

chapter four

The Meanings and Dimensions of Culture

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Chapter Objectives

- **DEFINE** the term culture, and discuss some of the comparative ways of differentiating cultures.
- **DESCRIBE** the concept of cultural values, and relate some of the international differences, similarities, and changes occurring in terms of both work and managerial values.
- **IDENTIFY** the major dimensions of culture relevant to work settings, and discuss their effects on behavior in an international environment.
- **DISCUSS** the value of country cluster analysis and relational orientations in developing effective international management practices.

The Nature of Culture

- Culture defined: Acquired knowledge that people use to interpret experience and generate social behavior. This knowledge forms values, creates attitudes, and influences behavior.

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Characteristics of Culture

- Learned
- Shared
- Trans-generational
- Symbolic
- Patterned
- Adaptive

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Priorities of Cultural Values

Table 4–1

Priorities of Cultural Values: United States, Japan, and Arab Countries

United States	Japan	Arab Countries
1. Freedom	1. Belonging	1. Family security
2. Independence	2. Group harmony	2. Family harmony
3. Self-reliance	3. Collectiveness	3. Parental guidance
4. Equality	4. Age/seniority	4. Age
5. Individualism	5. Group consensus	5. Authority
6. Competition	6. Cooperation	6. Compromise
7. Efficiency	7. Quality	7. Devotion
8. Time	8. Patience	8. Patience
9. Directness	9. Indirectness	9. Indirectness
10. Openness	10. Go-between	10. Hospitality

Note: “1” represents the most important cultural value, “10” the least.

Source: Adapted from information found in F. Elashmawi and Philip R. Harris, *Multicultural Management* (Houston: Gulf Publishing, 1993), p. 63.

How Culture Affects Managerial Approaches

- **Centralized vs. Decentralized Decision Making:**
 - ❑ In some societies, top managers make all important organizational decisions.
 - ❑ In others, these decisions are diffused throughout the enterprise, and middle- and lower-level managers actively participate in, and make, key decisions.

How Culture Affects Managerial Approaches

- **Safety vs. Risk:**
 - In some societies, organizational decision makers are risk averse and have great difficulty with conditions of uncertainty.
 - In others, risk taking is encouraged, and decision making under uncertainty is common.

How Culture Affects Managerial Approaches

- Individual vs. Group Rewards:
 - In some countries, personnel who do outstanding work are given individual rewards in the form of bonuses and commissions.
 - In others, cultural norms require group rewards, and individual rewards are frowned upon.

How Culture Affects Managerial Approaches

- **Informal Procedures vs. Formal Procedures:**
 - In some societies, much is accomplished through informal means.
 - In others, formal procedures are set forth and followed rigidly.

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How Culture Affects Managerial Approaches

- High Organizational Loyalty vs. Low Organizational Loyalty
 - In some societies, people identify very strongly with their organization or employer.
 - In others, people identify with their occupational group, such as engineer or mechanic.

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How Culture Affects Managerial Approaches

- Cooperation vs. Competition
 - Some societies encourage cooperation between their people.
 - Others encourage competition between their people.

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How Culture Affects Managerial Approaches

- Short-term vs. Long-term Horizons
 - Some culture focus most heavily on short-term horizons, such as short-range goals of profit and efficiency. [cuu duong than cong. com](http://cuuduongthancong.com)
 - Others are more interested in long-range goals, such as market share and technologic developments.

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How Culture Affects Managerial Approaches

■ Stability vs. Innovation

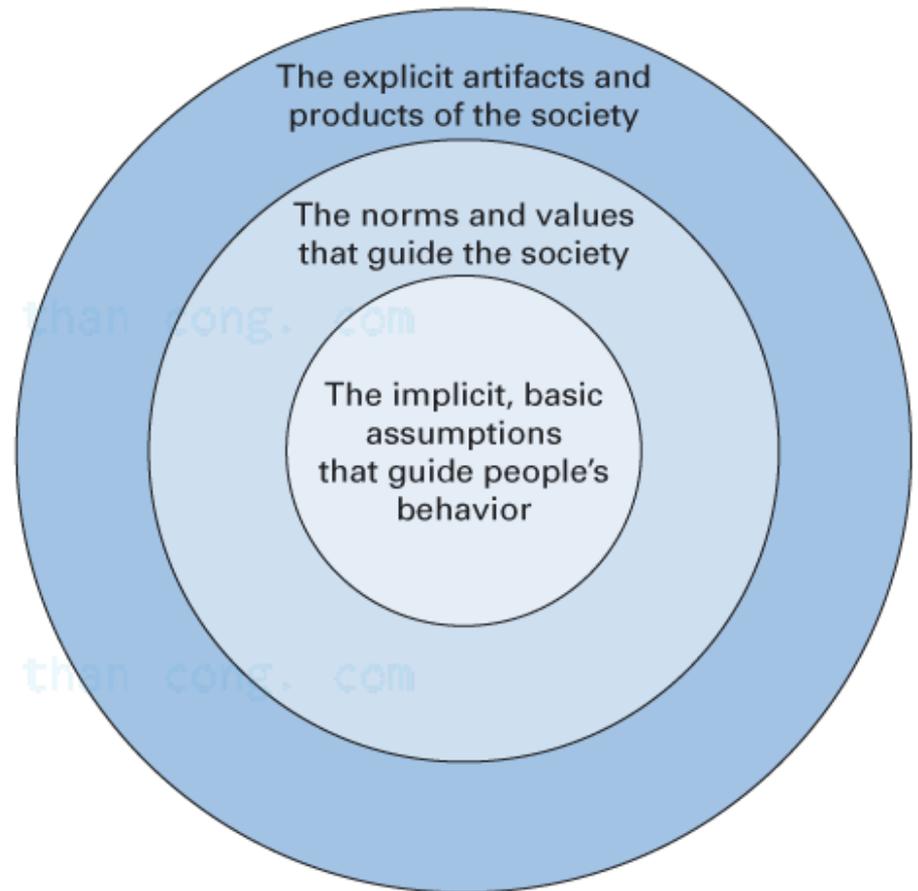
- ❑ The culture of some countries encourages stability and resistance to change.
- ❑ The culture of others puts high value on innovation and change.

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A Model of Culture

Figure 4-1

A Model of Culture



Business Customs in South Africa

- Arrange meeting before discussing business over phone.
- Make appointments as far in advance as possible.
- Maintain eye contact, shake hands, provide business card
- Maintain a win-win situation
- Keep presentations short

Values in Culture

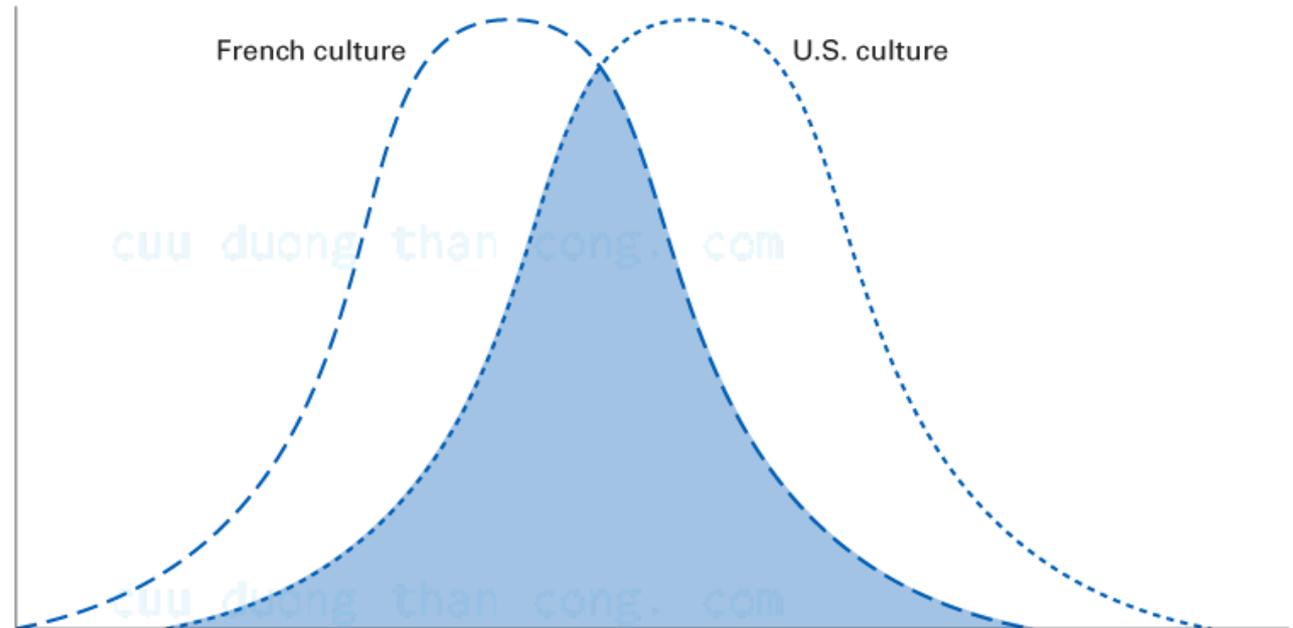
■ Values

- ❑ Learned from culture in which individual is reared
- ❑ Differences in cultural values may result in varying management practices
- ❑ Basic convictions that people have about
 - Right and wrong
 - Good and bad
 - Important and unimportant

Values in Culture

Figure 4-2

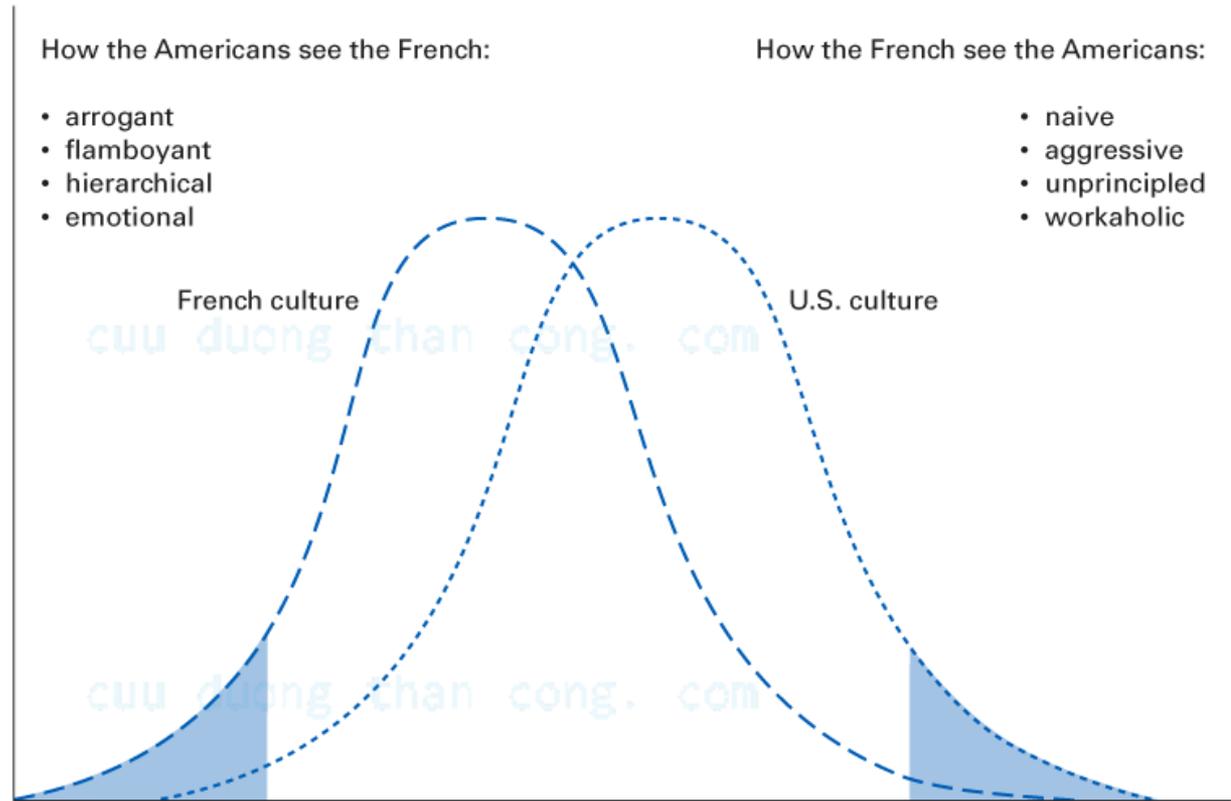
**Comparing Cultures
as Overlapping Normal
Distributions**



Source: Adapted from Fons Trompenaars and Charles Hampden-Turner, *Riding the Waves of Culture: Understanding Diversity in Global Business*, 2nd ed. (New York: McGraw-Hill, 1998), p. 25.

Values in Culture

Figure 4-3
Stereotyping from the Cultural Extremes



Source: Adapted from Fons Trompenaars and Charles Hampden-Turner, *Riding the Waves of Culture: Understanding Diversity in Global Business*, 2nd ed. (New York: McGraw-Hill, 1998), p. 23.

Values in Culture

Table 4-2
U.S. Values and Possible Alternatives

U.S. Cultural Values	Alternative Values	Examples of Management Function Affected
Individuals can influence the future (where there is a will there is a way).	Life follows a preordained course, and human action is determined by the will of God.	Planning and scheduling.
Individuals should be realistic in their aspirations.	Ideals are to be pursued regardless of what is "reasonable."	Goal setting and career development.
We must work hard to accomplish our objectives (Puritan ethic).	Hard work is not the only prerequisite for success. Wisdom, luck, and time are also required.	Motivation and reward system.
A primary obligation of an employee is to the organization.	Individual employees have a primary obligation to their family and friends.	Loyalty, commitment, and motivation.
Employees can be removed if they do not perform well.	The removal of an employee from a position involves a great loss of prestige and will rarely be done.	Promotion.
Company information should be available to anyone who needs it within the organization.	Withholding information to gain or maintain power is acceptable.	Organization, communication, and managerial style.
Competition stimulates high performance.	Competition leads to imbalances and disharmony.	Career development and marketing.
What works is important.	Symbols and the process are more important than the end point.	Communication, planning, and quality control.

Source: Adapted from information found in Philip R. Harris and Robert T. Moran, *Managing Cultural Differences* (Houston: Gulf Publishing, 1991), pp. 79–80.

Value Similarities and Differences Across Cultures

- Strong relationship between level of managerial success and personal values
- Value patterns predict managerial success and can be used in selection/placement decisions
- Country differences in relationship between values and success; however, findings across U.S., Japan, Australia, India are similar
- Values of more successful managers favor pragmatic, dynamic, achievement-oriented and active role in interaction with others
- Values of less successful managers tend toward static and passive values; relatively passive roles in interacting with others

Hofstede's Cultural Dimensions

1. Power distance
2. Uncertainty avoidance
3. Individualism/collectivism
4. Masculinity/femininity

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Hofstede's Cultural Dimensions

- **Power distance:** Less powerful members accept that power is distributed unequally
 - **High power distance countries:** people blindly obey superiors; centralized, tall structures (e.g., Mexico, South Korea, India)
 - **Low power distance countries:** flatter, decentralized structures, smaller ratio of supervisor to employee (e.g., Austria, Finland, Ireland)

Hofstede's Cultural Dimensions

- **Uncertainty avoidance:** people feel threatened by ambiguous situations; create beliefs/institutions to avoid such situations
 - **High uncertainty avoidance countries:** high need for security, strong belief in experts and their knowledge; structure organizational activities, more written rules, less managerial risk taking (e.g., Germany, Japan, Spain)
 - **Low uncertainty avoidance countries:** people more willing to accept risks of the unknown, less structured organizational activities, fewer written rules, more managerial risk taking, higher employee turnover, more ambitious employees (e.g., Denmark and Great Britain)

Hofstede's Cultural Dimensions

- **Individualism:** People look after selves and immediate family only
 - **High individualism countries:** wealthier, protestant work ethic, greater individual initiative, promotions based on market value (e.g., U.S., Canada, Sweden)
 - **High collectivism countries:** poorer, less support of Protestant work ethic, less individual initiative, promotions based on seniority (e.g., Indonesia, Pakistan)

Hofstede's Cultural Dimensions

- **Masculinity:** dominant social values are success, money, and things
 - **High masculine countries:** stress earnings, recognition, advancement, challenge, wealth; high job stress (e.g., Germanic countries)
 - **High feminine countries:** emphasize caring for others and quality of life; cooperation, friendly atmosphere., employment security, group decision making; low job stress (e.g., Norway)

Trompenaars' Cultural Dimensions

■ Universalism vs. Particularism

- ❑ Universalism: ideas/practices can be applied everywhere
- ❑ High universalism countries: formal rules, close adhere to business contracts (e.g., Canada, U.S., Netherlands, Hong Kong)
- ❑ Particularism: circumstances dictate how ideas/practices apply; high particularism countries often modify contracts (e.g., China, South Korea)

Trompenaars' Cultural Dimensions

- Individualism vs. Communitarianism
 - Individualism: people as individuals
 - Countries with high individualism: stress personal and individual matters; assume great personal responsibility (e.g., Canada, Thailand, U.S., Japan)
 - Communitarianism: people regard selves as part of group
 - Value group-related issues; committee decisions; joint responsibility (e.g., Malaysia, Korea)

Trompenaars' Cultural Dimensions

- **Neutral vs. Emotional**
- **Neutral:** culture in which emotions not shown
 - High neutral countries, people act stoically and maintain composure (e.g., Japan and U.K.)
- **Emotional:** Emotions are expressed openly and naturally
 - High emotion cultures: people smile a lot, talk loudly, greet each other with enthusiasm (e.g., Mexico, Netherlands, Switzerland)

Trompenaars' Cultural Dimensions

■ Specific vs. Diffuse

- **Specific:** large public space shared with others and small private space guarded closely
 - High specific cultures: people open, extroverted; strong separation work and personal life (e.g., Austria, U.K., U.S.)
- **Diffuse:** public and private spaces similar size, public space guarded because shared with private space; people indirect and introverted, work/private life closely linked (e.g., Venezuela, China, Spain)

Trompenaars' Cultural Dimensions

■ Achievement vs. Ascription

- **Achievement** culture: status based on how well perform functions (Austria, Switzerland, U.S.)
- **Ascription** culture: status based on who or what person is (e.g., Venezuela, China, Indonesia)

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Trompenaars' Cultural Dimensions

■ Time

- **Sequential:** only one activity at a time; appointments kept strictly, follow plans as laid out (U.S.)
- **Synchronous:** multi-task, appointments are approximate, schedules subordinate to relationships (e.g., France, Mexico)
- **Present vs. Future:**
 - **Future** more important (Italy, U.S., Germany)
 - **Present** more important (Venezuela, Indonesia)
 - All 3 time periods equally important (France, Belgium)

Trompenaars' Cultural Dimensions

■ The Environment

- **Inner-directed:** people believe in control of outcomes (U.S., Switzerland, Greece, Japan)
- **Outer-directed:** people believe in letting things take own course (China, many other Asian countries)

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Integrating Culture and Management: The GLOBE Project

- **GLOBE:** Global Leadership and Organizational Behavior Effectiveness.
- Project extends and integrates previous analyses of cultural attributes and variables.
- Evaluates nine different cultural attributes using middle managers from 951 organizations in 62 countries.
- Multi-cultural team of 170 scholars from around the world worked together to survey 17,000 managers in 3 industries: financial services, food processing, and telecommunications.
- Covered every major geographic region of the world.

The GLOBE Project

- The 9 Dimensions of the GLOBE Project:
 - ❑ Uncertainty avoidance
 - ❑ Power distance
 - ❑ Collectivism I: Social collectivism
 - ❑ Collectivism II: In-group collectivism
 - ❑ Gender egalitarianism
 - ❑ Assertiveness
 - ❑ Future orientation
 - ❑ Performance orientation
 - ❑ Humane orientation

GLOBE Results

- Corresponds generally with those of Hofstede and Trompenaars.
- Different from Hofstede in that many more researchers with varied perspectives were involved (vs. Hofstede working alone); studied many companies vs. Hofstede's IBM.
- GLOBE provides a current comprehensive overview of general stereotypes that can be further analyzed for greater insight.

GLOBE Project

Table 4-6
GLOBE Cultural Variable Results

Variable	Highest Ranking	Medium Ranking	Lowest Ranking
Assertiveness	Spain, U.S.	Egypt, Ireland	Sweden, New Zealand
Future orientation	Denmark, Canada	Slovenia, Egypt	Russia, Argentina
Gender differentiation	South Korea, Egypt	Italy, Brazil	Sweden, Denmark
Uncertainty avoidance	Austria, Denmark	Israel, U.S.	Russia, Hungary
Power distance	Russia, Spain	England, France	Denmark, Netherlands
Collectivism/societal	Denmark, Singapore	Hong Kong, U.S.	Greece, Hungary
In-group collectivism	Egypt, China	England, France	Denmark, Netherlands
Performance orientation	U.S., Taiwan	Sweden, Israel	Russia, Argentina
Humane orientation	Indonesia, Egypt	Hong Kong, Sweden	Germany, Spain

GLOBE Analysis

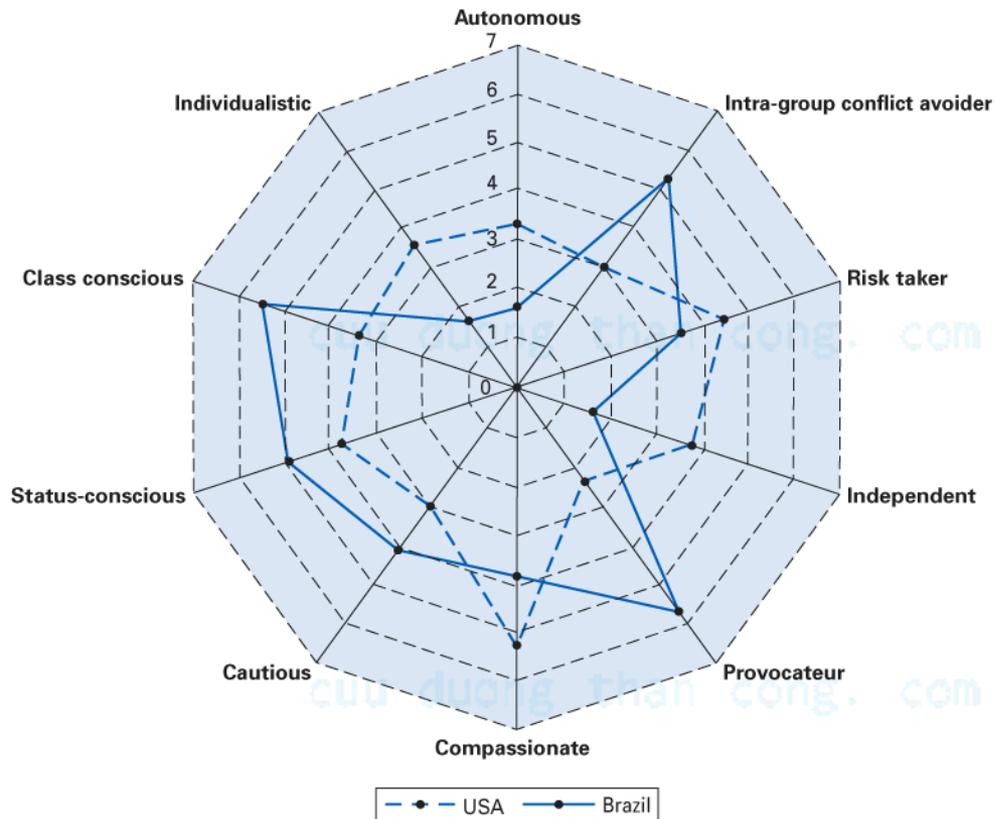


Figure 4-9
GLOBE Analysis:
Managerial Perspectives
in the United States and
Brazil

Source: Mansour Javidan, Peter W. Dorfman, et. al. "In the Eye of the Beholder: Cross Cultural Lessons in Leadership from Project GLOBE," *Academy of Management Perspectives* 20, no. 1 (2006), p. 76.

Review and Discuss

1. What is meant by *culture*?
2. What is meant by *value*?
3. What are the dimensions of Hofstede's model?
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4. Will cultural differences decline or intensify as roadblock to international understanding?
5. Describe Trompenaar's research.