

# Cultural Dimensions

# What is culture?

# Culture

- “the collective programming of the mind distinguishing the members of one group or category of people from others”

# Geert Hofstede

- Studied how values in the workplace are influenced by culture.
- Analysed a large database of employee value scores collected within IBM between 1967 and 1973.



# Cultural Dimensions

- Power Distance Index (PDI)
- Individualism versus Collectivism (IDV)
- Masculinity versus Femininity (MAS)
- Uncertainty Avoidance Index (UAI)
- Long Term Orientation versus Short Term Normative Orientation (LTO)
- Indulgence versus Restraint (IND)

# Power Distance Index

- The degree to which the less powerful members of a society accept and expect that power is distributed unequally.
- People in societies exhibiting a large degree of power distance accept a hierarchical order in which everybody has a place and which needs no further justification.
- In societies with low power distance, people strive to equalise the distribution of power and demand justification for inequalities of power.

# Individualism versus Collectivism (IDV)

- Individualism, can be defined as a preference for a loosely-knit social framework in which individuals are expected to take care of only themselves and their immediate families.
- Collectivism, represents a preference for a tightly-knit framework in society in which individuals can expect their relatives or members of a particular in-group to look after them in exchange for unquestioning loyalty.
- A society's position on this dimension is reflected in whether people's self-image is defined in terms of "I" or "we."

# Masculinity versus Femininity (MAS)

- Masculinity represents a preference in society for achievement, heroism, assertiveness and material rewards for success. Society at large is more competitive.
- Femininity, stands for a preference for cooperation, modesty, caring for the weak and quality of life.
- Society at large is more consensus-oriented.



# Uncertainty Avoidance Index (UAI)

- Uncertainty avoidance expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity.
- Countries exhibiting strong UAI maintain rigid codes of belief and behaviour and are intolerant of unorthodox behaviour and ideas.
- Weak UAI societies maintain a more relaxed attitude in which practice counts more than principles.

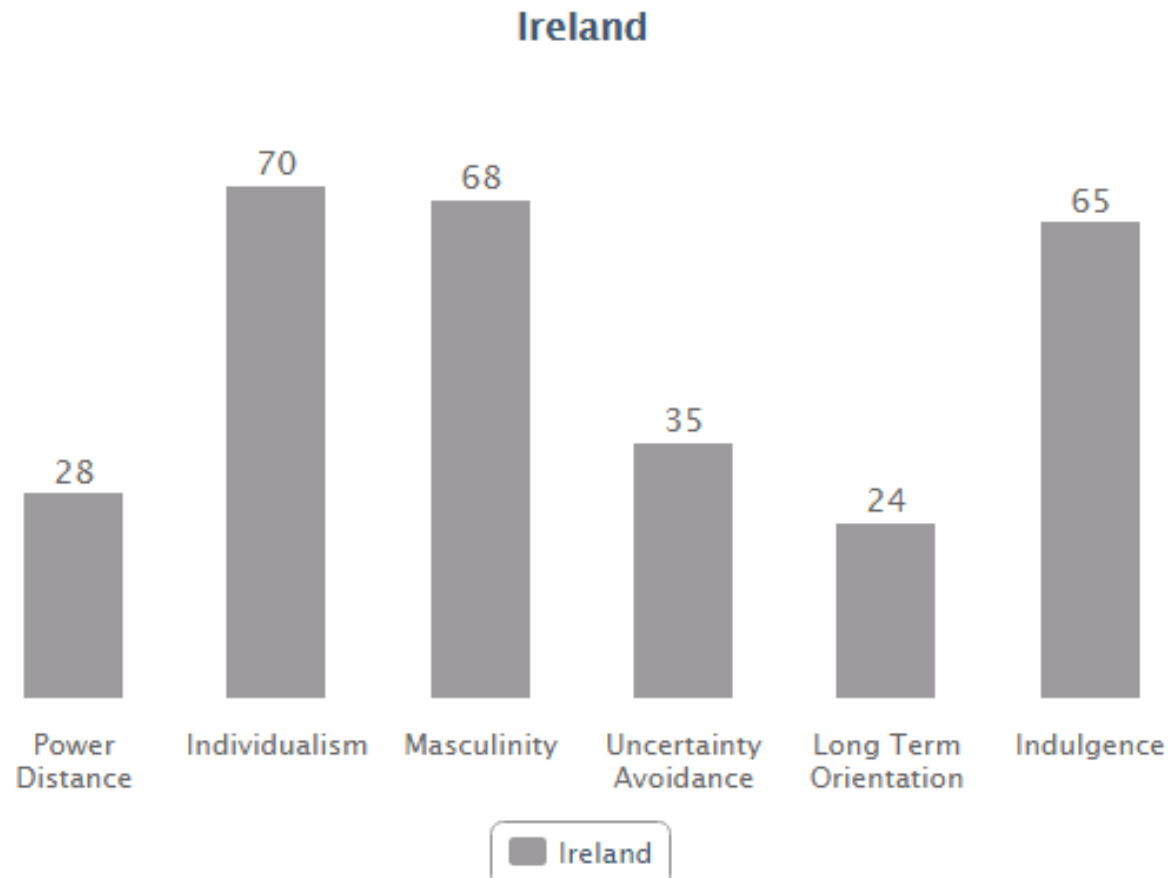
# Long Term Orientation versus Short Term Normative Orientation (LTO)

- Societies who score low on this dimension, for example, prefer to maintain time-honoured traditions and norms while viewing societal change with suspicion.
- Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future.

# Indulgence versus Restraint (IND)

- Indulgence stands for a society that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun.
- Restraint stands for a society that suppresses gratification of needs and regulates it by means of strict social norms.

# Ireland



# Power Distance Index (Ireland)

- At 28 Ireland sits in the much lower rankings of PDI – i.e. a society that believes that inequalities amongst people should be minimized.
- Within Irish organisations, hierarchy is established for convenience, superiors are always accessible and managers rely on individual employees and teams for their expertise.
- Both managers and employees expect to be consulted and information is shared frequently. At the same time, communication is informal, direct and participative.

# Individualism versus Collectivism (IDV) (Ireland)

- At a score of 70 Ireland is an individualistic culture.
- In the business world, employees are expected to be self-reliant and display initiative.
- Also, within the exchange-based world of work, hiring and promotion decisions are based on merit or evidence of what one has done or can do.

# Masculinity versus Femininity (MAS) (Ireland)

- At 68 Ireland is a masculine society – highly success oriented and driven.
- Behaviour in school, work, and play are based on the shared values that people should “strive to be the best they can be” and that “the winner takes all”.
- The Irish are proud of their successes and achievements in life, and it offers a basis for hiring and promotion decisions in the workplace.
- Conflicts are resolved at the individual level and the goal is to win.

# Uncertainty Avoidance Index (UAI) (Ireland)

- At 35 Ireland has a low score on uncertainty avoidance.
- Ideas are important, being imaginative is appreciated.
- Irish businesses embrace creativity and are always looking for new ways to approach problems.
- Making a point with practical facts is more appreciated than the use of too much technical language.



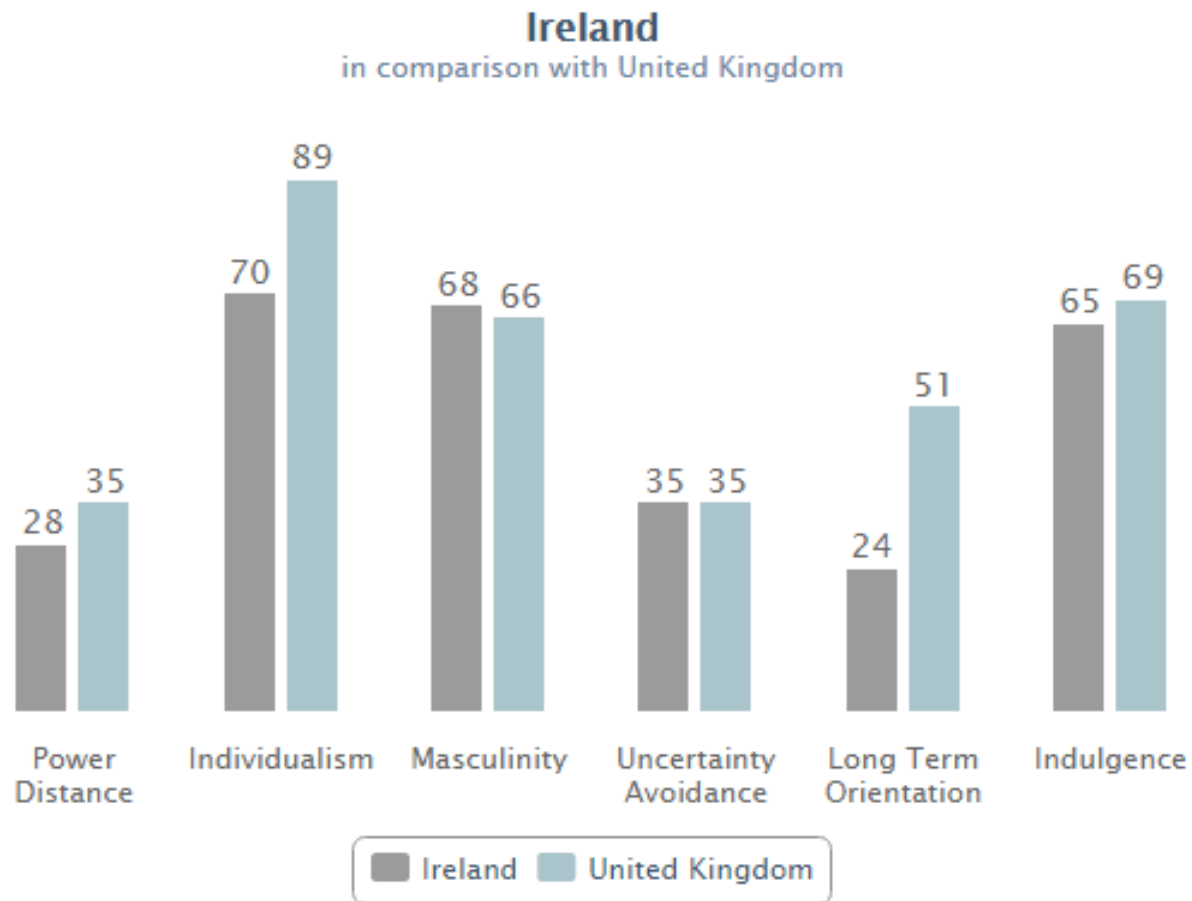
# Long Term Orientation -v- Short Term Normative Orientation (LTO) (Ireland)

- With a low score of 24, Ireland has a culture classified as normative.
- People in such societies have a strong concern with establishing the absolute Truth; they are normative in their thinking.
- They exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results.

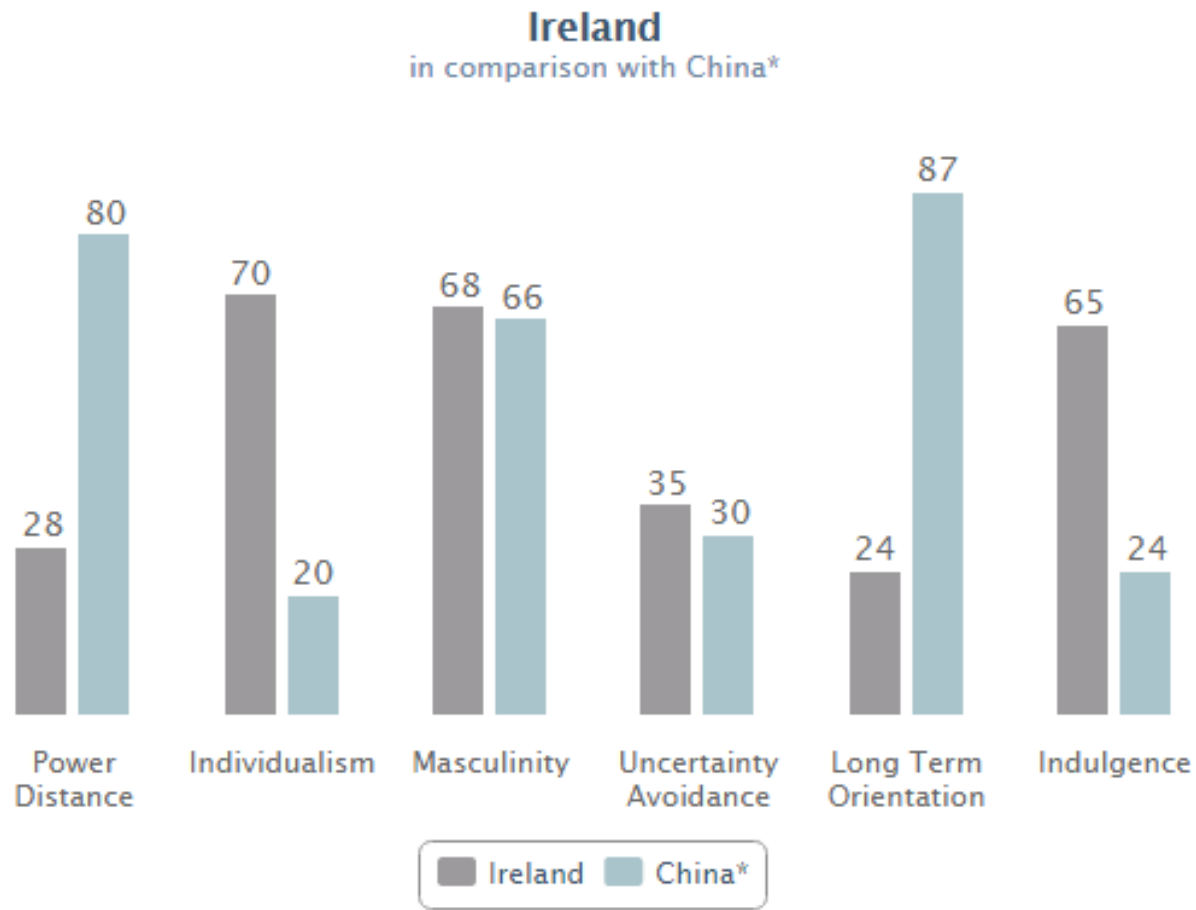
# Indulgence versus Restraint (IND) (Ireland)

- With a high score of 65, it is clear that Irish culture is one of indulgence.
- People in societies classified by a high score in indulgence generally exhibit a willingness to realise their impulses and desires with regard to enjoying life and having fun.
- They possess a positive attitude and have a tendency towards optimism.
- In addition, they place a higher degree of importance on leisure time, act as they please and spend money as they wish.

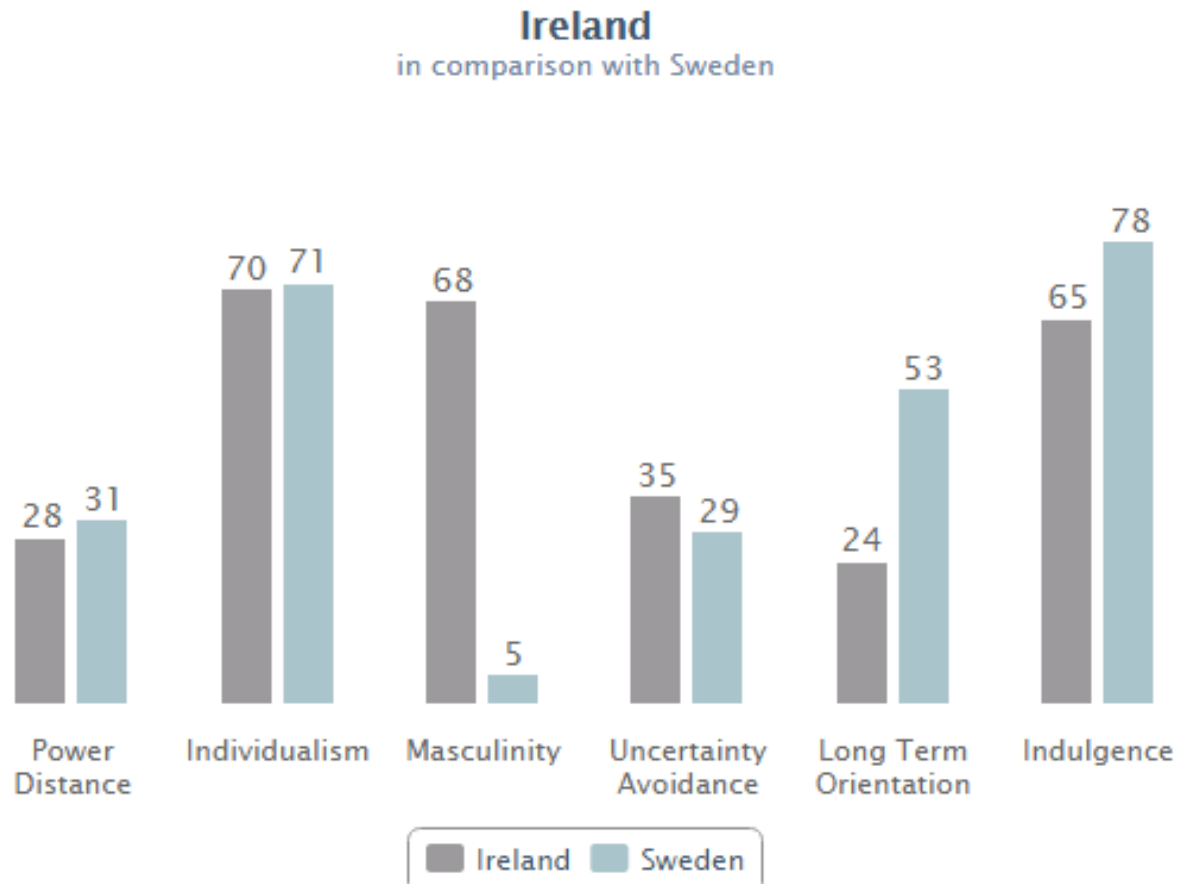
# Ireland-UK



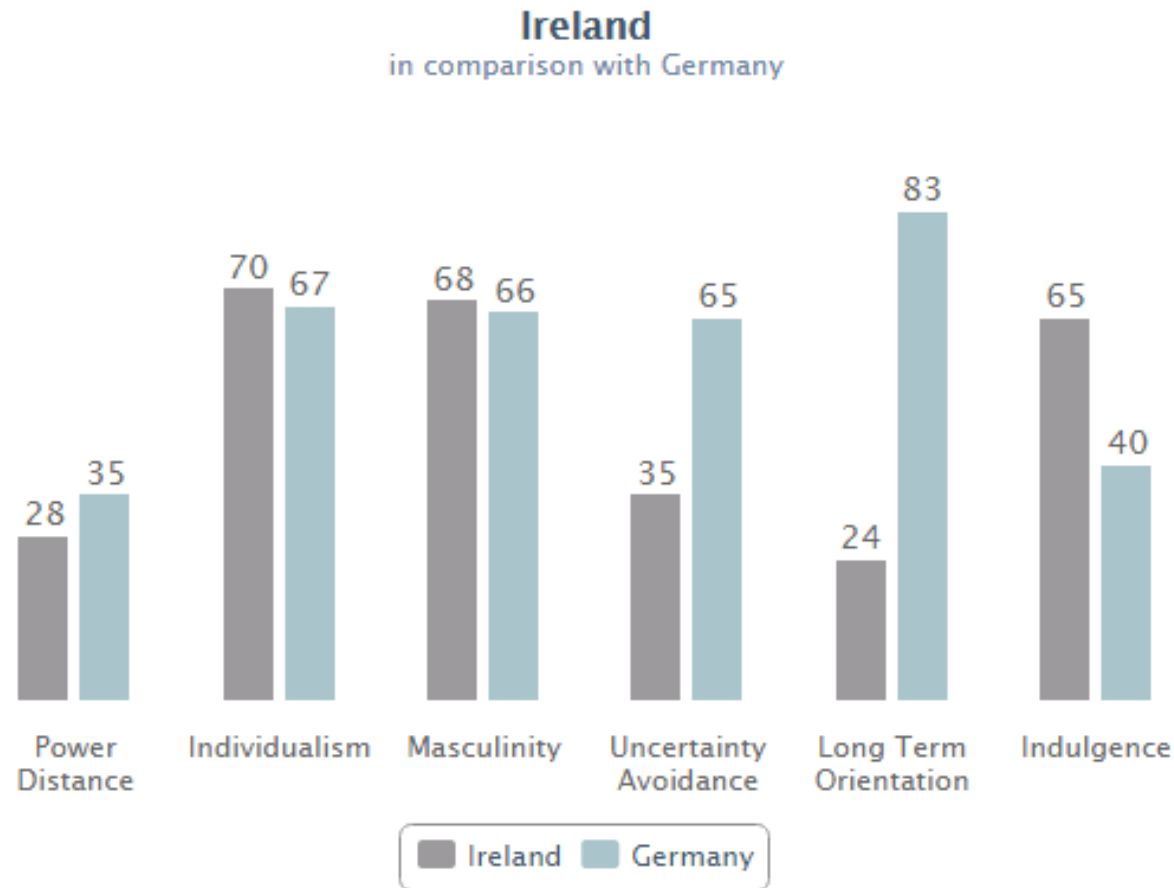
# Ireland-China



# Ireland-Sweden

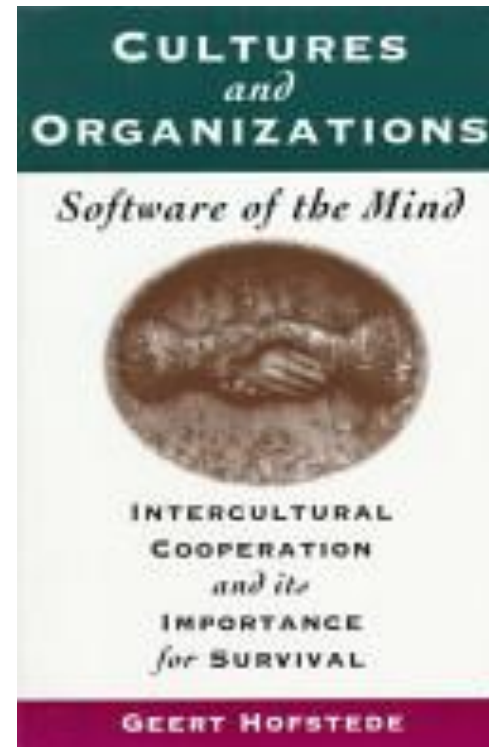


# Ireland-Germany



# References

[geert-hofstede.com/](http://geert-hofstede.com/)



# Discussion

- You are hired by bigbank.com, an online bank, to develop their website, which includes functionality for:
  - Saving
  - Applying for loans
  - Donating to causes
- The website will launch in Ireland, China, Germany, the UK and Sweden
- How might cultural factors inform your design