

Approaches of the Employees' Values from the Cultural Models' Perspective

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Abstract

Between the values of the five cultural dimensions of Hofstede's model recorded in the study conducted by the Gallup Organization and Interact and those estimated by the official Hofstede website, there are substantial differences. In this article the author has set out to explore the differences and their possible causes, and how the values and behavior of Romanian employees is reflected on organizational and managerial practices.

Keywords: *cultural models, global culture, national culture, managerial features, Hofstede cultural dimensions*

JEL Classification: *M31*

Introduction. The Concept of Culture and Managerial Features

Management's influence on culture generally and, particularly, on the Characteristics of managerial features, was identified by the School of compared management. This school headed by Geert, John Child, Kelly Lane, Raghu Nath¹ crystallized after 1980.

Paradoxically, this school focused on the role of "culture" in the development of managerial features - is that this concept is not rigorously defined . There are several definitions of the concept defined by them.

In the acceptance of Raghu Nath, the "culture" term is used as a synonym for "the nation". Kelly uses the definition of John Child² to emphasize that it is used as a structure of thought - the concept of culture - associated to the ways of action within the group, organization or nation.

In the preface of Business Cultures in Europe³, Collin Randlesome shows that culture is defined by a state of intellectual development of a people, a state of economic development that includes

¹ R. Nath, *Comparative Management: A Regional View*, Bollinger Publishing Company, Cambridge, Massachusetts, 1984, p. 4.

² J. Child, *Culture.Contingency and Capitalism in the Cross-Nationl*, Study of Organisations, Research in Orgniational Behaviour, Vol.3, JAI Press Greenwich, Connecticut, 1981, p.11

³ Collin R, W. Brierley, K. Bruton, C. Gordan, P. King, *Business Culture in Europe*, British Library Cataloguing in Publication Data, Second edition 1993, republished in 2011, Routlege, New York, USA, p.1

values, norms which may be based on an economic activity and are useful in modeling behavior of an organization and its members in a particular country.

Douglas B. Allen, Edwin Miller și Raghu Nath, three of the most renowned experts in the field of comparative management, conducted a study in North America where the culture - from their opinion - is accepted as a determinant of organizational behavior, being, also, a tool for understanding managerial processes⁴.

N. Minov⁵, after a long study on European legislation, found that it is not uniform namely in Germany, where everything is forbidden, exception is what is allowed, in France, where everything is allowed, exception is that what is forbidden, in Russia, everything is prohibited, including which is permitted, and in Italy, everything is permitted, including what is prohibited.

After Geert Hofstede, the essence of culture is the collective mental programming.

Culture is learned, it is not inherited and it comes from the individual's social environment, not from his genes. Culture must be distinguished from human nature and individual personality.

He defines four dimensions of culture: individualism-collectivism; uncertainty avoidance; power distance (strength of social hierarchy) and masculinity-femininity (task orientation versus person-orientation).⁶

U. Hannerz⁷, in his book, *Global Culture: Nationism, Globalization and Modernity*, proposed that the valences of the concept of culture to be weighed against the internationalization of economic activity. A better knowledge of the cultural influences on the characteristics of managers has become a necessity. Specialists in management considers that culture is now the best way to manage.

Nowadays the managers operate in a global environment. Therefore a homogenization of the cultural values is required. Recent studies show a tendency to diminish the cultural differences between countries and to create a global culture. This is the result of interaction between cultures in the various geographic regions beyond their borders.

Global culture has emerged, primarily due to the phenomenon of industrialization and, secondly, because education and urbanization.

Global culture has emerged due to industrialization, education and urbanization.

The concerns of the managers from new type organizations (those operating internationally) are related to finding new ways to exploit the cultural potential of their own employees to get a dominant competitive position.

Most often a method or a management strategy which generated positive results in an organization, led to negative results in another organization. The context to be considered implications of culture on managerial features is complex.

With the internationalization of the workforce we can not say that each country applies specific management methods and strategies. Employees are everywhere, cultural differences exist and, therefore, management practices should comply with these differences.

⁴ D. B. Allen, E. Miller, R. Nath, *North America in Comparative Management* (editată de Raghu Nath), Bollinger Publishing, Cambridge, Massachusetts, 1988., p.24

⁵ N. Minov, *Voices & Views*, in *International Management*, nr. 5, 1985, p.3

⁶ Geert Hofstede, *Managementul structurilor multiculturale Software-ul gândirii*, Editura Economică București, 1996, p.21

⁷ U. Hannerz, *Globale Culture: Nationism, Globalization and Modernity*, Sage Publication, London, 1998, p.295

Approaches of the Cultural Dimensions in Terms of Cultural Differences

There are many specialists such as Geert Hofstede, Fons Trompenaars, Edward T. Hall, Edgar Schein, Nancy J. Adler, H. Shalom Schwartz, Clyde Kluckhohn and Fred. L. Strodbeck, who developed cultural models. They performed analyses using their influence on the management of cultural differences.

In Table 1 the most important cultural models are synthesized. They are addressed according to three cultural dimensions, namely, relationships between people, relations with the environment, relationship with the time variable.

Hofstede's dimensions are mentioned and developed by other authors, namely:

- *Power distance* - refers to inequality among people. This concept is found at Fons Trompenaars as universalism / particularism. This suggests that the rules are the same for all without exception, only the interpretation of the rules is contextual.
- *Uncertainty avoidance*. It means that what is new, unknown can be dangerous and it is recommended to be avoided. Idea appears at Fons Trompenaars in the concept of "specific / diffuse". This means that, depending on the environment, the roles are clearly specified or on the contrary.
- *Individualism-collectivism*. It means that the individual is centered on the activities of its group or he is focused on independent activities.
- *Masculinity-femininity*. It refers to the fact that the roles should be clearly differentiated by gender. The idea of can be identified at Fons Trompenaars in the concept of "neutral / emotional". Depending on the context, emotions can or does not be expressed public.

Fons Trompenaars introduced another dimension, namely achieved social status assigned social status / achieved social status. This can be explained as follows: social status can be gained by personal performance or it can be assigned by the social origin of this person. Other authors take into account other dimensions such as the relationship with the nature or orientation relationship to the outside. Thus, Hall's approach is interesting because he introduces the spatial and communication, and time dimension.

Space is an expression of the need for power, some people feeling the need to control a much larger territory toward others (at company level, this means that globally expanding of the companies' activity can be considered a desire of them to expand conquering new markets).

The Communication is considered by Hall the main gate of culture. To participate in a culture means to communicate in that culture⁸. According to Hall's model, culture is framed in two contexts, namely: high context and low context.

The high context term means that very close and long lasting relationships can be developed between members of an organization.

Communication in high context term cultures type (Figure no.1) is based on informal relationships between group members - i.e, each group member is informed by any of the other members on the action taking place within the group.

⁸ www.culture-at-work.com

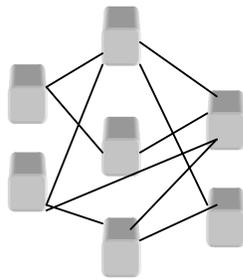


Fig.1. Communication in high context Culture

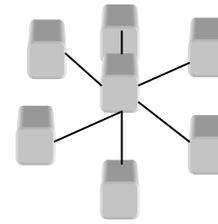


Fig. 2. Communication in low context Culture

Source: Revised and adapted by the author after G.Hofstede, Cultures and Organizations, McGraw-Hill, London, 1991, p.149

The low context term means that the links between the members of an organization short term relationships can be developed – imposed by the conjunctural circumstances.

Communication in low context cultures is based on formal relations between the group members - meaning official. The information is specialized and is held by certain individuals and departments. The information flow is very low.

Time is another dimension approached by Hall. He gives two valences for time: Monochronic and polychronic. Culture of is based on the activity of the organization members who have to achieve specific tasks and targets - set according to individual time schedules.

The Polychronic culture is based on the principle of action depending on time - without taking into account the done planning.

Table 1. Approaches of the cultural dimensions in terms of cultural patterns

Cultural Models	Cultural Dimensions						
	Geert Hofstede	Fons Trompenaars	Edward T. Hall	Edgar Schein	Adler Nancy.J.	Clyde Kluckhohn and Fred.L. Strodtbeck	Shalom H. Schwartz
	(1928- to date) Netherland	(1953-to date) Netherland	(1914- 2009) U.S.A.	(1928-to date) Germany	(1948-to date) Canada	(1906-1960) S.U.A (1919-2005) U.S.A.	(1936-to date) Israel
Relationships between people	Power distance	Universalism/ Particularism	Relations in society	Human activity	Human activity (to be / to do)	Human activity	emotional / intellectual Autonomy
	Uncertainty avoidance	Specific / Diffuse	High context/Low context communication	Human nature	Human nature	Human nature	Dependence (following tradition)
		Assigned social status / Achieved social status					Ranking
	Individualism-collectivism	Individualism/ Collectivism	Low / High space	Relationships with people	Individualism/ Collectivism	Relationships with people	Equality
Masculinity-Femininity	neutral/emotional	Public / Private Space					
Relationships with the environment		Itself orientation / Outward orientation		Relationship with nature	Relationship with nature	Relationship with nature	Harmony Dominance
Relationship with time	Long/short term Orientation	Sequential time / Synchronous time	Monochronic / Polychronic time	Time (with a focus on the present)	Time (past / present / future)	Time (with a focus on the future)	

Source: Revised and adapted by the author after S., Schneider, J. L., Barsoux, Managing across culture, Second Edition, Prentice Hall, London, 2003, p.33

In these conditions of cultural diversity, global organizations will adopt a compromise solution. It is necessary to understand, apply and develop management models that reflect the culture as well. The multinational companies must integrate as well as cultural differences in managerial practices.

Morden, in his paper, "Models of National Culture - a Management Review"⁹, accepts and develops the idea that the success of any organization - in the context of globalization - is strongly influenced by the understanding and acceptance of the differences between national cultures.

Hofstede joined to Morden' idea offering, in this respect, a complement, namely, that any management model contains specific elements of a culture¹⁰.

The specific elements are to be analysed based on studies conducted in 2005 in Romania, by the Gallup Organization and Intact.

The Managerial Features from a Cultural Perspective

Gallup Organization and Intact were conducted at the beginning of 2005 in Romania, a survey on a representative sample on the five cultural dimensions of Hofstede's model.

The values of each of the five cultural dimensions of Hofstede's model were assessed on a scale from 0-100: between 0-40 low level between 41-60 medium level and between 60-110 high level.

Although Hofstede could not perform his survey in the countries of Eastern Europe (including Romania) he, on the official website of the Hofstede model (<http://www.geert-hofstede.com>) estimated values on Romania. These values are not the results of field research.

There are substantial differences between the values recorded in the study conducted by the Gallup Organization and Intact and those estimated on the official website of Hofstede model (see Table 2).

⁹ T.Morden, *Models of National Culture – a Mnagement Review* in Cross Cultural Management: An International Journal, vol.6, nr.1/1999, p.20

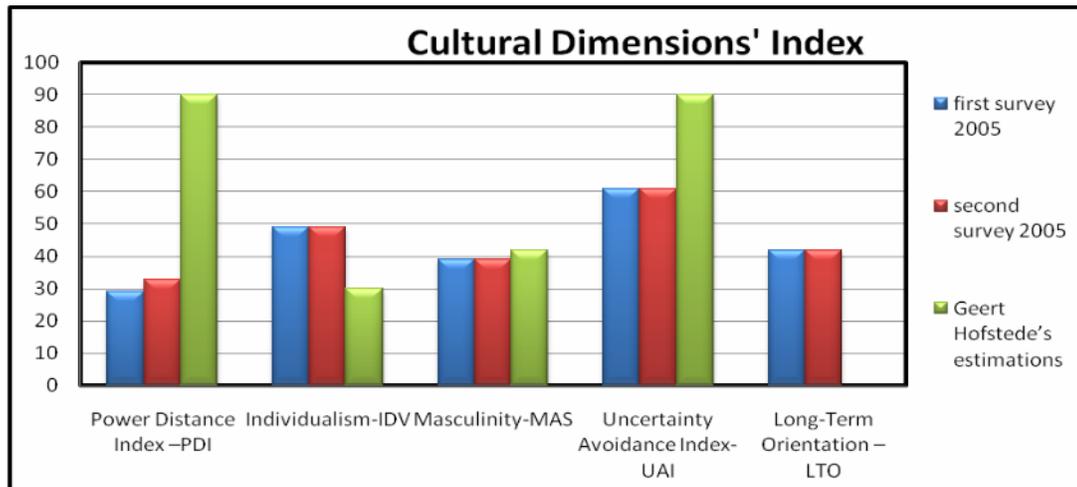
¹⁰ G. Hofstede, *Cultures and Organizations*, McGraw-Hill, London, 1991, p.146

Table 2. Values of indices according to the Hofstede's model

Cultural dimensions indexes	ROMANIA		
	first survey 2005	second survey 2005	Geert Hofstede's estimations
Power Distance Index –PDI	29	33	90
Individualism-IDV	49	49	30
Masculinity-MAS	39	39	42
Uncertainty Avoidance Index-UAI	61	61	90
Long-Term Orientation – LTO	42	42	-

Source: Study about Romanian values and behaviour from the perspective of cultural dimensions, after the method of Geert Hofstede, April 18th, 2005

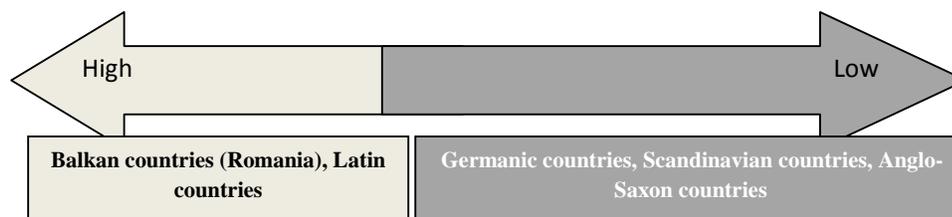
In this article I intend to analyze the differences that occur and possible causes that led to their generation, and how the values and behavior of Romanian employees reflect on organizational and managerial practices, organizational structures, leadership, and human resource management practices.

**Fig. 3.** Values of the Cultural Dimensions' Indexes

Source: Based on data from Table 2

Power Distance

From the study performed by the Gallup Organization and Interact appears that the Power Distance Index (PDI) is low (29 in the first survey and 33 the second survey).

**Fig. 4.** Power Distance

Note: Balkan countries: Romania, Bulgaria, Serbia, Greek., Latino countries: France, Spain, Italy, Germanic countries: Germany, Austria, Switzerland, Scandinavian countries: Sweden, Netherland, Denmark, Anglo-Saxon countries: U.S.A., UK, Canada, Australia.

According to Hofstede, in Romania the distance from the power index registered 90 points. Also, he noted that even when PDI value is small, in fact it is characterized by high values.

The large differences reflect a high degree of insincerity of the employees and the existences of a so-called complex of authority. This is explained by the fact that the employees of Romanian organizations are not used to talk openly about their relationship with the authority (the power).

In fact the employees of Romanian organizations:

- prefer authoritarian leaders and centralized decisions that they follow without requiring additional explanation.
- prefer a close relationship with a single manager in order to benefit from its protection.

In countries with low power distance, such as Germanic, Scandinavian and Anglo-Saxon countries (see Figure 4), employees prefer consultative management style.

Individualism / Collectivism

The results of two studies done by the Gallup Organization and Interact, have shown that the individualism level is low (49 points), Romania being a country of the collective type. According to Hofstede, the actual level of individualism is about 30 points - meaning that the collective cultural values are appropriated by 70% of the employees of the Romanian organizations.

The highest level of individualism will increase in the USA organizations (91 points) - see Figure 5 - and shows the need for self-assertion and financial independence. Experts have estimated that in the future the level of individualism will increase in Romanian organizations, due to the multinational companies and the employees' mentality change.



Fig. 5. Individualism / Collectivism

Masculinity / Femininity

According to the studies mentioned above, the index of masculinity has been 39 points.

According to Hofstede masculinity level is 42 points.

This means that the feminine cultural values are appropriated by 58% of the employees of a Romanian organization. Employees seek a collaborative work environment and require the support of all members of the group to which they belong. In Romania the principle "must work to live" was developed, values such performance and getting profit being positioned on a secondary position.

The feminine cultural values the Romanian organizations have the following characteristics:

- They determine a low level of competitiveness.
- They appreciate leisure and cooperation at the expense of performance objectives.

- They tend to leave firms with foreign capital to occupy the place on the market without significant resistance both in economic terms and in legislation' terms.

The German and Anglo-Saxon countries are at the opposite pole of the Balkan, Latin and Scandinavian (see Figure 6). Masculine culture prevailed in the first category. It is characterized by career opportunities, competitive spirit and foresight ability.

After Hofstede, the feminine cultures will become prevalent in the world because many activities have become automated and the cooperation, specific for feminine culture, is important for achieving success.



Fig. 6. Masculinity / Femininity

Uncertainty Avoidance

According to research performed by the Gallup Organization and Interact, index of risk avoidance is 61. This shows a weakness of Romanian organizations regarding in terms of the future (which is uncertain) and employees' preferences for "security of tomorrow".

According to Hofstede, risk avoidance index is 90 - i.e. in the Romanian organizations the long term planning is weak and most of the time, actions are chaotic.

If there is a high degree of flexibility legislation, organizations have to face ambiguous situations, meanings that the exceptions from rules and regulations are most successful. Linking this size with the low level of individualism, that characterizes the Romanian organizations, lead to a high degree of reluctance to the opinions of others.

Employees feel best in situations of consensus.

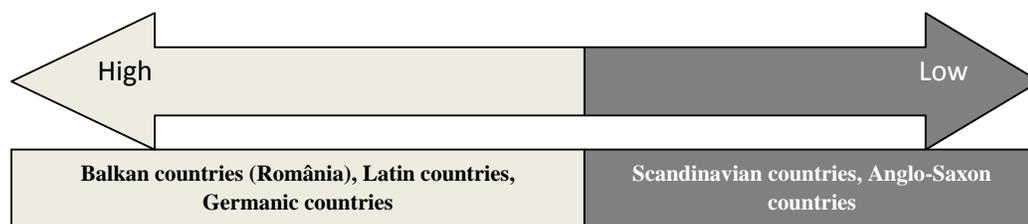


Fig. 7. Uncertainty Avoidance

They also have a high resistance to change and acceptance of new no matter how beneficial it may be. Romanian employees mentality is characterized by superficiality they supporting short-term solutions without taking into account the future perspectives.

At the opposite end of the Balkan countries, Latin and German Countries are the Scandinavian and Anglo-Saxon ones - see Figure 7, where the rule of law prevails. Employees' motivation based values related to the sense of belonging to a professional group.

Long/short term orientation

The above mentioned studies conducted in Romania, recorded for this cultural dimension the 42 value.

In Romanian organizations short-term orientation predominates, showing the employees' orientation toward past and present in the detriment of the future, showing a high degree of uncertainty. Because of this the Romanian organizations have a rather low level of savings and use loans to make investments and sometimes to pay employees. This short-term orientation can justify the low rate of profits reinvested Romanian organizations and the need for rapid enrichment.

Hofstede did not analyse this cultural dimension for our country.

At the opposite pole of the Balkan and Latin countries the German countries Scandinavian countries and Anglo-Saxon countries - see fig. 8, where prevail long-term orientation. This orientation is based on long-term strategy and focus on the future. It attaches great importance to young members and past and present are used to gain advantage in the future. The focus is on a high savings rate and investments on the long term are done.



Fig. 8. Long/short term Orientation

Conclusions

In the organizations operating in a multicultural environment, problems or difficulties regarding the operating of the mixed working teams appears. Most of the multinational companies in Romania apply the principle "think global, act local".

The management practices have globally expanded, but they are influenced by the culture of the host-country.

In Romania studies on the five cultural dimensions of Hofstede model showed that Romania has similar values Balkan countries (Greece, Bulgaria, and Serbia), as follows:

The distance from the power is great. In fact employees of Romanian organizations prefer authoritarian leaders and centralized decision, which they follow without requiring further explanation. Also, they also prefer a close relationship with a single manager in order to benefit from its protection.

Collectivism is strong and femininity prevails. The values of the female type culture of the organization in Romania manifest characteristics such as low competitiveness and tend to leave firms with foreign capital to take them place on the market without significant economic or legislative resistance.

We can identify a high degree of risk avoidance, such as a short-term orientation. Linking this size with the low level of individualism, that characterizes the Romanian organizations, lead to a high degree of reluctance to the opinions of others. The employees feel best in situations of consensus. They, also, manifest a high resistance to change and acceptance of new, no matter how beneficial it may be. Romanian employees' mentality is characterized by superficiality and

by the fact that they prefer short-term solutions without taking into account future prospects.

Femininity is prevalent.

Taking into account the fact that the values of the five cultural dimensions recorded in previous studies conducted by the Gallup Organization and Interact substantially differ from those estimates on the official website of the Hofstede model, performing of a new study is required. This study will aim to identify specific factors or variables of the Romanian cultural context that generated disturbances, in order to achieve a new Romanian cultural model.

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