



Elaborated in the framework of  
**SUBFLY Student Democracy**  
**Project**

financed under the contract

**SEE 19-COP-0042**

by

**SEE Grants 2014-2021**



**Working together for a *green, competitive and inclusive* Europe**

**SEE & Challenges**

**Sustainable & applied education**

This material is elaborated as support for all entities interested to start and implement an educational program based on cooperation between academic, business environments and NGOs with the purpose of developing

### ***SUSTAINABLE & APPLIED EDUCATION.***

We are thankful to **SEE Grants 2014-2021**, which financed the SUBFLY Student Democracy Project under the contract 19-COP-0042. Babeş-Bolyai University (Romania) and University of South-Eastern Norway (Norway) continued, extended and improved their cooperation using financial resources provided by this contract.

This document was realized with the EEA Financial Mechanism 2014-2021 financial support. Its content (text, photos, videos) does not reflect the official opinion of the Programme Operator, the National Contact Point and the Financial Mechanism Office. Responsibility for the information and views expressed therein lies entirely with the author(s).

# **SUBFLY: International Cultural management**

Erik Lankut, Ph.D  
Associate Professor, USN



---

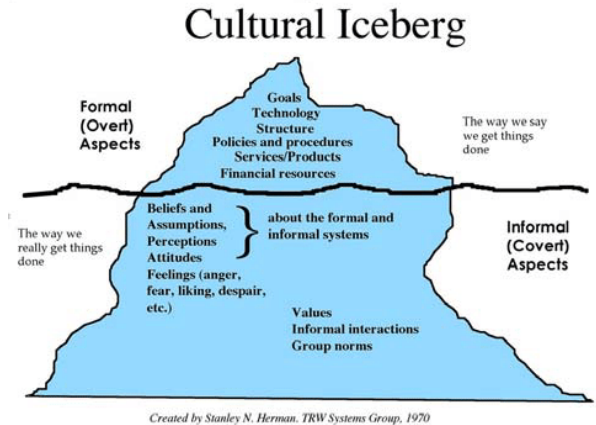
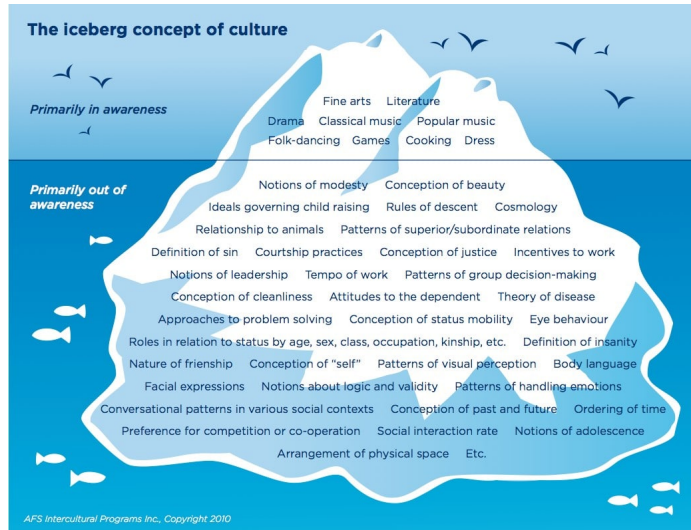
# Agenda

---

- Preface to cross cultural management
- Value orientations and cultural dimensions
- Methods for reconciling cultural dilemmas
- Cultural values on management tasks
- Cultural values from different perspectives
- The Nordic work model

Topical	Culture consists of everything on a list of topics, or categories, such as social organisation, religion and economy
Historical	Culture is social heritage, or tradition, that is passed on to future generations
Behavioural	Culture is shared, learned human behaviour; a way of life
Normative	Culture is ideals, values, or rules for living
Functional	Culture is the way humans solve problems of adapting to the environment or living together
Mental	Culture is a complex of ideas, or learned habits, that inhibit impulses and distinguish people from animals
Structural	Culture consists of patterned and interrelated ideas, symbols, or behaviours
Symbolic	Culture is based on arbitrarily assigned meanings that are shared by a society





---

# Dilemma of motivation

---

- One of the most important dilemmas managers have to face
  - People have different motivational systems.
- Most motivational theories come with a “Western perspective”
  - human needs: sociological-, biological-, psychoanalytic-, behaviourist view
  - cultural values: Cultural Intelligence theory



---

# Value orientations and dimensions

---

Kluckhohn and Strodtbeck (1961) define value orientations as:

- complex principles resulting of interaction between three elements:
  - Cognitive, affective, directive

Three assumptions for formulating value orientations:

- Universal nature of value orientations
- Many ways of solving problems
- Preferences in choosing solutions.

# Five problems common to all human groupings

Basic questions	Range of responses		
What is the character of human nature?	Good	A mixture of good and evil	Evil
What is man's relationship to nature?	Man dominates	Harmony between man and nature	Nature dominates
What is the time focus of human activity?	Past	Present	Future
What is the modality of human activity?	Spontaneous expression of desires	All-round development of self	Achieving measurable goals
What is the relationship of man to man?	Hierarchical	Collectivist	Individualist

Source: adapted from Kluckhohn & Strodtbeck, 1961: 11–12.

---

# Hofstede's national cultural dimensions

- Hofstede was one of the first researchers to analyse the influence of national culture on management practices.
- Empirical study at large multinational company (IBM):
  - 66 national subsidiaries
  - 116,000 questionnaires
  - 60 out of 150 questions concerned values and opinions.



## Geert Hofstede

Professor Emeritus of Organizational Anthropology and International Management,  
University of Maastricht  
Verified email at bart.nl

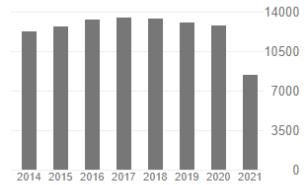
[National culture](#) [organizational culture](#)

[FOLLOW](#)

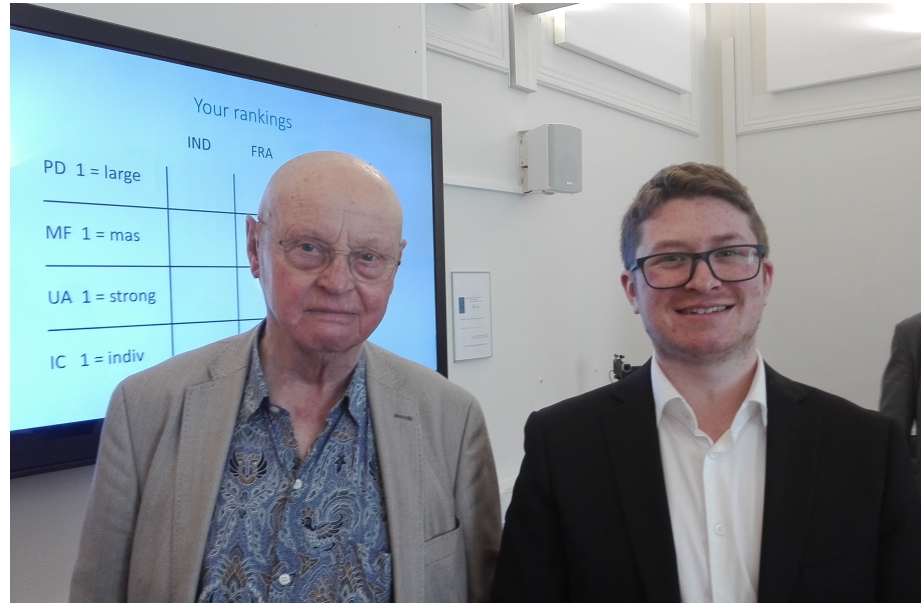
Cited by

[VIEW ALL](#)

	All	Since 2016
Citations	213038	74641
h-index	110	80
i10-index	308	196



TITLE	CITED BY	YEAR
<a href="#">Cultures and Organizations: Software of the mind</a> G Hofstede London/New York: McGrawHill	105450 *	1991
<a href="#">Culture's consequences: International differences in work-related values</a> G Hofstede Sage Publications, Inc	97447 *	1980
<a href="#">Culture's consequences: Comparing values, behaviors, institutions, and organizations across nations, second edition</a> G Hofstede Sage Publications, Inc	96900 *	2001
<a href="#">The Confucius connection: From cultural roots to economic growth</a> G Hofstede, MH Bond Organizational dynamics 16 (4), 5-21	6718	1988
<a href="#">Measuring organizational cultures: A qualitative and quantitative study across twenty cases</a> G Hofstede, B Neuijen, DD Ohayy, G Sanders Administrative science quarterly, 286-316	5881	1990
<a href="#">Cultures and Organizations: Software of the Mind, second edition</a> G Hofstede, GJ Hofstede McGraw-Hill	5840 *	2005
<a href="#">Dimensionalizing cultures: The Hofstede model in context</a> G Hofstede Online Readings in Psychology and Culture Unit 2 Conceptual Methodological ...	5522 *	2006
<a href="#">Motivation, leadership, and organization: Do American theories apply abroad ?</a> G Hofstede Organizational dynamics 9 (1), 42-63	5345	1980
<a href="#">Cultures and organizations: software of the mind: 3rd edition</a> G Hofstede, G J Hofstede, M Minkov	5098 *	2010



---

# Four aspects of national culture

---

## **Hofstede's original cultural dimensions:**

Four aspects of national culture that affect our thinking about organisations:

1. Power distance
2. Uncertainty avoidance
3. Individualism/Collectivism
4. Masculinity/Femininity

# 1. Low/High power distance dimension

Low power distance	High power distance
There should be a minimum of inequality since it can exploit others	Inequality is unavoidable and everyone has the place they deserve
If there is a hierarchy in an organisation it is only for the sake of convenience	Hierarchy in an organisation reflects natural differences
People who are superiors or subordinates are all the same	Superiors or subordinates are different kinds of people
Everyone should enjoy the same privileges; there should be no status symbols	Power-holders are entitled to privileges and status symbols
Subordinates should be consulted	Subordinates should be told what to do
Individuality is to be respected	Authority is to be respected
The manager should be a resourceful democrat	The manager should be a benevolent autocrat

## 2. Collectivist/Individualist dimension

Collectivist	Individualist
'We' mentality	'I' mentality
Identity is based on one's social group	Identity is based on the individual
Decisions are primarily made according to what is best for the group	Decisions are based primarily on individual needs
Relationships prevail over task	Tasks prevail over relationships
Focus is on belonging to an organisation	Focus is on individual initiative and achievement
Values differ according to the group (particularism)	Value standards apply to all (universalism)



### 3. Masculine/Feminine dimension

Masculinity	Femininity
Distinct gender roles	Fluid gender roles
Men are assertive, women are nurturing	Men and women in nurturing roles
Stress on competition and performance	Stress on co-operation and environmental awareness
Acquisition of wealth	Quality of life
Ambition motivates	Service motivates
Live to work	Work to live
Sympathy for the successful achiever	Sympathy for the unfortunate
Independence ideal	Interdependence ideal
Managers are expected to be decisive and assertive	Managers use intuition and strive for consensus

## 4. Low/High uncertainty avoidance dimension

Low uncertainty avoidance	High uncertainty avoidance
Uncertainty is a fact of life: take things as they come	Uncertainty in life is threatening and must be reduced
Deviance is not a threat	Intolerant of deviant persons and ideas
Ambiguity is tolerated	Predictability and clarity are preferable
Readiness to take risks	Concern about security
Toleration of innovation	Resistance to change
The fewer rules there are the better	Formal rules and regulations are necessary
Competition and conflict can be constructive	Consensus is better than conflict
Belief in generalists and common sense	Belief in experts and their knowledge
Hard work as such is not a virtue	There is an inner urge to work hard

---

# Two further dimensions

## 5. Short-term orientation versus long-term orientation

- This dimension was NOT found in the data used to determine the original dimensions (Hofstede, 2001).
- This dimension emerges from the Chinese Values Survey (1985) which contained a Confucian dynamism scale.

## 5. Short-term orientation versus long-term orientation

Short-term orientation	Long-term orientation
Need for achievement, self-determination	Need for accountability, self-discipline
Loyalty towards others can vary according to the needs of business	Develop and maintain lifelong personal networks
People should be rewarded according to their abilities	Large social and economic differences should not be tolerated
Stress is on short-term profits	Stress is on future market position
Managers and employees are in different camps	Owner-managers and workers share the same aspirations

## 6. Indulgence versus restraint (1 of 2)

- This sixth dimension was added in 2010 as result of analysis done by Michael Minkov (World Values Survey).
- Reflects the extent to which a society allows basic and natural desires to be gratified in its pursuit of happiness.

## 6. Indulgence versus restraint (2 of 2)

Differences relate to the following:

- FREEDOM OF SPEECH
- IMPORTANCE OF LEISURE
- INVOLVEMENT IN SPORT
- EXTENT OF OBESITY
- STRICTNESS OF SEXUAL NORMS
- MAINTENANCE OF SOCIAL ORDER

---

# Criticism of Hofstede's model

- **Research method:**
  - Use of attitude-survey questionnaires > use of a single method approach not valid
  - Representative nature of respondents > assumption of homogeneity within IBM
- **Characterisation of national cultures:**
  - The independent nature of the dimensions presented > interaction?
  - An 'average tendency' does not reflect situations where cultures emphasise one extreme rather than the other cultures considered as being territorially bound.

---

# Hofstede's response

- Research surveys are suitable but should not be the only method used.
- Nations are not always appropriate but they are the only unit available.
- IBM was homogeneous in nature: shared one organisational and occupational culture, so allowed comparison of cultural values across subsidiaries.
- Research was thorough and detailed (well-matched samples, correlations with other data), many replications.
- If others can find more than 'his' five dimensions that are independent and can be validated – fine! 'Candidates are welcome to apply'.



---

# What do you think about this scenario?

---

You are riding in a car driven by a close friend. He hits a pedestrian. You know he was going at least 35 miles per hour in an area of the city where the maximum allowed speed is 20 miles per hour. There are no witnesses. His lawyer says that if you testify under oath that he was driving only 20 miles per hour, it may save him from serious consequences. What right has your friend to expect you to protect him?

1. My friend has a definite right as a friend to expect me to testify to the lower figure.
2. He has some right as friend to expect me to testify to the lower figure.
3. He has no right as a friend to expect me to testify to the lower figure.

# Trompenaars' dimensions

---

- Trompenaars goes beyond the framework of anthropology/sociology showing how the dimensions affect the process of managing cultures:
  - relations to other people
  - relations to time
  - relations to nature/environment

Trompenaars' standpoint:

- Each culture has its own specific solutions for universal problems.



---

# Relations to the others

---

1. Universalism/particularism:
  - societal versus personal obligation
2. Individualism/collectivism (communitarianism):
  - personal versus group goals
3. Neutral/affective relationships:
  - emotional orientation
4. Specific/diffuse relationships:
  - contract versus contact
5. Achievement/ascription (doing/being):
  - legitimating power and status

# Relations to time and the environment

<p>6. <i>Sequential versus synchronic time</i> (monochronic/polychronic)</p>	<p><i>Sequential:</i> time is tangible and divisible. Only do one activity at a time <i>Synchronic:</i> time is flexible and intangible. Appointments are approximate and subject to 'giving time' to significant others</p>
<p>7. <i>Inner versus outer directed</i> Internal or external control to the environment</p>	<p><i>Internal control:</i> one's personal conviction is the starting point for every action and this may result in conflict with others and resistance to nature <i>External control:</i> Sensitive to the environment and seeks harmony. Often flexible attitude, willing to compromise</p>

*Source:* see Table 5.1, page 132

---

# Framework for the millennium manager

---

In practice, dimensions and the related cultural dilemmas are typically between:

- 1. Universalism–particularism**
  - Legal contracts and loose interpretations
  - Low cost strategies or premium strategy
  - Extending rules or discovering exceptions
- 2. Individualism–collectivism (communitarianism)**
  - Profit or market share strategy
  - Originating ideas or refining useful products.

---

# Framework for the millennium manager (Continued)

---

## 3. Neutral or affectivity

- Long pauses or frequent interruptions
- Being professional or engaged

## 4. Specific–diffuse

- Data and codification or concepts and models
- Being results-oriented or process-oriented

## 5. Achieved or ascribed status

- Pay for performance or vindication for worth
- Head-hunting or developing in-house.

---

# Framework for the millennium manager (Continued)

---

## 6. Sequential or synchronic time

- Highly rational, standardised production or just-in-time production
- Keeping to schedule or being easily distracted

## 7. Inner or outer directed

- Strategically oriented or fusion oriented
- Dauntless entrepreneur or public benefactor.

---

# Comparing Trompenaars' versus Hofstede's dimensions

---

- **Trompenaars:**
  - Cultures are more like circles with 'preferred arcs joined together'
  - Seen as a 'model-to-learn-with'
- **Hofstede:**
  - Linear forms where cultures are positioned high or low or in the middle
  - Seeking 'the perfect model'.

In addition, Trompenaars explores the relevance of the seven intercultural dimensions to innovation.



---

# Culture of innovation in the organisation

---

Establishing a 'culture of innovation' is also what Genelot (2017) recommends to senior managers:

**Success of innovation process** depends on the ability to:

- produce new ideas, which is related to the culture created by the company
- transform these ideas into effective projects

**Culture of the organisation**

- Must be open to the outside world
- Invites the mind to innovation
- Encourages the emergence of ideas 'bottom up'.

---

# Reconciling cultural dilemmas

---

The dilemmas outlined require some kind of **resolution**. Cultures attempt to integrate and reconcile values to come up with a satisfactory response.

## A model of reconciliation

- Trompenaars with Hampden-Turner conceived a methodology which aims to reconcile what appears to be opposing values within the dimensions.
- The dilemmas in each of the seven dimensions require some kind of resolution.
- Cultures are seen as 'dancing' from one preferred end of a dimension to another.

---

# How does reconciliation work?

---

Reconciliation results in the integration of values through synergy:

There are many ways of achieving synergy:

1. *Processing*: a dilemma is made into two processes
2. *Contextualising*: what is text and what is context
3. *Sequencing*: every process of reconciliation is a sequence
4. *Synergising*: adding the word 'through' between the two opposite alternative orientations.

# Divorce prevented

- Rembrandt made two full-length portraits of Marten Soolmans and Oppjen Coppit on their occasion of their wedding
- Remained in possession of the subjects family in Amsterdam until their whole painting collection was sold to Rotschild, banker in France
- Both France and Netherlands wanted to buy both paintings – but only one could be bought
- Unusual solution was found: Netherlands and French government made a deal to buy the two paintings jointly and to agree to always exhibit the two paintings together; in France and the Netherlands alternately



Source: Photo taken by Ninara, Flickr Y1A7475

## Divorce prevented

Now, explain Trompenaars' statement:

*'Reconciliation permits both parties to maintain what is important to them, yet recognize the needs of the other'*



Source: Photo taken by Ninara, Flickr Y1A7475

# Stages of the reconciliation process

	Stages of the reconciliation process	Method employed to arrive at next stage
1	Reaffirm our commitment to the ongoing relationship and its benefit to both parties	Think 'win-win' and concentrate on the benefits of collaboration to each culture
2	Recognise where and how we differ	Develop a global mind-set Legitimise diversity Acquire knowledge of other cultures Display 'acceptance' when appropriate
3	Continue by searching for similarities	Employ dialogue
4	Synthesise our solutions or create outcomes which utilise the most appropriate elements of the opposing cultural dimensions	Practise creative thinking Demonstrate a willingness to learn Dialogue
5	Review the learning process, capture it, and make available for the future	Practise experience-based learning Articulate what has been seen and known Act on learning at a later stage

Source: Estienne, 1997: 17.

# Consider that cultural values have considerable effect on the tasks carried out by managers and professionals:

---

## 1. Planning

- goals and objectives of a company or department

## 2. Organising

- organising actions needed to achieve the goals

## 3. Staffing

- allocating employees to particular positions

## 4. Directing

- leading the organisation and its employees towards its goals

## 5. Controlling

- monitoring performance of the company or department

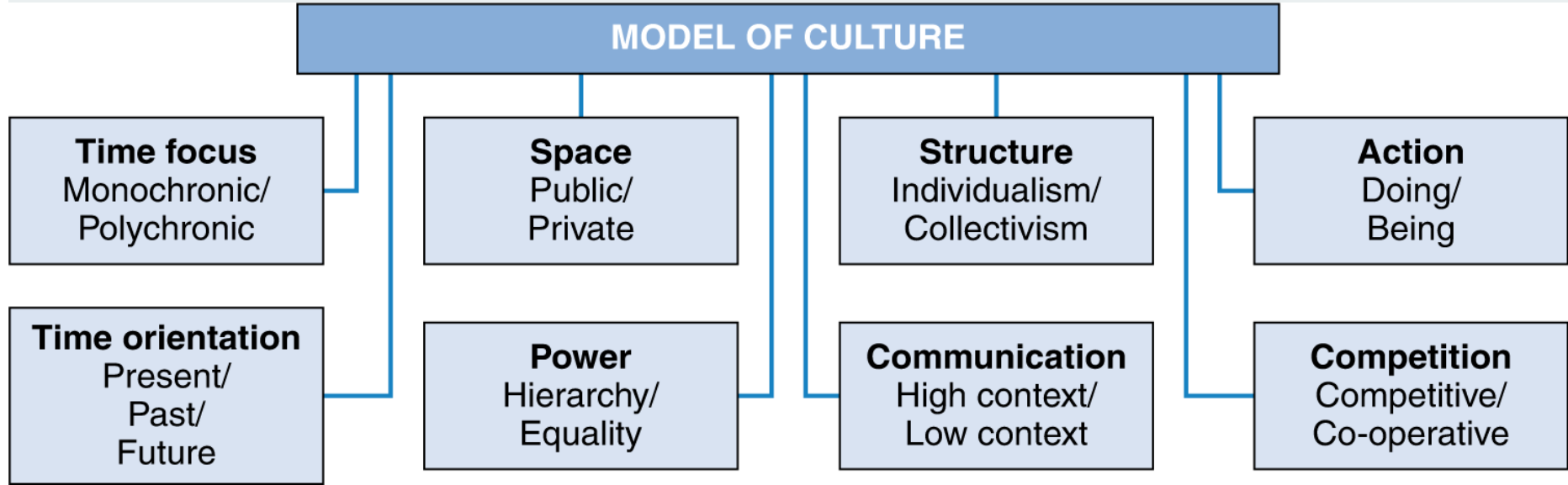
---

# Effect of cultural values on management

---

- The way tasks and responsibilities are performed can be examined in light of key number of cultural values (models of culture).
  - These cultural values emerged from cultural dimensions found by scholars.
- Eight **cultural value orientations** have considerable influence on the way managers perform their activities.
- These cultural value orientations have impact on the management activities.





*Source: free after Doing Business Internationally, Participant Workbook: 2.3.*

---

# Time focus

---

- Different cultures have different perceptions of time according to their environment, history, traditions and general practices.
- Hall and Hall (1990) distinguish two prominent time systems that are of particular relevance to management:
  - **Monochronic**
    - time is used in a linear way: one activity at a time
  - **Polychronic**
    - people tend to focus on multiple tasks.

# Time focus and management tasks

## Monochronic cultures

1. Making schedules.
2. Linear and task-focused.
3. Concerns focused on shorter term.
4. Distribution of detailed information.
5. Use control systems and strict deadlines.

## Polychronic cultures

1. Relationships in planning.
2. More holistic and people-focused.
3. Focus on longer term.
4. Sharing of implicit knowledge/information.
5. Flexible control systems involving people.

---

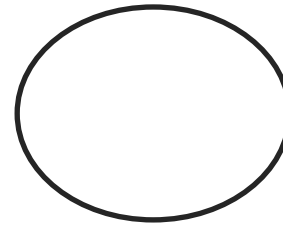
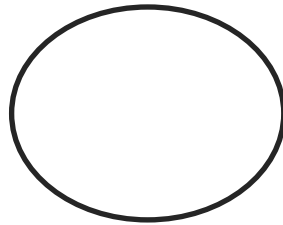
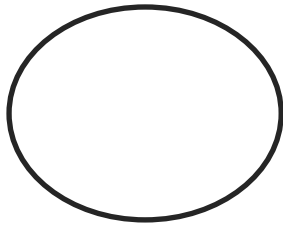
# Time orientation

---

Cultures focused on the:

- **Past** uphold tradition in line with the history of the company
- **Present** aim for quick results and short-term gain
- **Future** assess plans in the light of expected future benefit.

- **Imagine the past, present and future as circles:** Draw three circles in a way which represents **your feelings** about the relationship between the past, present and future
- You can use different-sized circles, draw circles onto each other or keep them separate
- Finally, label each circle accordingly



# Time orientation and management tasks

## Past-oriented cultures

1. Building in long-term time frames.
2. Past goals guide the process.
3. Slower in adapting criteria by selection.
4. Continuation of the company's values.
5. Develop performance in keeping customary goals.

## Future-oriented cultures

1. Long-term plans and results.
2. Co-ordinated to meet longer-range goals.
3. Selection to meet long-term business goals.
4. Achieving long-term benefits.
5. Develop objectives in the long-term context.

---

# Power

---

**Power value orientation:** the extent to which a society expects or accepts that power is distributed unequally.

- **Hierarchy**
  - Level of power and authority are strictly marked
- **Equality**
  - Status and formal position have less influence.

# Power and management tasks

## Hierarchy

1. More autocratic or paternalistic planning.
2. Organisational structure is tightly controlled.
3. Subordinates expect bosses to take initiatives.
4. Employees like being closely supervised.
5. Employees prefer the personal control of superiors.

## Equality

1. More participative planning.
2. Organisational structure encourages individual autonomy.
3. Work relations should not be strictly prescribed.
4. Managers exhibit consultative style.
5. Subordinates develop performance objectives with their bosses.



---

# Competition (Competitiveness)

---

- **Competitive**

When competitiveness is valued, the culture is focused on:

- Acquiring wealth
- Performing well
- Achieving ambitions.

- **Co-operative**

- Competition is not considered to be the main purpose of business
- Stress is on the quality of life, relationships and consensus.

# Competition and management tasks

## Competitive

1. Task performance when implementing plans.
2. Managers have more of a leadership role.
3. Selection of employees on ability to act independently.
4. The leader's role is to track and reward achievement.
5. Preferred control systems are performance-based.

## Co-operative

1. Maintaining relationships in plan implementation.
2. Managers have more of a facilitating role.
3. Employees elected on ability to work well in groups.
4. The leader's role is to facilitate relationships.
5. Task performance is recognised as a standard for success.

---

# Action (activity)

---

Cluckholn and Strodbeck (1961) see every method of human expression as resulting in some form of activity which shows a preference towards:

- **Doing orientation**

The stress in doing cultures is placed on:

- Action
- Achieving personal goals.

- **Being orientation**

The stress is placed on:

- Working for the moment
- Living the experience.

# Action and management tasks

## Doing cultures

1. Developing time-framed action steps.
2. Action-oriented documentation.
3. Ability to fulfil organisational tasks.
4. Expertise and competence.
5. The ways the tasks are done.

## Being cultures

1. Strong focus on the vision.
2. Based on common vision and personal trust.
3. Career development based on personal or social criteria.
4. Personal philosophy, values and style.
5. Management of performance measurement less systematic.

---

# Space

---

## Private/Public

- One aspect of space orientation is related to private or public space
- Another aspect related to invisible boundary around every person
- The concept of space can be seen in terms of personality.

# Space and management tasks

## Private

1. Forms of planning: individualistic or systematic.
2. More task-centred.
3. Explicit information about how staff are to be employed.
4. Managers and employees do not share the same office.
5. Explicit measures of performance.

## Public

1. Group-oriented or authoritative forms.
2. Relationship-centred approaches.
3. Implicit information.
4. Size of the place where an employee works does not reflect the person's rank.
5. Informal checks on performance.

---

# Communication

---

- Role of the context in the communication process (Hall & Hall, 1990).
- Context related to framework, background and surrounding circumstances.
- **High-context**
  - Information is 'hidden' in the context
  - Situation carries most of the information
- **Low-context**
  - The messages are clear and explicit.

# Communication and context

## Low context

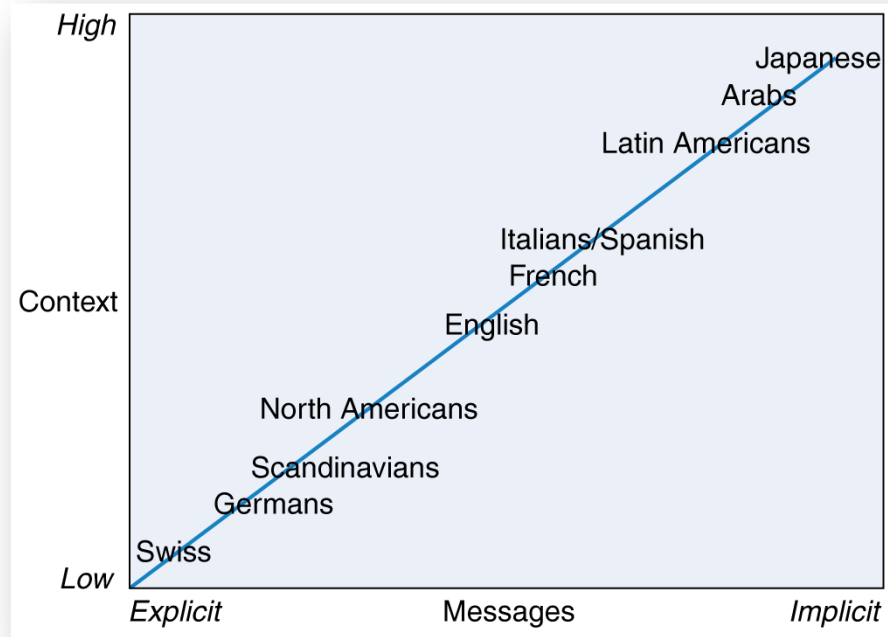
1. Plans are explicit, detailed, quantifiable, info-based.
2. Explicit, detailed guidelines for task responsibilities via verbal/written instruction.
3. Detailed employment contracts & explicit performance appraisals.
4. Managers outline specific (path to) goals. Instructions specific, conflict depersonalised.
5. Control more task-driven: monitoring to ensure objectives.

## High-context

1. Plans are more implicit, with less detailed instructions.
2. Implicit task assignment and responsibilities, understood according to context.
3. Implicit criteria/methods for employment and appraisal
4. Managers reach goals through relationships/group processes. Conflict resolved beforehand.
5. Control more process-driven: control aspects embedded in cultural context.



# Messages and context



Source: Usunier, 1993: 103.

---

# Structure

---

- The term 'structure' refers in business to an organisational structure.
- Value orientation concerns the relation between the individual and the group.
- **Individualism**
  - 'I' predominates over the 'We'
- **Collectivism**
  - Interests of the group prevail over individuals.

# Structure and business activities

## Individualism

1. Those involved in planning expected to take initiative to present views.
2. Emphasis on individual when assigning tasks and resources.
3. Organisations not expected to look after their employees' career development.
4. Leaders expect employees to meet/exceed responsibilities.
5. Control exerted by individual standards of excellence. Self-respect discourages deviance from standards.

## Collectivism

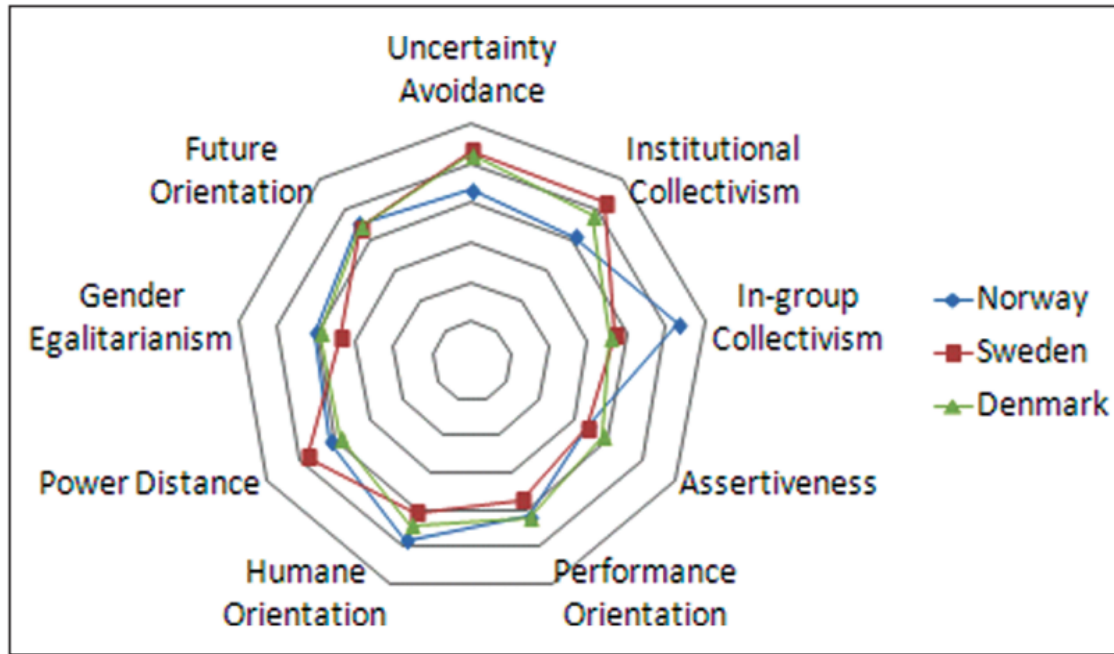
1. Plans developed within shared values used for measuring and justifying activities.
2. Emphasis on the group: the team is assigned tasks and resources.
3. Promotion based on seniority. Managers evaluated on their conformity to org./group norms.
4. Leaders expect loyalty in exchange for protection; group/top-down control.
5. Deviation from standards and expectations discouraged through group-oriented pressure.

---

# What forces and actors are needed to create the good work?

---

- One possible model: **the nordic work model**
  - Cooperation between organized labor market parties and the state/the public
  - Nordic countries display broad set of measures to promote the good work
- The pattern of co-operation and trust generally associated with the Nordic model is often linked to
  - limited size of their populations
  - location in the European periphery
  - their ethnic homogeneity
  - inherent peacefulness and cooperative orientation
- Based on the idea of reducing conflicts in working life through pooling the measures available to
  - the employers
  - the unions
  - the government



**Figure 1.** Societal cultural practices scores from Norway, Sweden, and Denmark

Source: Adapted from House et al., 2004; Warner-Söderholm, 2010b.

# Summary

---

- Overview of the cultural dimensions of Hofstede and the relationship between national cultural values and organisational cultures and outlined some criticisms of Hofstede's research method and characterisation of national cultures.
- Trompenaars' dimensions reflect the value-orientation concept proposed by Kluckhohn and Strodtbeck
- The cross-cultural manager has to face universal dilemmas, but the way they are resolved is culturally determined
- Rather than the dimensions themselves, it is the concept of reconciliation and the culture of innovation in organisations which distinguish the work of Trompenaars (and Hampden-Turner) from that of Hofstede.
- A model of culture that links cultural preferences to management tasks can be considered where the assumption is that these preferences/values influence the way management works.
- There are alternative views regarding the dynamic link between values and behaviour, e.g.
  - Cultural not a set of values but the meaning we attach to the world around us
  - Our values can be seen as a sharing of patterns of meaning and interpretation through interaction with others.
- The Nordic work model is one possible answer to “create” the good work