

WHY CULTURE COUNTS

Taken and adapted from 'The Cross- Cultural Business Pocket book 1999 John Mattock and other referenced sources

THE WORLD HAS SHRUNK

Corporations have moved on, from 'international' to 'multinational' to 'global'. Markets cross national and continental boundaries; products and services, specifications and brands, contracts and campaigns--all are conceived for worldwide use.

Commonplace technical miracles bring people together as never before: mobiles, laptops, the Internet ... many take the technology for granted. Perhaps we become complacent or lazy about our way of communicating at the human level?

The skies are full of managers and professionals:

- Traveling to do business with foreign customers, suppliers and investors
- Attending international conferences--in-company or pan-occupational
- Reporting to headquarters or visiting local branches overseas
- Relocating career and family to far-flung parts of the world

EMPATHY IS GOOD BUSINESS

Imagine a choice between two foreign suppliers offering similar price and quality, and terms and conditions.

One displays curiosity about your country--its people, history, economy, institutions, art and language--and seems keen to build good working relationships according to your local habits

The other doesn't bother: this organization sticks to the business in hand, and expects all business partners to fit in with the normal' or 'correct' way of seeing and doing things

Which one will you choose to do business with? Which will you recommend to your network of contacts? Which will you seek to emulate the next time you do business abroad?

CULTURE INFLUENCES PERCEPTIONS

The way you see the world is directly influenced by your background: your parents brought you up, your teachers educated you, and your friends conditioned you according to the unwritten rules of your local culture.

Your views on right and wrong, duty and pleasure, order and chaos, reason and emotion, pride and shame--are coloured by the filters of culture.

As a manager, you need successful interaction with others: sharing ideas, anticipating their needs, and helping them improve performance. If they see the world through the same filters as you, that's fine. But if they have different ... foreign ... alien perceptions and attitudes then you have a trickier job to do.

'If I want to succeed in guiding a human being ... I must find him where he is ... to help a person, I must of course understand more than he does, but above all that I must understand what he understands.' Kierkegaard

CULTURE AFFECTS BEHAVIOUR

Racial prejudice is a bad thing:

"Any of those people are inferior to any of these people, and so has fewer human rights."

To dump a national stereotype on an individual person is destructive:

"He's good on the detail, but a creative zero. What can you expect?"

"He's busy covering his back--they all do!"

"She's late again; typical!"

Yet you can predict with some accuracy how a person from a given culture is likely to behave. And if you plan without taking culture into account, your project will be under threat.

WHAT YOU MIGHT SEE

Here are some typical attitudes towards work and relationships you'll likely find in various regions. Here are some interesting examples:

- In Central and Eastern Europe, experience with communism has made people wary of the use of propaganda ... making them skeptical of "corporate values;"
- In the Arab world, the fatalism of the Muslim culture is often at odds with worldly plans and priorities;
- In America there's a focus on results-especially sales-and respect for contracts and deadlines;
- In Britain, the focus is on relationships and manners, with respect for the spirit not the letter or detail of any agreement.
- In the Asia-Pacific region, business is characterized by moderation, calmness, and harmony.

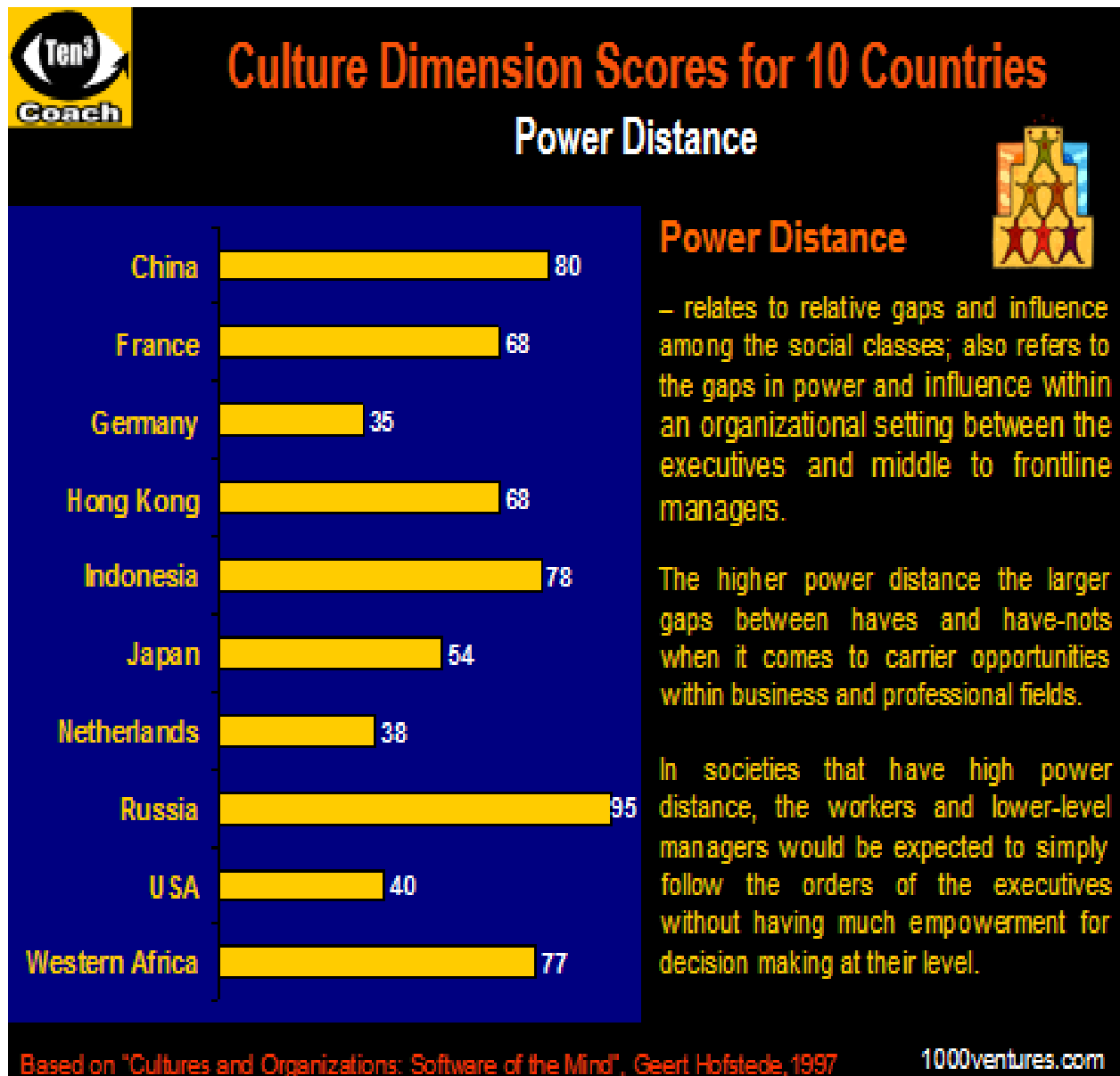
Hofstede and National Cultures

Hofstede, Geert, *Cultures and Organizations: Software of the Mind*, 1997

Hofstede; Simple / basic points and countries

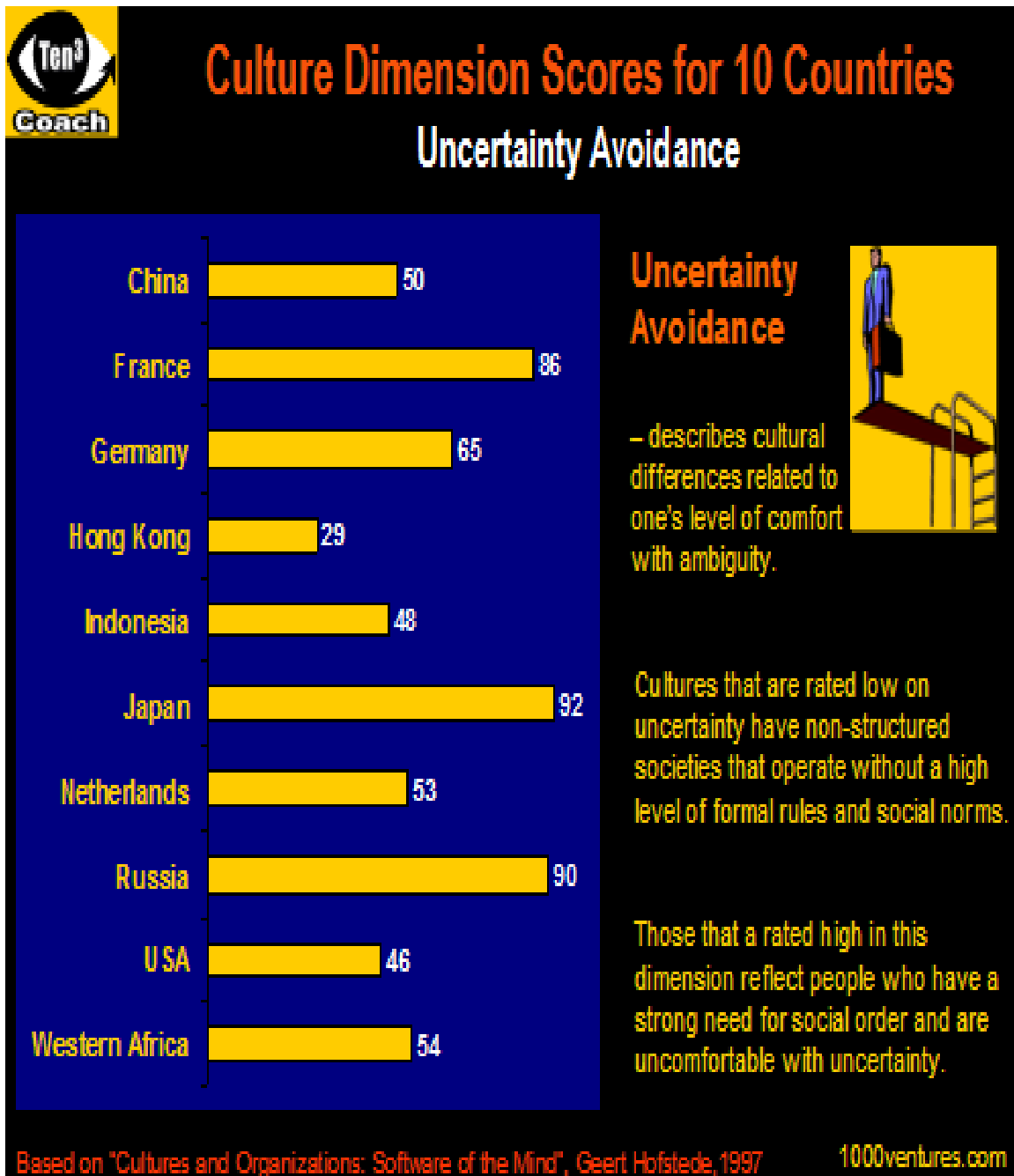
High Power- Distance Cultures encourages Superiors / Managers/ Leaders to be show and use power (India/ China)

Low Power -Distance Cultures put pressure on bosses to listen to subordinates and what they have to say (Netherlands)



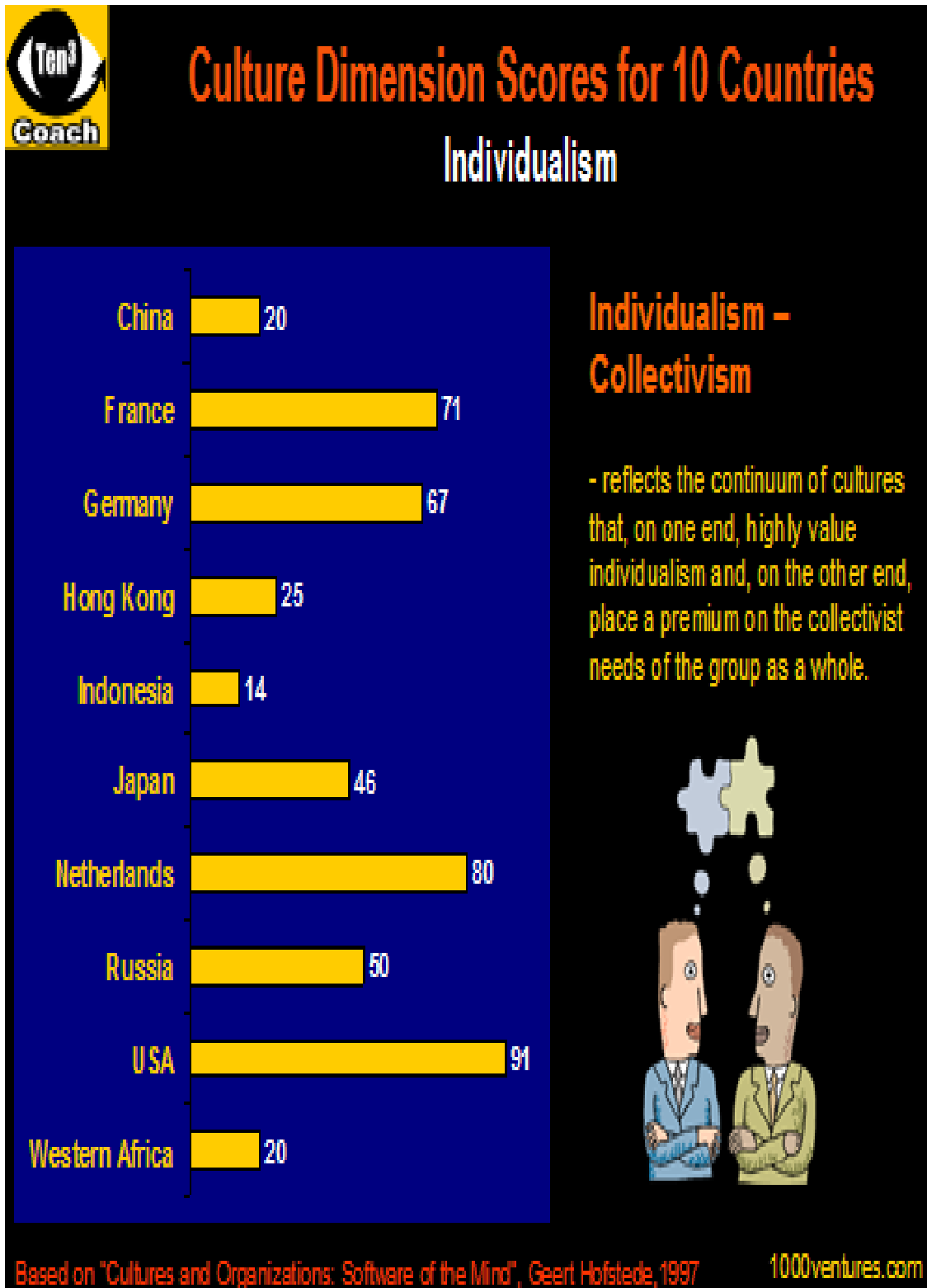
High Uncertainty- Avoidance cultures try to reduce risks of something challenging the existing ways or views of self or society. (Japan)

Low Uncertainty-Avoidance cultures admire risk takers and entrepreneurs (Denmark)



Individualist cultures put more value on people thinking for themselves and taking action (Britain)

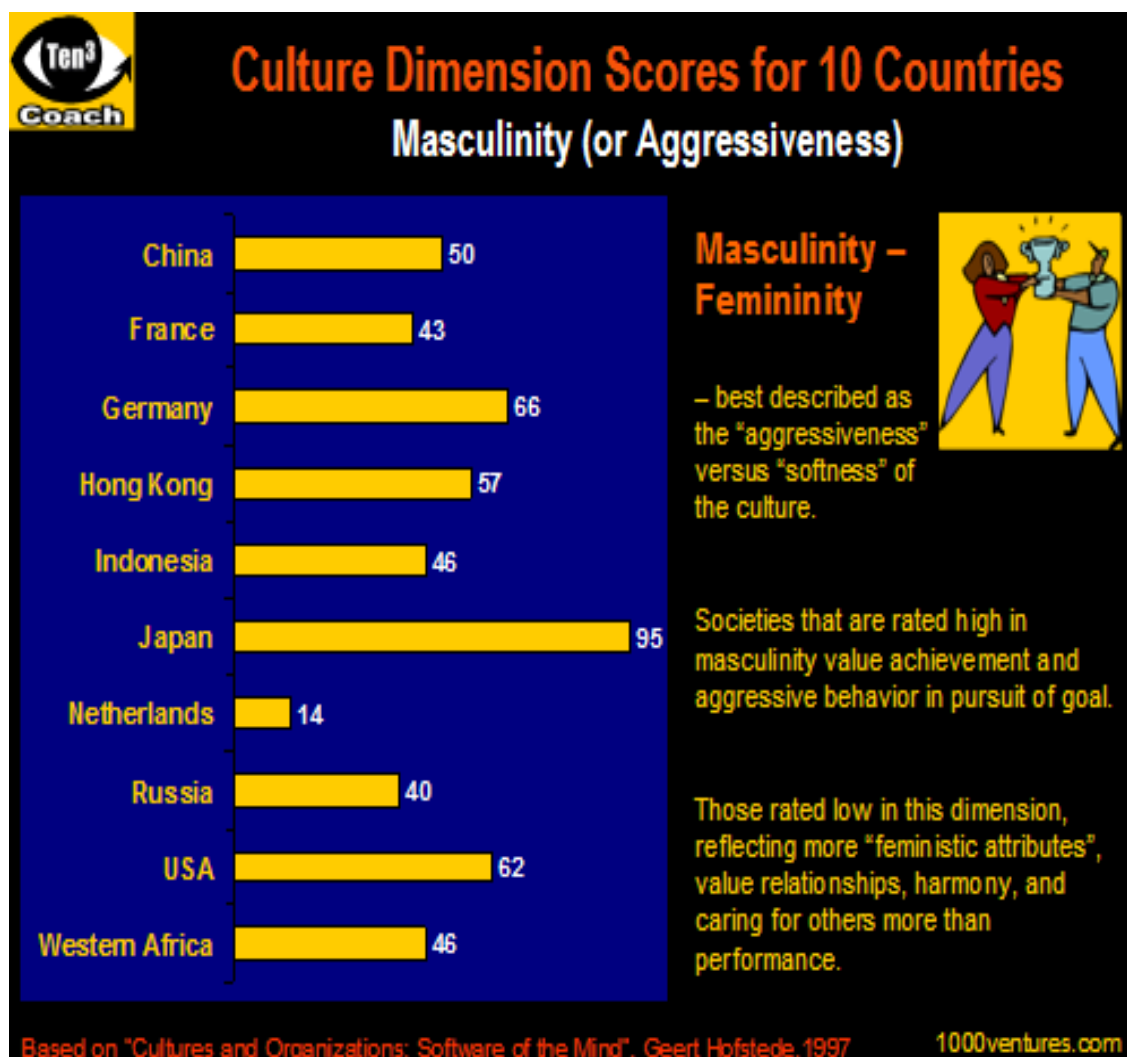
Collectivist (strong family groups or tribes) demand loyalty to the clan or family above everything else (Indonesia / UAE/ IRAN)



Masculine cultures (aggressive/ assertiveness) highlight winning, ambition and success through challenging and beating the competition (Japan /Australia)

Feminine cultures favour a natural balance to life and natural justice. Live and let live, care and fairness for all. (Netherlands / Holland)

It should be noted that these are using descriptions of **characteristics of gender for a Nation**. Where a nation is more '**Feminine**' in **cultural outlook**, then both men and women tend to hold similar outlooks and display similar less aggressive and challenging behaviours. Nations that score very highly on '**Masculine**' **characteristics** have a wider gap between Men and Women's behaviour. Women **may be more assertive** than other women that you would find in a **Country with 'Feminine characteristics'**, but they would not be any where near as dominant as the men in a country that **displayed a high Masculine culture**.



Group activity.

Identify where you think your nationality tends to fit on the following Hofstede dimensions?

Power Distance Index (PDI)

Uncertainty Avoidance (UAI)

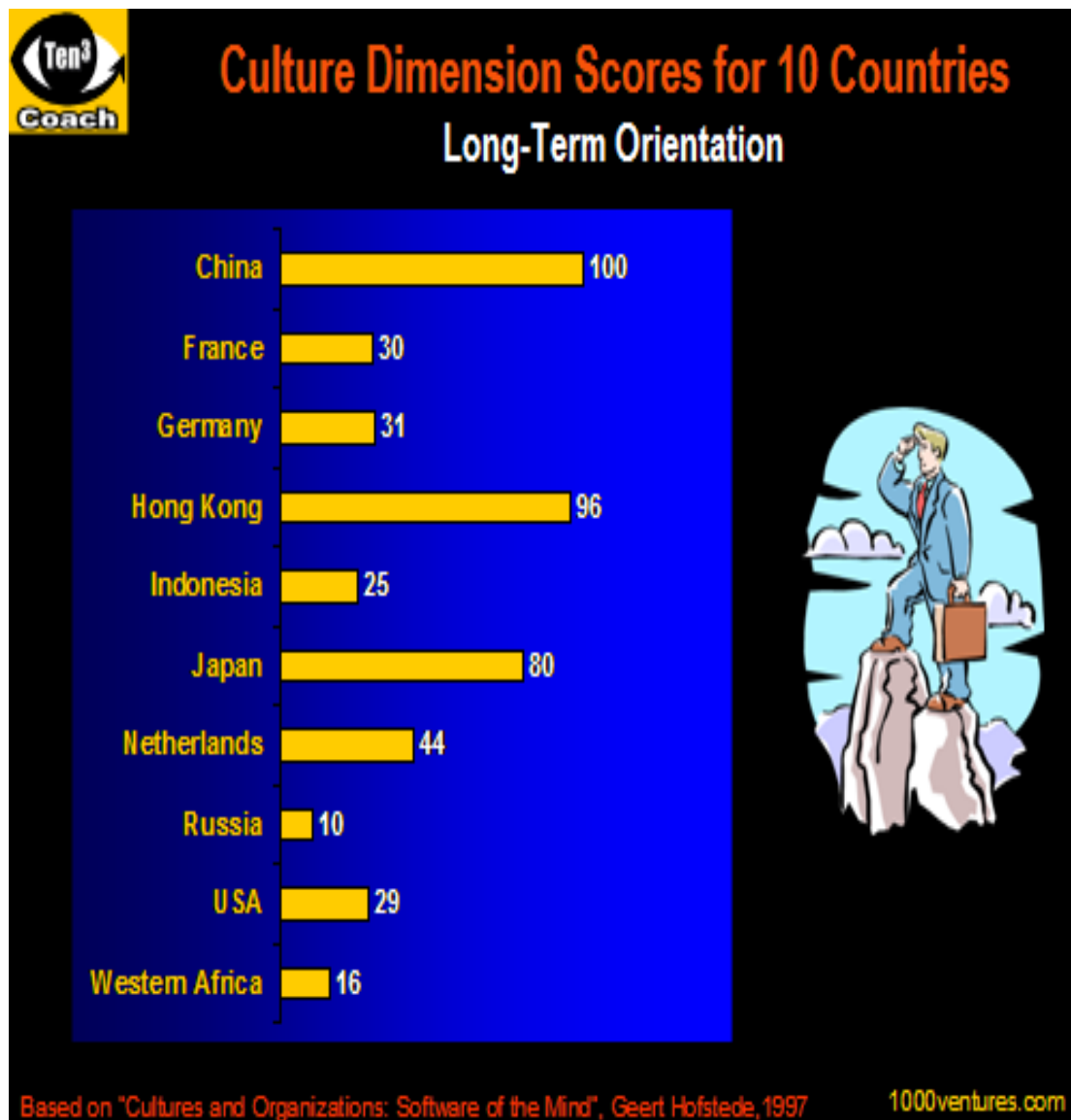
Masculinity Index (MASI)

Why might this be?

Confucian Dynamism / Long Term View

http://changingminds.org/explanations/culture/hofstede_asian.htm

In his original analysis of cultural factors, Geert Hofstede, a Dutch cultural anthropologist, identified five common cultural factors, but was surprised when they did not predict the Asian growth of the second half of the 20th century.



Hofstede used a Chinese Value Survey (CVS) to explore further and found that this supported his dimensions of power distance, individualism/collectivism and masculinity/femininity, **but did not support uncertainty- avoidance.**

What this survey did show up was another dimension that Hofstede called '**Confucian Dynamism**' that seemed to be linked with economic growth. In particular, this was linked with the search for societal virtue rather than a search for truth.

Within this dimension there are several sub-dimensions which are explained below.

Persistence

There is a general perseverance and in pursuing a goal. Once something has been decided as requiring action, people will work through disappointment and difficult problems in order to reach the desired end position.

Ordering relationships

Relationships are clearly defined, with strong hierarchies that people observe very carefully. With a clear power relationship, people do not spend time arguing and challenging orders -- they move into the persistence that may be required to achieve the goals that have been set for them by their superiors.

Thrift

There is a general thrift and dislike of waste. This leads to creating of products that are economic in production and reliable in use. It also leads to careful economy with finances and consequent profitable firms and nations. A high level of savings and reduced borrowing leads to more financially stable institutions.

A sense of shame

If goals are not reached, then it is considered shameful -- a fact which leads to persistence. Likewise, shame drives relationships, where to be seen to fail or otherwise lose face is highly undesirable. Thrift, also, is affected by shame, as a cultural thriftiness highlights individual overspending.

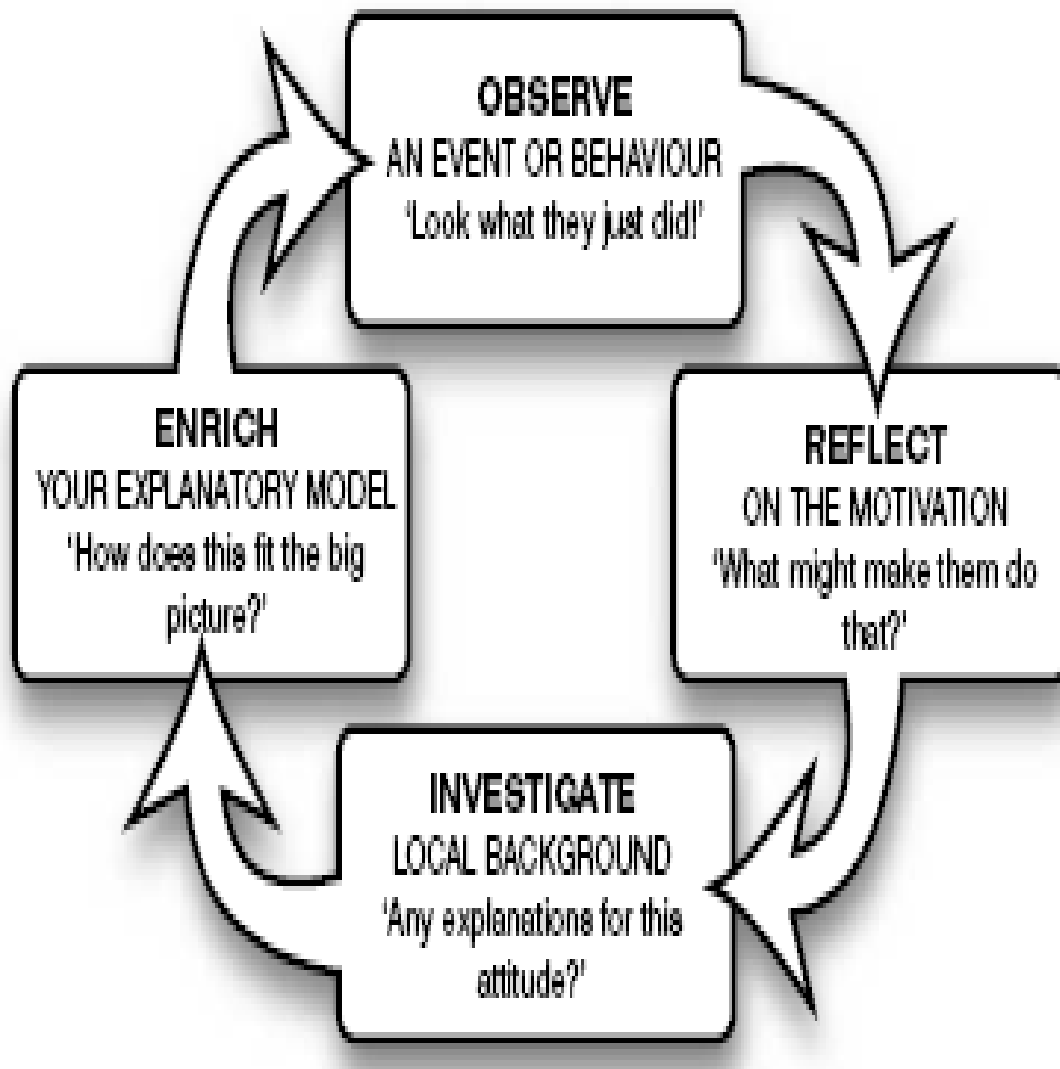
So what?

Remember that not all cultural models fit into all cultures and that you may be missing important factors.

References

Hofstede, G. and Bond, M.H., The Confucius Connection: From cultural roots to economic growth, *Organizational Dynamics*, Spring 1998, 5-21

Modeling a culture



Model 1 (Basic)

Fons Trompenaars John Mattock, 1999:23)

We can use the idea of Trompenaars to interview people of different nationalities (This could be within HCT RKWC) and ask them some ethical situation questions.

Such questions could include:

- A) Would you twist the truth to protect a friend from the law?
- B) Should the team be responsible for one team member's mistake?
- C) If you were upset at work, should you display your feelings?
- D) Should you do a personal favour for your boss that uses company time and resources
- E) Do family connections and the school someone goes to affect your view of other people?

Exercise: You can ask people from different nationalities these types of questions

Model 2 (Basic)

Communication preferences

Hall (1976)

Low-context culture

- meaning in message
- explicit
- details within message
- speaker responsible for message comprehension

High-context culture

- meaning in context
- implicit
- details in context
- listener responsible for understanding message

Exercise: Discuss your understanding of this model

Model 3 (It is advanced and time consuming) John Mattock, 1999:24-47)

You can start by assessing your own culture as a group and it could be used in any report or presentation

You could ask people from other cultures (the more of the same the better) to tick where they feel Nationals from their country fit on the scales of the various dimensions. You might be able to observe this, or you could ask for further comments.

Perception and Cognition

Perception and Cognition 1 (Thinking Processes)

OUTGOING/INFORMAL			PRIVATE/RESERVED		
Our circle of acquaintance is wide and flexible; we do not harbour secrets			We share our inner thoughts only with close friends and family		
1	2	3	4	5	6
Observations _____					

Perception and Cognition 2 (Thinking Processes)

PERSONAL FULFILMENT			LOYALTY TO THE TRIBE		
Encouragement and reward for individual talent and initiative			Duties are fixed by tradition, autocratic leaders or team needs		
1	2	3	4	5	6
Observations _____					

Perception and Cognition 3 (Thinking Processes)

UNIVERSAL Some ideas/concepts are absolute, and can be applied in all situations			CIRCUMSTANTIAL Theories are interpreted in line with common sense/human need		
1	2	3	4	5	6

Observations _____

Perception and Cognition 4 (Thinking Processes)

LOOSE TIME Deadlines are only guidelines: 'They won't mind waiting a bit longer'			TIGHT TIME Delay equals failure: 'This project must run on schedule or else...'		
1	2	3	4	5	6

Observations _____

Perception and Cognition 5 (Thinking Processes)

QUICK RESULTS Mechanistic/impatient; actions now should bring satisfaction soon			BIG PICTURE Holistic/patient; we think and act in the broad context of past and future		
1	2	3	4	5	6

Observations _____

Perception and Cognition 6 (Thinking Processes)

MULTIPLE EVENT			SINGLE EVENT		
Clever people handle several ideas at once: the art of juggling			One at a time to avoid confusion: interruptions/ distractions are bad		
1	2	3	4	5	6
Observations _____					

Self and Society

Self and Society 1

OUTGOING/INFORMAL			PRIVATE/RESERVED		
Our circle of acquaintance is wide and flexible; we do not harbour secrets			We share our inner thoughts only with close friends and family		
1	2	3	4	5	6
Observations _____					

Self and Society 2

PERSONAL FULFILMENT			LOYALTY TO THE TRIBE		
Encouragement and reward for individual talent and initiative			Duties are fixed by tradition, autocratic leaders or team needs		
1	2	3	4	5	6
Observations _____					

Self and Society 3

PRESCRIPTIVE

Rules of conduct must not be bent; society suffers if they are

FLEXIBLE

Sometimes we can ignore laws; respect your conscience and friends

1	2	3	4	5	6
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Observations _____

Self and Society 4

DOING & MEASURING

High status goes with performance and achievement

BEING & FEELING

Living life well is the greatest accomplishment; work is only part of it

1	2	3	4	5	6
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Observations _____

Self and Society 5

RELATIONSHIP

'If we can get on well, the work will be pleasant and fruitful'

TASK

'If we can do a good job together, we might get closer as people'

1	2	3	4	5	6
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Observations _____

Self and Society 6

CO-OPERATION/CONSENSUS

Decisions by group synergy can be smoothly implemented

COMPETITION/CONFLICT

Forceful advocacy defeats opposition and brings success

1	2	3	4	5	6
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Observations _____

Decisions and Communications

Decisions and Communications 1

SUGGESTION			STATEMENT		
'I'm sure you'll get the gist of my idea without tedious over-explanation'			'We'll both be more comfortable if I spell this out to avoid ambiguity'		
1	2	3	4	5	6
Observations _____					

Decisions and Communications 2

CONTEXTUAL			DIRECT		
Plenty of background information helps us to understand things better			We move directly to the proposal, handling context questions later		
1	2	3	4	5	6
Observations _____					

Decisions and Communications 3

EMOTIONAL			CONTAINED		
Few inhibitions about expressing joy, anger, fear, passion, regret...			Embarrassment and friction can come from displays of emotion		
1	2	3	4	5	6
Observations _____					

Decisions and Communications 4

AVOIDING RISK

Beware precedents/
consequences; Look Before
You Leap

EMBRACING RISK

Seize every opportunity
without dithering; Who
Daree Wins

1	2	3	4	5	6
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Observations _____

Decisions and Communications 5

HIERARCHICAL

Good organisation requires
clear direction from above

DEMOCRATIC

Power is distributed;
everybody contributes to
decisions

1	2	3	4	5	6
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Observations _____

Decisions and Communications 6

MERIT

Respect is given to those
who have earned it -
including leaders

STANDING

Respect goes to those with
the right age/class/
qualifications

1	2	3	4	5	6
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Observations _____

Scoring for this model

If someone scores 1 or 6 then these are the primary (first/ strongest) characteristics or traits

If someone scores a 2 or a 5 then these are secondary characteristics or traits

If someone scores a 3 or 4 then these should be ignored

E.g. Primary characteristics

- Time tight
- Private / reserved
- Democratic

Secondary Characteristics

- Decisive
- Circumstantial (in conclusive hunches / evidence versus hard facts)
- Prescriptive (There is a right way)
- Task focused
- Cooperates / consensus seeking
- Avoids risks
- Merit (is gained if we work hard)

You can find out more about other cultures by looking in the source material **‘The Cross- Cultural Business Pocket book 1999 John Mattock. It is in the student portal Hofstede in more detail**

http://changingminds.org/explanations/culture/hofstede_culture.htm

Geert Hofstede, a Dutch cultural anthropologist, analyzed cultures along five dimensions. He rated 58 countries on each dimension on a scale from 1 to 100.

Power

Hofstede named this *Power Distance (PD or PDI)*. It is the extent to which less powerful members expect and accept unequal power distribution. High PD cultures usually have centralized, top-down control. Low power distance implies greater equality and empowerment.

Malaysia, Panama, and Guatemala rated the highest in this category. The US was 38th.

Self

Hofstede named this *Individualism versus Collectivism (ID or IDV)*. In an individual environment the individual person and their rights are more important than groups that

they may belong to. In a collective environment, people are born into strong extended family or tribal communities, and these loyalties are paramount.

The US was number 1 here, closely followed by Australia and Great Britain.

Gender

Hofstede named this *Masculinity versus Femininity (MAS)*. It focuses on the degree to which “traditional” gender roles are assigned in a culture; i.e., men are considered aggressive and competitive, while women are expected to be gentler and be concerned with home and family.

Japan led the list, followed by Austria and Venezuela. The US was 15th.

Predictability

Hofstede named this *Uncertainty Avoidance (UA or UAI)*. It defines the extent to which a culture values predictability. UA cultures have strong traditions and rituals and tend toward formal, bureaucratic structures and rules. Greece was number 1, followed by Portugal and Guatemala. The US was 43rd.

Time

Hofstede named this *Long- versus Short-term Orientation (LTO)*. It is the cultural trait that focuses on to what extent the group invests for the future, is persevering, and is patient in waiting for results.

China led this dimension, followed by its oriental colleagues, Hong Kong and Taiwan. The US was 17th.