



L'École des sciences de la gestion

Understanding Cultural Differences

There is Nothing Good or Bad About Culture. There are Only Differences ...



ESG UQAM

What is Culture?

«The collective programming of the mind which distinguishes the members of one human group over another» (Geert Hofstede, 1991)

«The way in which a group of people solves problems...» (Trompenaars, 1993)

«A giant, extraordinarily complex, subtle computer. Its programs guide the actions and responses of human beings in every walk of life.» (Hall, 1990)



Cultural Awareness

*«Everything that irritates us about others...
Can lead us to an understanding of ourselves»
(Carl Jung)*

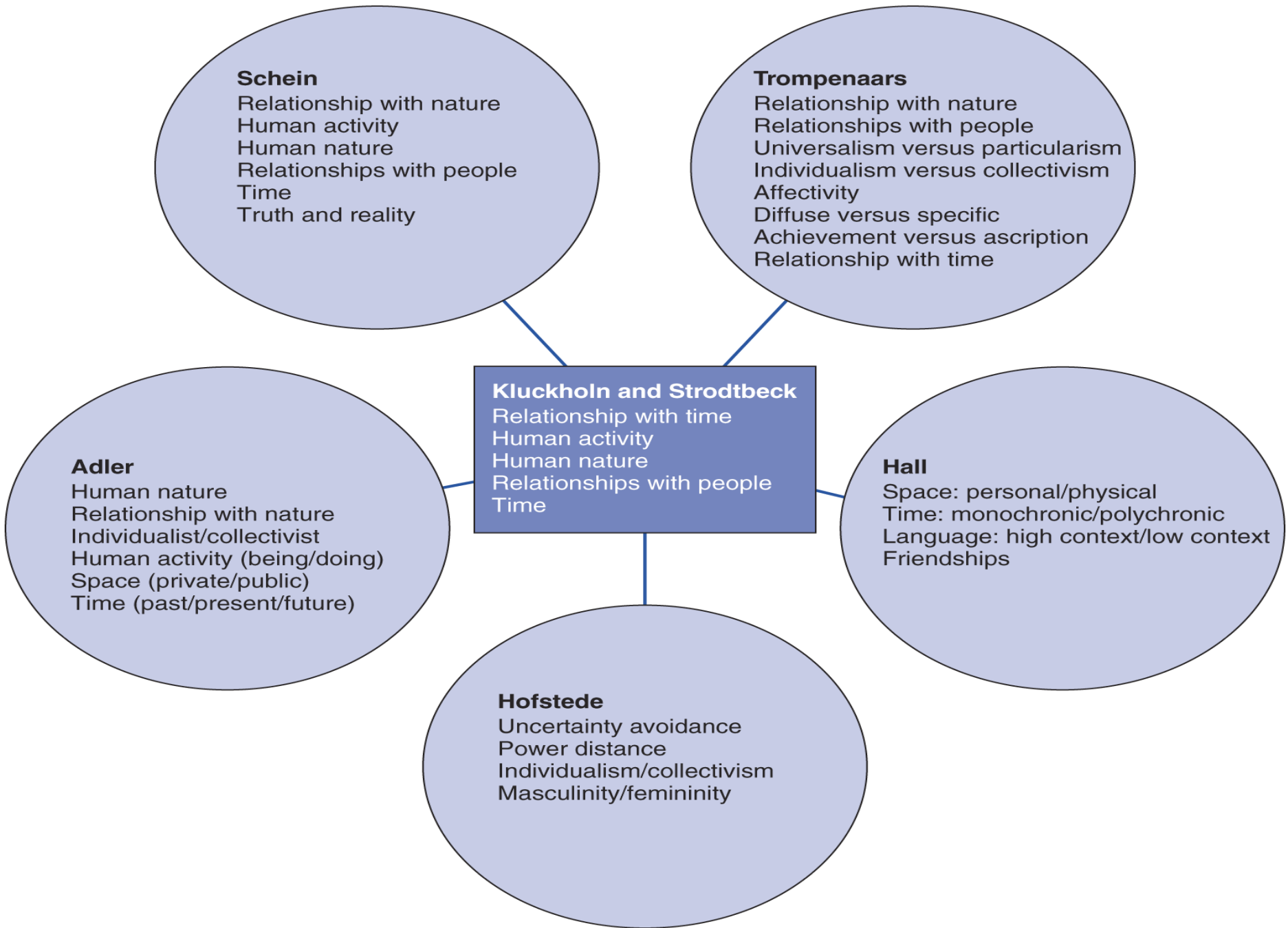
«People see what they want to see»





Major Research on the Subject

- Research on communication
 - Edward Hall
- Research on different organizational functions
 - Nancy Adler
- Research on organizational culture
 - Schein
- Research on national culture
 - Geert Hofstede
 - D'Iribrne
 - Fons Trompenaars





Very Interesting Readings on Cross-Cultural

- **Dr. Geert Hofstede** conducted perhaps the most comprehensive and complex study of how values in the workplace are influenced by national culture. From 1967 to 1973, while working at IBM as a psychologist.
- <http://geert-hofstede.com/countries.html>

Geert Hofstede – sampled 160,000 IBM employees
Compared employee attitudes and values across 40 countries

Isolated 4 dimensions summarizing culture

https://www.youtube.com/watch?v=_BoQIz0zZc4



Hofstede's Cultural Dimensions

5 cultural dimensions:

- Power Distance
- Uncertainty Avoidance
- Masculinity/Femininity
- Individualism/Collectivism
- Long-term orientation vs. short term orientation



Explain why Global Managers from various cultures act the way they do

How to recognise and cope with these in a business context



Power Distance

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 organization it is only for the sake of convenience	Hierarchy in an organization 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



High Power Distance: France, Mexico, India

- More levels of hierarchy (vertical differentiation)
- More supervisory personnel
- More centralized decision-making
- Status and power are motivators
- Leaders are respected and obeyed as authorities
- Boss's opinions and decisions are right because he or she is the boss.
- Top country: Malaysia



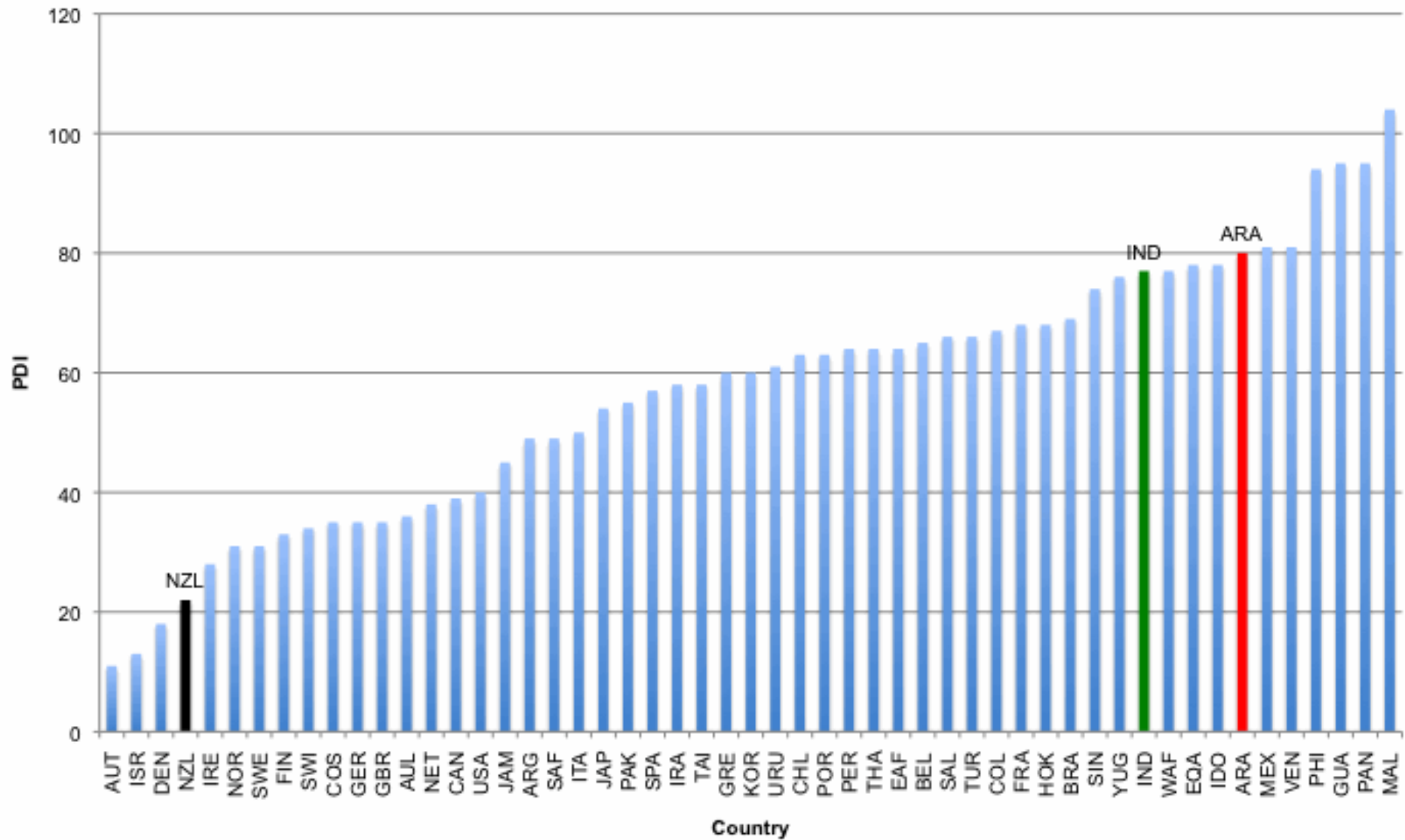


Low Power Distance: Finland, Israel, Germany

- Subordinates and superiors consider each other as more equal
- Employees accept that their boss has more power and is right only when he prove to be the best at what he does
- Managers admit a need for support
- Less centralization
- Top country: Austria



Power Distance



Legend:
 Ara: United Arab Emirates
 Ind: India
 Nzl: New Zealand

Source: <https://globalelearningpractices.wikispaces.com/Hofstede's+Index+Comparisons>



Uncertainty Avoidance

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



High Uncertainty avoidance: Portugal, Japan, France

- The need for formal rules
- Great amount of written rules and procedures
- Managers motivated by stability and security
- Promotion basis of seniority
- Leadership: planning, organizing, coordinating and controlling
- Fear of failure, less risk-taking
- Resistance to change
- Conflict in organization is undesirable
- Initiative of subordinates should be kept under control
- More worry about the future
- Lifetime employment is more common

Top country: Greece





Low Uncertainty Avoidance: Sweden, USA, Hong Kong

- Less hesitation to change employers
- Competency-based selection not seniority
- Delegation to subordinates can be complete
- High job mobility more commonly occurs
- Manager need not to be an expert in the field
- Conflict in organization is natural
- More risk-taking
- Hope of success
- Top country: Singapore





Dealing with Uncertainty Avoidance...

In Germany, everything is forbidden,
unless it is allowed



In the UK, everything is allowed,
unless it is forbidden



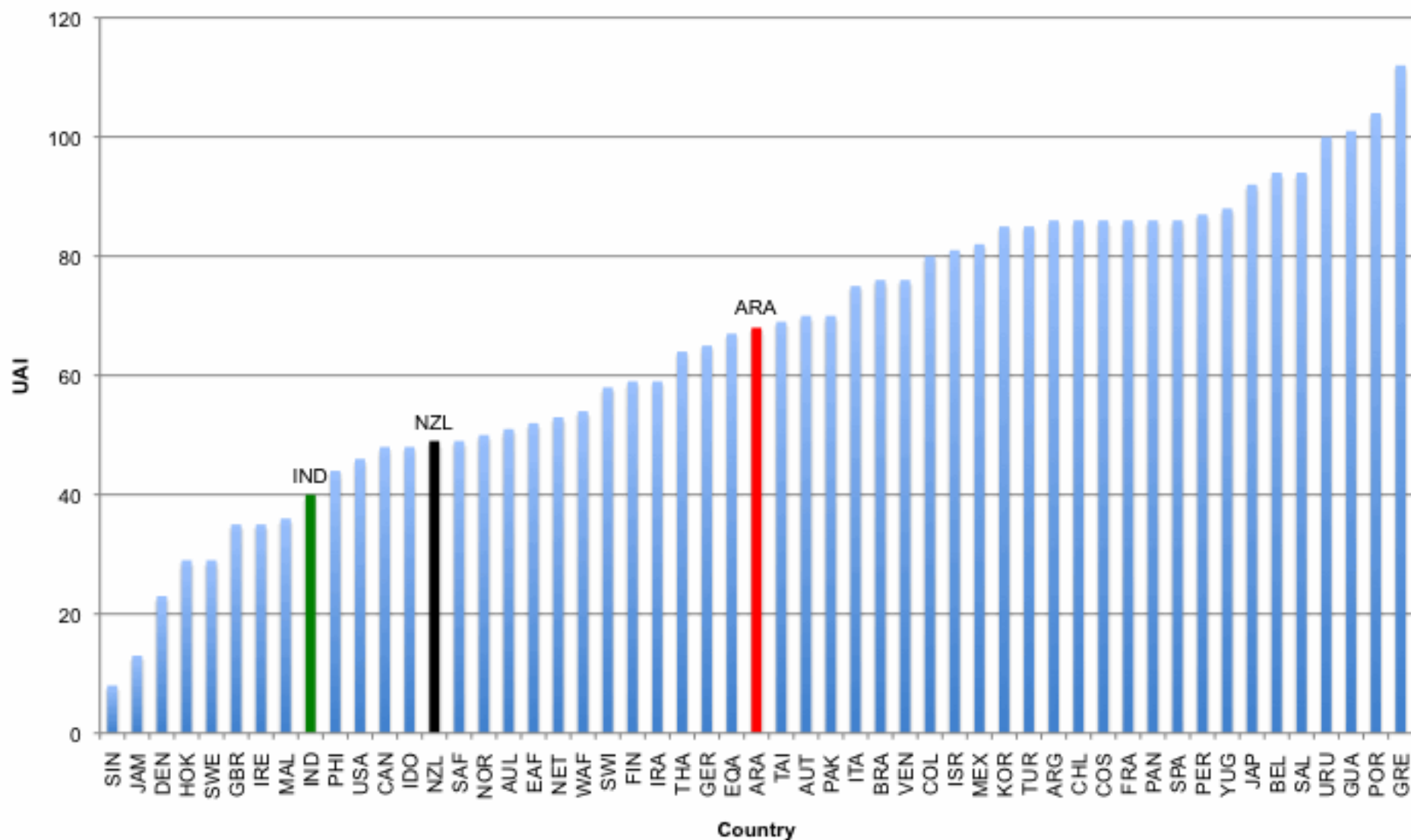
In France, everything is allowed,
even if it is forbidden



In the Netherlands, everything is tolerated
even if it is forbidden



Uncertainty Avoidance

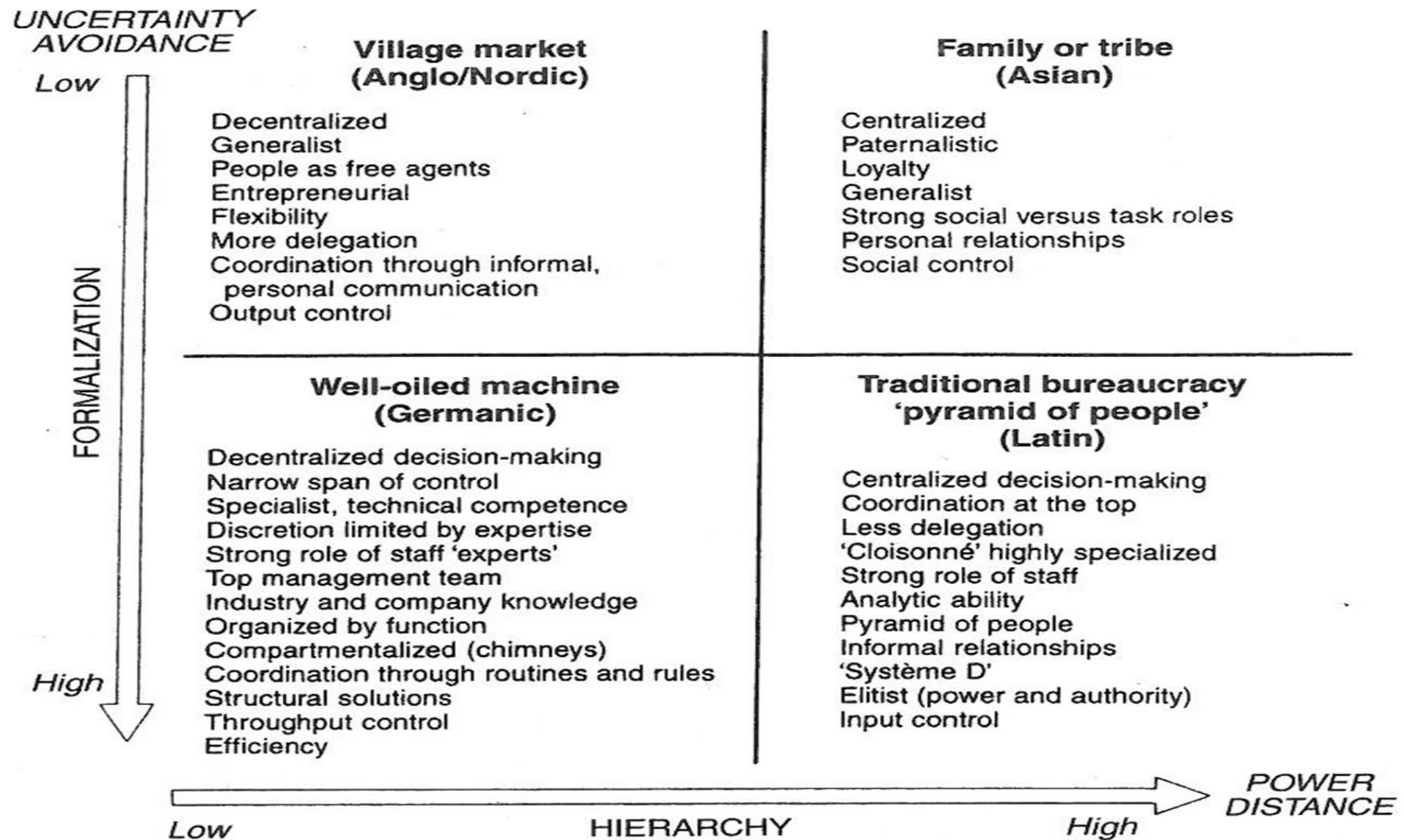


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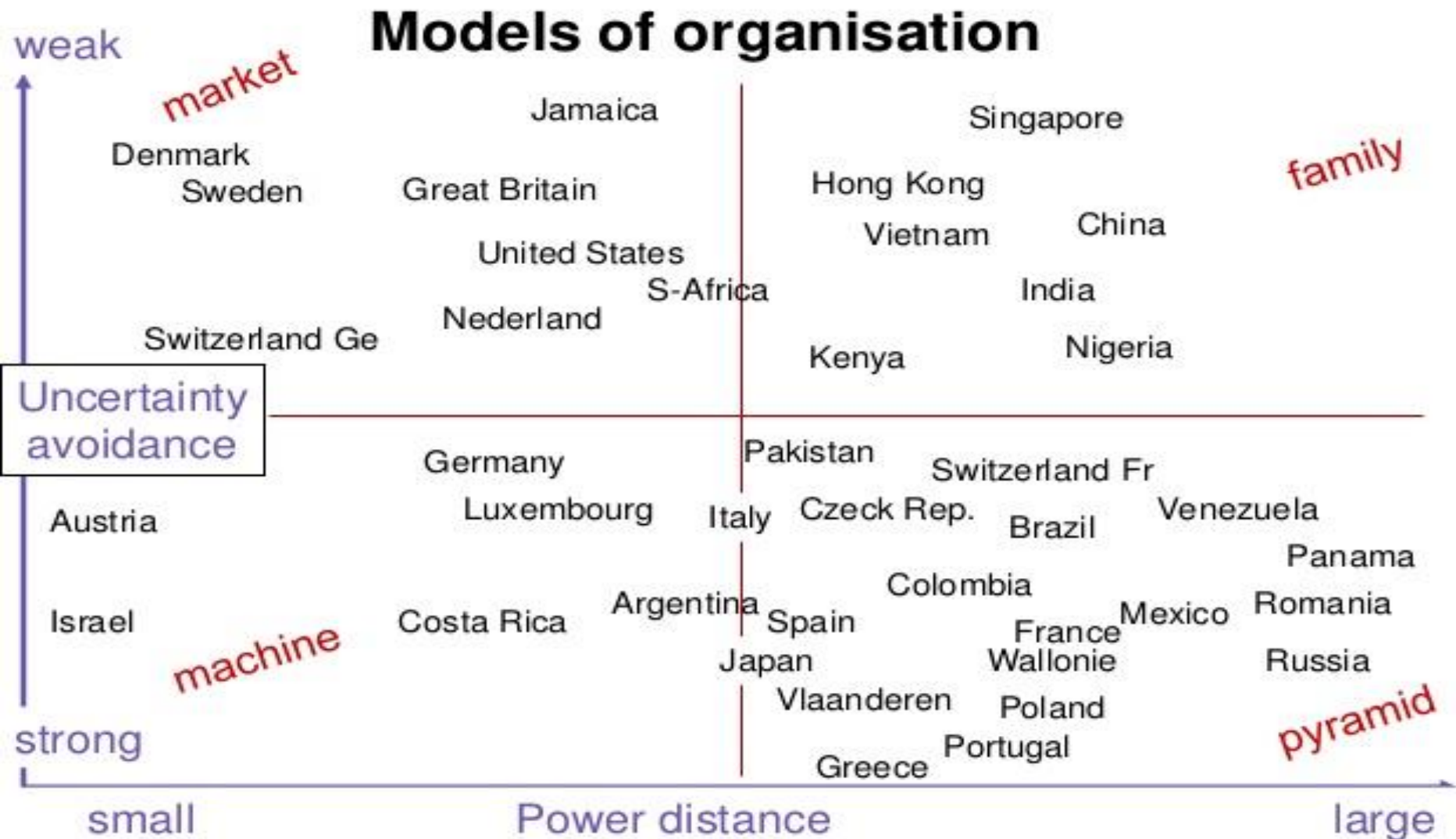


Uncertainty Avoidance & Power Distance





Uncertainty Avoidance & Power Distance





Individualism/ Collectivism

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 organization	Focus is on individual initiative and achievement
Values differ according to the group (particularism)	Value standards apply to all (universalism)



High Collectivism: Peru, Indonesia, Taiwan

- Cooperation: belief in group decisions
- Motivation comes from a sense of belonging
- Rewards are based on being part of the group (loyalty)
- Emphasis on belonging to organization

Style of Leadership:

- Facilitate team effort and integration to foster a supportive atmosphere
- Create the necessary context of group culture

Top Country: Guatemala





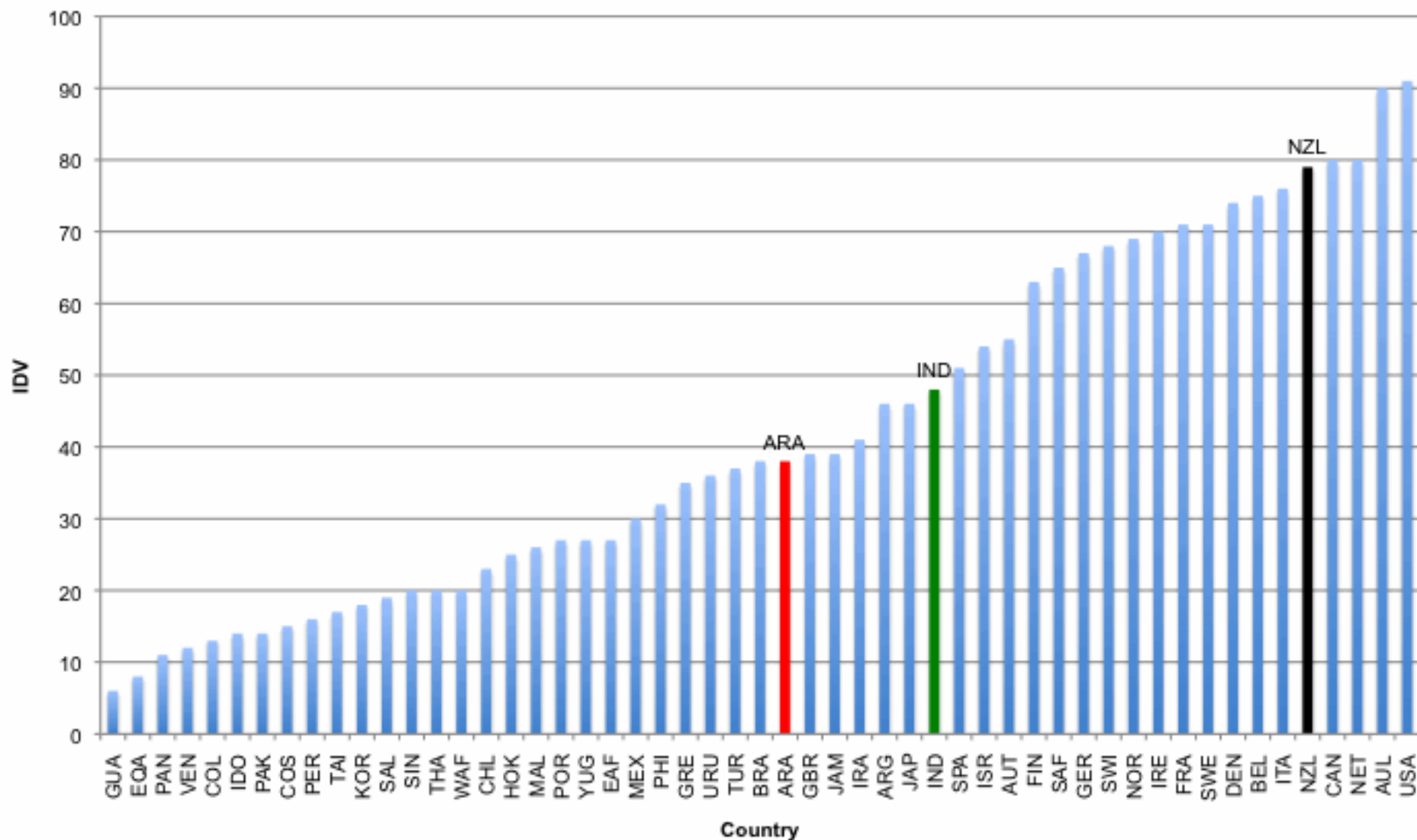
High Individualism: Canada, Italy, UK

- Individual interest prevail over group interest
- Belief in individual decisions
- Emphasis on individual initiative and achievement: leadership ideal
- Emphasis on individual initiative and achievement

Top country: USA



Individualism



Legend:
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Masculinity/Femininity

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 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



High on Masculinity: Japan, Austria, Italy

- Social gender roles are distinct (men focus on material success; women on quality of life)
- Task accomplishment than nurturing social relationships
- Motivation based on the acquisition of money and things
- Emphasis on work goal
- Appeal of individual achievements
- Fewer women in better paid jobs

Top country: Mexico

High on Feminine : Scandinavian countries

- Social gender roles overlap (both quality of life)
- Emphasis on personal goals (friendly atmosphere)
- Organizations should not interfere with people's life
- Appeal of group integration

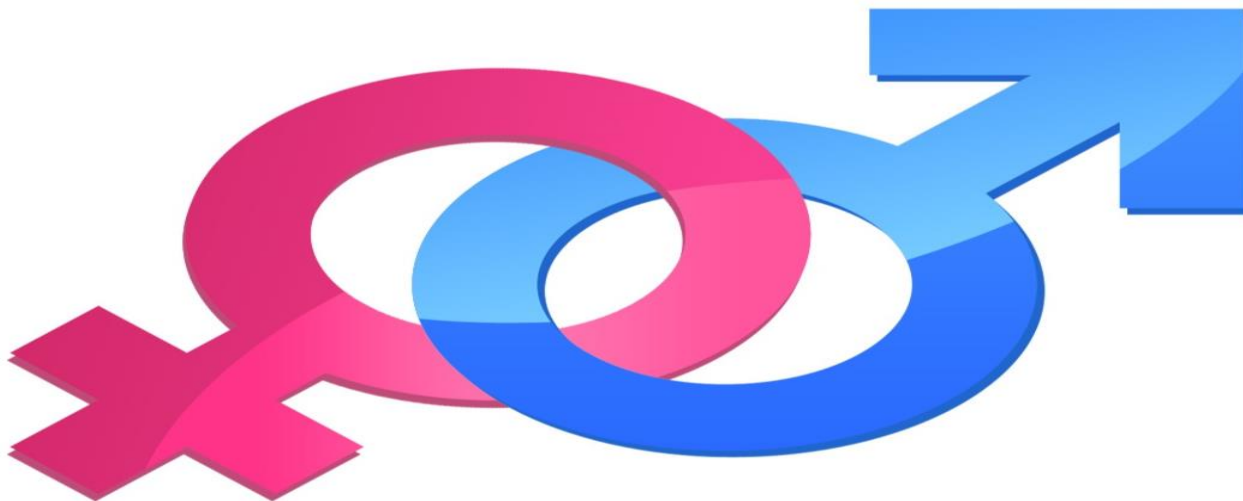
Top country: Thailand



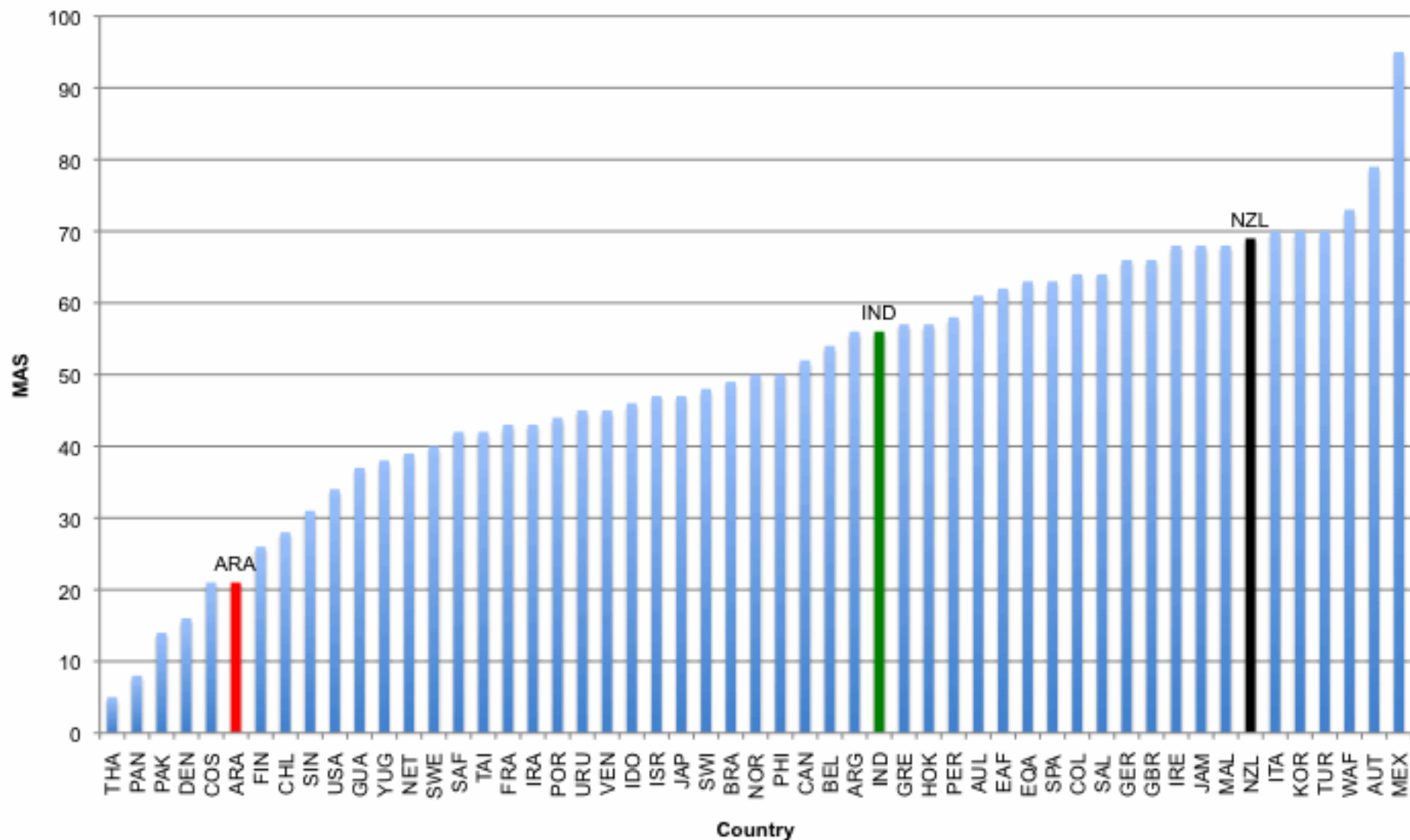
Masculine vs Feminine

Division of roles and values in a society

- Masculine values prevail:
 - assertiveness, success, competition
- Feminine values prevail:
 - quality of life, maintenance of warm personal relationships, service, care for the weak, solidarity



Masculinity



Legend:

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Ind: India

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	POWER DISTANCE	UNCERTAINTY AVOIDANCE	INDIVIDUALISM	MASCULINITY
Argentina	49	86	46	56
Australia	36	51	90	61
Brazil	69	76	38	49
Canada	39	48	80	52
Denmark	18	23	74	16
France	68	86	71	43
Germany (F.R.)	35	65	67	66
Great Britain	35	35	89	66
Indonesia	78	48	14	46
India	77	40	48	56
Israel	13	81	54	47
Japan	54	92	46	95
Mexico	81	82	30	69
Netherlands	38	53	80	14
Panama	95	86	11	44
Spain	57	86	51	42
Sweden	31	29	71	5
Thailand	64	64	20	34
Turkey	66	85	37	45
United States	40	46	91	62



Attitudes Toward Time

- Attitudes toward time vary from culture to culture
- Countries that follow **monochronic** time perform only one major activity at a time (U.S., England, Singapore Switzerland, Germany).

Being late for meetings is viewed as rude and insensitive behavior

- Countries that follow **polychronic** time work on several activities simultaneously (Latin America, the Arabs Mediterranean, Africa).

Punctuality is not widely regarded, have a casual attitude toward time



Short/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



Short-term vs Long-term Orientation

Short-term orientation

- Social pressure
- small savings
- expect quick results
- concern with possessing Truth

Long-term orientation

- Thrift: being sparing with resources
- large savings
- perseverance toward slow results
- concern with respecting the demands of Virtue



What is Confucianism?



- Confucianism
 - ideology practiced mainly in China
 - teaches the importance of attaining personal salvation through right action
 - high morals, ethical conduct, and loyalty to others are stressed
 - Long term, future orientation

3 key teachings of Confucianism:

- loyalty, reciprocal obligations, and honesty



Arguments Against Hofstede:

- Cultural Homogeneity
- National Divisions
- One Company Approach
- Out-dated
- Too Few Dimensions
- Statistical integrity

Arguments in Support of Hofstede:

- Relevance
- Rigour
- Relative Accuracy



National Culture Values in Organizations

- Predominance of national culture values over organizational culture values
- Employees do not leave their national culture behind at the company entrance

National Culture

Learned in early life
Cannot be trained away
Shaped and reinforced
by societal norms and
“national heroes”

Corporate Culture

- Learned at work
- Cannot be trained in
- Shaped and reinforced
by peer pressure and
“informal leaders”



ME VS WE MKG

- McDonald's, US

McDonald's, Japan

Everyones loves McDonald's!



Successful slogan can offer clues about a culture's tendencies or preferences



ME VS WE MKG

- Verizon, USA

Unicom, China



Have all freely connected!





ME VS WE MKG

Army, USA

Army, India





ME VS WE MKG

Microsoft, USA

Samsung, Korea

Microsoft®

WHERE DO YOU WANT TO GO TODAY?™

SAMSUNG DIGIT^{all}
everyone's invited



ME VS WE MKG

iChat, USA



WeChat, China







Dealing with Silence

USA & Canada culture **tend to see silence as a negative..**

Japan & Finland culture:

First interpretation of the silence is **to assume the listener is thinking, taking time to formulate a thoughtful & accurate answer**



Cultural Difference, or an Act of Direspect?





Proper Greetings: Use 2 Hands Clasped Around One





How Unaware We can Be of Our Own Bodies.

Name your top 3 most frequently used gestures..

