



ANALYSIS OF RESULTS

EMPLOYER QUESTIONNAIRE

Research conducted within the „Beyond Diversity” project, which is to diagnose the current situation in Small to Medium Enterprises (SME) in terms of conflicts based on cultural differences amongst the workforce.

Due to data protection laws we ensure that no names or information contained in this form will be divulged to any third party use outside the project.

EMPLOYERS RESEARCH REPORT

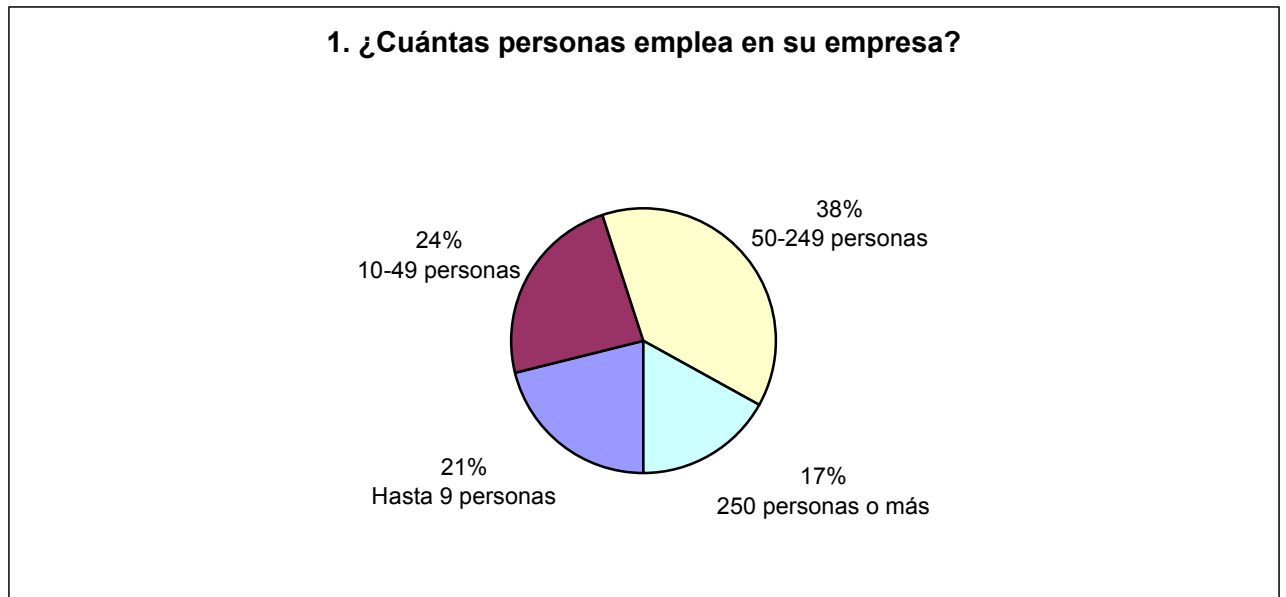
SPAIN

BEYOND DIVERSITY PROJECT

I. EMPLOYMENT OF FOREIGNERS AT YOUR COMPANY

1. How many people are there employed in your company?

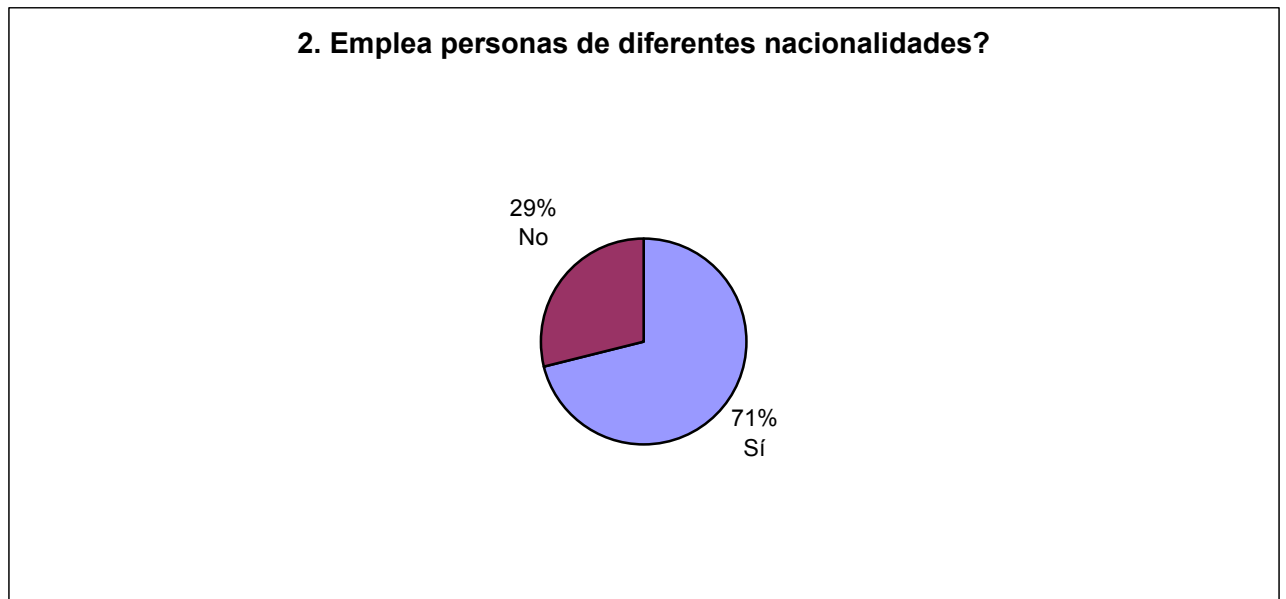
- 1) Up to 9 people
- 2) 10-49 people
- 3) 50-249 people
- 4) 250 people and more -> thank you very much for your time >>>



The size profile of the 100 companies that answered the questionnaire 83% are SMEs. 21% are micro companies with under 9 employee; 24% have up to 50 employees which in Spain is the limit for not having trade union representation; 38% have from 50 up to 250 employees and 17% were large companies. A representative sample which allows us to draw friable results for the Beyond Diversity project.

2. Do you employ in your company people of different nationalities?

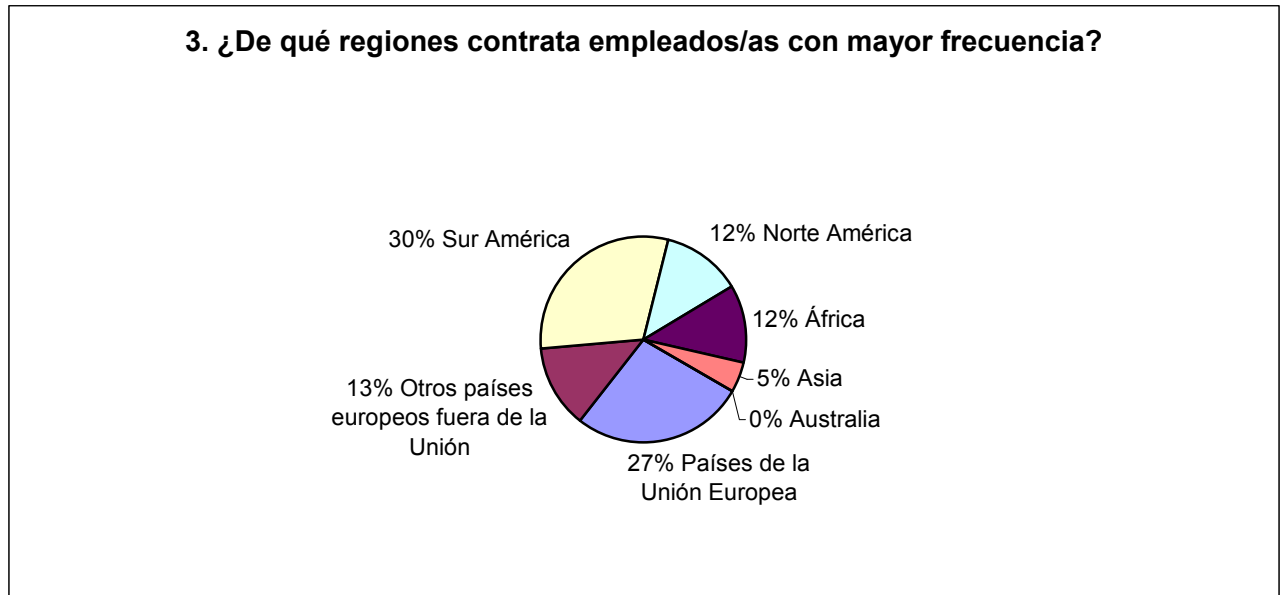
- 1) yes
- 2) no → please proceed to question 7



Out of the 100 companies in the research 71% hire employees from other nationalities. This is major change in the employment scenario. As Spain up to the 70s was a net “exporter” of workers, with formal agreement with other European countries specially Germany and France. Today Spain is a country that attracts immigrants and that is being successful in integrating foreigner communities into the workplace, in spite of the crisis and high unemployment (20%).

3. From which regions the most often employed foreigners come from? (Please tick maximum 3 regions).

- 1) EU Countries
- 2) other European countries (no EU members)
- 3) South America
- 4) North America
- 5) Africa
- 6) Asia
- 7) Australia



The largest immigrant community working in these companies come from South America (30%) This proves the fact that Spain is the preferred destiny of migration from South America mainly because of language and cultural reasons. 27% are Europeans who profit of the free mobility within the Union for working possibilities.

13% come from European countries outside the European Union. These two groups of immigrants represent a significant change in behaviour given the language barrier which has always represented a challenge for the people from these countries to come to a Spanish speaking country – a language which is not a major second language for citizens of the rest of countries in Europe. And even more, where other 3 co-official local languages present a challenge for foreign workers. This community is growing.

North America and Africa have a 12% share of foreign employees. But it is important to analyse that employees from North America are qualified talent professionals, generally employed for jobs and responsibilities in offices. And the African immigrants are mainly workers in agriculture and in construction sectors with low qualification salaries. 5%

employees are Asian which a very high significant data is. Mainly because Asian generally comes to work for companies, stores and other business format which have a Asian owners. That is a person from Asia who came before to set up some kind of business to give work to other immigrant from their country. The highest immigrant community in Catalunya is that of Asian population, yet they only have a 5% presence in the workforce of Spanish companies.

4. Please provide information concerning reasons behind employing representatives of other nationalities in your company. (Please mark 'x' after the appropriate option)

No.	Reasons of employing:	
1.	It is difficult to find worker with proper set of qualifications in our country	
2.	Foreigners usually possess a high level of work motivation	
3.	Foreigners have lower financial requirements than our workers	
4.	It enables international cooperation, which facilitates our company's development	
5.	Clients and suppliers diverse profiles	
6.	Other (Such as?)	



The major reasons for hiring employees of other nationalities related with 27% qualification, 20% motivation, 22% remuneration. This reinforces the evidence that the larger number of immigrants come from South America, countries outside of the EU and Africa, mainly work in agricultures, construction and tourisms (hotels, restaurants etc.) all businesses where hand labour cost must be low, flexible in types of short term contacts and do not require high skills. Yet only 2% admit that they hire foreign workers to pay lower salaries. And 1% admits that nationals do not want to do the type of work the company needs.

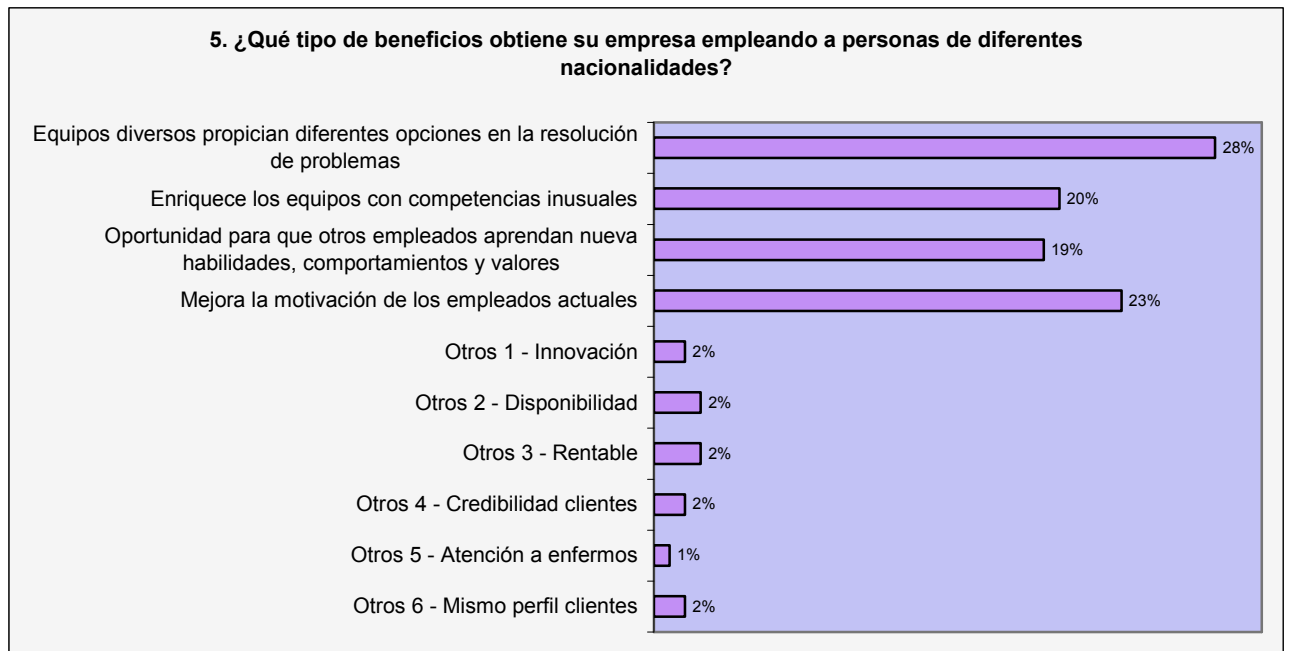
12% of the companies hire foreign workers to improve relations with clients and suppliers, 9% for general international business reasons, and 1% for client attention.. This shows that 22% of companies in the SME sample, although Spanish, carry out active international

business activities and therefore need employees who can relate to grown number of foreign stakeholders in search of efficiency in the business process - Another 6% declare that foreign employees contribute to the efficiency to the organisation. And 7% directly attribute innovation to the inclusion of employees from other nationalities.

Interesting to note that only 1% mention language as a major factor for hiring foreign employees. And 1% hire immigrants because of the types of work of their organization.

5. What kind of benefits does your company gain from employing those with different national background? (Please mark 'x' after the appropriate option)

No.	Benefits for the company:	
1.	Teams variety which results in different approach in problem solving	
2.	Enriching team with rare competences	
3.	A chance for other employees to learn new skills, ways of behaviour and values	
4.	Improvement in work motivation of the employees	
5.	Other (Such as?).....	



According to the research 19% SMEs which recruit foreign employees express those diverse teams come up with a variety with options for problem solving which evidently contribute to company efficiency. Whereas 23% manifest that diverse employee of other nationalities improve the motivation of present company workers, as they introduce a new rhythm in the team output by challenging routine.

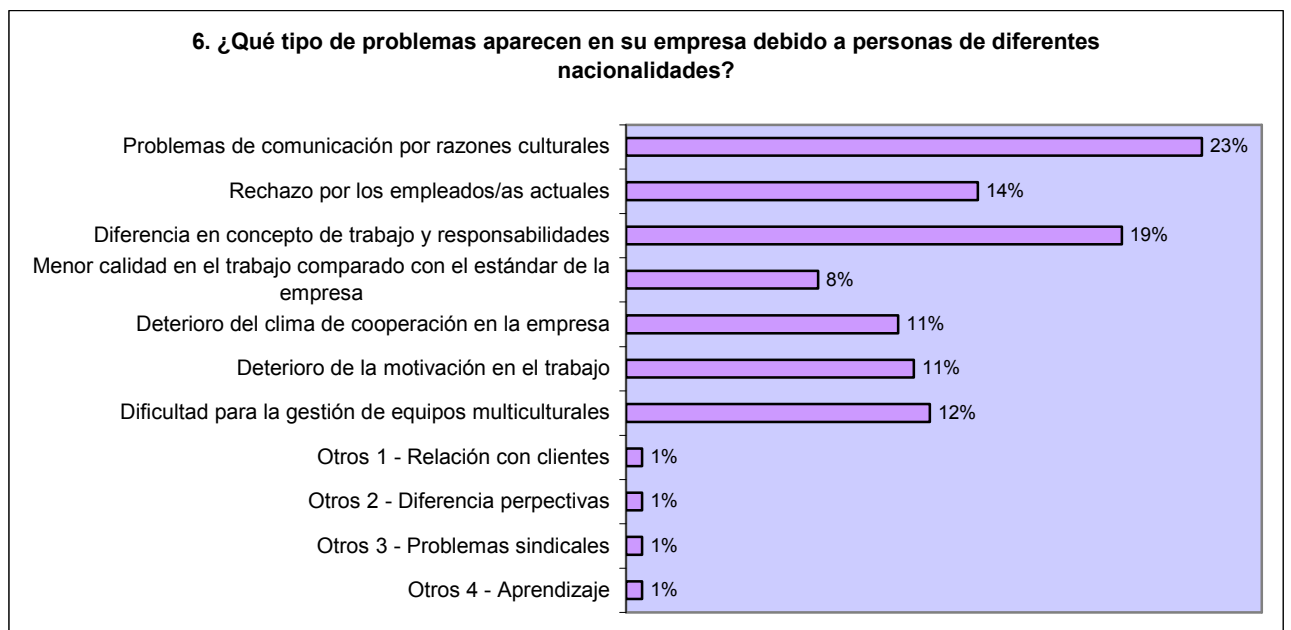
Another very critical impact of foreign employees expressed by 9% of researched entrepreneurs is the fact that company employees learn new skills, abilities and values which contribute to develop a lifelong learning organisation.

Contrarily to general assumption only 2% state that they recruit foreign workers because they get a lower salary. Other reasons are: 2% for constant availability, 2% to better client relationship and another 2% to match client profiles.

And 1% in organisations that take care of elderly population.

6. What kind of problems appeared in your company due to employing representatives of different nationalities? (Please mark 'x' after the appropriate option)

No	Company's problems:	
1.	Communication problems due to cultural issues	
2.	Lack of acceptance from the side of other employees	
3.	Different concepts of work and duties that come with it	
4.	Lower work quality in comparison with company's standards	
5.	Deterioration of atmosphere of cooperation in company	
6.	Deterioration of work motivation among employees	
7.	Difficulties concerning managing multicultural teams	
8.	Other (Such as?)	



On the other hand 23% of SMEs answering the research state that the main problems in inclusion of foreign workers is cross-cultural communication barriers.

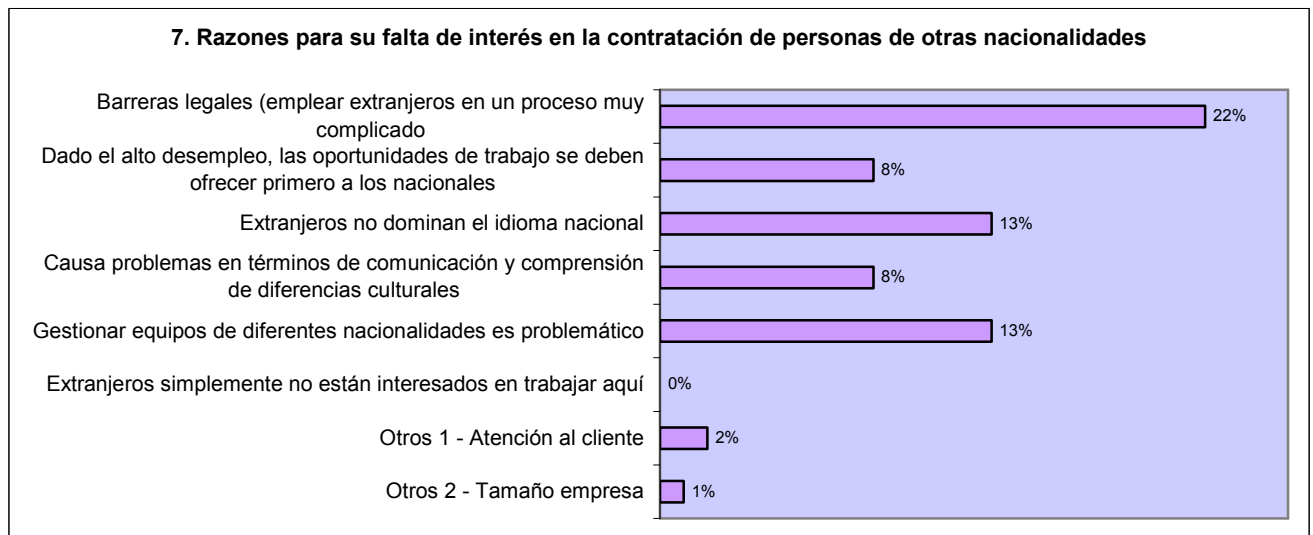
While 14% identify that employees from other nationalities are discriminated by their present workforce, and 11% attribute the deterioration of work climate to the presence of foreign employees. And interesting aspect to highlight is the high 19% of companies which find that there is a considerable difference in attitude toward work between other nationalities as the local work culture.

11% of companies find that foreign employees are responsible for deteriorating the work climate and 12% definitely state that there is a major challenge in cross-cultural management to integrate immigrants in the core employee community of the organisation.

Other reasons expressed as problems derived from foreign workers in the organisation are: 1% relation with clients, 1% differences in perspective in the workplace, 1% create problems with trade unions and another 1% present learning problems.

7. Please provide information concerning reasons behind your unwillingness to employ representatives of other nationalities in your company. (Please mark 'x' after the appropriate option).

No.	Reasons of not employing:	
1.	Due to legal barriers (employing foreigners is a very complicated procedure)	
2.	Due to already high unemployment rate job should be first offered to our country's citizens	
3.	Foreigners often do not possess necessary language skills	
4.	It causes problems for employees in terms of communication and understanding cultural differences	
5.	Managing teams that consists of people of different national background is problematic	
6.	Foreigners are not simply interested in working here	
7.	Other (Such as?).....	



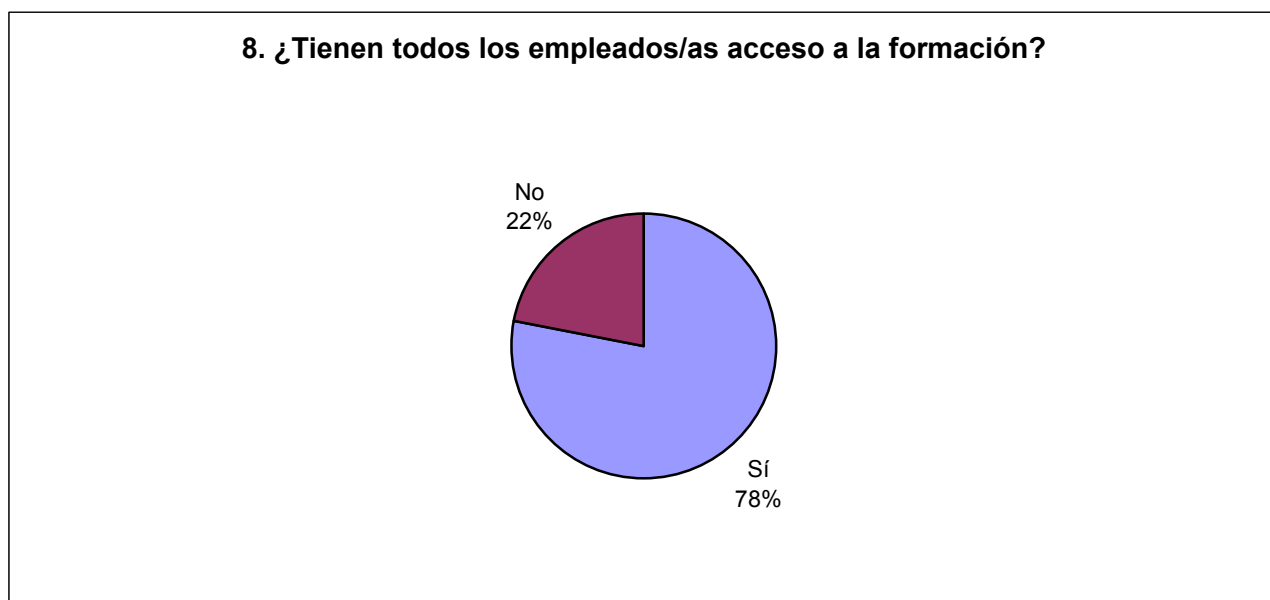
The major barrier for recruiting immigrants is the process to obtain legal working permit for foreign workers (22%) Cultural reasons such as 13% of companies state that language is a major barrier 8% blame the difficulty in communication and understand cultural profiles; and that 8% state that people from other nationalities create problems related with team building.

There are other arguments such as what 11% state that they prefer to give work opportunity to a local person in moments of such high crisis and lack of employment opportunities, rather than hire an immigrant. The issue of client service stated by 2% of companies. While 1% of companies declare that their sizes do not allow them to hire foreigners and cope with the difficulty it may present. The rest (35%) don't answer the question, because had employed persons from other nationalities.

II. TRAINING AND PROTECTION OF THE WORKERS

8. Do all employees in your company share equal access to organized trainings?

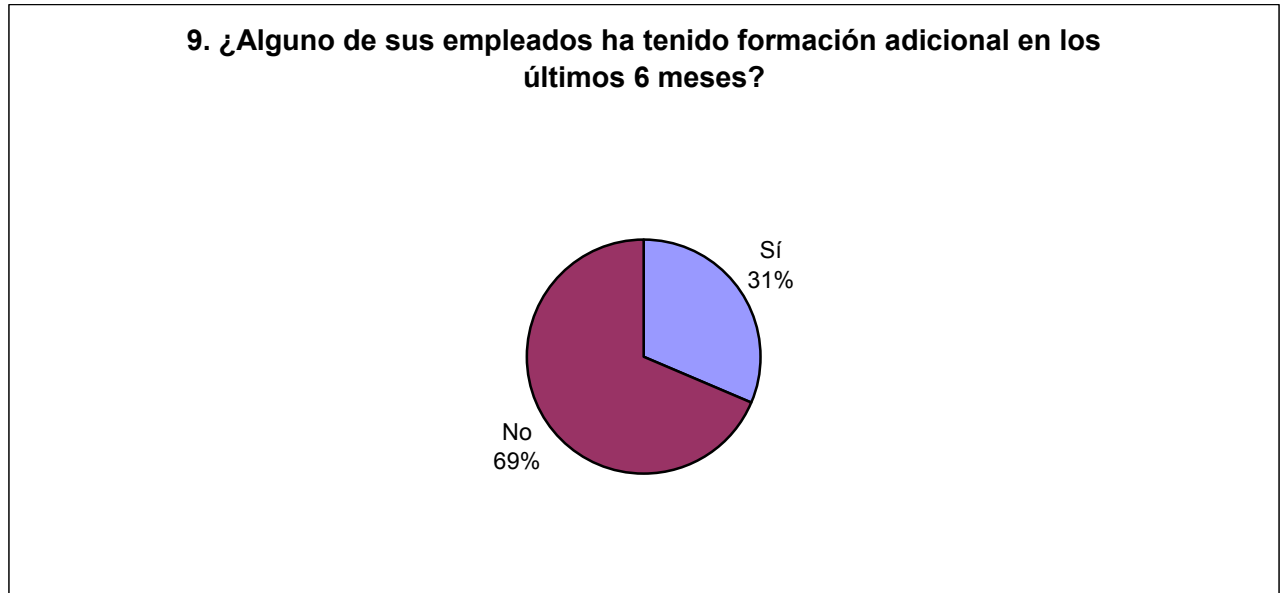
- 1) yes
- 2) no



As far as training is concerned 78% of companies state that all workers have full access to training opportunities regardless their diverse profile, which 22% of companies give selective training opportunities to their workforce.

9. Have any of your employees undertaken further training in the past 6 months?

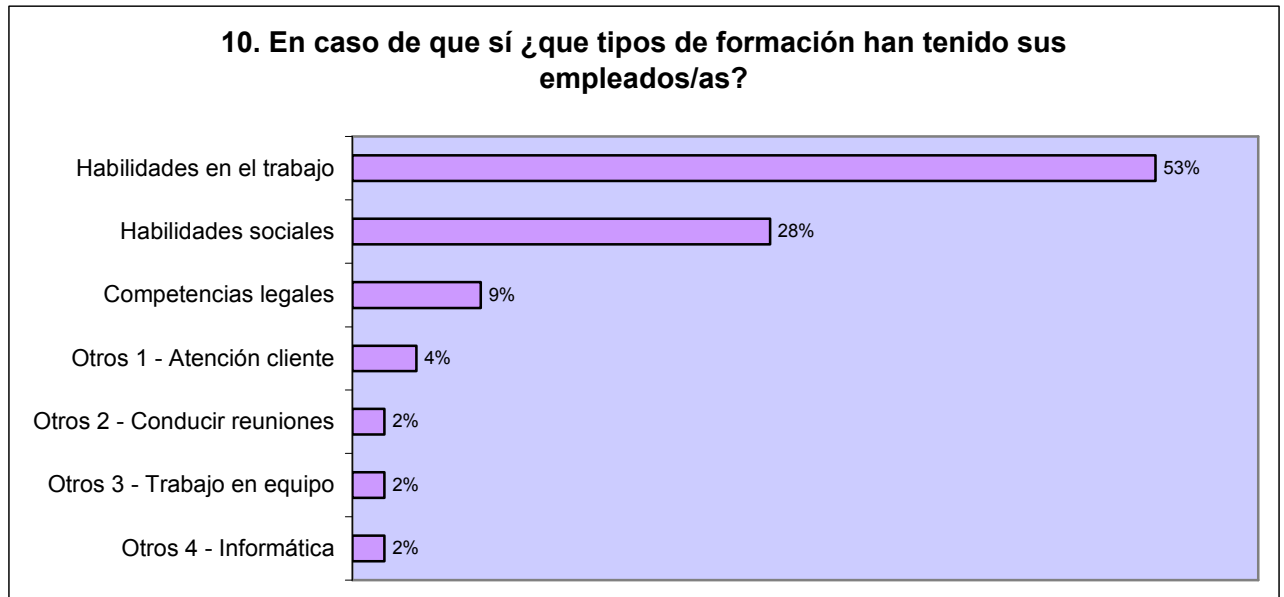
- 1) yes
- 2) no-> please proceed to question 11



69% of SMEs in the research project have received no training in the past 6 months which 31% have done so. It would be important to further research this point as in the knowledge society updating competence is critical for the sustainability of any company, including of course SMEs.

10. If yes, what types of training did your employees undertake? (Please mark 'x' after the appropriate option)

No.	Type of training:	
1.	Work Skills	
2.	Social Skills	
3.	Legal Competence	
4.	Other (Such as?).....	



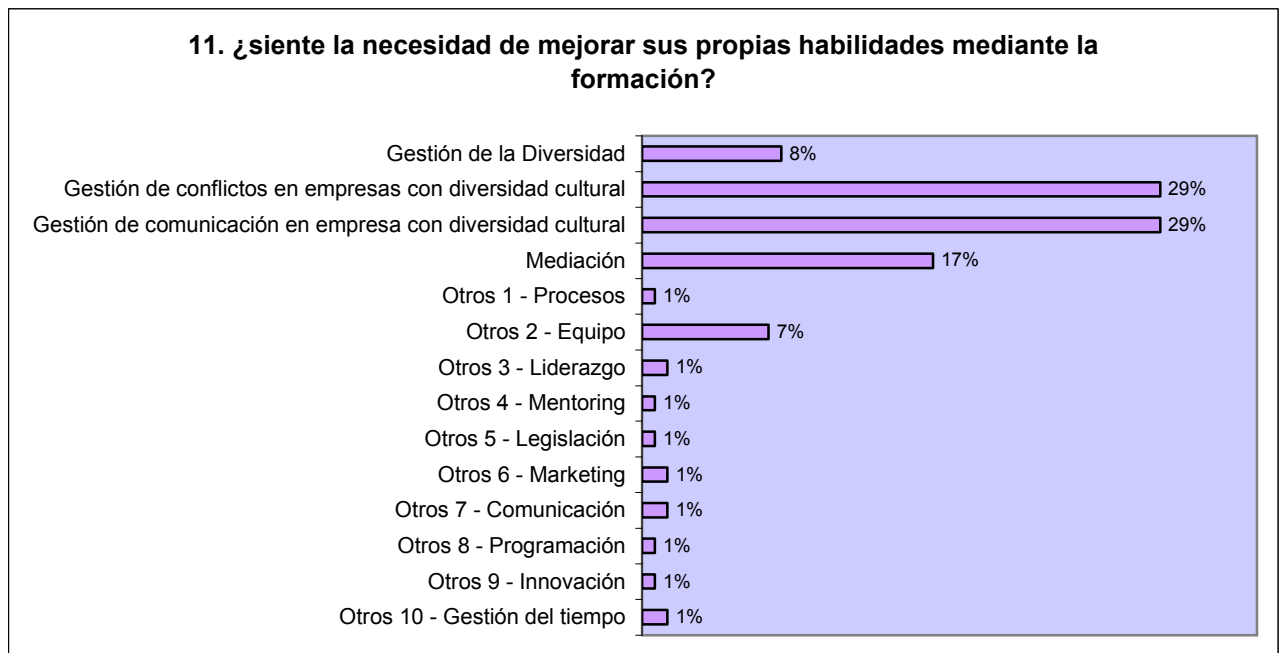
When asked what type of training SMEs make available to their workers, 53% state clearly that professional skills are the major area of competent required by their constant learning process. 28% give social skills to workers as part of their training program, 9% instruct in legal competence which is very high as reflects the fact that immigration and discrimination as well as equality legislation have a high priority today in the business community because there is a Ministry that promotes equality and promotes legislation in this field.

Other areas of training related by the companies are: 4% client service, 2% conducting meetings, 2% team building and 2% training in information technology

11. Do you see the need for upgrading your own skills by means of taking part in trainings?

(Please mark 'x' after the appropriate option)

No.	Type of training:	
1.	Diversity management	
2.	Managing conflicts in culturally diversified companies	
3.	Managing communication in culturally diversified companies	
4.	Conducting mediation	
5.	Other (Such as?).....	



Only 8% of entrepreneurs in the research of SMEs identify diversity as a key competence they have to develop to improve the competitive and sustainability of their companies. Their main training ability expressed by 29% of companies is acquiring skills in conflict management of cultural diversity as well as another 29% of organisations state that communication in diversity cultures is a key competence to develop. This places cultural diversity as the core competence 58% of entrepreneurs identify as the main training they must address to keep their company competitive in the new highly diverse environments. 17% express that they need to acquire mediation skills and 7% identify team building as critical to their management development. In a lesser scale SME entrepreneurs list a menu of competences in which areas they have a gap: Process management and leadership; mentoring, legislation; marketing and communication skills. Programming and planning. Innovation and time management.

12. Does your company support employees in terms of combining professional life with family one?

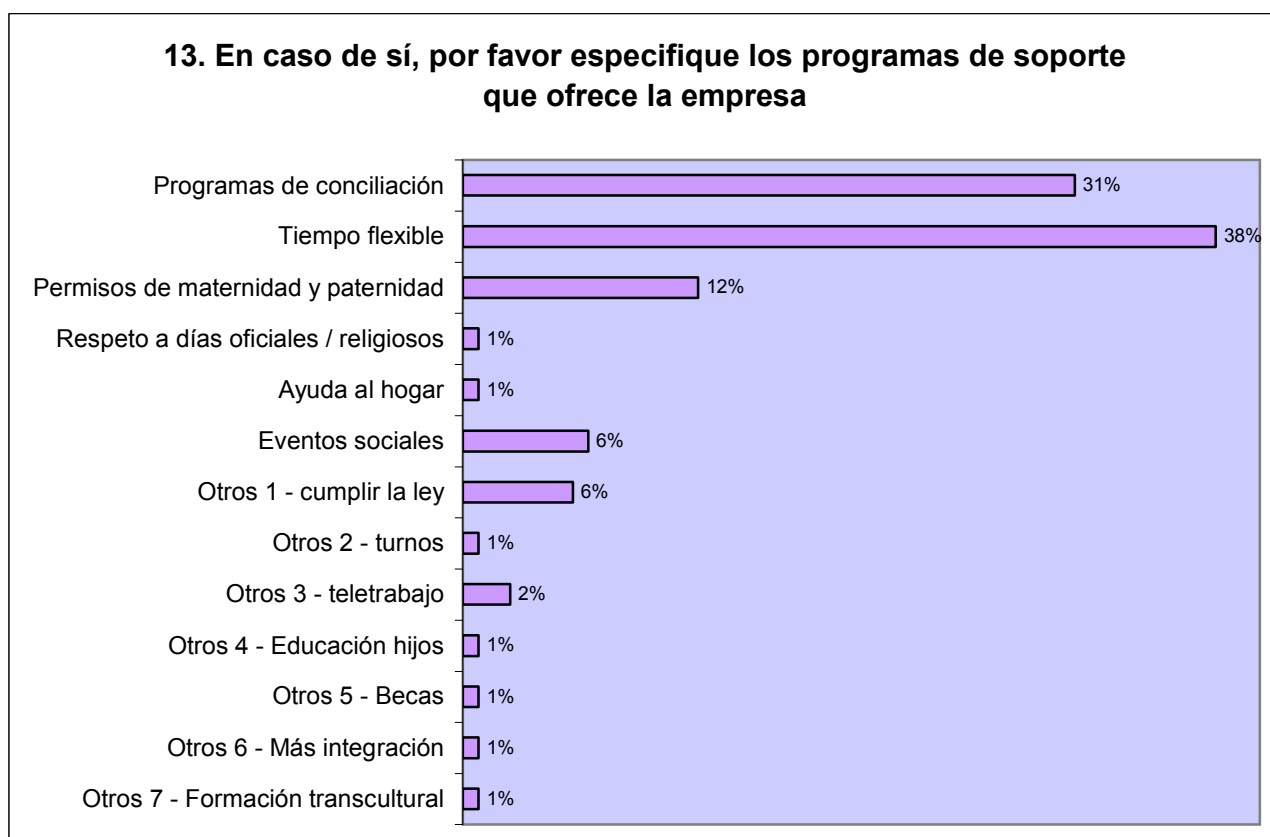
- 1) yes
- 2) no ->please proceed to question 14



A high 78% of SMEs answering the questionnaire express that they have work / life schemes in place for their workers, regardless their diverse profile. While 22% do not have formal conciliation policies. From experience the EIMD has found that although SMEs do not express that they have a formal consolation policy established, they do have allow flexible time, maternity and paternity leaves and other programs which contribute to work and family conciliation of their employees, as a result of the nearness between the employer and the employees.

13. If yes, please specify organizational solutions that are in favour of it. (Please mark 'x' after the appropriate option, maximum 3).

No.	Type of solutions:
1.	Work Life Balance
2.	Flexible time
3.	Maternity and paternity leave
4.	Recognition of "official/statutory holidays"
5.	Home support services
6.	Social gatherings
7.	Other (Such as?).....



According to the companies research the most popular work / life program established for company workers is flexible time while 31% implement general conciliation packages for the benefit of their workforce. 12% of companies give maternity and paternity leaves, which is a legal compliance according to the Equality Law in Spain. This behaviour is confirmed by the fact that another 6% of companies express that they implement the conciliation programs set by the law. It is interesting that 6% of companies value social events organised by the company as activities that improve the work / life situation of employees of all profiles. Yet only 2% of companies express that they have formal tele-

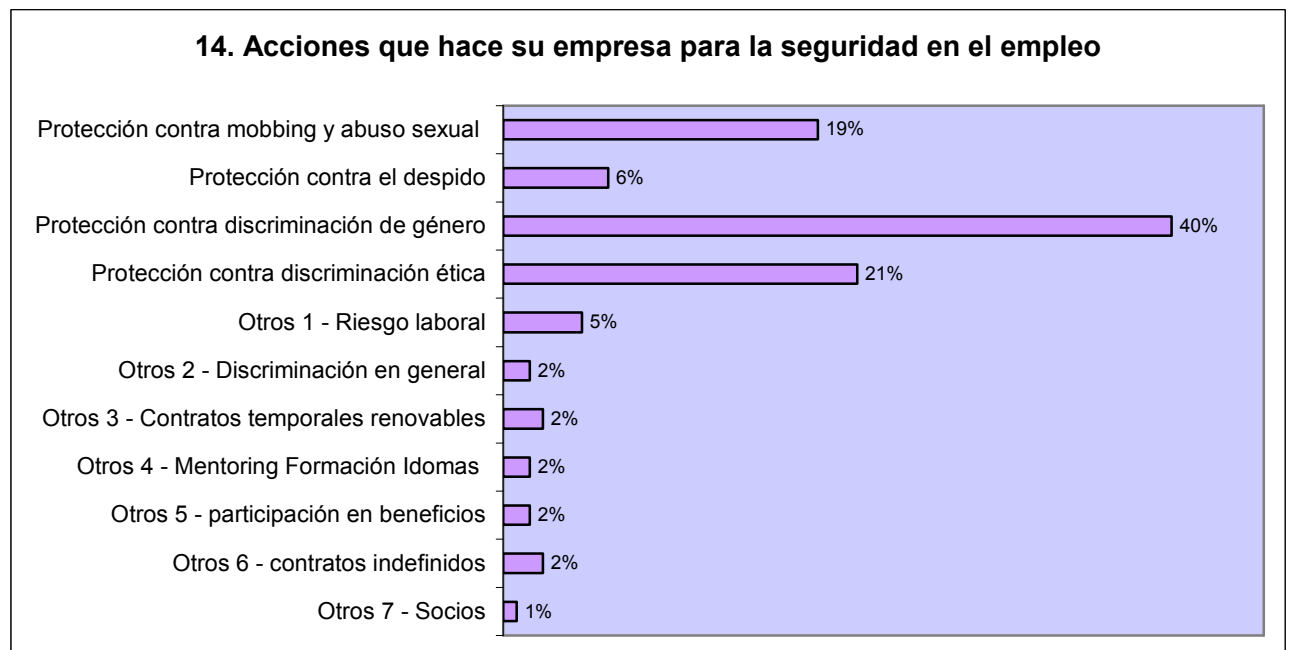
working schemes for employees, which is an area that should be improved considering the evidence of the high use and value of information technology.

EIMD observation in this field has proved that the use of tele-working as a company policy has a major barrier in company culture. Companies in Spain still value more presence than performance; therefore they are reluctant to establish distance working programs. Likewise trade unions do not favour tele-working because they claim that they have no way of controlling the time employees work, which represents a drawback on allowing employees to access to distance working and a better management of their own time.

A list of conciliation programs is mentioned by companies, such as: respect for religious days, home care, shifts, education schemes for children and scholarships, integration programs and cross-cultural training and awareness

14. Does your company conduct any actions which aim is protecting the worker (Please mark 'x' after the appropriate option)

No.	Type of action:	
1.	Protecting the worker against mobbing and sexual abuse	
2.	Protecting the worker against layoffs	
3.	Protecting the worker against gender discrimination	
4.	Protecting the worker against racial discrimination	
5.	Other (Such as?)	

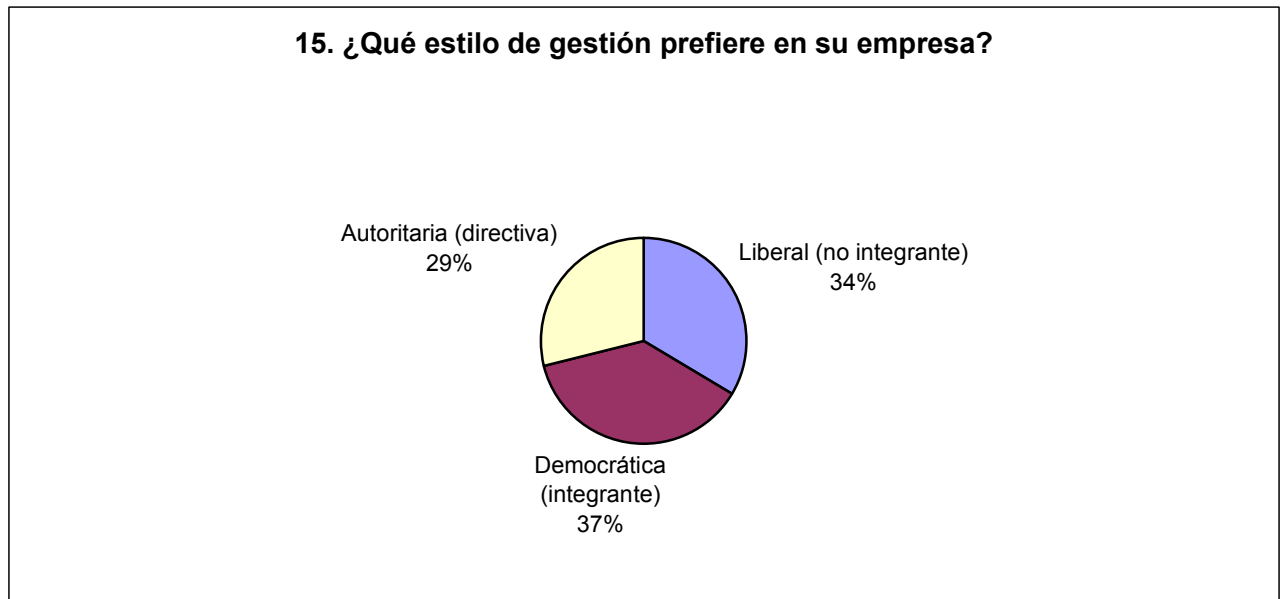


Concerning measures of companies, to protect the integrity of all members of the workforce, in 40% of respondents the most active area is that of fighting gender discrimination. 21% is protection against discrimination and 19% is fighting mobbing an sexual abuse. 6% of companies give protection against layoff. And 5% establish measures against risks in the workplace. The SMEs in the research program offer a list of schemes they carry out with the objective of protecting employees in the workplace, such as: measures to fight discrimination in general, temporal renewable contracts, indefinite contracts, mentoring, language training, participation in company benefits, and becoming partner in the company.

III. MANAGEMENT STRATEGIES: CONFLICTS AT YOUR COMPANY AND MEDIATION

15. What style of management do you prefer in you company?

- 1) liberal (not involving)
- 2) democratic (integrative)
- 3) authoritative (directive)



As far as management styles is concerned, 37% of entrepreneurs state that they have a democratic integrating style. 34% say they have a liberal non integrative management style. While 29% have an autocratic directive management style.

Management styles are critical in achieving positive conflict management. In this research the majority of companies have an inclusive culture that can help those combat discriminatory behaviours and therefore favour positive conflict management.

16. Which type of orientation is the most important for you:

- 1) relationships (worker as a person)
- 2) object (management concentrating on tasks and targets)
- 3) a compromise – task, as well as relationships



51% of SMEs in the research group state to be Objective oriented as company policy when managing people in the company. 35% state that they have a Commitment towards including objectives and social relations as company policy. While 14% focus on establishing inclusive relationships with their workers in order to create an inclusive working environment and combat discrimination and at the same time avoid conflicts.

17. Do you have conflicts in your company?

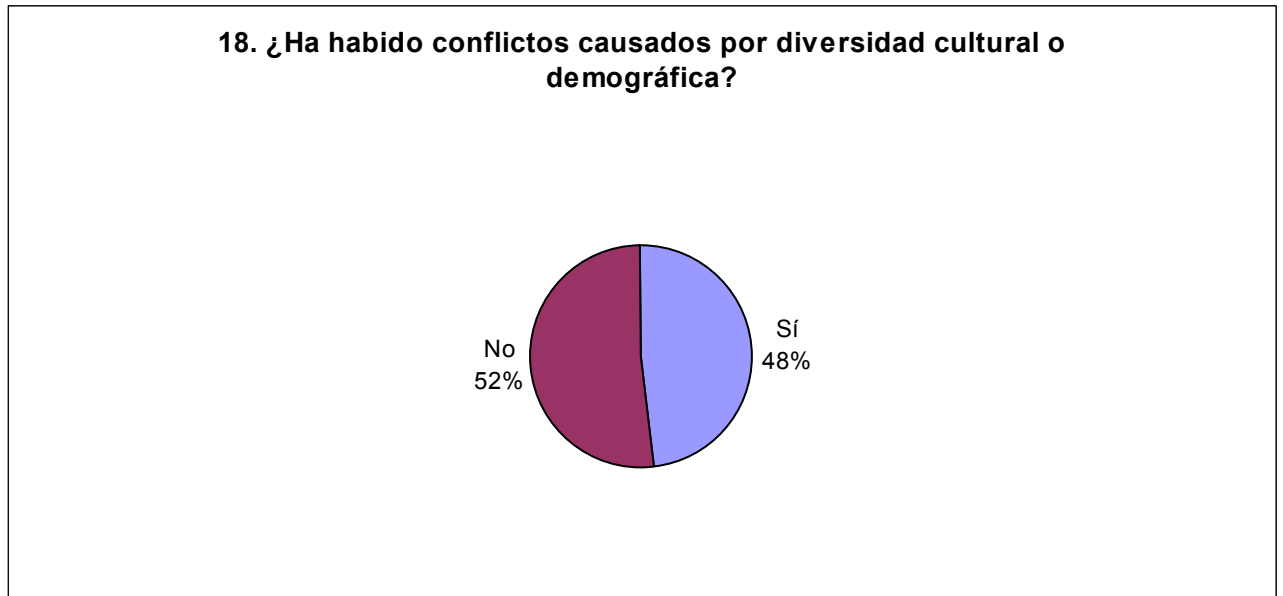
- 1) yes
- 2) no ->please proceed to statistical data



92% of companies in the research Project declare to have conflicts in the organisation, while only 8% state that they do not. Conflicts, being a major source of cost are a crucial area in which to develop management skills for companies to be more efficient and create a high quality work climate for its employees.

18. Have you ever experienced a conflict(s) caused by cultural or demographic diversity?

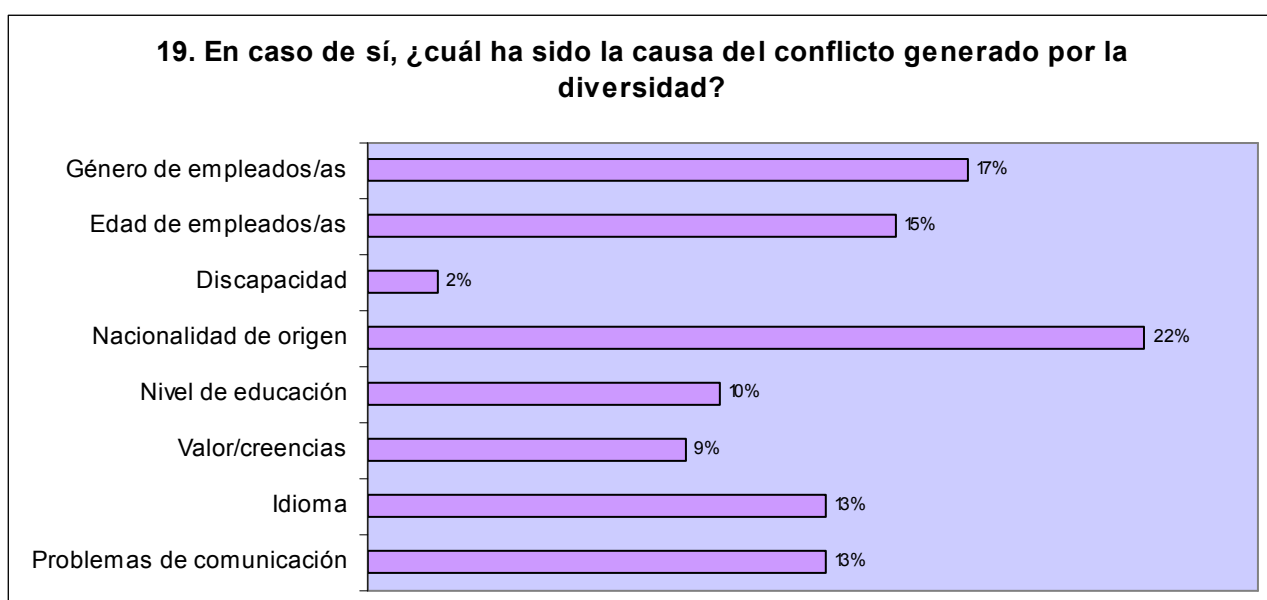
- 1) yes
- 2) no ->please proceed to statistical data



Conflicts in 48% of companies that answered the questionnaire declare that the conflicts in their organisations are caused by demographic or cultural diversity; whereas 52 state that the cause of conflicts occurring in their organisation has other causes. An in depth analysis of this response should lead to defining whether the managers identify the real cause of the conflicts or focus more on the effect rather than the origin.

19. If yes, what were the sources of conflicts that took place in the company ?(Please mark 'x' after the appropriate option, maximum 3).

No.	Sources:	
1.	Employees' gender	
2.	Employees' age	
3.	Disability	
4.	Nationality of origin	
5.	Education level	
6.	Values and beliefs	
7.	Language	
8.	Problems in communication	
9.	Other reason (Such as?)	



The 48% of companies that consider that the conflicts in their companies are a result of demographic or cultural diversities. 22% of them state that immigrants from other countries. 17% consider that gender is the major cause of conflicts and 15% state that it is age and demographic change cause conflicts in the company. 13 consider that language and another 13% consider communication problems are the base of conflicts. 10% think that conflict is the result of languages while 9% is the result of religion, values and believes. Only 2% state that disability causes conflicts in the company.

It is evident that immigration and gender are the 2 main factors of the demographic and cultural cause of conflicts in the SMEs in Spain according to the finding of this research project.

20. Choose the most often types of conflicts in your company?. (Please mark 'x' after the appropriate option, maximum 3).

No.	Types of conflicts:	
1.	Concerning reward types (salaries, bonuses, etc...)	
2.	Based on social hierarchy	
3.	Between the management and the employees	
4.	Due to incorrect company's information system	
5.	Due to insufficient knowledge of labour legislation	
6.	Due to incorrect personnel policy	
7.	Due to employee's cultural variety	
8.	Other (Such as?)	

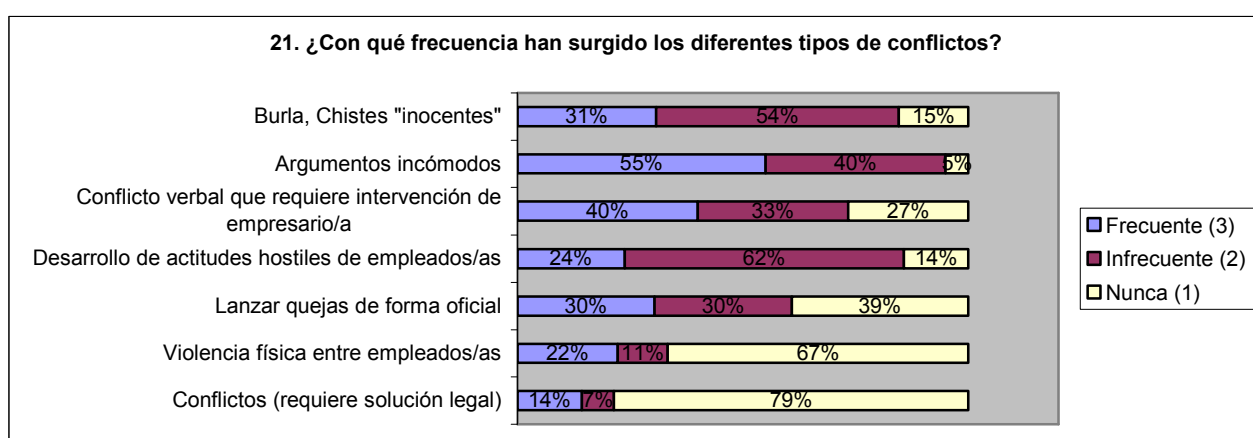


In the 48% of the companies which declare that conflicts occur in their companies, a major 23% are related to remuneration and salary policies. 18% are caused by conflicts between executives in the company and their employees.

15% is the result of indirect information practices, while 13% has its base in the cultural diversity of its employees. 6% of conflicts they claim is caused by incorrect personnel policies. Other causes expressed by entrepreneurs are: long working hours, lack of team work, and lack of professional responsibility. It is evident that there is a wide range of conflict causes and therefore managers must develop the ability to identify the cause manage positive inclusion of employees and their diversities.

21. How often did any of the following forms of conflicts occur? (Please mark 'x' after the appropriate option)

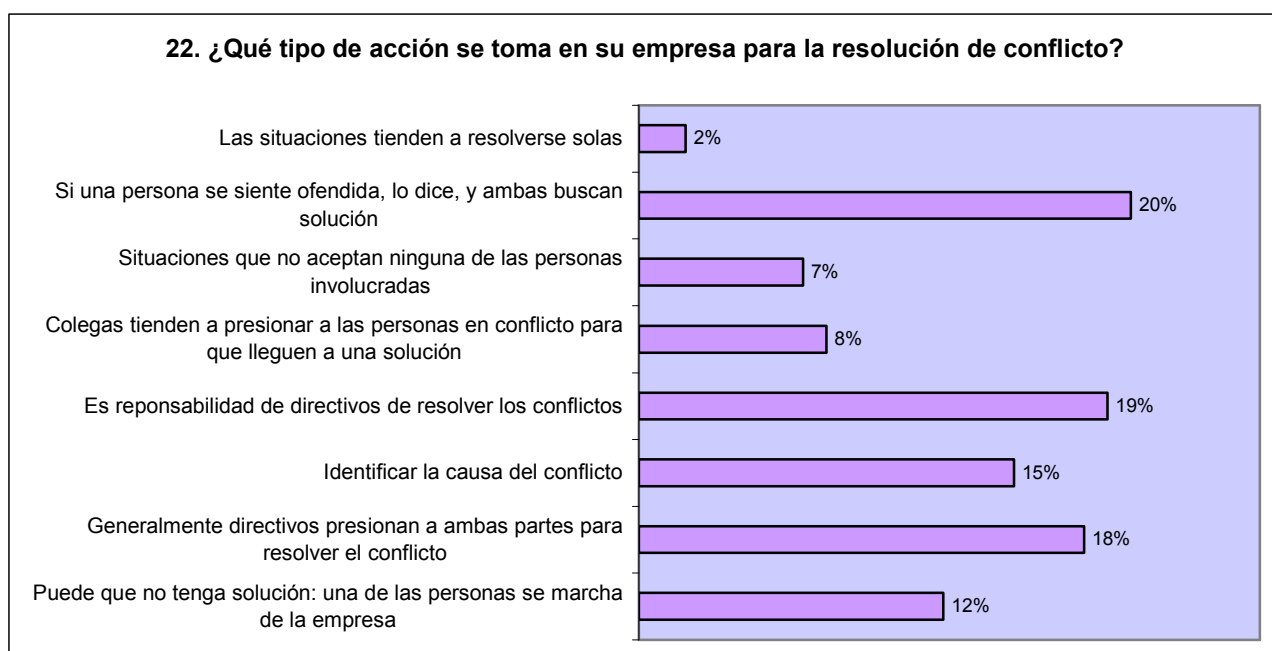
No.	Forms of conflicts:	Often	Rarely	Never
1.	Pranks, 'innocent' jokes	3	2	1
2.	Uncomfortable argument	3	2	1
4.	Verbal conflicts which required employer's intervention	3	2	1
5.	Development of hostile attitudes among the employees	3	2	1
6.	Launching an official complaint	3	2	1
7.	Elements of physical violence among the employees	3	2	1
7.	Conflicts that had to be settled (legally)	3	2	1
8.	Other form, (Such as?).....	3	2	1



The most often form of conflict that occurs in the companies that answered the questionnaire in 55% of cases is that of verbalising uncomfortable arguments that can hurt the sensitivity of other persons with different cultural backgrounds. The manifestation of other conflicts occurs frequently in 31% of cases by innocent jokes which have equal effect on interpersonal relations. Verbal conflicts which require the intervention of company managers in 40% of cases need the intervention of management. Developing hostile attitudes show a 24% frequency. Only 30% of conflict complaints use official communication channels which allow the offend person to look for help to solve the source and origin of conflicts. Physical violence is relatively high with 22% of conflicting situations. It is interesting to note that 67% of physical violence never occurs in the companies' research. And only 79% of conflicts do not require a legal solution. This makes evident the fact that possible employees are not well informed about the rights they have and level to which there is legislation in place to safeguard the integrity of all employees regardless their demographic and cultural diversities.

22. What types of actions are taken in your company in order to remedy conflict situations?
 (Please mark 'x' after the appropriate option, maximum 3).

No.	Ways of remedying conflicts:	
1.	Such situations tend to disappear naturally	
2.	If one party feels offended it informs about it and then both parties seek a compromise	
3.	Such situations are not accepted by our co-workers	
4.	Co-workers usually put pressure on both parties in order to find a solution as quickly as possible	
5.	It is manager's duty to help resolve the issue	
6.	Identify the source of the conflict,	
7.	Usually managers put pressure on both to help solve conflict	
8.	It happens that there is no solution. One of the parties has to leave	
9.	Other (Such	



The most frequent action that happens in SME companies in the research program to solve conflicts is for employees solve the issues among themselves in 20% of the cases.. 19% are resolved by the person responsible for human resource managers.

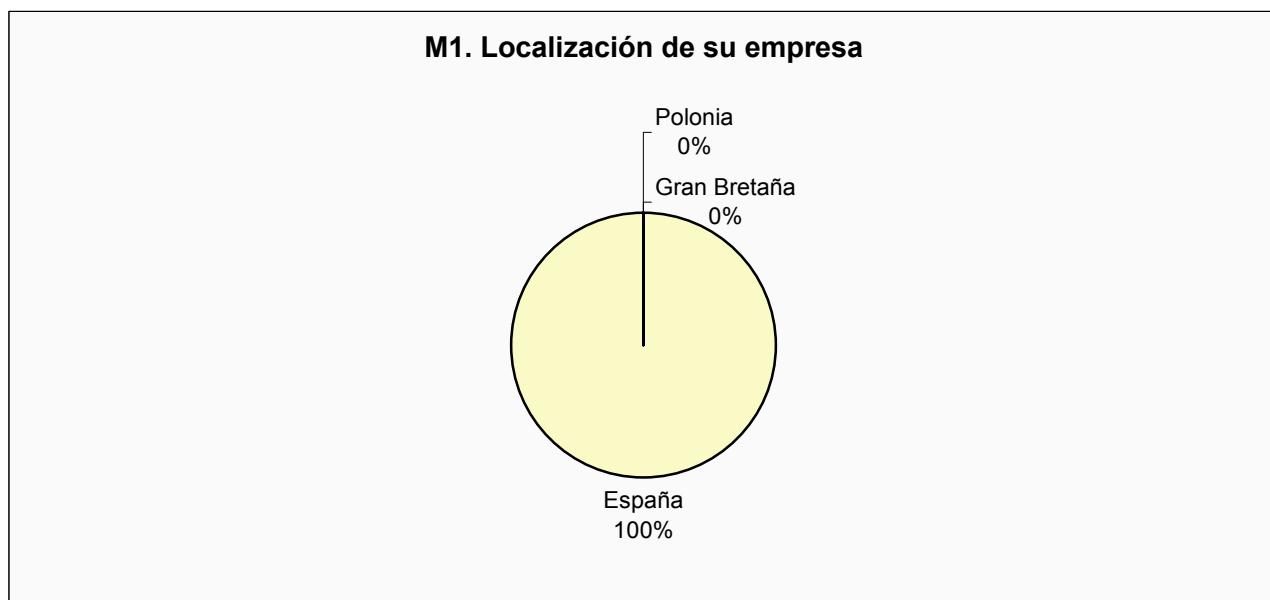
19% of managers resolve the conflicts that emerge in the companies. 15% focus on identifying the cause of the conflict. 12% cannot be resolved and the only way is to fire the person causing the conflict. 8% of cases lead to a solution by the pressure of colleagues of other members oriented on helping them to solve the issue. While 7% are situation which non of the parties know how to address or solve. Only 2% of conflicts tend to get solved by themselves. Companies have different environments that create conflicts. Company culture is a key factor in the resolution of conflicts. The growing diverse profiles of the

workforce generates conflicts which managers must learn how to handle for the benefit of the company results as well as for the benefit of its employees.

STATISTICAL DATA:

M1. Where is your company located?

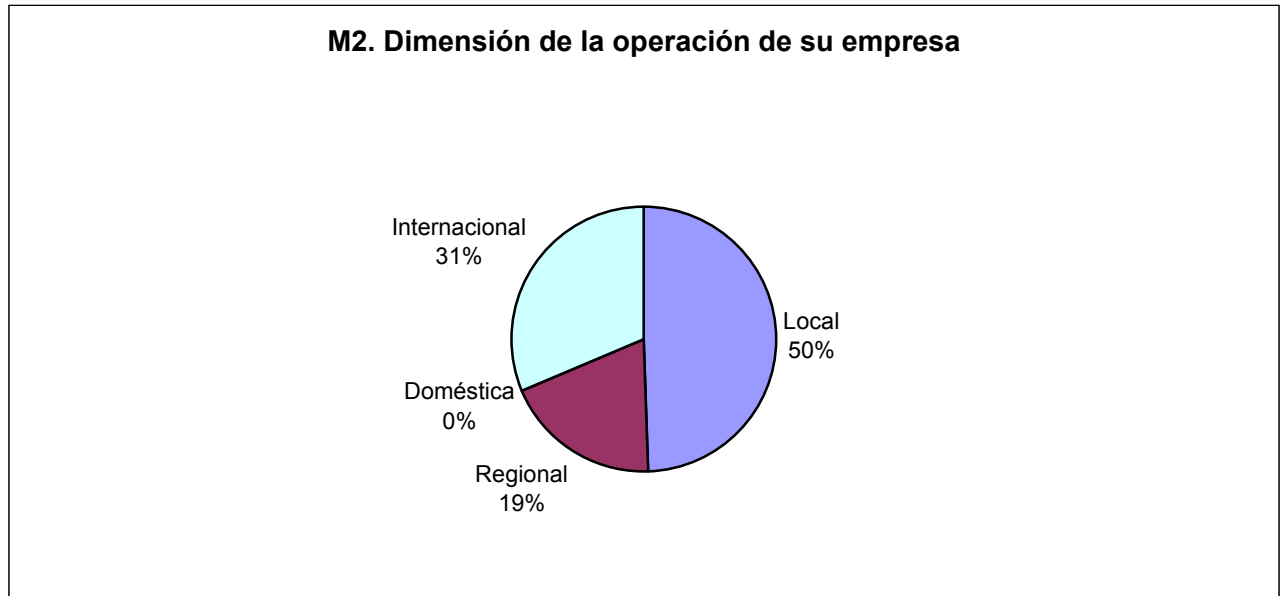
- 1) Poland
- 2) Great Britain
- 3) Spain



All the companies in the research Project are Spanish

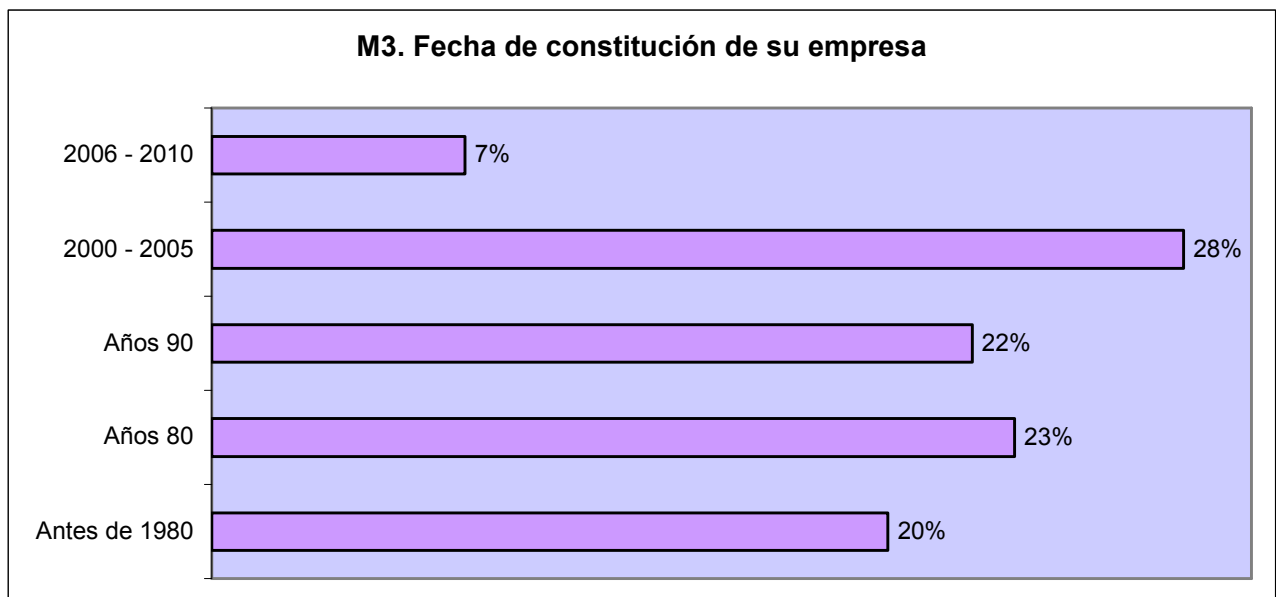
M2. What is your company's scope of operation:

- 1) Local
- 2) Regional
- 3) Domestic
- 4) International



50% of which operate locally, 31% have international activities, and 19% only operate on a regional basis.

M3. Please provide us with the date of the company launch:

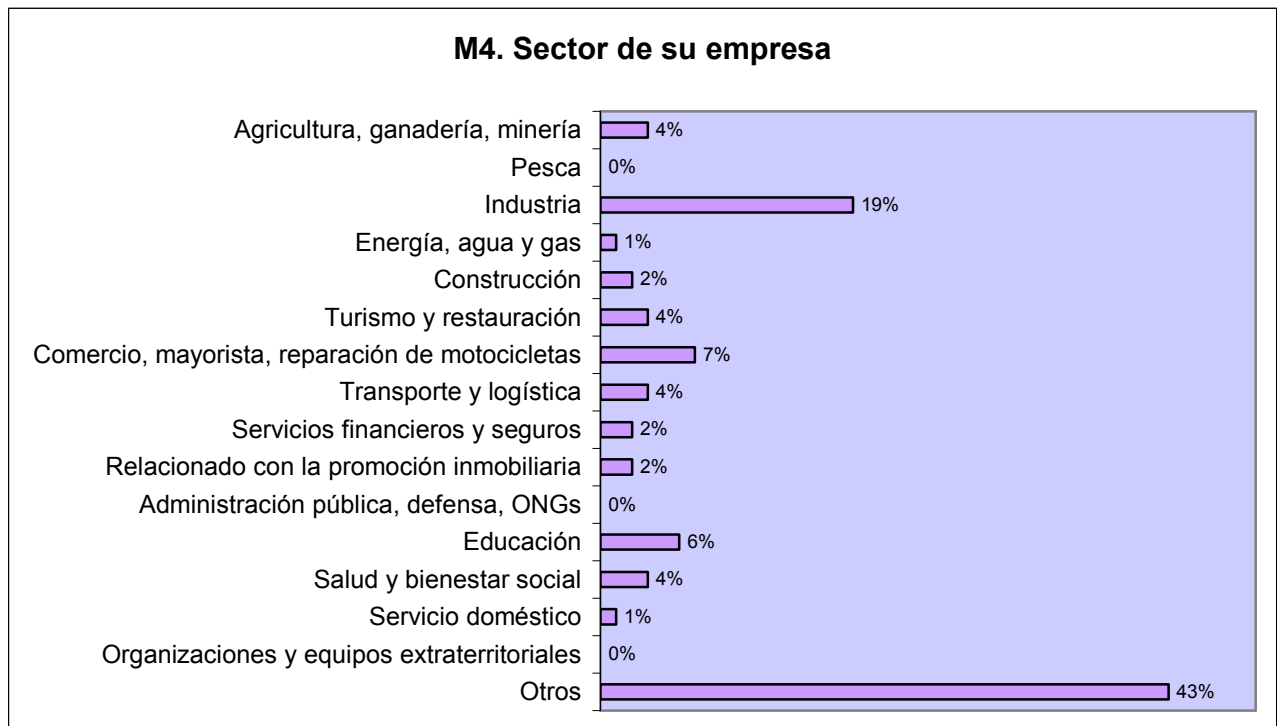


After the transition started in Spain after the Franco dictatorship, the era of entrepreneurship started with a constant growth of a 20%, 23%, and 22% each decade. The great boom of new start-ups particularly, with younger entrepreneurs, coincided with the turn of the millennium as the level of competence and knowledge reached a high level of university graduates and technical professional training. Another cause of this explosion was the inclusion of women in the professional and work market. 2 of every 3 companies set up in Spain after the 2000 have been set up by women looking for a flexible work environment which allows them to manage life and professional life.

The creation of companies has slowed in the recent years due to the crisis Spain and the rest of the world are undergoing.

M4. Please provide us with information concerning your company's type of business:

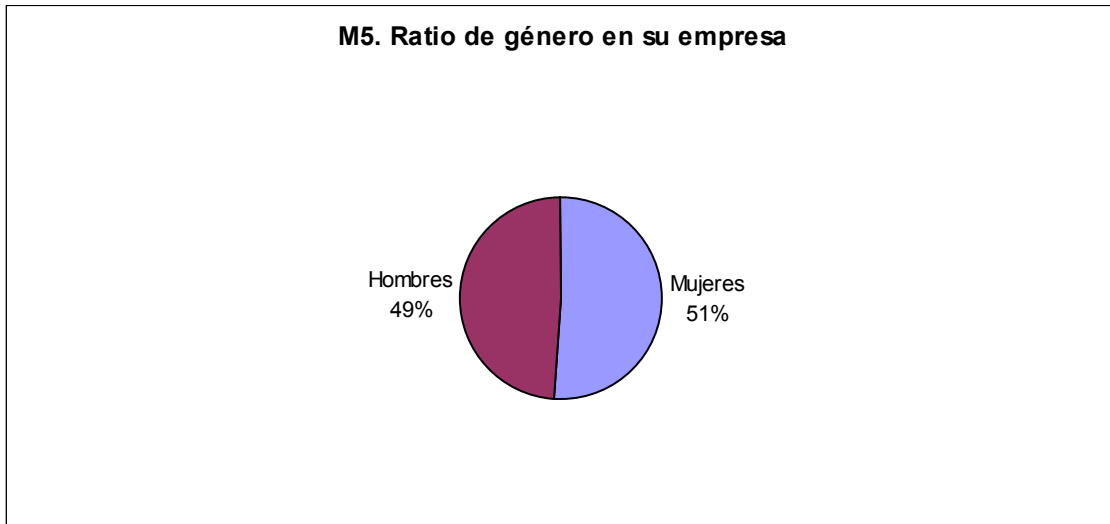
- 1) Farming, viticulture, hunting
- 2) Fishery
- 3) Industrial processing
- 4) Manufacturing, as well as providing customers with electricity, gas and water
- 5) Building
- 6) Providing accommodation and catering
- 7) Retail and wholesale; car repairs including motorcycles
- 8) Transport and logistics
- 9) Financial and insurance operations
- 10) Connected with real estate
- 11) Public administration and national defence; obligatory social provisions
- 12) Education
- 13) Healthcare and social welfare
- 14) Households that employ workers for their own purposes
- 15) Organisations and exterritorial teams
- 16) Other



19% of companies in the research are in the industrial sector, 7% in commerce, 6% in education, tourism, transport and logistics, and health care are all in the 4% range. Construction, financial services, and real estate are within the 2% range of sectors. Energy, water and gas, as well as domestic services are within the 1% range of sectors. A 40% of companies state “other sectors”. The reason being that the description of sectors in Spain is different from that related in the questionnaire, and that there are many organisations in the “service” sector which have activities not specific to those in the categories.

M5. What is the gender ratio of the employees that work in the company?

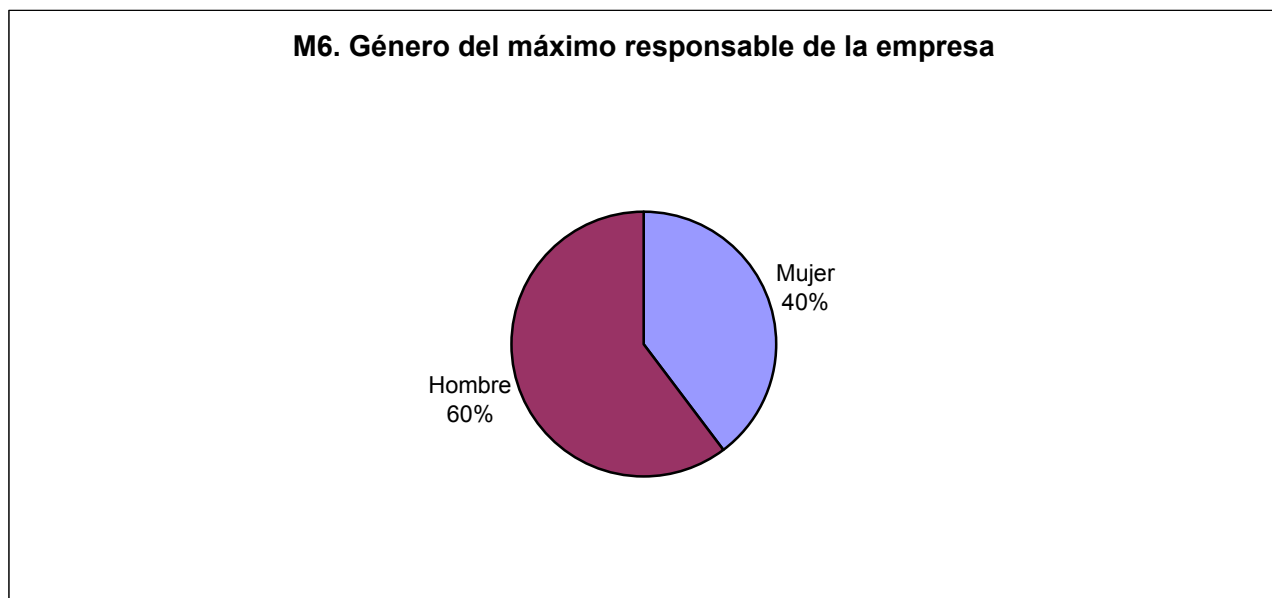
- 1) Women :.....% of employed
- 2) Men:% of employed



In the researched entrepreneurial community as a whole, 51% of employees of the SMEs are woman, against 49% of men in the workforce. A major change in social and economic culture which has occurred in the past 30 years.

M6. Gender of the person in charge of the institution:

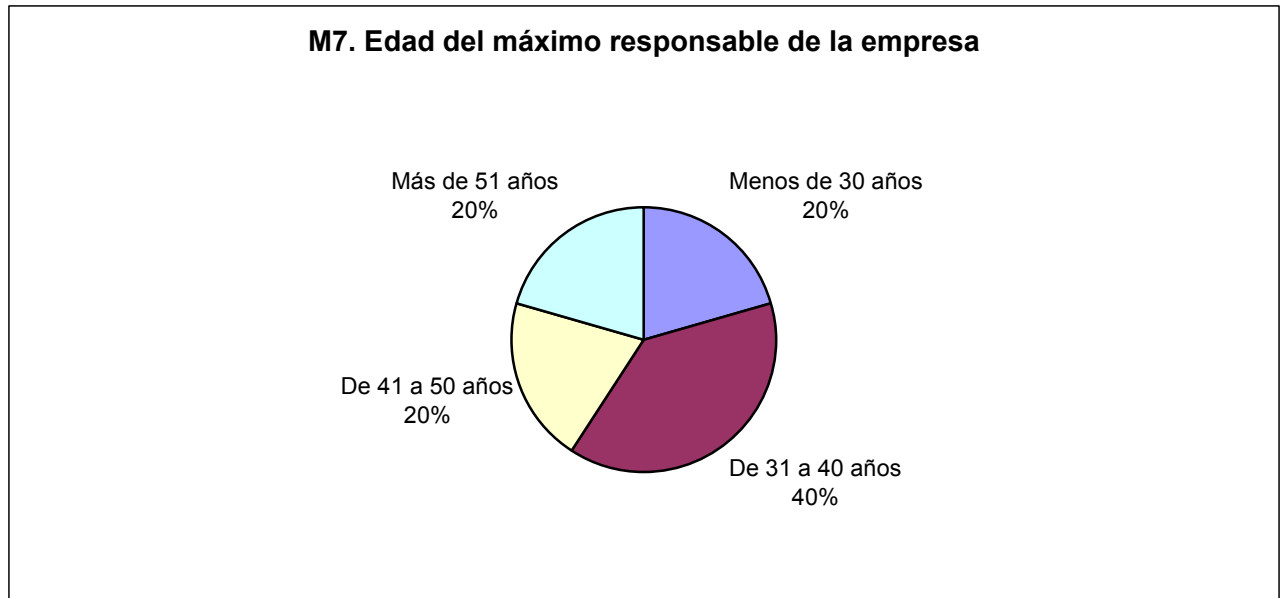
- 1) Female
- 2) Male



Of the SMEs in the research 60% are managed or owned by men and 40% are managed or owned by women. Which reflects the reality of this aspect of the corporate world.

M7. Age of the person in charge of the institution:

- 1) Below 30 years
- 2) From 31 to 40 years
- 3) From 41 to 50 years
- 4) More than 51 years



40% of the companies in the research have managers from 31 to 40 years old

20% have managers or owners in the age range of 41 to 50 years old.

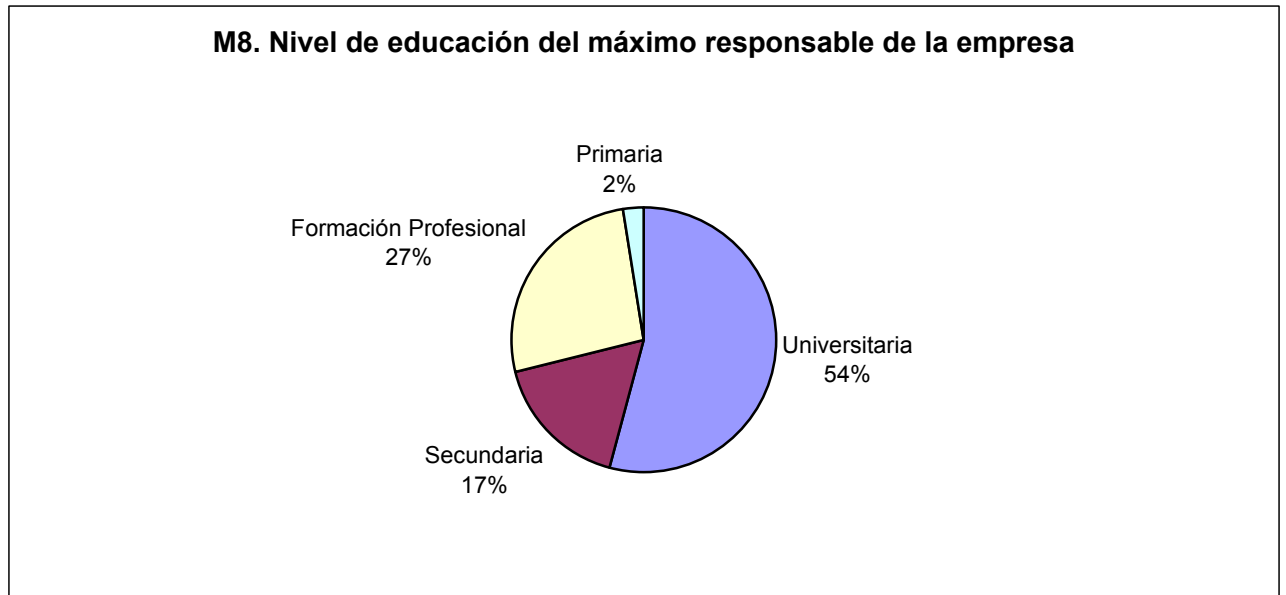
20% have managers or owners over 51 years old.

And another 20% have owners or managers under 30 years of age.

The age range of managers and SME owners is very broad which proves that there is no limit of specific age when it comes to setting up or running an SME. This could be interpreted as a healthy and sustainable situation resulting from the demographic changes which are a major indicator of the environment.

M8. Education level of the person in charge of the institution:

- 1) Higher
 - 2) Secondary
 - 3) Vocational education
 - 4) Elementary
- Other (such as?)



54% of SME owners and managers hold a university degree. 27% have a professional training background. 17% have coursed secondary studies and only 2% have only basic studies. The conclusion is that SMEs are managed by qualified persons who have a high possibility for developing live long learning to acquire the necessary talent to manager diversity is this times of crisis. The issue is that of having access to the right kind of training and to have the resources to update knowledge constantly.

M9. Position within the company:

- 1) Owner
- 2) Manager
- 3) Personnel Department/Human Resources worker
- 4) Other (Such.....)



47% of questionnaires were answered by the company owner. 34% by the human resource manager and 19% by an company executive.

Executive summary

STATISTICS

All SMEs answering the research are Spanish. 50% of which operate locally, 31% have international activities, and 19% only operate on a regional basis. The entrepreneurial boom started in the late 70s after the transition and has grown at a constant rate of over 20% each decade. In the early 2000 with the entrance of women in the workforce the number of start-ups climbed and only declines as a consequence of present crisis and recession. 19 % of companies in the project declare to be in the industrial sector although there is a large 40 % that has chosen the “other” alternative possibly because companies in Spain identify themselves as belonging to the service sector which include tourism, restaurants, information technology activities and other support services to companies and homes which does not appear in the sector list. Spain’s economic is based in the service sectors.

51% of company employees are women and 60% of company of owners or managers are men which 40% are owned by women.

SME PROFILE

40% of SME owners and company responsible are within the 30- 40 age gap. Very interest that there is 20% of managers in the 20, 40 and over 51 age range. The upper managers in SMEs have a highly talented. 54% have a university degree; 17% have secondary level studies and 27% have professional technical expertise 47 % of owners answered the questionnaire personally.

83% of companies are SME and 17 % have over 250 employees. 71% of them hire employees from other nationalities. Mainly from South America and Africa to work in agriculture and construction. While 21 % from Eastern Europe and 12% from North America generally are employed in more technical jobs. Companies claim that recruiting a diverse workforce benefit their efficiency and introduce innovative problem solving; and improves the motivation of local employees. On the other hand they identify problems with immigrant employees; primarily .communication difficulties due to cross-cultural differences, and a significant gap in work value and priorities which impact team work and results in general. But when asked what retains them from hiring more foreigners, the first withdraw they have is the legal difficulties and bureaucracy involved in the hiring process.

TRAINING OPPORTUNITIES

As far as access to training is concerned, 78% of employees of these SME have full training opportunities while 68% have not enjoyed any training program in the past 6 months. The fact that professional abilities and social skills are the two main training themes indicate the critical importance of developing cross-cultural behaviour in companies to foster diversity and inclusion. Managers themselves recognise the they need to improve their communication abilities and conflict management derived from diverse profiles of employees.

CONCILIATION POLICIES

78% of SMEs in the research put in place work / life schemes for employees. Mainly flexible time and work and life family and home support, followed by maternity and paternity leaves. As far as safeguarding employees there are two main areas of protection companies give their workers: combat gender harassment and immigrant and ethnic discrimination, followed by growing respect for sexual orientation.

MANAGING CONFLICTS

37% of employees state that they have a democratic integrative management style, while 34% declare to have a liberal not integrating style of management. 29% confess to have an authoritative directive way of managing people 51% of company responsible, focus on objectives, while 35% of commitment to relation with people and the remaining 14% aim at establishing inclusive relationships. A barrier to conflict management, when the workforce is more and more demographic and culturally diverse.

CONFLICT TYPOLOGY

92% declare to have conflicts in their companies, 52% of which are caused by demographic and cultural differences. 22% of the causes of conflicts in the organisation are generated by immigrant integration in the company, followed by a 17% of conflicts caused by gender inclusion. Other significant causes are cultural issues such as language, religion and difference in perspective altogether. 48% of companies declare that conflicts occur, remuneration being the main cause (23%) followed by tense relations between employees and their peers. Another key cause to take into account is the lack of direct communication channels in the company which do not establish a transparent way of complaints and conflict resolution.

The most often types of conflicts are caused by uncomfortable arguments and innocent jokes, which hurt the sensitive of peoples of other cultural backgrounds or diverse profiles which do not meet the stereotype of the company employee community. 40% of conflicts need the intervention of managers yet only 30% of companies has official channels for employees to complain.

When it comes to what actions are taken to manage conflicts, it is interesting to find that 20% are claimed to get solved by the same people who created them, 19% are solved by the human resource managers or person in charge of that responsibility. 15% of companies declare to focus on identifying the cause of conflicts as a preventive policy and to be able to address the real issue that has created the situation.

Although companies declare that there are different environmental causes of conflicts, the research highlights that the critical issues to be addressed are cultural differences which derive from immigrant and foreign workers, and gender differences in the process of integrating into the workforce. Company cultures are therefore a key factor for conflict resolution. And management training in cross-cultural skills is an important step towards developing the ability to positive conflict management.

Companies have different environments that create conflicts. Company culture is a key factor in the resolution of conflicts. The growing diverse profile of the workforce generates conflicts which managers must learn how to handle for the benefit of the company results as well as for the benefit of its employees.