



International Management

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CROSS-CULTURAL MANAGEMENT

PART 2.



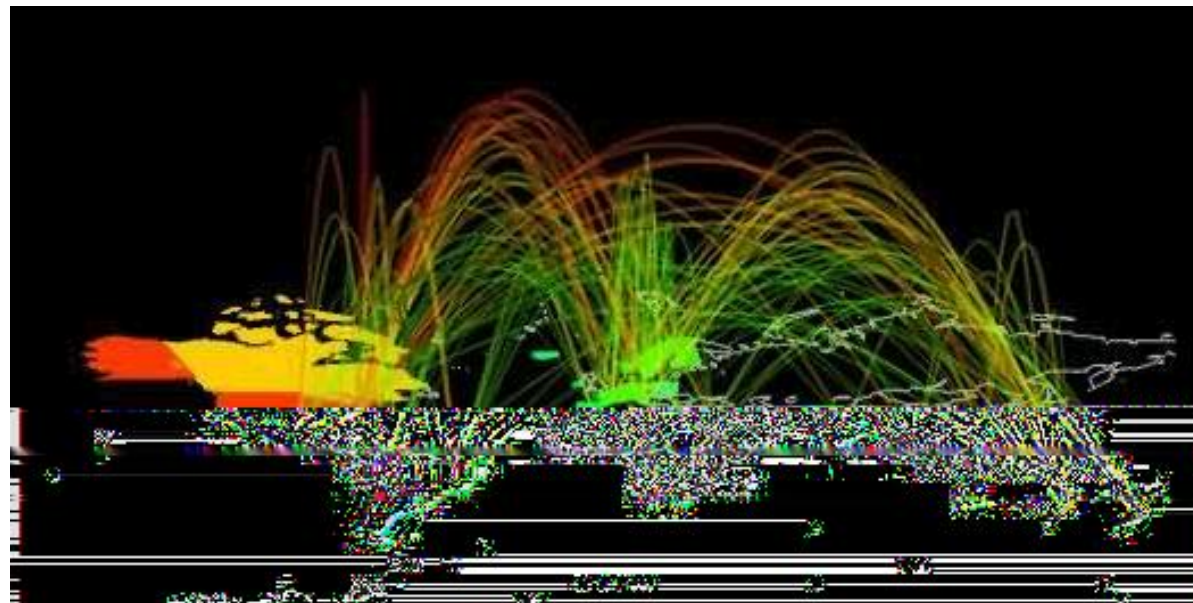


OBJECTIVES

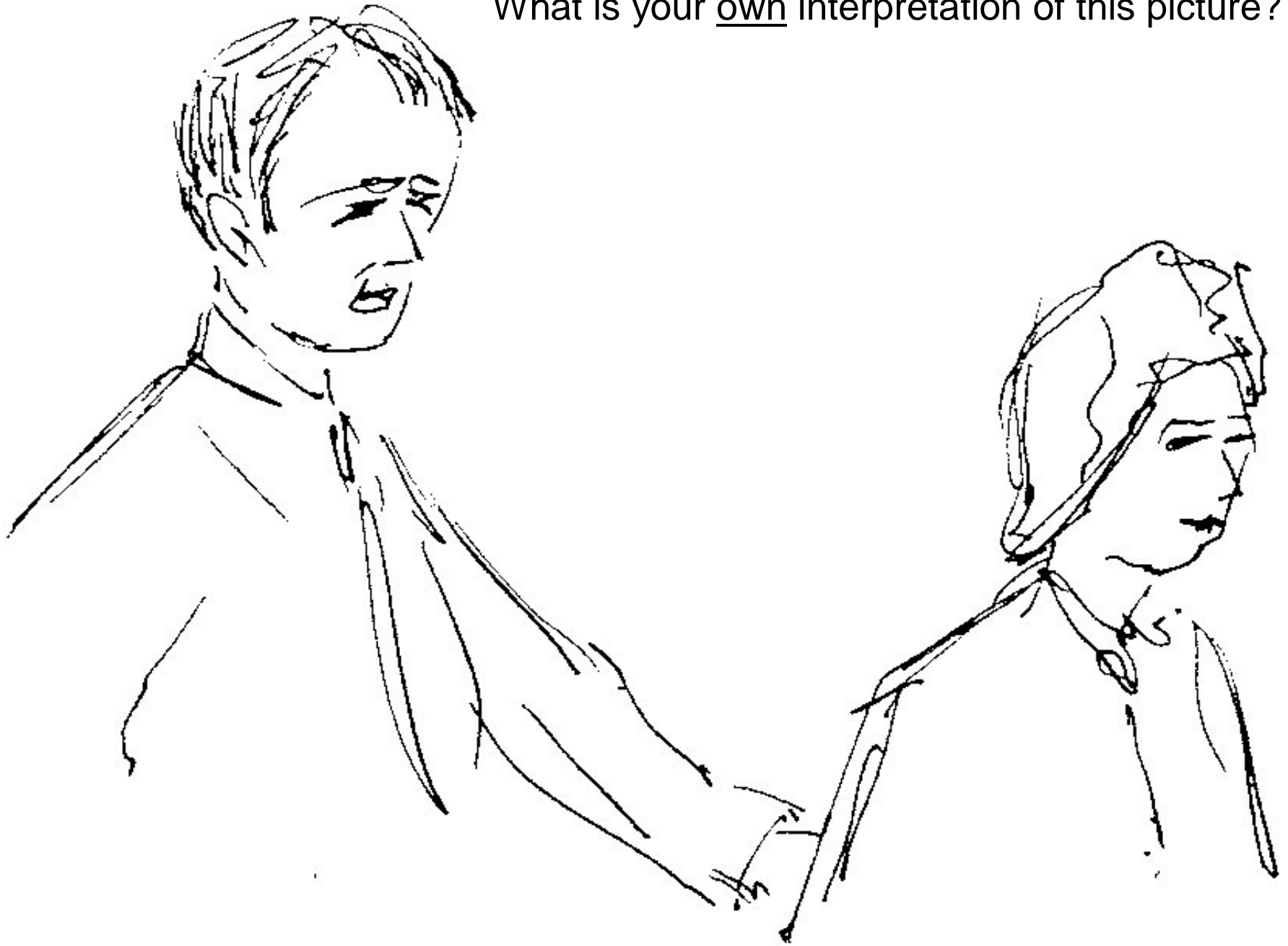
Think globally, act locally

OR ?

Think locally, act globally



What is your own interpretation of this picture?





What makes the difference?

The people who interpreted the pictures came from Bolivia, China, Ethiopia, France, Indonesia, Italy, the Netherlands, Peru, Tunisia and Uganda, their main answers were:

- ✓ **Some meeting between a father and her daughter.
She could have some problem.**
- ✓ **A daughter helping her old father.**
- ✓ **A husband helping his wife.**
- ✓ **A father ushering his daughter on gently.**
- ✓ **A man angry with a woman and teaching her a lesson.**
- ✓ **Two friends but who are not on good terms
for the time being.**
- ✓ **A man trying to talk to a woman who turns her back to him.**
- ✓ **Tenderness**
- ✓ **A pickpocket.**



Cultural programming

This case shows how interpretations can differ because people concentrate on different aspects:

- Some look for unique attributes of the people in the picture.
- Others look for family relationships, or for hierarchical relationships.
- Yet others look for gender differences, for cooperation, for antagonism.
- Or for details that highlight professional or religious roles.



The dimensions of culture

At present, there are at least six models of national cultures that continue to be widely cited and utilized in the organizational research literature.

- Kluckhohn and Strodtbeck,
- Hofstede,
- Hall,
- Trompenaars,
- Schwartz,
- House and his GLOBE associates.



Five relatively distinct common themes of cultural dimensions

- Distribution of power and authority in society.
- People's relationship with their environment.
- Use of time.
- Centrality of individuals or groups as the basis of social relationships
- Mechanisms of personal and social control.



Five relatively distinct common themes of cultural dimensions

1. **Distribution of power and authority in society.** How are power and authority distributed in a society? Is this distribution based on concepts of hierarchy or egalitarianism? What are societal beliefs concerning equality or privilege?
2. **Centrality of individuals or groups as the basis of social relationships.** What is the fundamental building block of a society: individuals or groups? How does a society organize for collective action?
3. **People's relationship with their environment.** On a societal level, how do people view the world around them and their relationship with the natural and social environment? Is their goal to control the environment and events around them or to live in harmony with these external realities?
4. **Use of time.** How do people in a society organize and manage their time to carry out their work and non-work activities? Do people approach work in a linear or a nonlinear fashion?
5. **Mechanisms of personal and social control.** How do societies try to insure predictability in the behavior of their members? Do they work to control people through uniformly applied rules, policies, laws, and social norms or rely more on personal ties or unique circumstances?



Kluckhohn and Strodtbeck's cultural dimensions

Cultural Dimensions	Scale Anchors		
<i>Relationship with Nature:</i> Beliefs about the need or responsibility to control nature.	Mastery: Belief that people have need or responsibility to control nature.	Harmony: Belief that people should work with nature to maintain harmony or balance.	Subjugation: Belief that individuals must submit to nature.
<i>Relationship with People:</i> Beliefs about social structure.	Individualistic: Belief that social structure should be arranged based on individuals.	Collateral: Belief that social structure should be based on groups of individuals with relatively equal status.	Lineal: Belief that social structure should be based on groups with clear and rigid hierarchical relationships.
<i>Human Activities:</i> Beliefs about appropriate goals.	Being: Belief that people should concentrate on living for the moment.	Becoming: belief that individuals should strive to develop themselves into an integrated whole.	Doing: belief on striving for goals and accomplishments.
<i>Relationship with Time:</i> Extent to which past, present, and future influence decisions.	Past: In making decisions, people are principally influenced by past events or traditions.	Present: In making decisions, people are principally influenced by present circumstances.	Future: In making decisions, people are principally influenced by future prospects.
<i>Human Nature:</i> Beliefs about good, neutral or evil human nature.	Good: Belief that people are inherently good.	Neutral: Belief that people are inherently neutral.	Evil: Belief that people are inherently evil



Hall's cultural dimensions

Cultural Dimensions	Scale Anchors	
<i>Context</i> : Extent to which the context of a message is as important as the message itself.	Low context : Direct and frank communication; message itself conveys its meaning. Examples: Germany, US, Scandinavia.	High context : Much of the meaning in communication is conveyed indirectly through the context surrounding a message. Examples: Japan, China.
<i>Space</i> : Extent to which people are comfortable sharing physical space with others.	Center of power : Territorial; need for clearly delineated personal space between themselves and others. Examples: US, Japan.	Center of community : Communal; comfortable sharing personal space with others. Examples: Latin America, Arab States.
<i>Time</i> : Extent to which people approach one task at a time or multiple tasks simultaneously.	Monochronic : Sequential attention to individual goals; separation of work and personal life; precise concept of time. Examples: Germany, US, Scandinavia.	Polychronic : Simultaneous attention to multiple goals; integration of work and personal life; relative concept of time. Examples: France, Spain, Mexico, Brazil, Arab States.



Trompenaars' cultural dimensions

Cultural Dimensions	Scale Anchors	
<i>Universalism-Particularism:</i> Relative importance of applying standardized rules and policies across societal members; role of exceptions in rule enforcement.	Universalism: Reliance on formal rules and policies that are applied equally to everyone. Examples: Austria, Germany, Switzerland, US.	Particularism: Rules must be tempered by the nature of the situation and the people involved. Examples: China, Venezuela, Indonesia, Korea.
<i>Individualism-Collectivism:</i> Extent to which people derive their identity from within themselves or their group.	Individualism: Focus on individual achievement and independence. Examples: US, Nigeria, Mexico, Argentina.	Collectivism: Focus on group achievement and welfare. Examples: Singapore, Thailand, Japan.
<i>Specific-Diffuse:</i> Extent to which people's various roles are compartmentalized or integrated.	Specific: Clear separation of a person's various roles. Examples: Sweden, Germany, Canada, UK, US.	Diffuse: Clear integration of a person's various roles. Examples: China, Venezuela, Mexico, Japan, Spain.
<i>Neutral-Affective:</i> Extent to which people are free to express their emotions in public.	Neutral: Refrain from showing emotions; hide feelings. Examples: Japan, Singapore, UK.	Affective: Emotional expressions acceptable or encouraged. Examples: Mexico, Brazil, Italy.
<i>Achievement-Ascription:</i> Manner in which respect and social status are accorded to people.	Achievement: Respect for earned accomplishments. Examples: Austria, US, Switzerland.	Ascription: Respect for ascribed or inherited status. Examples: Egypt, Indonesia, Korea, Hungary.
<i>Time Perspective:</i> Relative focus on the past or the future in daily activities.	Past/present oriented: Emphasis on past events and glory. Examples: France, Spain, Portugal, Arab countries.	Future oriented: Emphasis on planning and future possibilities. Examples: China, Japan, Korea, Sweden, US.
<i>Relationship with Environment:</i> Extent to which people believe they control the environment or it controls them.	Inner-directed: Focus on controlling the environment. Examples: Australia, US, UK.	Outer-directed: Focus on living in harmony with nature. Examples: China, India; Sweden, Egypt, Korea.



Schwartz's cultural dimensions

Cultural Dimensions	Scale Anchors	
<i>Conservatism-Autonomy:</i> Extent to which individuals are integrated in groups.	Conservatism: individuals are embedded in a collectivity, finding meaning through participation and identification with a group that shares their way of life.	Autonomy: individuals are autonomous from groups, finding meaning on their own uniqueness. Two types of autonomy: Intellectual autonomy: (independent pursuit of ideas and rights) and Affective autonomy (independent pursuit of affectively positive experience).
<i>Hierarchy-Egalitarianism:</i> Extent to which equality is valued and expected.	Hierarchy: cultures are organized hierarchically. Individuals are socialized to comply with their roles and are sanctioned if they do not.	Egalitarianism: Individuals are seen as moral equals who share basic interests as human beings.
<i>Mastery-Harmony:</i> Extent to which people seek to change the natural and social world to advance personal or group interests.	Mastery: individuals value getting ahead through self-assertion and seek to change the natural and social world to advance personal or group interests.	Harmony: individuals accept the world as it is and try to preserve it rather than exploit it.



Geert Hofstede Cultural Dimensions

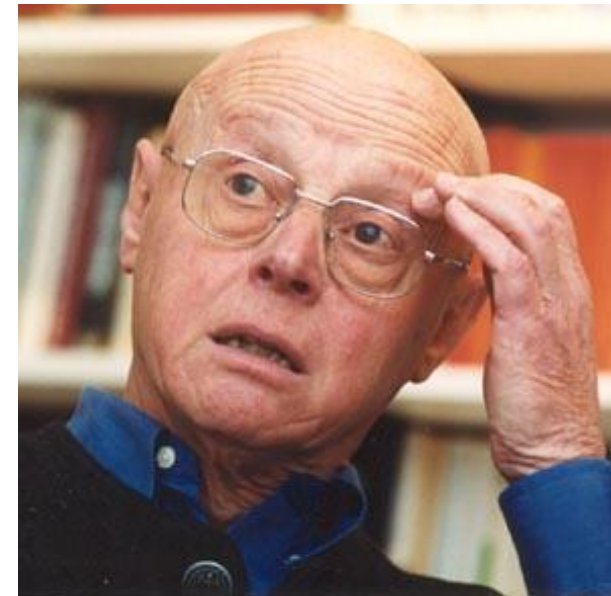
"Culture is more often a source of conflict than of synergy. Cultural differences are a nuisance at best and often a disaster"

Famous research:

IBM

116.000 employees

53 countries





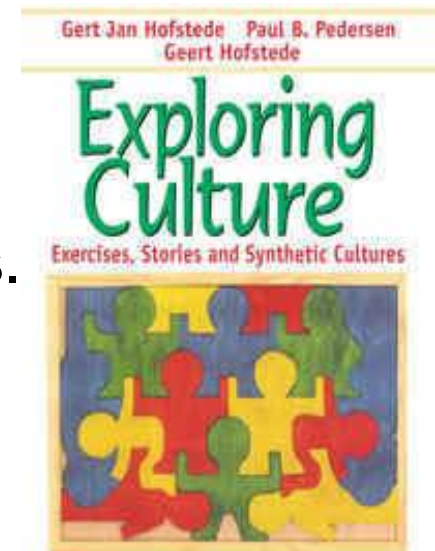
Hofstede's cultural dimensions

Cultural Dimensions	Scale Anchors	
<i>Power Distance:</i> Beliefs about the appropriate distribution of power in society.	Low power distance: Belief that effective leaders do not need to have substantial amounts of power compared to their subordinates. Examples: Austria, Israel, Denmark, Ireland, Norway, Sweden.	High power distance: Belief that people in positions of authority should have considerable power compared to their subordinates. Examples: Malaysia, Mexico, Saudi Arabia.
<i>Uncertainty Avoidance:</i> Degree of uncertainty that can be tolerated and its impact on rule making.	Low uncertainty avoidance: Tolerance for ambiguity; little need for rules to constrain uncertainty. Examples: Singapore, Jamaica, Denmark, Sweden, UK.	High uncertainty avoidance: Intolerance for ambiguity; need for many rules to constrain uncertainty. Examples: Greece, Portugal, Uruguay, Japan, France, Spain.
<i>Individualism-Collectivism:</i> Relative importance of individual vs. group interests.	Collectivism: Group interests generally take precedence over individual interests. Examples: Japan, Korea, Indonesia, Pakistan, Latin America.	Individualism: Individual interests generally take precedence over group interests. Examples: US, Australia, UK, Netherlands, Italy, Scandinavia.
<i>Masculinity-Femininity:</i> Assertiveness vs. passivity; material possessions vs. quality of life.	Masculinity: Values material possessions, money, and the pursuit of personal goals. Examples: Japan, Austria, Italy, Switzerland, Mexico.	Femininity: Values strong social relevance, quality of life, and the welfare of others. Examples: Sweden, Norway, Netherlands, Costa Rica.
<i>Long-term vs. Short-term Orientation:</i> Outlook on work, life, and relationships.	Short-term orientation: Past and present orientation. Values traditions and social obligations. Examples: Pakistan, Nigeria, Philippines, Russia.	Long-term orientation: Future orientation. Values dedication, hard work, and thrift. Examples: China, Korea, Japan, Brazil.



Hofstede's selected bibliography

- Geert Hofstede - father
 - www.geerthofstede.com
 - (1980, 2001) *Culture's Consequences*. Sage.
 - (1991) *Cultures and Organizations*. McGraw Hill (paperback '94 £ 9,99)
 - (1993) "Cultural Constraints in Management Theories" *Academy of Management Executive* VII: 1, 81-94.
- Gert Jan Hofstede - son
 - (2002) *Exploring Culture*. Intercultural Press.
 - www.info.wau.nl/





GLOBE research

Robert House led an international team of researchers that focused primarily on understanding the influence of cultural differences on leadership processes (House, Hanges, Javidan, Dorfman, and Gupta, 2004). Their investigation was called the “GLOBE study” for Global Leadership and Organizational Behavior Effectiveness. In their research, the GLOBE researchers identified nine cultural dimensions.

Based on this assessment, the GLOBE researchers collected data in sixty-two countries and compared the results.



GLOBE's cultural dimensions

Cultural Dimensions	Scale Anchors	
<i>Power Distance:</i> Degree to which people expect power to be distributed equally.	High: Society divided into classes; power bases are stable and scarce; power is seen as providing social order; limited upward mobility.	Low: Society has large middle class; power bases are transient and sharable; power often seen as a source of corruption, coercion, and dominance; high upward mobility.
<i>Uncertainty Avoidance:</i> Extent to which people rely on norms, rules, and procedures to reduce the unpredictability of future events.	High: Tendency to formalize social interactions; document agreements in legal contracts; be orderly and maintain meticulous records; rely on rules and formal policies.	Low: Tendency to be more informal in social interactions; reliance on word of people they trust; less concerned with orderliness and record-keeping; rely on informal norms of behavior.
<i>Humane Orientation:</i> Extent to which people reward fairness, altruism, and generosity.	High: Interests of others important; values altruism, benevolence, kindness, and generosity; high need for belonging and affiliation; fewer psychological and pathological problems.	Low: Self-interest important; values pleasure, comfort, and self-enjoyment; high need for power and possessions; more psychological and pathological problems.
<i>Institutional Collectivism:</i> Extent to which society encourages collective distribution of resources and collective action.	High: Individuals integrated into strong cohesive groups; self viewed as interdependent with groups; societal goals often take precedence over individual goals.	Low: Individuals largely responsible for themselves; self viewed as autonomous; individual goals often take precedence over societal or group goals.
<i>In-Group Collectivism:</i> Extent to which individuals express pride, loyalty, and cohesiveness in their organizations and families.	High: Members assume they are interdependent and seek to make important personal contributions to group or organization; long-term employer-employee relationships; organizations assume major responsibility of employee welfare; important decisions made by groups.	Low: Members assume they are independent of the organization and seek to stand out by making individual contributions; short-term employer-employee relationships; organizations primarily interested in the work performed by employees over their personal welfare.

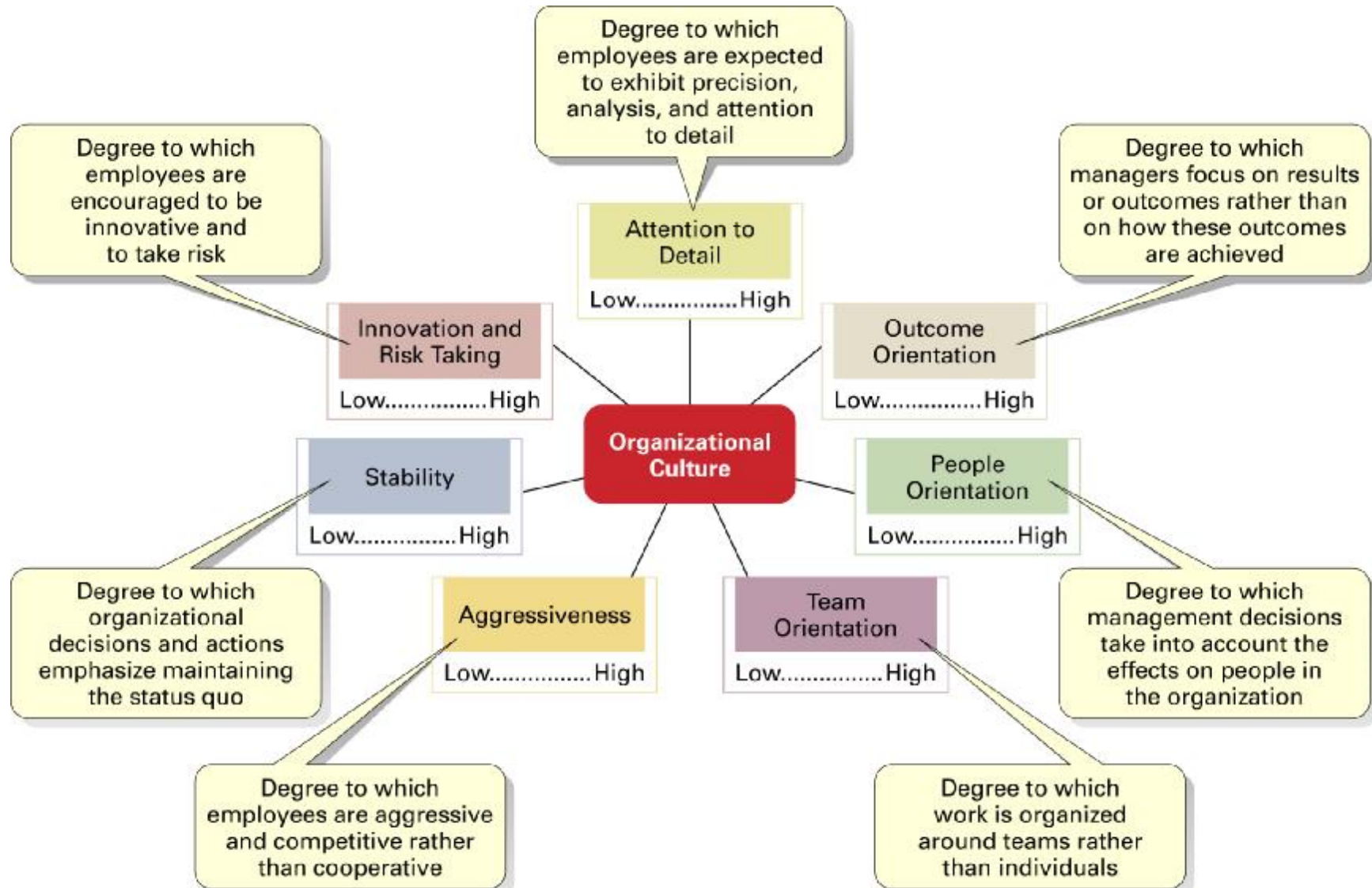


GLOBE's cultural dimensions

Cultural Dimensions	Scale Anchors	
<i>Assertiveness</i> : Degree to which people are assertive, confrontational, and aggressive in relationships with others.	High: Value assertiveness, dominance, and tough behavior for all members of society; sympathy for the strong; value competition; belief in success through hard work; values direct and unambiguous communication.	Low: Prefers modesty and tenderness to assertiveness; sympathy for the weak; values cooperation; often associates competition with defeat and punishment; values face-saving in communication and action.
<i>Gender Egalitarianism</i> : Degree to which gender differences are minimized.	High: High participation of women in the workforce; more women in positions of authority; women accorded equal status in society.	Low: Low participation of women in the workforce; fewer women in positions of authority; women not accorded equal status in society.
<i>Future Orientation</i> : Extent to which people engage in future-oriented behaviors such as planning, investing, and delayed gratification.	High: Greater emphasis on economic success; propensity to save for the future; values intrinsic motivation; organizations tend to be flexible and adaptive.	Low: Less emphasis on economic success; propensity for instant gratification; values extrinsic motivation; organizations tend to be bureaucratic and inflexible.
<i>Performance Orientation</i> : Degree to which high performance is encouraged and rewarded.	High: Belief that individuals are in control of their destiny; values assertiveness, competitiveness, and materialism; emphasizes performance over people.	Low: Values harmony with environment over control; emphasizes seniority, loyalty, social relationships, and belongingness; values who people are more than what they do.



Other approaches – i.e. internal





Other approaches – i.e. external





FINAL ASSIGNMENT

1. Split into groups
2. Visit the webpage of prof. G. Hofstede www.geert-hofstede.com to learn about dimensions of different cultures.
3. Then visit another webpage of prof. G. Hofstede www.geerthofstede.com and find a cultural dimensions analytic tool – a questionnaire along with the manual
4. Research students of your universities
5. You have 2 weeks for completing this job.
6. **Present your findings in an academic paper in which you will also analyze the implications of cultural dimensions of analyzed culture for cross-cultural management, assuming that this culture works together with you in one company.**
7. Do not forget about theoretical introduction to your analysis and comparison of your results with the results of other researches.
8. Prepare a class presentation and send it with the report by e-mail mariusz@maciejczak.pl