect trust and collaboration in multicultural teams.

The findings indicated that the Finnish respondents placed immense value on building personal relationships and Indians highlighted that ongoing feedback and active listening are required to foster trust within the team (Table 3). The GLOBE study (House et al., 2004) also emphasises the point that in hierarchical trust cultures such as India, there is a need to establish trust on the basis of authority and respect for seniority, while in more

egalitarian cultures such as Finland, trust will be established more likely through equality and mutual accountability.

Social Identity Theory (Tajfel & Turner, 1986) offers valuable insight that trust becomes deeper where individuals feel their group identity is honoured and validated thus, inclusion, cultural consciousness, and acknowledgment become essentials of sustained collaboration. Individuals who felt that their cultural values were acknowledged and appreciated reported having greater feelings of belongingness and contribution. According to Verkuyten (2006), multicultural recognition strengths intergroup harmony and teamwork. This is especially true for Indian-Finnish project teams in which maintaining identity and building inclusive norms fosters psychological safety and cooperation.

5.3.3 Conflict Resolution and Cultural Sensitivity

Conflict resolution was yet another challenge. Finnish teams are used to resolving conflicts openly and directly, while Indian teams will avoid confrontation and seek harmony. When conflict management styles between such teams are different, tensions may build up and never be resolved, impacting team morale and the success of the project. Yin et al. (2020) states that cooperative conflict management strategies are essential for multicultural teams, and leaders must be responsive in adapting their conflict resolution techniques according to the cultural expectations.

Results also revealed that whenever conflict did occur, it appeared to be rooted in miscommunication or clashing expectations. Finnish professionals preferred direct confrontation, while Indian team members relied on hierarchy or avoided conflict. Such differences follow Schwartz's Mastery vs. Harmony value dimension: mastery cultures like India emphasize achievement and control, while harmony cultures like Finland prefer smooth coexistence and consensus.

Successful conflict management, therefore, requires leaders to be aware of variations in conflict styles between cultures and employ adaptive styles that allow for both individual and group preference (Appelbaum et al., 1998; Yin et al., 2020).

5.3.4 Identity, Belonging, and Team Cohesion

Inclusive leadership, joint decision-making, and effective communication were required to make participants feel valued. Quantitative results substantiate these challenges: 1 out of 7 Finnish respondents enjoyed inclusive decision-making practices against 3 out of 6 Indians, and 5 Indian participants highlighted frequent feedback as against 3 Finnish ones (Figure 11). This variance indicates a leadership blind spot whereby inclusion is not understood similarly across cultures. Each time such inclinations are not being observed, this can establish perceived exclusion, psychological safety decrease, or disengagement. One participant 12 said, "*Finnish way of no or little small talk have made me look arrogant or stupid. Or both. Not addressed directly."* This illustrates how cultural normative behaviour, such as cutting small talk (in Finland), can be interpreted by others who are from more relational or high-context cultures as coldness or disrespect. Such feelings, if not addressed by leadership, can decrease a person's sense of worth and belonging.

This is within Social Identity Theory (Tajfel & Turner, 1986), where individuals derive self-esteem from group membership and the endorsement of cultural identity. Thus, a one-size-fits-all inclusion approach is insufficient for multicultural teams. Leaders need to be taught to notice and respond to varying signs of inclusion so that each team member's background is valued and their input truly valued.

5.4 Strategies for collaboration in multicultural teams

It was unanimously agreed upon by all participants that emotional intelligence and intercultural training are essential for leaders in global multicultural teams. This broad agreement demonstrates a common understanding that effective management of

diverse teams requires cultural sensitivity, empathy, and an ability to change communication and leadership approaches.

Figure 12: Intercultural or emotional intelligence requirement in multicultural teams

5.4.1 Culturally Adaptive Leadership

The most significant of the findings from this study is the need for culturally adaptive leadership in multicultural project teams. The participants mentioned that teamwork improves when leaders are sensitive to cultural values and adjust their leadership style accordingly. This matches with Transformational Leadership theory, i.e., individualized consideration and intellectual stimulation (Bass, 1999).

A recurrent contrast existed between Finnish flat organizational cultures, which allowed for egalitarianism and openness, and Indian aspirations to hierarchical leadership, with emphasis on control and definiteness. As Participant 3 (Indian) acknowledged: " *Yes, I have adjusted my leadership and communication style while working in multicultural teams.For instance, I learned that different team members might prefer varying degrees of direct guidance versus collaborative decision-making*."

This highlight the need for adaptive leadership styles. This is in line with Caza et al.'s (2021) view that adaptive leaders must switch between directive and participative styles depending on team composition. Time must be taken to understand the cultural

background of team members, to build inclusion through informal conversations, feedback mechanisms, and adaptive delegation. Team building trainings or workshops and open communication sessions enable trust development and inter-personal respect.

Additionally, Adams et al. (2020) describe positive leadership as a blend of real, respectful, and inclusive styles to generate psychological safety and belongingness. Adaptive leaders reduce conflict and discrimination by building a positive environment in which individuals feel valued, motivated, and empowered.

One recurring challenge with multicultural teams is the difference between the pace and also the autonomy styles of Indian and Finnish professionals. Participant 3 stated, "*When individual initiative takes precedence, the team often resolves ambiguities swiftly through decisive action, though this can sometimes risk marginalizing quieter voices*..". This highlights a key issue like direct, autonomous approaches may inadvertently silence those from cultures where hierarchy or group consensus is more valued. However, this same insight can be a strategic one, by being sensitive to the fact that quick decision-making can marginalize less vocal voices, culturally responsive leaders can create inclusive processes such as rotating facilitators or regular team check-ins in order to facilitate more universal participation. As Participant 9 suggested, "*Emphasised that every voice matters regardless of role or background. Rotated meeting chairs and task leads to promote shared leadership*..''. These two citations combined describe how what appeared to be a source of tension can actually become a solution—adaptive leadership that combines individual initiative and inclusive practice produces speed and equity in multicultural teams.

The project management role of an organisation has to go through training sessions related to cultural awareness in order to make valuable inputs regarding the cultural beliefs and values of people. Promotion for different type of wellness program are also needed to adopt and learn the cultural belief of each person in the organisation. Hence the good relation with all the team members is essential to work in a diverse team.

In alignment with Mäkilouko's (2003) concept of Synergistic Leadership, multicultural leaders must go deeper than surface adaptations and work at creating a cooperative team culture. This includes constructing common working values, planning performance expectations together, and creating mutual communication and interaction norms. As Mäkilouko indicates that only those who perceive themselves as equals can share information openly, implying that mutual psychological safety and respect for one another are a paramount to synergy. Mäkilouko (2003) also introduces Polycentric Leadership as a necessary approach where there are immense differences in cultures which cannot be bridged in the short term. The leader using this style must adjust to the requirements of each team member regarding communication, trust, hierarchy, and decision-making. But polycentric leadership can happen only when the leader is deeply culturally sensitive, usually acquired through intercultural exposure and close relationships. It points out that cultures are best understood relationally and not theoretically and this implies high interpersonal relationships is crucial to lead effectively across cultures.

Overall, culturally adaptive leadership is required for multicultural teams. Empathetic yet structured leaders who adapt their behaviours to address various expectations make stronger partnership, inclusion, and project success.

5.4.2 Transparent and Inclusive Communication Practices

Finnish colleagues prefer direct feedback, while Indian members are more diplomatic to avoid conflicts. Effective communication was identified as a key strategy for encouraging collaboration in multicultural project teams. Participants across both the cultural backgrounds emphasized that clear expectations, written confirmations, and open communications during decision-making were essential in order to reduce misunderstandings. These findings reflect the significance of adaptive communication strategies in multicultural environments where team members may interpret tone, silence, and feedback differently.

One of the most frequent challenges stated by Indian and Finnish participants was the mismatch in communication styles around directness versus indirectness. For instance, one participant described how a response from an Indian colleague led to confusion *"A Finnish team member gave very direct feedback, which an Indian team member found uncomfortable or even disrespectful and an Indian colleague said sthh like only "yes" to a deadline to be polite, but the Finnish side assumed it was a firm commitment and the same when a Finn asked if the Indian was able to do so. In Finnish culture, being direct shows respect for your time. And the in Indian culture, saying "yes" often means 'I'll try my best,' not at all a definite promise. "* (Participant 10)

This experience highlights the risk of miscommunication when high-context communication (indirect, implicit) common in Indian culture meets low-context communication (direct, explicit) typical of Finnish culture (Hall, 1976). When expectations are not clarified regarding tasks or timelines then they can lead to conflicts or performance issues.

One Participant recommended written communication and explicit task ownership as key practices for avoiding ambiguity. The participant shared *" There was a confusion over a deadline.The European team expected independent follow through, while the Indian team was waiting for a confirmation from senior management.As a result the task got delayed. We addressed it through an open team call where I clarified expectations and encouraged both sides to express how they usually work. Leadership played a key role by showing flexibility and encouraging mutual understanding. From the on, we used written confirmation and cleared task ownership, which really helped prevent future misunderstanding."* (Participant 8)

This is in agreement with the recommendations of Yin et al. (2020), who stresses that open communication channels and clear role definitions help reduce intercultural friction and increase trust in project teams. Furthermore, some participants shared how inclusive communication practices foster psychological safety and engagement.

"Emphasised that every voice matters — regardless of role or background. Rotated meeting chairs and task leads to promote shared leadership." (Participant 9)

This finding supports the importance of transformational leadership in multicultural teams, particularly the behaviours of individualized consideration and intellectual stimulation (Bass, 1999), where leaders actively include diverse perspectives and encourage open dialogue. In addition, promoting transparent decision-making and openness about team dynamics strengthens both inclusion and accountability. As one participant noted: *"An open-door policy helps keep the hierarchy at a minimum and supports direct communication. A culture that values diversity and encourages openness."* (Participant 11). These reflections show that when leaders and team members adopt transparent, respectful, and inclusive communication strategies, it reduces cultural misunderstandings, develops mutual respect and strengthens collaboration.

Lisak et al. (2016) discovers that inclusive communication that is team goals-driven enhances trust and minimizes misunderstanding. Stahl & Maznevski (2021) suggest that adaptive communication grounded in cultural awareness is essential when working across cultures. Open and respectful communication enables expectations to be heard and understood and teams aligned. Leaders who create safe spaces where all participants can contribute create conditions for improved productivity and less friction (Ochieng & Price, 2009).

5.4.3 Consensus Building and Harmony

Consensus-building was identified as a key approach to building better collaboration in multicultural teams, especially in projects between Indian and Finnish professionals. Although the mechanisms and motivation of consensus differed in various cultural settings, the members of both groups highlighted that collaborative decision-making contributes in significant ways to team success, while maintaining interpersonal harmony.

Indian participants used consensus-building as synonymous with group harmony and relationship preservation, even if time-consuming and indirect. This reflects Schwartz's (1992) Harmony dimension, where social stability and non-confrontation are prioritized. One participant described this dynamic*: "When group harmony is prioritized, we tend to invest more time in building consensus and clarifying uncertainties, leading to a well-aligned team. "* (Participant 3, Indian)

Another Indian respondent described how collaboration was defined more by peaceful working relationships than individual achievement: *"I prefer to maintain peaceful cooperation to have a more consistent result. Weekly meetings keeps the team in the loop of things. Maintaining good relations and balance has proved to achieve long lasting results within my team "* (Participant 11, Indian). These insights are consistent with collectivist cultural tendencies, where decision-making is often distributed and disagreement is softened to preserve group alignment.

On the Finnish side, consensus-building was equally important, but it was approached through logical reasoning and structured dialogue rather than relational diplomacy. A Finnish participant highlighted*: " Finns typically prefer consensus-based decision-making processes underpinned by logical reasoning and evidence-based evaluation. Once a decision has been reached, prompt and diligent execution is expected."* (Participant 9, Finnish)

Finnish Participant also stated " *The success is combination of both - technical success and relationship maintaining and cherishing."* (Participant 5, Finnish)
This comment reveals a more task-oriented, procedural form of consensus, aligned with Finland's low power distance and egalitarian organizational culture. Rather than relying on hierarchy, Finnish teams encouraged shared discussion, but expected rapid alignment once decisions were made.

These different strategies of consensus point to a prime strategy: leaders must recognize and cope with conflicting expectations about how decisions ought to be made. In multicultural teams, especially high-context (India) and low-context (Finland) teams, success depends on balancing participation with decision clarity. Also, this discussion aligns with the need to establish a psychologically safe environment in which the individuals feel supported and feedback not only allowed but asked for. By greater collaboration in multicultural environments, the inclusivity directly promotes trust building and aligns with transformational leadership behaviors (Bass, 1999). This sub theme is also aligned with the social identity theory. It observes that individuals from various backgrounds are more likely to feel like they belong and have a positive group identity when they believe their opinions are truly considered whether through active participation or respectful silence (Tajfel & Turner, 1986).

Therefore, creating an agreement among multicultural teams is not just by reaching agreed decisions but also is a symbolic and practical tool for inclusion, identity recognition, and collaboration. When consensus building combined with culturally sensitive approaches to group harmony, it can significantly strengthen team cohesion and project success. This theme aligns with Zander & Butler's (2010) research which found that leadership structures especially shared or dual leadership help multicultural teams increase trust and consensus by resolving conflicting expectations. In conclusion, reaching a consensus is a collaborative mindset rather than just a method. Increased engagement, less conflict, and improved team cohesion are the results regardless of whether the motivation is to preserve group harmony (Indian context) or to create collective agreement through discussion and structure (Finnish context).

5.4.4 Flexible Structures and Efficient Task Focus

The study also examined how Finnish and Indian professionals differ in their approach towards deadlines, task completion, and overall project delivery. Both groups aim for productivity, but they approach it in entirely distinct manners reflecting a discrepancy

between being flexible and efficient that needs to be managed with sensitivity in multicultural project teams.

Indian professionals often talked of a more relational and flexible approach to time and task ownership, where flexibility was viewed as a reflection of relationship-building, contextual adaptation, and change-responsiveness rather than a sign of a lack of discipline. For instance: “Indians prefer flexibility of time and often indulge in small talks. There is indirect communication to respect the authority.” (Participant 1).
“For Indian working style, the short-term schedules are very flexible and variation in delivery might occur. ”(Participant 5).

Indian workplace norms demonstrate adaptability, relational thinking, and respect for hierarchy aligns with Schwartz's Embeddedness vs. Hierarchy and partially towards Harmony dimensions. Long hours and shifting priorities are frequently viewed as a sign of dedication rather than inefficiency in such high-level contexts settings. To prove this, here is a quote that states “Attitudes toward Time: Finnish professionals are very punctual and stick to schedules. Indian professionals are more flexible with time and may adjust as needed.” (Participant 6)

On the other hand, Finnish participants emphasized punctuality, structured work routines and time-consciousness. Efficiency was tied closely to planning, autonomy, and personal responsibility for tasks. This approach reflects cultural values such as Autonomy, Task-Oriented Leadership, and low-context communication. “Finnish working style relies on timely deliveries and meeting schedules when it comes to daily and weekly routines.”(Participant 5).

These different preferences could lead to misunderstandings or frustration in multicultural teams. Miscommunications may also occur if one team relies on self-directed task ownership while the other team anticipates verbal check-ins. Participants shared proven strategies that combine adaptability, effectiveness, and communication

to close this gap. These included the use of shared calendars, written task confirmations, flexible deadlines with fixed outputs, and culturally inclusive scheduling. One participant noted: *"Leadership played a key role by showing flexibility and encouraging mutual understanding*." (Participant 8).

"*Leadership: Clarified deadlines and clarified task owners explicitly, Buffer time,Check-in points, Use of open, respectful feedback, Normalise how learning from mistakes makes it richer and bringing up mistakes is respectful*." Participant 10.

" *I've learned to adapt being clear about expectations upfront and adjusting my level of follow up based on the teams working style. It helped build trust and keep project on track.* " Participant 8.

This aligns with Duan et al. (2016), who demonstrated that transformational leaders shape voice behavior through a Pygmalion mechanism by setting expectations and enabling employees to internalize these expectations as part of their role. Bass (1999) also attests that transformational leadership is especially effective in multicultural and changing contexts because of its adaptability whether directive or participative and emphasis on moral purpose and follower development. This was clear in the way participants highlighted adaptability in leaders in both hierarchical and egalitarian team cultures.

5.4.5 Building Trust through Openness and Feedback

One of the key components for improved collaboration in multicultural teams was considered to be trust. Both Finnish and Indian participants emphasized its significance but the specific trust-building mechanisms varies across cultures. Indian participants emphasized hierarchical relationships where feedback and acknowledgment reflect a more structured, relational approach to trust.

As Table 3 indicates, the most universally shared factor among both groups was open and consistent communication, which 7 Finnish and 6 Indian respondents chose. This reinforces earlier results in Section 5.2.1 and underscores transparency as a cross-

cultural rule of trust-building which is a reminder that openness, clarity, and prompt feedback are universally valued. It is especially necessary in multicultural situations where ambiguity will inevitably arise due to differing expression styles and expectations.

Beyond this shared value, there were deeper cultural differences that became evident. Finnish respondents placed greater emphasis on building personal relationships in an easygoing environment of casual conversation and social interaction (6 of 7), suggesting that trust in Finnish business culture can develop through informal, egalitarian environments. This aligns with Finland's low-context, autonomy-oriented culture, where respect is shown through openness and informality. Indian participants, on the other hand, strongly preferred regular feedback and active listening (6 out of 6), indicating that there is a need for more interpersonal recognition and engagement.

Leaders are expected to show engagement and attentiveness in a high-context, hierarchical cultures like India. Leader and member trust, or how much a leader is liked and trusted by team members is a key component affecting leadership effectiveness (Turner and Müller, 2005). This is considered important in diverse teams because miscommunication, and decision-making conflicts can result from cultural differences. Many participants proved it right by pointing out that once a personal connection was made, response time and cooperation greatly improved. As a result, relationship-oriented leadership cultivates familiarity, which enhances responsiveness and trust across cultural boundaries. In multicultural project teams, shared responsibilities and consistent leadership behaviours can reduce perceived power distance and promote mutual respect by strengthening trust between the team members and the leader (Turner and Müller, 2005).

Zander and Butler (2010) refer to the challenge leaders face in establishing trust when members hold different cultural beliefs about hierarchy, authority, and leadership legitimacy. Leaders who communicate openly, share responsibility and respect each member's cultural norms strengthen trust. Such relational leadership fosters knowledge

sharing, creativity, and group accountability in culturally diverse teams in addition to improving psychological safety.

Chen and Sriphon (2022) note that lack of trust can critically affect organizational outcomes. Therefore, in order to improve psychological safety and team cohesion, leaders must foster interpersonal relationships and promote one-on-one communication by creating an environment that allows for expressing of cultures. Social Identity Theory (Tajfel & Turner, 1986) reinforces this by emphasizing on the base that trust is built when team members feel their cultural identity is acknowledged and valued.

5.5 Limitations and future recommendations of the study

While the study provides insight into leadership challenges within Finnish–Indian multicultural project teams, numerous limitations must be recognized. First, the number of participants in the study was rather limited and bounded to one specific cultural pairing (13 professionals: Finnish and Indians). A heterogeneous and larger population might also ensure more generalizability of results. Second, data collection involved dependence on respondents own responses using a qualitative survey technique. While this was accommodating, it may have had a limitation on deep responses compared to in-depth interviews or focus groups. Third, the study only examined face-to-face project teams. Communication dynamics and leadership behaviours in a contemporary hybrid and virtual work environments can be vastly different. These were intentionally omitted to focus on face-to-face leadership, but remain relevant to evolving workplace realities. While the study examined the key frameworks such as Transformational Leadership, Social Identity Theory, and Schwartz's Cultural Values, it did not incorporate broader contextual factors such as organisational culture, team lifecycle stages, and the role of gender beyond cultural dynamics that could affect multicultural leadership outcomes.

Building on the conclusions of the current study, future research can explore in several promising directions. Firstly, the cultural comparison between Finnish and Indian teams must be extended to other culture pairs (i.e., Nordic–Asian, European–African, etc.) to test whether the provided leadership approaches can be applied under other culture combinations. Second, mixed-method studies that combine qualitative interviewing and quantitative analysis could yield more nuanced, more detailed insights. For example, interviews could unveil deeper emotional or identity-based conflict not always obvious in surveys, while quantitative measures could measure such constructs as trust, leadership satisfaction, or cultural intelligence. Finally, examining organizational support systems in face to face setting and hybrid work environment such as onboarding procedures, diversity policies, or intercultural workshops may reveal how institutions enable or hinder inclusive leadership practices in multicultural groups.

References

Adams, B. G., Meyers, M. C., & Sekaja, L. (2020). Positive leadership: Relationships with employee inclusion, discrimination, and well-being. *Applied Psychology: An International Review, 69*(4), 1145–1173. https://doi.org/10.1111/apps.12230

Adams, R. B., Licht, A. N., & Sagiv, L. (2011). Shareholders and stakeholders: How do directors decide? *Strategic Management Journal, 32*(12), 1331–1355. https://doi.org/10.1002/smj.940

Adhikari, D., Gazi, K. H., Giri, B. C., Azizzadeh, F., & Mondal, S. P. (2023). Empowerment of women in India as different perspectives based on the AHP-TOPSIS inspired multi-criterion decision making method. *Results in Control and Optimization, 12*, 100271. https://doi.org/10.1016/j.rico.2023.100271

Agrawal, R. K., & Tyagi, A. (2010). Organisational culture in Indian organisations: An empirical study. *International Journal of Indian Culture and Business Management*, *3*(1), 68. https://doi.org/10.1504/IJICBM.2010.029529

Allsop, D. B., Chelladurai, J. M., Kimball, E. R., Marks, L. D., & Hendricks, J. J. (2022). Qualitative methods with NVivo software: A practical guide for analyzing qualitative data. Psych, 4(2), 142–159. https://doi.org/10.3390/psych4020013

Anjum, M. A., Karim, J., & Bibi, Z. (2014). The relationship between an individual's dominant values and conflict management styles: an empirical analysis. *Pakistan Business Review*, 353.

Appelbaum, S. H., Shapiro, B., & Elbaz, D. (1998). The management of multicultural group conflict. Team Performance Management, 4(5), 211-234. https://doi.org/10.1108/13527599810234173

Arieli S, Sagiv L, Roccas S. 2020. Values at work: the impact of personal values in organisations. *Appl. Psychol.* 69(2):230-275. https://doi.org/10.1111/apps.12181

Avolio, B. J., Bass, B. M., & Jung, D. I. (1999). Re-examining the components of transformational and transactional leadership using the Multifactor Leadership Questionnaire. *Journal of Occupational and Organizational Psychology, 72*(4), 441–462. https://doi.org/10.1348/096317999166789

Bass, B. M. (1999). Two Decades of Research and Development in Transformational Leadership. *European Journal of Work and Organizational Psychology*, *8*(1), 9–32. https://doi.org/10.1080/135943299398410

Behfar, K., Kern, M. and Brett, J. (2006), "Managing Challenges in Multicultural Teams", Chen, Y.-R. (Ed.) *National Culture and Groups* (*Research on Managing Groups and Teams, Vol. 9*), Emerald Group Publishing Limited, Leeds, pp. 233-262. https://doi.org/10.1016/S1534-0856(06)09010-4.

Bezrukova, K., Spell, C. S., Perry, J. L., & Jehn, K. A. (2016). A meta-analytical integration of over 40 years of research on diversity training evaluation. *Psychological Bulletin, 142*(11), 1227–1274. https://doi.org/10.1037/bul0000067

Brandt (nee Hautala), Tiina & Uusi-Kakkuri, Piia. (2016). Transformational Leadership and Communication Style of Finnish CEOs. Communication Research Reports. 33. 119-127. 10.1080/08824096.2016.1155045.

Busetto, L., Wick, W., & Gumbinger, C. (2020). How to use and assess qualitative research methods. Neurological Research and Practice, 2, Article 14. https://doi.org/10.1186/s42466-020-00059-z

Boroş, S., Meslec, N., Curşeu, P. L., & Emons, W. (2010). Struggles for cooperation: Conflict resolution strategies in multicultural groups. *Journal of Managerial Psychology*, *25*(5), 539–554. https://doi.org/10.1108/02683941011048418

Caza, A., Caza, B. B., & Posner, B. Z. (2021). Transformational leadership across cultures: Follower perception and satisfaction. *Administrative Sciences, 11*(1), 32. **https://doi.org/10.3390/admsci11010032**

Chatfield, S.L., 2020. Recommendations for secondary analysis of qualitative data. The Qualitative Report, 25(3), pp.833-842.

Chen, J. K. C., & Sriphon, T. (2022). Authentic leadership, trust, and social exchange relationships under the influence of leader behavior. Sustainability, 14(10), 5883. https://doi.org/10.3390/su14105883

Cherry, K. (2024). *What is transformational leadership?* Verywell Mind. https://www.verywellmind.com/what-is-transformational-leadership-2795313

Chughtai, M. S., Syed, F., Naseer, S., & Chinchilla, N. (2024). Role of adaptive leadership

in learning organizations to boost organizational innovations with change self-efficacy. *Current Psychology: A Journal for Diverse Perspectives on Diverse Psychological Issues, 43*(33), 27262–27281. https://doi.org/10.1007/s12144-023-04669-z

Croucher, S. M., Bruno, A., McGrath, P., Adams, C., McGahan, C., Suits, A., & Huckins, A. (2012). Conflict styles and high–low context cultures: A cross-cultural Extension. Communication Research Reports, 29(1), 64–73. https://doi.org/10.1080/08824096.2011.640093

European Commission. (2023). *Labour market information: Finland*. EURES – European Job Mobility Portal. https://eures.europa.eu/labour-market-information/finland_en

Finnish Immigration Service. (2024, May 21). *European Migration Network annual report 2023: An increasing number of immigrants continue to work in Finland*. https://migri.fi/en/-/european-migration-network-annual-report-2023-an-increasing-number-of-immigrants-continue-to-work-in-finland

Fischer, Ronald & Vauclair, Melanie & Fontaine, Anne Marie & Schwartz, Shalom. (2010). Are Individual-Level and Country-Level Value Structures Different? Testing Hofstede's Legacy With the Schwartz Value Survey. Journal of Cross-Cultural Psychology. 41. 135-151. 10.1177/0022022109354377.

Gambhir, M., Srivastava, N. and Taneja, D., 2024. Navigating Leadership and Communication: A Study of Emerging Leaders in Indian Organizations. *Journal of Informatics Education and Research*, *4*(1). https://doi.org/10.52783/jier.v4i1.728

Ghanad, A. (2023). An Overview of Quantitative Research Methods. International Journal of Multidisciplinary Research and Analysis, 6, 3794-3803. https://doi.org/10.47191/ijmra/v6-i8-52

Godfrey Ochieng, E., & Price, A. D. (2009). Framework for managing multicultural project teams. *Engineering, Construction and Architectural Management*, *16*(6), 527–543. https://doi.org/10.1108/09699980911002557

Greer, L. L., de Jong, B. A., Schouten, M. E., & Dannals, J. E. (2018). Why and when hierarchy impacts team effectiveness: A meta-analytic integration. *Journal of Applied Psychology, 103*(6), 591–613. https://doi.org/10.1037/apl0000291

Grosskopf, S., & Barmeyer, C. (2021). Learning from multi-paradigmatic sensitivity in cross-cultural management? Empirical and theoretical considerations. International Journal of Cross Cultural Management, 21(2), 181–202. https://doi.org/10.1177/14705958211019437

Hall, E. T. (1976). *Beyond culture*. Anchor Books.

Hankimaa, A. (2021). Building trust in cross-cultural relationships: Active trust through culture mobilisation in Finnish-Indian project teams (Doctoral dissertation, University of Westminster).

Harush, R., Lisak, A., & Glikson, E. (2018). The bright side of social categorization: The role of global identity in reducing relational conflict in multicultural distributed teams. *Cross Cultural & Strategic Management, 25*(1), 134–156. https://doi.org/10.1108/CCSM-11-2016-0202

Hofstede, G. (2001). Culture's recent consequences: Using dimension scores in theory and research. *International Journal of Cross Cultural Management, 1*(1), 11–17. https://doi.org/10.1177/147059580111002

Hofstede Insights. (2024). *Country Comparison: Finland and India*. Retrieved from https://www.hofstede-insights.com

Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, 2(1). https://doi.org/10.9707/2307-0919.1014

Hogg, M. A. (2001). A Social Identity Theory of Leadership. Personality and Social Psychology Review, 5(3), 184-200. https://doi-org.proxy.uwasa.fi/10.1207/S15327957PSPR0503_1 (Original work published 2001)

House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds.). (2004). Culture, leadership, and organizations: The GLOBE study of 62 societies. Sage publications.

Kania, E., Radziszewska-Zielina, E., & Śladowski, G. (2020). Communication and information flow in Polish construction projects. Sustainability, 12(21), 9182. https://doi.org/10.3390/su12219182

Leung, K., and Wang, J. (2015) Social processes and team creativity in multicultural teams: A socio-technical framework. *J. Organiz. Behav.*, 36: 1008–1025. doi: 10.1002/job.2021.

Li, J., Xin, K., & Pillutla, M. (2002). Multi-cultural leadership teams and organizational identification in international joint ventures. *The International Journal of Human Resource Management, 13*(2), 320–337. https://doi.org/10.1080/09585190110103043

Lim, W. M. (2024). What Is Qualitative Research? An Overview and Guidelines. Australasian Marketing Journal, 33(2), 199-229. https://doi-org.proxy.uwasa.fi/10.1177/14413582241264619 (Original work published 2025)

Lisak, Alon & Erez, Miriam & Sui, Yang & Lee, Cynthia. (2016). The positive role of global leaders in enhancing multicultural team innovation. Journal of International Business Studies. 47. 10.1057/s41267-016-0002-7.

Lisak, A., & Erez, M. (2015). Leadership emergence in multicultural teams: The power of global characteristics. *Journal of World Business*, *50*(1), 3–14. https://doi.org/10.1016/j.jwb.2014.01.002

Lönnqvist, J.-E., Jasinskaja-Lahti, I., & Verkasalo, M. (2011). Personal values before and after migration: A longitudinal case study on value change in Ingrian-Finnish migrants. *Social Psychological and Personality Science*, *2*(6), 584-591. https://doi.org/10.1177/1948550611402362

Mäkilouko, Marko (2003). Multicultural leadership: Strategies for improved performance. Moreenikustannus.

Mäkilouko, Marko. (2004). Coping with multicultural projects: The leadership styles of Finnish project managers. International Journal of Project Management. 22(5). 387-396. https://doi.org/10.1016/j.ijproman.2003.08.004.

Morris, M. W., Williams, K. Y., Leung, K., Larrick, R., Mendoza, M. T., Bhatnagar, D., Li, J., Kondo, M., Luo, J.-L., & Hu, J.-C. (1998). Conflict management style: Accounting

for cross-national differences. Journal of International Business Studies, 29(4), 729–747. https://doi.org/10.1057/palgrave.jibs.8490050

Mweshi, G. K., & Sakyi, K. (2020). Application of sampling methods for the research design. Archives of Business Research, 8(11), 180–193. https://doi.org/10.14738/abr.811.9042

Öztürk, O., Kocaman, R., & Kanbach, D. K. (2024). How to design bibliometric research: An overview and a framework proposal. Review of Management Science, 18, 3333–3361. https://doi.org/10.1007/s11846-024-00738-0

Pless, N., & Maak, T. (2004). Building an inclusive diversity culture: Principles, processes and practice. Journal of Business Ethics, 54(2), 129–147. https://doi.org/10.1007/s10551-004-9465-8

Poturak, M., Mekić, E., Hadžiahmetović, N., & Budur, T. (2020). Effectiveness of Transformational Leadership among Different Cultures. *International Journal of Social Sciences & Educational Studies*, *7*(3), 119-129. https://doi.org/10.23918/ijsses.v7i3p119

Poucher, Z. A., Tamminen, K. A., Caron, J. G., & Sweet, S. N. (2020). Thinking through and designing qualitative research studies: A focused mapping review of 30 years of qualitative research in sport psychology. *International Review of Sport and Exercise Psychology, 13*(1), 163–186. https://doi.org/10.1080/1750984X.2019.1656276

Rachmad, Y.E., 2022. Cultural Intelligence Theory.

Ridley, C. R., Mollen, D., Console, K., & Yin, C. (2021). Multicultural counseling competence: A construct in search of operationalization. *The Counseling Psychologist, 49*(4), 504–533. https://doi.org/10.1177/0011000020988110

Rivaldo, Yandra & Nabella, Septa. (2023). Employee Performance: Education, Training, Experience and Work Discipline. Quality - Access to Success. 24. 182-188. 10.47750/QAS/24.193.20.

Rodgers, W., Murray, J. M., Stefanidis, A., Degbey, W. Y., & Tarba, S. Y. (2023). An artificial intelligence algorithmic approach to ethical decision-making in human resource

management processes. *Human Resource Management Review, 33*(1), 100925. https://doi.org/10.1016/j.hrmr.2022.100925

Romani, L., Barmeyer, C., Primecz, H., & Pilhofer, K. (2018). Cross-Cultural Management Studies: State of the Field in the Four Research Paradigms*. *International Studies of Management & Organization*, *48*(3), 247–263. https://doi.org/10.1080/00208825.2018.1480918

Rovanto, S., & Finne, M. (2023). What motivates entrepreneurs into circular economy action? Evidence from Japan and Finland. *Journal of Business Ethics, 184*, 71–91. https://doi.org/10.1007/s10551-022-05122-0

Sagiv, L., & Schwartz, S. H. (2022). Personal values across cultures. *Annual Review of Psychology, 73*, 517–546. https://doi.org/10.1146/annurev-psych-020821-125100

Satonen, A. (2023, August 24). *Welcome to Finland, international experts and entrepreneurs*. Ministry of Economic Affairs and Employment of Finland. https://valtioneuvosto.fi/en/-/welcome-to-finland-international-experts-and-entrepreneurs

Schwartz, Shalom. (2004). Mapping and interpreting cultural differences around the world. 10.1163/9789047412977_007.

Schwartz, Shalom. (2008). The 7 Schwartz cultural value orientation scores for 80 countries. 10.13140/RG.2.1.3313.3040.

Sagiv, Lilach & Schwartz, Shalom. (2007). Cultural Values in Organisations: Insights for Europe. European Journal of International Management. 1. 176-190. https://doi.org/10.1504/EJIM.2007.014692

Schwartz, Shalom. (2010). Are There Universal Aspects in the Structure and Contents of Human Values?. Journal of Social Issues. 50. 19 - 45. 10.1111/j.1540-4560.1994.tb01196.x.

Schwartz, S. H. (1999). A theory of cultural values and some implications for work. Applied Psychology: An International Review, 48(1), 23–47. https://doi.org/10.1111/j.1464-0597.1999.tb00047.x

Stahl, G. K., & Maznevski, M. L. (2021). Unraveling the effects of cultural diversity in teams: A retrospective of research on multicultural work groups and an agenda for future research. *Journal of International Business Studies*, 52(1), 4-22. https://doi.org/10.1057/s41267-020-00389-9

Taherdoost, Hamed. (2016). Sampling Methods in Research Methodology; How to Choose a Sampling Technique for Research. International Journal of Academic Research in Management. 5. 18-27. 10.2139/ssrn.3205035.

Tajfel, H., & Turner, J. C. (1986). The social identity theory of intergroup behavior. In S. Worchel & W. G. Austin (Eds.), Psychology of intergroup relations (pp. 7–24). Nelson-Hall.

Tenzer, H., Pudelko, M., & Zellmer-Bruhn, M. (2021). The impact of language barriers on knowledge processing in multinational teams. *Journal of World Business, 56*(2). https://doi.org/10.1016/j.jwb.2020.101184

The Culture Factor. (2025). *Country comparison tool*. https://www.theculturefactor.com/country-comparisontool?countries=finland%2Cindia [Accessed January 26, 2025].

Themelis, C., Sime, J. A., & Thornberg, R. (2022). Informed grounded theory: A symbiosis of philosophy, methodology, and art. *Scandinavian Journal of Educational Research*, *67*(7), 1086–1099. https://doi.org/10.1080/00313831.2022.2115135

Thomas, D. C., & Peterson, M. F. (2016). *Cross-cultural management: Essential concepts.* Sage Publications.

Thomas, D. C., Liao, Y., Aycan, Z., Cerdin, J. L., Pekerti, A. A., Ravlin, E. C., ... Van De Vijver, F. (2015). Cultural intelligence: A theory-based, short form measure. *Journal of International Business Studies, 46*(9), 1099–1118. https://doi.org/10.1057/jibs.2014.67

Turner, J. R., & Müller, R. (2005). The project manager's leadership style as a success factor on projects: A literature review. *Project Management Journal, 36*(2), 49–61. https://doi.org/10.1177/875697280503600206

United Nations Development Programme. (2024). *Gender Inequality Index (GII)*. Human Development Reports. Retrieved from https://hdr.undp.org/data-center/thematic-composite-indices/gender-inequality-index

Verhoeven, I., & Metze, T. (2022). Heated policy: Policy actors' emotional storylines and conflict escalation. *Policy Sciences, 55*, 223–237.https://doi.org/10.1007/s11077-022-09459-1

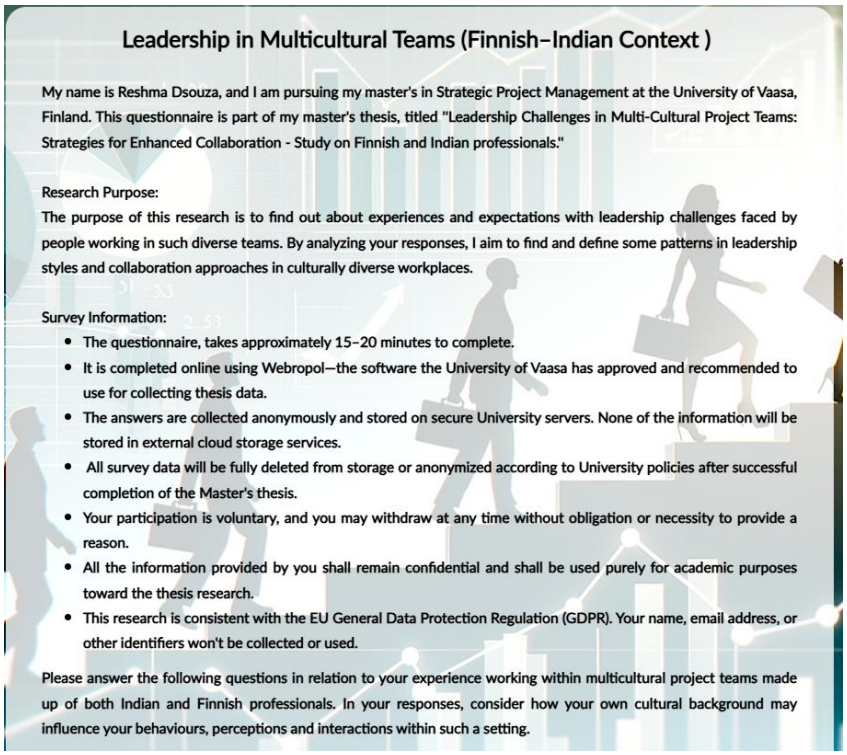
Verkuyten, M. (2006). Multicultural recognition and ethnic minority rights: A social identity perspective. European Review of Social Psychology, 17, 148–184. https://doi.org/10.1080/10463280600937418

Yle News. (2024, November 11). *Language barriers and work-life balance – Foreign specialists weigh pros and cons of working in Finland*. https://yle.fi/a/74-20123726

Yin, J., Jia, M., Ma, Z., & Liao, G. (2020). Team leader's conflict management styles and innovation performance in entrepreneurial teams. *International Journal of Conflict Management, 31*(3), 373–392. https://doi.org/10.1108/IJCMA-09-2019-0168

Zander, L., & Butler, C. L. (2010). Leadership modes: Success strategies for multicultural teams. *Scandinavian Journal of Management, 26*(3), 258–267. https://doi.org/10.1016/j.scaman.2010.06.002.

Appendix 1. Survey questionnaire



Leadership in Multicultural Teams (Finnish–Indian Context)

My name is Reshma Dsouza, and I am pursuing my master's in Strategic Project Management at the University of Vaasa, Finland. This questionnaire is part of my master's thesis, titled "Leadership Challenges in Multi-Cultural Project Teams: Strategies for Enhanced Collaboration - Study on Finnish and Indian professionals."

Research Purpose:

The purpose of this research is to find out about experiences and expectations with leadership challenges faced by people working in such diverse teams. By analyzing your responses, I aim to find and define some patterns in leadership styles and collaboration approaches in culturally diverse workplaces.

Survey Information:

- The questionnaire, takes approximately 15–20 minutes to complete.
- It is completed online using Webropol—the software the University of Vaasa has approved and recommended to use for collecting thesis data.
- The answers are collected anonymously and stored on secure University servers. None of the information will be stored in external cloud storage services.
- All survey data will be fully deleted from storage or anonymized according to University policies after successful completion of the Master's thesis.
- Your participation is voluntary, and you may withdraw at any time without obligation or necessity to provide a reason.
- All the information provided by you shall remain confidential and shall be used purely for academic purposes toward the thesis research.
- This research is consistent with the EU General Data Protection Regulation (GDPR). Your name, email address, or other identifiers won't be collected or used.

Please answer the following questions in relation to your experience working within multicultural project teams made up of both Indian and Finnish professionals. In your responses, consider how your own cultural background may influence your behaviours, perceptions and interactions within such a setting.

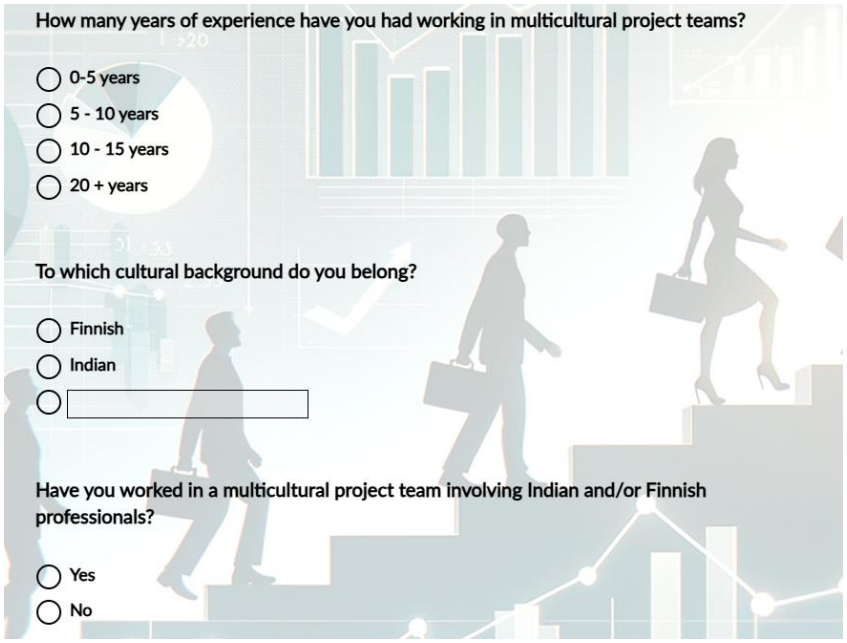
Contact Details:

In case you have any questions, please feel free to get in touch with me at: x3974881@student.uwasa.fi. Thank you a lot for your time and your feedback!

What is your role in the project team?

- ◯ Project Leader (Director/Manager)
- ◯ Project Team Member (Engineer, Coordinator, Specialist)
- ◯ Consultant, External Advisor, Researcher
- ◯ _____

Next



How many years of experience have you had working in multicultural project teams?

- ◯ 0-5 years
- ◯ 5 - 10 years
- ◯ 10 - 15 years
- ◯ 20 + years

To which cultural background do you belong?

- ◯ Finnish
- ◯ Indian
- ◯ _____

Have you worked in a multicultural project team involving Indian and/or Finnish professionals?

- ◯ Yes
- ◯ No

Do you believe leadership expectations vary between Indian and Finnish team members?

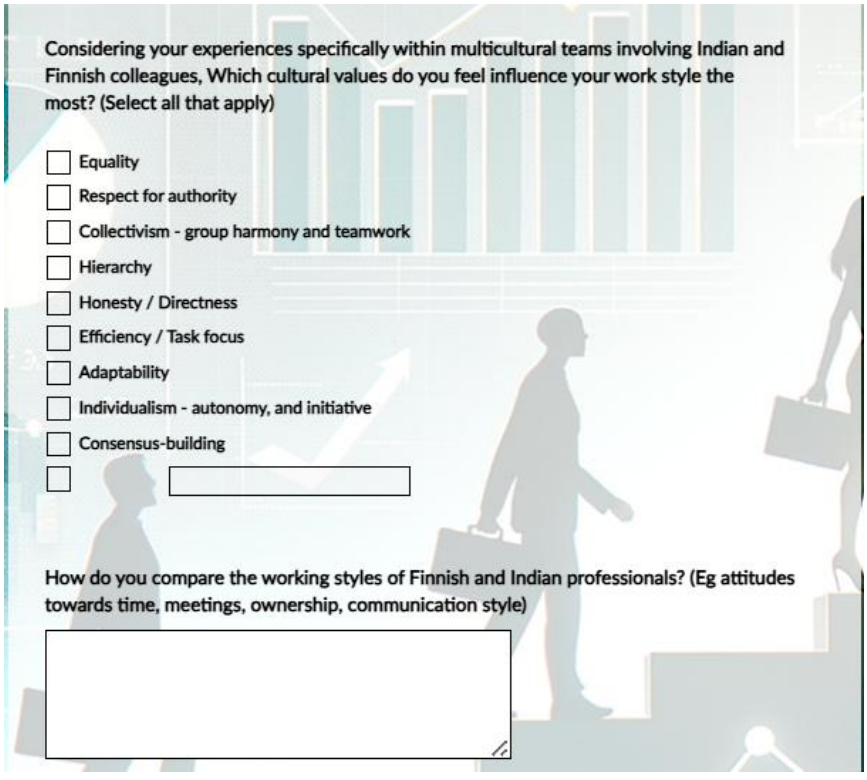
- [ ] Yes
- [ ] No

In what ways do you think leadership expectations vary? (Select all that apply)

- [ ] Attitudes toward decision-making (individual vs. collective)
- [ ] Different communication styles (direct vs. indirect)
- [ ] Expectations around feedback and autonomy
- [ ] Cultural perceptions of authority and leadership presence
- [ ] Hierarchical vs. flat structures
- [ ]

What leadership qualities or behaviors do you think are most important for leading multicultural teams ?

- [ ] Cultural Intelligence (awareness and respect for cultural differences)
- [ ] Direct communication style
- [ ] Empathy, self-awareness, relationship management
- [ ] Trust-building and transparency
- [ ] Conflict resolution skills
- [ ] Fairness and inclusivity in decision-making
- [ ] Flexibility and adaptability to different work styles
- [ ] Task-oriented and relationship-oriented leadership
- [ ] Transformational Leadership
- [ ]



Considering your experiences specifically within multicultural teams involving Indian and Finnish colleagues, Which cultural values do you feel influence your work style the most? (Select all that apply)

- [ ] Equality
- [ ] Respect for authority
- [ ] Collectivism - group harmony and teamwork
- [ ] Hierarchy
- [ ] Honesty / Directness
- [ ] Efficiency / Task focus
- [ ] Adaptability
- [ ] Individualism - autonomy, and initiative
- [ ] Consensus-building
- [ ]

How do you compare the working styles of Finnish and Indian professionals? (Eg attitudes towards time, meetings, ownership, communication style)

Have you ever adjusted your leadership or communication style while working in a multicultural team? ➤ What made it easier or more difficult to adapt?

How do deadlines, task ownership, or accountability vary across cultures? If you can answer based on your experience

Do you find it easier to trust team members from your own culture?

- ◯ Yes
- ◯ No

Have you experienced any communication-related challenges in multicultural project teams due to cultural differences? (Select all that apply)

- ☐ Differences in direct versus indirect communication styles
- ☐ Silence or pauses interpreted differently across cultures
- ☐ Reluctance to speak up in hierarchical settings
- ☐ Challenges in delivering or receiving critical feedback
- ☐ Misinterpretation of nonverbal cues (e.g., eye contact, gestures, tone)
- ☐ Language-related misunderstandings (e.g., vocabulary, clarity, accent)
- ☐ No significant challenges experienced
- ☐

In your experience, what helps build trust and collaboration in multicultural teams?

(Select all that apply)

- ☐ Clear and consistent communication
- ☐ Regular feedback and active listening
- ☐ Building personal relationships (e.g., shared meals, casual conversations)
- ☐ Transparency about roles, responsibilities, and decisions
- ☐ Inclusion and recognition of everyone's input
- ☐ Cultural sensitivity or awareness from the team
- ☐ Autonomy & Freedom
- ☐ Respecting hierarchy and senior roles
- ☐ I'm not sure
- ☐

How is feedback usually given in your multicultural team?

- ◯ Direct and open (e.g., in meetings)
- ◯ Indirect or non-confrontational
- ◯ Private and respectful (e.g., one-on-one)
- ◯ Feedback is rarely shared

In your experience, do team members tend to prioritize group harmony or individual initiative when making decisions in multicultural teams? ➤ How does this affect the way your team collaborates or handles ambiguity?

Do you feel your team emphasizes competitiveness (Mastery) or peaceful cooperation (Harmony)? How do team members in your project define "success"? ➤ Is it more about achieving results and standing out, or maintaining good relationships and balance?

Have you noticed any differences in how people from different cultures (like Finnish or Indian) view leadership or authority in teams? ➤ How do these differences affect how decisions are made or how leaders are accepted in multicultural teams?

Have you experienced a situation where differences in communication or expectations led to a challenge or misunderstanding in your multicultural team? ➤ How was it addressed, and what role did leadership or cultural awareness play in resolving it?

Has working in a multicultural team changed your perception of leadership?

- ◯ Yes
- ◯ No

Do you believe leaders need Intercultural training or emotional intelligence in global teams?

- ◯ Yes
- ◯ No

Appendix 2. Mind Map