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NATIONAL CULTURES IN FOUR DIMENSIONS
A Research-based Theory of Cultural Differences among Nations

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This report summarizes a large research project, involving 116,000 questionnaires, about the work-related value patterns of matched samples of industrial employees in 50 countries and 3 regions at 2 points in time. Half of the variance in the countries' mean scores can be explained by four basic dimensions, here labeled power distance, uncertainty avoidance, individualism versus collectivism, and masculinity versus femininity. These dimensions are offered as a framework for developing hypotheses in cross-cultural organization studies. Index scores of the countries on the 4 dimensions correlate significantly with the outcomes of about 40 existing comparative studies.

The four dimensions considered here relate to very fundamental problems which face any human society, but to which different societies have found different answers. They are used to explain (1) different ways of structuring organizations, (2) different motivations of people within organizations, and (3) different issues people and organizations face within society. On the basis of combined scores, the countries studied can be grouped by cul-

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tural clusters. The data also allow some conclusions about trends in value shifts over time.

The Cultural Relativity of Organization Theories

A certain U.S. business organization has a policy that salary-increase proposals should be initiated by the employee's direct superior. In its French subsidiary, this policy is interpreted in such a way that the superior's superior's superior — three levels above the employee — is the one who initiates salary-increase proposals. Why the difference? Because the French managers and their employees share some basic values about the exercise of authority that differ from the values that prevail among their U.S. colleagues. These basic values are fostered in the majority of French and U.S. families, and are reinforced in French and U.S. schools.

Organization theorists are also products of a national culture: they were reared in families and trained in schools, and they absorbed the values prevailing in one particular society. They usually collect their life experience and their research data in the same society. Organization theories are therefore culturally bounded. The task of cross-cultural organization research is to broaden both the data bases available to researchers/theorists and their awareness of value systems different from their own.

If organization theory is to transcend national boundaries, it should go beyond statements such as "In the USA..., but in France..." In this case we treat names of nations as residues of undefined variance. For theories to be truly universal we should attempt to replace names of nations by explicitly defined variables. When we find that societies differ with regard to a particular characteristic, we should try to specify what it is about these societies that causes this difference (Przeworski and Teune, 1970. P. 29).

A Multicountry Data Base (1)

Replacing country names by variables that explain differ-

ences in the structure and functioning of organizations presupposes a base of multicountry data to start from. It is very difficult to infer such variables from data about only two or three countries. The scarcity of studies covering more than a handful of countries and the almost inevitable loss of depth with a gain in breadth explain the slow development of truly universal organization theories.

For the present study (fully described in Hofstede, 1980), access was obtained to an existing body of organizational data from no fewer than 67 countries. All but one of the organizations are subsidiaries of the same large U.S.-based multinational industrial corporation, which I shall call "Hermes." The remaining one is a Yugoslav worker-managed organization that (among other activities) imports and services Hermes products in Yugoslavia.

The data consist of answers of individual employees to standardized paper-and-pencil attitude and value survey questionnaires. The same questionnaires were used twice, around 1968 and around 1972. The entire data bank contains the answers on over 116,000 questionnaires, each with about 150 questions. Twenty different language versions were used.

The interest of the present study is in fundamental differences in the way people in different countries perceive and interpret their world. It has therefore looked at only 32 questions from the data bank, ones that (1) were conceptually related to the respondents' cosmologies (ways of looking at the world) and (2) showed differences among countries that remained relatively stable between the 1968 and the 1972 survey rounds. Specifically, the questions retained for analysis deal with:

— perceptions of the organizational regime (such as the presence or absence of subordinate consultation by superiors);

— perceptions of the organizational climate (such as feelings of job-induced stress);

— values in terms of the desirable (reactions to general, ideological statements such as "Competition among employees usually does more harm than good");

— values in terms of the desired (importance personally attached to various aspects of a job, such as earnings, cooperation, and security).

Treatment of the Data

The Hermes data bank represents a multilevel, multicriteria data base since responses can be analyzed across individuals, across occupations, across countries, between the sexes, among age groups, and over time (1968 to 1972). This paper focuses on the analysis across countries. For this purpose, for each relevant question a score has been determined for each country. This score was (1) based either on scale means or on agreement percentages, depending on the nature of the question; (2) composed for a constant mix of seven clerical, technical, professional, and managerial occupations, identical for all countries; and (3) averaged for the 1968 and 1972 survey rounds.

Of the 67 countries in the data bank, 27 were originally omitted from the analysis because more than half of the necessary occupational data was from fewer than eight respondents and was therefore considered "missing." This corresponded to a minimum number of about 50 respondents per country for each survey round. Thus, the bulk of the data summarized in this paper is based on 40 countries (Hofstede, 1980). At a later stage (Hofstede, 1982), countries were added for which sufficient data were available for at least two occupational groups; this increased the data base to 50 countries. Finally, data were also included from three multicountry regions (Arab-speaking countries, East Africa, and West Africa) for which the number of available responses from the individual countries was insufficient.

For the original set of 40 countries, the relationships among the country scores on the 32 questions were studied. This represents an ecological, not an individual, analysis. The number of cases used is 40 (countries), not 116,000 (individuals). Ecological correlations among variables are mathematically different from individual correlations (Robinson, 1950), and should be interpreted differently.

Questionnaire items were grouped according to ecological dimensions, based upon (1) theoretical relevance, and (2) statistical relationships. Four such dimensions were identified. There were labeled power distance, uncertainty avoidance, individualism versus collectivism, and masculinity versus femininity. The positions of each of the 40 countries on each of these four dimensions were expressed by an index. A factor analysis of the country scores for 32 questionnaire items and 40 countries showed that 3 factors explained 49 percent of the total variance: one factor combined high power distance and low individualism, one corresponded to uncertainty avoidance, and one, to masculinity. No other meaningful factors were found. The two dimensions of power distance and individualism, although negatively correlated (r = 0.67 across 40 countries), have been maintained as separate dimensions for conceptual reasons.

When, later, ten more countries and three regions were added, the index scores for these supplementary units were calculated according to the formulas derived from the first and larger 40 units. Adding these new units did not substantially change the structure of the dimensions (Hofstede, 1983).

Power Distance

A power distance index (PDI) has been composed of the country scores on the following three questionnaire items, which are intercorrelated with coefficients between 0.54 and 0.67 (see also Hofstede, 1977, 1979a).

(1) the percentage of subordinates who perceive that their boss makes his decisions in an autocratic or paternalistic (persuasive) way;

(2) subordinates' perceptions that employees in general (their colleagues) are afraid to disagree with superiors (mean score on a five-point scale from 1 = very frequently to 5 = very seldom, multiplied by 25 to make it comparable with the percentage scores for questions 1 and 3);

(3) the percentage of subordinates who do not prefer a boss

who makes his decisions in a consultative way, but who prefer a boss who decides either autocratically or paternalistically or, on the other hand, who does not decide himself, but goes along with the majority of his subordinates (for the rationale of combining the latter categories, see below).

The index is computed according to the formula: PDI = 135+ a – b + c, which brings it into a range between 11 and 104; its theoretical range is from –90 (no power distance to + 210 (supreme power distance). The index values for the 50 countries and 3 regions can be read in Table 1.

The term power distance has been inspired by the work of Mulder (1976, 1977). The country-level correlation of the preferred type of decision making in the superior with the perception of the behavior of both superior and colleagues reveals a fundamental fact about power distance in a hierarchy, namely, that a society's way of dealing with power relationships is established through the values of superiors as well as of subordinates. It appears in the Hermes data that subordinates in a system in which superiors maintain considerable power distance respond by preferring such superiors (dependent reaction) or by going to the other extreme and preferring superiors who do not decide at all, but govern by a majority vote of their subordinates. This latter type of decision making is rather unlikely to be practiced in complex work organizations: it would be feasible only if departments were autonomous and independent of other departments, whereas in fact modern work organizations are complex interdependent systems. Therefore, the preference for a majority-vote type of decision making in a complex work organization is unrealistic; I interpret it as a collective counterdependent reaction to a situation of great power distance. So we see that in systems in which superiors maintain a great power distance, subordinates tend to polarize toward dependence or counterdependence. On the other hand, where superiors maintain less power distance, subordinates tend to prefer the consultative decision style, which can be interpreted as a compromise solution, an interdependence of superior and subordinate.

Table 1

Index Values and Rank of 50 Countries and 3 Regions on Four Cultural Dimensions

		Power Distance		Uncertainty Avoidance		Individualism		Masculinity	
Country	Abbreviation	Index (PDI)	Rank	Index (UAI)	Rank	Index (IDV)	Rank	Index (MAS)	Rank
Argentina	ARG	49	18-19	86	36-41	46	28-29	56	30-31
Australia	AUL	36	13	51	17	90	49	61	35
Austria	AUT	11	1	70	26-27	55	33	79	49
Belgium	BEL	65	33	94	45-46	75	43	54	29
Brazil	BRA	69	39	76	29-30	38	25	49	25
Canada	CAN	39	15	48	12-13	80	46-47	52	28
Chile	CHL	63	29-30	86	36-41	23	15	28	8
Colombia	COL	67	36	80	31	13	5	64	39-40
* Costa Rica	COS	35	10-12	86	36-41	15	8	21	5- 6
Denmark	DEN	18	3	23	3	74	42	16	4
* Equador	EQA	78	43-44	67	24	8	2	63	37-38
Finland	FIN	33	8	59	20-21	63	34	26	7
France	FRA	68	37-38	86	36-41	71	40-41	43	17-18
Germany (F.R.)	GER	35	10-12	65	23	67	36	66	41-42
Great Britain	GBR	35	10-12	35	6- 7	89	48	66	41-42
Greece	GRE	60	26-27	112	50	35	22	57	32-33
* Guatemala	GUA	95	48-49	101	48	6	1	37	11
Hong Kong	HOK	68	37-38	29	4- 5	25	16	57	32-33
* Indonesia	IDO	78	43-44	48	12-13	14	6- 7	46	22
India	IND	77	42	40	9	48	30	56	30-31
Iran	IRA	58	24-25	59	20-21	41	27	43	17-18
Ireland	IRE	28	5	35	6- 7	70	39	68	43-44
Israel	ISR	13	2	81	32	54	32	47	23
Italy	ITA	50	20	75	28	76	44	70	46-47
* Jamaica	JAM	45	17	13	2	39	26	68	43-44
Japan	JAP	54	21	92	44	46	28-29	95	50
* Korea (S.)	KOR	60	26-27	85	34-35	18	11	39	13
* Malaysia	MAL	104	50	36	8	26	17	50	26-27
Mexico	MEX	81	45-46	82	33	30	20	69	45
Netherlands	NET	38	14	53	18	80	46-47	14	3
Norway	NOR	31	6- 7	50	16	69	38	8	2
New Zealand	NZL	22	4	49	14-15	79	45	58	34
Pakistan	PAK	55	22	70	26-27	14	6- 7	50	26-27
* Panama	PAN	95	48-49	86	36-41	11	3	44	19
Peru	PER	64	31-32	87	42	16	9	42	15-16
Philippines	PHI	94	47	44	10	32	21	64	39-40
Portugal	POR	63	29-30	104	49	27	18-19	31	9
South Africa	SAF	49	18-19	49	14-15	65	35	63	37-38
* Salvador	SAL	66	34-35	94	45-46	19	12	40	14
Singapore	SIN	74	40	8	1	20	13-14	48	24
Spain	SPA	57	23	86	36-41	51	31	42	15-16
Sweden	SWE	31	6- 7	29	4- 5	71	40-41	5	1
Switzerland	SWI	34	9	58	19	68	37	70	46-47
Taiwan	TAI	58	24-25	69	25	17	10	45	20-21
Thailand	THA	64	31-32	64	22	20	13-14	34	10
Turkey	TUR	66	34-35	85	34-35	37	24	45	20-21
* Uruguay	URU	61	28	100	47	36	23	38	12
U.S.A.	USA	40	16	46	11	91	50	62	36
Venezuela	VEN	81	45-46	76	29-30	12	4	73	48
Yugoslavia	YUG	76	41	88	43	27	18-19	21	5- 6
Regions:									
* East Africa	EAF	64	(31-32)	52	(17-18)	27	(18-19)	41	(14-15)
* West Africa	WAF	77	(42)	54	(18-19)	20	(13-14)	46	(22)
* Arab Ctrs.	ARA	80	(44-45)	68	(24-25)	38	(25)	53	(28-29)

* Based on data added later

Uncertainty Avoidance

An uncertainty avoidance index (UAI) has been composed of the Hermes country scores on the following three questionnaire items, which are intercorrelated with coefficients between 0.40 and 0.59:

1. How often do you feel nervous or tense at work? (mean score on a 5-point scale from 1 = always, to 5 = never).
2. Company rules should not be broken, even when the employee thinks it is in the company's best interest (mean score on a 5-point scale from 1 = strongly agree, to 5 = strongly disagree).
3. How long do you think you will continue to work for this company? (Percent answering [a] two years at the most, or [b] from two to five years. This is equal to 100 minus the percent planning to stay more than 5 years.)

The computation formula has been chosen to obtain equal contributions from all three questions to the variance in UAI, as follows: UAI = 300 – 40d – 30e – f. The values for UAI range from 8 to 112. The theoretical range is from –150 (no uncertainty avoidance) to + 230 (extreme uncertainty avoidance). These index values can also be read in Table 1.

The term uncertainty avoidance has been inspired by Cyert and March (1964). The ecological dimension revealed by the three questions has been associated with "uncertainty avoidance" because agreement with question 2 (rules should not be broken) and a low percentage for answer 1 + 2 on question 3 (few people want to leave the company) indicate two different ways of avoiding uncertainties in life. Feelings of uncertainty create anxiety; scores toward the "always" side on question 1 indicate greater anxiety.

High scores on the UAI thus mean a higher mean anxiety level among respondents in a country and avoidance of attitudes and behaviors that could increase this anxiety (doing away with rules, considering leaving one's employer).

Individualism–Collectivism and Masculinity–Femininity

The other 2 ecological indices are derived from mean

country scores on 14 questions dealing with "values in terms of the desired": the importance attached by respondents to the aspects of jobs indicated as challenge, desirable (living) area, earnings, cooperation, training, benefits, recognition, physical conditions, freedom, employment security, advancement, (relation with) manager, use of skills, and personal time (time for personal life).

Answers to these questions were scaled according to five points ranging from "of utmost importance" to "of very little or no importance." The scores for groups of respondents were standardized across the 14 goals (that is, given the same overall mean and standard deviation) so that tendencies in a group to score everything as more or as less important were eliminated (these tendencies were investigated separately; see Hofstede, 1980. Pp. 77 ff. and 224).

The standardized country scores for the 40 countries on the 14 goals were factor analyzed and showed two clear factors explaining, respectively, 24 and 22 percent of the variance (Hofstede, 1980. P. 241). The factor scores for the countries on these two factors were transformed into a country "individualism" and a country "masculinity" score. For "individualism" the formula used was IDV = 50 + 25 x (factor score); for "masculinity," MAS = 50 – 20 x (factor score), yielding an IDV of 6–91 and a MAS of 5–95 (see Table 1).

Individualism (IDV) indicates the relative importance in the country of the job aspects personal time, freedom, and challenge and the relative unimportance of training, of use of skills, of physical conditions, and of benefits. It thus stresses goals in which the individual is an active agent versus those in which he or she is dependent on the organization (being trained, skills being used, working conditions, and benefits being provided).

Whereas the power distance index indicated dependence on the superior, the individualism index indicates (non-) dependence on the organization. As mentioned earlier, the two are negatively correlated (r = –0.67). The combination of a low PDI and a low IDV does not occur (except marginally for Costa Rica); but the combination of a high PDI and a high IDV occurs for the

Latin European countries France, Belgium, and Italy and marginally for Spain and South Africa. In order to show clearly the unique values pattern of Hermes employees in these Latin European countries, I have maintained the PDI and IDV as separate indices and not collapsed them into a single index. The Latin European values pattern means that people in Hermes subsidiaries in these countries have a need for dependence (or counter-dependence) on hierarchical superiors but, at the same time, stress their personal independence from the organization to which they belong: they are dependent individualists.

Masculinity (MAS) indicates the relative importance in the country of the job aspects earnings, recognition, advancement, and challenge and the relative unimportance of (relation with) manager, cooperation, desirable (living) area, and employment security. These tend to be also the job aspects on which, within countries, Hermes men, in the same jobs, score significantly differently from Hermes women. This is in line with the dominant pattern of sex roles found to exist in nearly all societies, even nonliterate ones (Barry, Bacon, and Child, 1957): boys are socialized toward assertiveness and self-reliance, and girls, toward nurturance and responsibility.

The Hermes data show that not only do men and women in the same jobs emphasize different job aspects but that countries also differ along these same lines: in some countries all respondents (both men and women) emphasize job aspects usually associated with the male role; in others, all emphasize job aspects usually associated with the female role. Moreover, it appears that in more "masculine" countries, the gap between the values for the men and for the women in Hermes is wider, whereas in the most "feminine" countries this gap is reduced to zero (Hofstede, 1980. P. 282).

Relevance of the Hermes Dimensions for National Cultures in General

Employees in Hermes subsidiaries are, of course, an extremely narrow and specific sample of their countries' popu-

lations. They belong to the middle class of their society rather than to the upper, working, or peasant class. They have doubtless all been socialized, to some extent, to the international perspective a corporation like Hermes maintains.

Valid comparisons among countries in the study of cultural differences can use two strategies: a broad sample strategy, or a narrow sample strategy. Broad samples should be representative of entire populations; they are typically used in public-opinion research and consumer market research. Narrow samples use respondents who are very well matched: they should be similar in many aspects, except nationality, and belong to functionally equivalent categories in each country.

Most cross-cultural studies use narrow samples, such as students or industrial managers. The Hermes subsidiary respondents are also such narrow, but well-matched, samples: they share the same company superstructure and policies; they are selected to belong to the same occupational categories, so they do very much the same kind of work; they are of the same education level and vary only marginally in age and sex composition; they differ systematically only in nationality. Because the data analyzed are differences between Hermes employees in one country and another, they paradoxically tell us nothing about the Hermes corporate culture, because this is shared by all employees. Systematic and stable differences among the Hermes respondents from different countries can be explained only by country culture; in fact, the differences within Hermes because of the shared corporate structure should be a conservative estimate of differences to be found in organizations outside Hermes.

The validity of the Hermes indices (PDI, UAI, IDV, MAS) for characterizing countrywide culture patterns can be checked with other data. If the dimensions they measure are meaningful for national cultures at large, not just within Hermes, the indices should correlate with measures found in other narrow samples, in broad samples, and with country-level indicators. The last represent characteristics of countries as total systems not measured by aggregating data collected from indi-

viduals, but measured for the country as a whole, such as its per capita gross national product (GNP) or its traffic accident death rate.

In an extensive search of theoretically relevant other data, I found 13 comparative survey studies, covering between 5 and 19 countries at a time, whose results are significantly correlated across the particular countries with one or more of the Hermes indices (Hofstede, 1980. Pp. 326–27). I also found 31 country-level indicators, available for between 5 and 40 countries, that were significantly correlated with at least one of the dimensions (Ibid. Pp. 328–31). Few of these studies and indicators had ever been related to each other before. Often the sets of countries for which data are available overlap only very partially from one study to another. The four Hermes indices provide a framework for fitting these disparate studies together: they drop into place like pieces in a large jigsaw puzzle.

Here are a few examples of the correlations found:

With the Power Distance Index (PDI)

— The country's political system since 1950: the presence or absence of periods with autocratic or oligarchic governments, cross-tabulated against the PDI above or below the mean, yields a chi-square of 16.9*** with one degree of freedom. (2)

— Results obtained with translated versions of Gordon's (1976. P. 55) survey of interpersonal values among students from 17 countries: r = 0.80*** for conformity, r = −0.79*** for independence, and r = −0.70*** for "support" (expecting to be treated with understanding).

With the Uncertainty Avoidance Index (UAI):

— A "neuroticism" factor found in the data of 12 medical and related indices for 18 developed countries by Lynn and Hampson (1975. P. 237): Spearman rank correlation coefficient rho = 0.73***.

— Several questions in a public-opinion study on Images of the World in the Year 2000, by Ornauer et al. (1976. Pp. 674–95), are comparable with Hermes data across nine countries — for example, the statement "To compromise with our opponents is dangerous because it usually leads to the betrayal of our side": r = 0.90***.

With the Individualism Index (IDV):

— The country's income (1970 per capita GNP). Across the 40 countries, the correlation between the individualism index and income is r = 0.82***.

— Data from the International Research Group on Management (IRGOM) data bank obtained with Bass's exercise "life goals" from managers in 12 countries (Bass and Burger, 1979). After having performed an ecological factor analysis, I found a factor opposing "pleasure," "security," and "affection" to "expertness," "prestige," and "duty" that correlates with an IDV with rho = 0.76***.

With the Masculinity Index (MAS):

— The percentage of GNP spent on government-sponsored development aid to third-world countries for 15 wealthy countries correlates (negatively) with r = −0.81***.

— Data from the IRGOM data bank (see above) on "life goals" from managers in 12 countries show a second factor opposing "leadership" and "independence" to "service"; this correlates with a MAS with rho = 0.84***.

Combining the connotations of the four dimensions found within Hermes with the connotations of their correlates in other studies, I have made up the integrated lists of connotations shown in Tables 2 through 5. For each dimension a table shows the connotations associated with the extreme positive and negative poles. Most countries, of course, are somewhere between these poles.

To avoid misunderstanding, I want to stress again that the

four dimensions are ecologically derived: they apply to countries as social systems, not to individuals within those countries. For example, Table 3 shows that societies with a high uncertainty avoidance index are characterized by "more showing of emotions" and a "need for written rules and regulations." This means that the two features tend to be associated at the country level, but not that individuals who show their emotions more also tend to need more written rules; the reverse may even be the case. Psychologists, especially, often have difficulties recognizing that characteristics associated with each other at the society level need not be associated at the individual level, and vice versa. Societies are not "king-size individuals"; eco-logic is not the same as psycho-logic.

Fundamental Problems of Societies

The previous section argues that the four dimensions power distance, uncertainty avoidance, individualism–collectivism, and masculinity–femininity represent universal categories for characterizing national societies. They transcend the narrow borders of the Hermes corporation. If this is true, they should relate to underlying, fundamental problems of societies, to which every society should find its own answers.

From the cultural anthropological literature (for example, Mead, 1962. Pp. 102–107), we know that the nonliterate societies that have been the preferred object of study of anthropologists differ remarkably in their answers to such fundamental problems. Some societies have kings and hierarchies; others are ruled by consensus among equals. Some societies have clearly defined and different sex roles; others have side-by-side collaboration of women and men on the same tasks.

There is no reason to assume that such differences among societies have entirely disappeared from present-day nation-states; in fact, it would be very surprising if they had. However, because of the complexity of nation-states, the differences have become less clearly visible to any single observer. Sociologically oriented anthropologists such as Inkeles and

Table 2

Connotations of the Power Distance Dimension

Low PDI	High PDI
Inequality in society should be minimized.	There should be an order of inequality in this world in which everybody has his rightful place; high and low are protected by this order.
All should be interdependent.	A few should be independent; most should be dependent.
Hierarchy means an equality of roles, established for convenience.	Hierarchy means existential inequality.
Subordinates are people like me.	Superiors consider subordinates as different from themselves.
Superiors are people like me.	Subordinates consider superiors as different from themselves.
The use of power should be legitimate, and is subject to the judgment between good and evil.	Power is a basic fact of society and antedates good or evil. Its legitimacy is irrelevant.
All should have equal rights.	Power-holders are entitled to privileges.
Powerful people should try to look less powerful than they are.	Powerful people should try to look as powerful as possible.
Stress on reward and legitimate and expert power. (1)	Stress on coercive and referent power. (1)
The system is to blame for things that go wrong.	The underdog is to blame for things that go wrong.
The way to change a social system is by redistributing power.	The way to change a social system is by dethroning those in power.
People at both high and low power levels feel less threatened and more prepared to trust people.	Other people are a potential threat to one's power and can rarely be trusted.
There is latent harmony between the powerful and the powerless.	There is latent conflict between the powerful and the powerless.
Cooperation among the powerless can be based on solidarity.	Cooperation among the powerless is difficult to achieve because little faith in people is the norm.

1) French and Raven (1959).

Table 3

Connotations of the Uncertainty Avoidance Dimension

Low UAI	High UAI
The uncertainty inherent in life is more easily accepted and each day is taken as it comes.	The uncertainty inherent in life is felt as a continuous threat that must be fought.
Ease, lower stress	Higher anxiety and stress
Time is free.	Time is money.
Hard work is not a virtue per se.	Inner urge to work hard
Weaker superegos	Strong superegos
Aggressive behavior is frowned upon.	Aggressive behavior of self and others is accepted.
Less showing of emotions	More showing of emotions
Conflict and competition can be contained on the level of fair play and used constructively.	Conflict and competition can unleash aggression and should therefore be avoided.
More acceptance of dissent	Strong need for consensus
Deviance not felt as threatening; greater tolerance	Deviant persons and ideas are dangerous; intolerance
Less nationalism	Nationalism
More positive attitude toward younger people	Younger people are suspect
Less conservatism	Conservatism; law and order
More willingness to take risks in life	Concern with security in life
Achievement determined in terms of recognition	Achievement defined in terms of security
Relativism, empiricism	Search for ultimate, absolute truths and values
There should be as few rules as possible.	Need for written rules and regulations
If rules cannot be kept, we should change them.	If rules cannot be kept, we are sinners and should repent.
Belief in generalists and common sense	Belief in experts and their knowledge
The authorities are there to serve the citizens.	Ordinary citizens are incompetent compared with the authorities.

Table 4

Connotations of the Individualism–Collectivism Dimension

Low IDV	High IDV
In society, people are born into extended families or clans that protect them in exchange for loyalty.	In society, everybody is supposed to take care of him/herself and his/her immediate family.
"We" consciousness	"I" consciousness
Collectivity-orientation (1)	Self-orientation (1)
Identity is based in the social system.	Identity is based in the individual.
Emotional dependence of individual on organizations and institutions	Emotional independence of individual from organizations or institutions
Emphasis on belonging to organization; membership ideal	Emphasis on individual initiative and achievement; leadership ideal
Private life is invaded by organizations and clans to which one belongs; opinions are predetermined.	Everybody has a right to a private life and opinion.
Expertise, order, duty, security provided by organization or clan	Autonomy, variety, pleasure, individual financial security
Friendships predetermined by stable social relationships, but need for prestige within these relationships	Need for specific friendships
Belief in group decisions	Belief in individual decisions
Value standards differ for in-groups and out-groups; particularism (1)	Value standards should apply to all; universalism (1)
"Jen" philosophy of man (2)	"Personality" philosophy of man (2)
Gemeinschaft (community-based) social order (3)	Gesellschaft (society-based) social order (3)
Involvement of individuals with organizations primarily moral (4)	Involvement of individuals with organizations primary calculative (4)

1) Parsons and Shils (1951)
2) Hsu (1971)
3) Tönnies (1887)
4) Etzioni (1975)

Table 5

Connotations of the Masculinity–Femininity Dimension

Low MAS	High MAS
People orientation	Money and things orientation
Quality of life and environment are important.	Performance and growth are important.
Work to live.	Live to work.
Service ideal	Achievement ideal
Interdependence ideal	Independence ideal
Intuition	Decisiveness
Sympathy for the unfortunate	Sympathy for the successful achiever
Leveling: Don't try to be better than others.	Excelling: Try to be the best.
Small and slow are beautiful.	Big and fast are beautiful.
Men need not be assertive, and can also assume nurturing roles.	Men should behave assertively, and women should be nurturing.
Sex roles in society should be fluid.	Sex roles in society should be clearly differentiated.
Differences in sex roles should not mean differences in power.	Men should dominate in all settings.
Unisex and androgyny ideal	Machismo (ostentative manliness) ideal

Levinson (1969. Pp. 447 ff.) have predicted categories for classifying the "national character" of nation-states. The four dimensions found in the Hermes data represent such categories, and they fit Inkeles and Levinson's predictions remarkably well (Hofstede, 1980. P. 313).

The underlying, fundamental problems of societies to which the four dimensions apply (compare Tables 2 through 5) include:

Power distance: the problem of human inequality and the translation of biological differences in strength and talents into social differences in power and wealth.

Uncertainty avoidance: the problem of life and death associated with the one-way arrow of time, the inescapable uncertainty about tomorrow, and the ways in which societies nevertheless try to enable their members to sleep in peace.

Individualism: the problem of the relationship of the individual to his or her fellows, from tightly to loosely integrated primary groups. This dimension, as we see in Table 4, is related to some classical dichotomies in sociology: Tönnies's (1887) Gemeinschaft (low IDV) versus Gesellschaft (high IDV) and Etzioni's "moral involvement" versus "calculative involvement" in organizations. There are indications (Hofstede, 1980. Pp. 224–39) that it also relates to Merton's (1968. P. 447) "local" versus "cosmopolitan" mentality. All, obviously, are associated at the society level, not necessarily at the individual level.

Masculinity: the problem of the division of mankind into two sexes, and what represents the appropriate role for men (who tend to make their concept of their own role a model for society as a whole).

Implications for Organizations

Organizations serve two main functions: distribution of power, and control of uncertainty. Organizing is a symbolic activity: it consists of the manipulation of symbols — e.g., uniforms, orders, rules, forms, rituals, and policies — that

have meaning only to the initiated. It is not surprising, therefore, that the functioning of organizations in a country and the way of thinking about organizations in that country are related to the country's position on the power distance and uncertainty avoidance scales.

Across the 40 countries surveyed, the PDI and UAI are weakly correlated ($r = 0.28^*$). We nevertheless find countries in all four quadrants of a PDI x UAI plot. In interpreting the meaning of the countries' positions on the indices, I use concepts from two sources. One is the "Aston" approach to the study of organizations (Pugh, 1976; Pugh and Hickson, 1976). The Aston researchers found empirically that different organizations within one country (Great Britain) varied mainly according to two dimensions: "concentration of authority" and "structuring of activities" (not counting a third and weaker dimension). It is obvious that the first is conceptually related to the PDI, and the second, to the UAI. This suggests that the Aston typology of different organizations in one country applies, mutatis mutandis, also to similar organizations in different countries. The second source of concepts is an unpublished study by a former colleague, O. J. Stevens (3), about the implicit models for well-functioning organizations that he found among British, German, and French management students at the INSEAD school in Fontainebleau, France.

Hermes subsidiaries with a low PDI and a low UAI (mainly Anglo and Nordic countries) are characterized by smaller power distances and weak uncertainty-avoidance tendencies. The Aston typology refers to organizations in the low concentration of authority, low structuring of activities quadrant as "implicitly structured." Stevens finds that British INSEAD students see the effective organization as a "village market": equality of partners and few rules. In these countries we can expect relative sympathy for decentralized and flexible structures, such as participative management and matrix organization, and theories that defend the effectiveness of such structures.

Hermes subsidiaries with a low PDI and a high UAI (mainly

German-speaking) combine smaller power distances with strong uncertainty avoidance. The corresponding quadrant in the Aston typology shows "work-flow bureaucracies," and Stevens finds for the German INSEAD students a model of the effective organization as a "well-oiled machine." For these countries we can expect relative sympathy for decentralized structures, which will, however, be somewhat rigid; there is a greater need for creating rules and living by them. Job content, promotion criteria, and decision competencies will tend to be strictly codified. Rules will rarely be broken, because they have been internalized in people's superegos. A typical theory from one of these countries is Weber's theory of bureaucracy as an impersonal system (Weber, 1970 [1921]. P. 196).

Hermes subsidiaries with a high PDI and a high UAI (all Latin countries, European as well as Latin American, and some Asian countries) show greater power distances plus strong uncertainty avoidance tendencies. The Aston studies place in this quadrant the "full bureaucracies," and Stevens finds that French INSEAD students model the ideal organization as a "pyramid" of people. The tendency toward centralization is strong. The combination of strong uncertainty avoidance with great power distances means that in these countries one will look to powerful people for resolving uncertainties. There is a need for formal rules, too, but powerful people can break them — and so will less powerful people if they can get away with it when there are no powerful people around. Rules are personal, not impersonal. Typical theories from these countries are Pareto's (1976 [1896]) thoughts about elites and Crozier's (1964) analysis of the French bureaucratic phenomenon.

Hermes subsidiaries with a high PDI and a low UAI (most Asian and all African countries) combine great power distances with weak uncertainty avoidance. The Aston studies place in this quadrant "personnel bureaucracies" that have rules for status relationships among people, but not to the same extent for daily work activities. Stevens's study at INSEAD did not cover Indian students, but discussions with Indian colleagues

have led me to fill in the "family" as an implicit model of the organization among them, with a father-type manager of unquestioned authority, but no deep-seated need for working according to formal rules.

Implications for Motivation

McClelland (1961. P. 461) has published scores by country for need for achievement (n_{Ach}), need for affiliation (n_{Aff}), and need for power (n_{Pow}). These scores were based on a content analysis of children's stories from two periods in time: from about 1925 (for 25 countries) and from about 1950 (for 41 countries). McClelland's scores for n_{Ach} around 1925 appear to correlate strongly with the combination of low uncertainty avoidance and high masculinity in the Hermes indices (across 22 countries represented in both sets; multiple correlation coefficient R = 0.74***). It is remarkable that McClelland's 1925, but not his 1950, data correlate with the (1970) Hermes scores; I explain this by the assumption that the 1925 stories, collected in the 1950s, were largely traditional and therefore more representative of fundamental cultural themes than the 1950 stories, which were more affected by conscious selection by contemporary educators, who at that time were more sensitive to nontraditional fashions.

The correlation of McClelland's country scores with Hermes country scores shows that need for achievment as a traditional theme as defined by McClelland corresponds to a willingness to take risks (low uncertainty avoidance) plus a masculine desire for visible success (high masculinity). The countries showing this combination are all Anglo-Saxon countries (Australia, Canada, Great Britain, Ireland, New Zealand, South Africa, the United States), plus a number of their former colonies (Hong Kong, India, Jamaica, Malaysia, the Philippines, Singapore). A remarkable fact is that nearly all these countries speak English; the word achievement is hardly translatable into any other language.

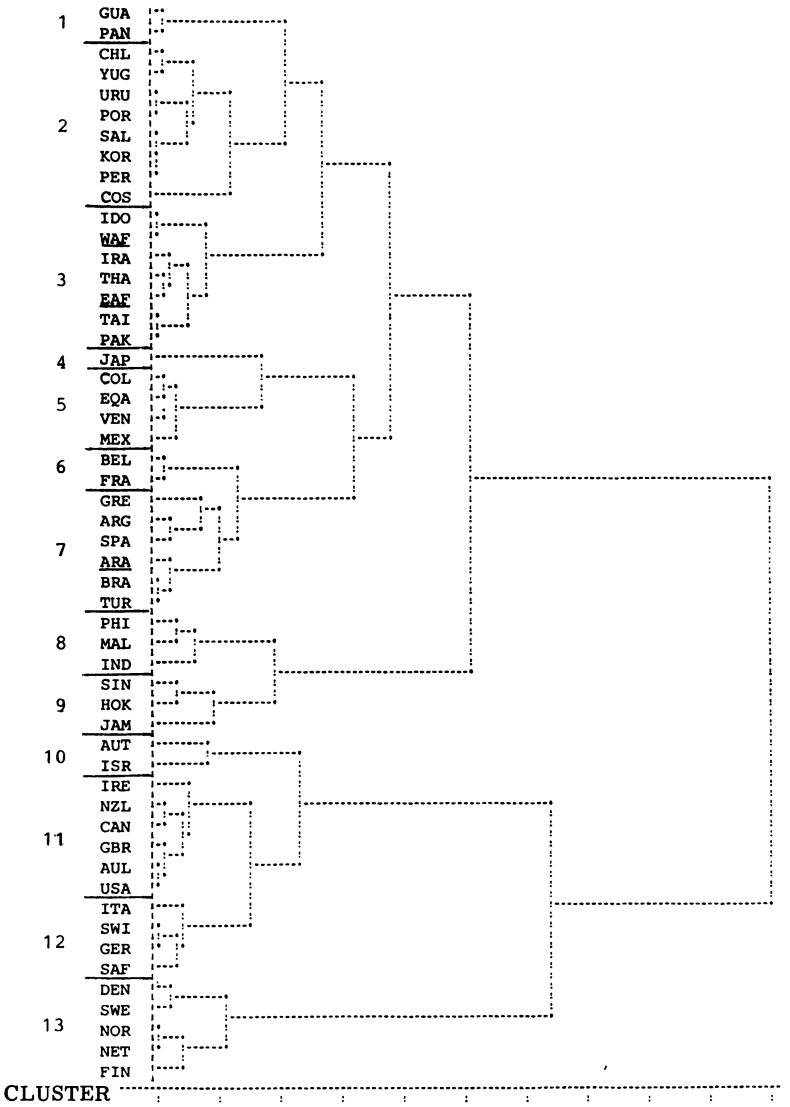
The discovery that the "achievement motivation" pattern

corresponds to the dominant value patterns of one particular group of countries, including the United States, should lead to skepticism about the universal validity of U.S.-made motivation theories in general. I am thinking, in particular, of Maslow's (1970) theory of human needs. In Maslow's need hierarchy, self-actualization and esteem needs are placed above social (belongingness) needs, and the latter above security needs. We can identify different combinations of the UAI and MAS with a predominance of different needs. We have already seen that a low UAI and a high MAS stand for achievement needs: weak uncertainty avoidance indicates a predominance of risk-taking over security, and masculinity implies a predominance of assertiveness (self-actualization, esteem) over nurturance (belongingness).

Maslow's hierarchy is thus a reflection of the value pattern of low-UAI, high-MAS countries. With a low UAI and a low MAS (Scandinavia and the Netherlands), we should find a relative predominance of belongingness over self-actualization. We might think, for example, of the Swedish approach to humanization of work (group centered) versus the U.S. approach (individual job-enrichment centered). With a high UAI we should find a relative predominance of security over risk-taking; if the MAS is low, this relative predominance is combined with belongingness (e.g., Yugoslav workers' self-management); if the MAS is high, it is combined with assertiveness (e.g., Japanese performance motivation combined with life-time employment).

Country Clusters

On the basis of each country's scores on the four dimensions, the units have been clustered, using Ward's grouping method (according to a program by Forst and Vogel, 1977). The resulting "dendrogram" is shown in the figure. It should be read from left to right; it indicates what percent of error should be tolerated to bring the scores of two countries together. A split into two large clusters cuts off Guatemala



Results of a cluster analysis for 53 countries and regions, using the scores on all four dimensions as variables. The program used was developed by Forst and Vogel (1977). The analysis was performed at Kiel University, Germany, thanks to the kind assistance of Professor Dr. Klaus Brockhoff.

through Jamaica from Austria through Finland. A further breakdown shows, for example, a Belgium-France cluster (No. 6), three Asian clusters (Nos. 3, 8, and 9), an Anglo-Saxon cluster (No. 11), and a Nordic-Dutch cluster (No. 13). Japan (No. 4) is the most different from any other country. It should be realized that the computer that produced this figure knows neither geography nor history. We see that, nevertheless, in most cases, geographically or historically close countries cluster together. This illustrates to what extent the mean answers of Hermes employees on certain paper-and-pencil questions do reflect basic cultural patterns.

Trends over Time

The fact that the Hermes data were measured twice, around 1968 and around 1972, allows some conclusions about worldwide shifts on the four dimensions during this period. The dimension showing the largest universal shift is individualism. An increase in individualism was found in all countries except Pakistan. The data suggest that the increase in individualism followed an increase in wealth, rather than the other way around. On the dimension of individualism, there was some reduction in the distance between extreme countries, so that we can speak of a certain convergence over time.

On the dimension of masculinity–femininity, there was, on the average, a shift toward the masculine side; but this by no means affected all countries. In general, the trend was for masculine countries to become more masculine and for feminine countries to become more feminine, so that there was a divergence rather than a convergence on this dimension over time.

On the dimension of power distance, the trend was more complex. In nearly all the countries, Hermes employees' preference for a more consultative or democratic manager increased; but only in the countries in which power distances were already relatively low was this preference matched by a corresponding shift in perceived actual behavior of the man-

agers. In countries with great power distances, there was a marked increase in employees' perceived fear of disagreeing with superiors. All in all, this dimension, too, showed divergence among countries rather than convergence.

On the dimension of uncertainty avoidance, only the question of stress (feeling nervous or tense at work) showed a distinct worldwide trend: an increase in the vast majority of countries. However, here again the tendency was toward divergence rather than convergence of countries at the extremes.

It is possible (Hofstede, 1980. Chap. 8) to relate these various trends to the age groups of the respondents; it can be shown that the shifts affect all except sometimes the oldest (over 40 or 50) age groups and that there is no evidence for a generation effect in values that would move along like a wave over time.

Four years, of course, is a very short time for measuring worldwide value shifts. In Hofstede (1980. Pp. 367 ff.), evidence from other sources is used to speculate on longer-term trends. Thus, there seems to be little doubt that since 1965 there has been a worldwide trend toward increased stress, anxiety, intolerance, and other uncertainty-avoidance-related attitudes, which may be part of an oscillating movement with a wavelength between 25 and 40 years. In power distance, the longer-term trend is probably one of decrease, and in individualism, very clearly of increase; but for masculinity and femininity, the shifts vary from one country to another.

Notes

1) The research project described in this paper was carried out in 1973–79 at the European Institute for Advanced Studies in Management at Brussels, Belgium, and continued in 1981 at the Institute for Research on Intercultural Cooperation (IRIC), Arnhem, the Netherlands.

2) Significance levels are indicated as follows: *** = 0.001 level; ** = 0.01 level; * = 0.05 level.

3) O. J. Stevens (1976) "Negotiation, Arbitration, Organiza-

tion: Planned Intervention Styles in Three European Countries." Notes for draft paper. Fontainebleau, France: INSEAD.

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