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Cross-Cultural Business Communication

Intercultural Competence as a universal Interculture

Diploma Thesis

Examicus

CROSS-CULTURAL BUSINESS COMMUNICATION

INTERCULTURAL COMPETENCE AS A UNIVERSAL INTERCULTURE

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We are all the same - just different (Kofi Annan)

1 Introduction

The transfer of business activities across nations is growing at a rapid rate. The emergence of market economies in Latin America and Asia, the collapse of communism in the Soviet Union and Eastern Europe, and the emerging democracy in Africa have led, among other things, not only to increased global trade, international, multinational and transnational business, but also to an increased demand for international workforce since firms must employ people who possess international business skills in order to remain competitive in the global marketplace (Deresky, 2000; Gesteland, 2003; Nolan, 1999; Romani, 2004).

How often does it happen that we meet someone doing business in the United States after representing his/her company in Asia, Middle East or Europe? How often do we meet someone obtaining an international degree abroad before doing business in China, France or Scandinavia? How often do companies require international experiences, mobility, and flexibility? The soft skills of intercultural competence and open-mindedness to cultural diversity are taught by universities around the world. But what happens with our own cultural identity while doing business worldwide? What happens if we conduct business in Japan but with an Italian colleague who lived in São Paulo for many years? Are we just applying intercultural competence or are we developing a universal business culture - apart from our own national culture? How does an international workforce communicate; is it adapting the communication style of the host-country, of a majority culture; or is it developing a communication style which is unique in international business? Are we speaking the same 'language' at the end? Is the understanding of cultural diversity becoming less substantial and more implicit? If companies and organizations require the indispensable and vague defined soft skills of intercultural competence, could these skills be seen as an approach towards a universal business culture, likewise a universal business communication?

1.1 Purpose of the Present Thesis

The purpose of the present thesis is to examine if and to which extent cultures converge in an international business environment and if intercultural competence has a bearing on it. Therefore, theoretical and practical insights in the subject of culture, its implicit and explicit differences, as well as its measurements will be provided. Due to the fact that communication - as a major cultural attribute - is the most obvious level on which cultural differences are recognized, insights in the topic of cross-cultural and intercultural communication will be given. A thorough discussion of the concept of culture and communication is beyond the scope of this paper, but in what follows, an adequate overview of recognized and well-known researchers' theories and findings will be provided. Besides giving theoretical background knowledge, it will be examined whether the internationally defined soft skills of intercultural competence can be seen as an approach towards a universal interculture, likewise a universal communication. The topic of the present thesis will be illustrated by a case study, as well as researched and evaluated by a field study conducted at one of the most culturally diverse organization - the United Nations. Findings should only expose tendencies to confirm or disprove previous research findings in the field of cross-cultural comparative research and intercultural communication. It is not intended to present new empirical findings.

1.2 Structure of the Present Thesis

In the following chapter the topic of the present paper will be illustrated by a case study of the United Nations Headquarters in New York. It shows today's global working environment with a culturally diverse workforce and its accompanied cultural bias, difficulties and influences. Expected and inescapable problems as well as misunderstandings due to different cultures and communication patterns will be demonstrated. Furthermore, implemented and applied intercultural competence of the participants will be presented.

With the purpose of exploring tendencies of cultural convergence, likewise communication convergence in an intercultural environment, the third and fourth chapter will provide theoretical insights into culture as well as communication. After defining the subject and introducing several layers of culture as well as their implication, four cross-cultural comparative research studies will be illustrated as significant contributions to the topic. With the purpose of comparing cultures the Cultural Orientation Framework, which combines ten approved dimensions by which cultures can be distinguished, will be introduced and the dimension of communication - as a major cultural attribute - will be described in more depth. After looking at culture from the perspective

of communication, the topic of communication will be described and evaluated from the cultural perspective. Hence, communication, especially cross-cultural and intercultural communication, will be scrutinized and the concept of communication will be reviewed by introducing several theoretical models. Furthermore, verbal and non-verbal communication as the two levels of communication will be described and illustrated by several cross-cultural examples.

After giving theoretical insights on culture and communication, a detailed encounter of the methodology developed to test the given hypotheses will be provided in chapter six. The research approach and design will be illustrated and scrutinized. This chapter will also discuss strengths and limitations of the field study.

In chapter seven it will be analysed if members of an international workforce converge in their cultural behaviour to communicate and therefore develop a universal business communication, or even a universal business culture. It will be examined if individuals develop such a culture in addition to their national culture or even 'lose' their cultural identity by replacing it. Furthermore, it will be questioned if the soft skills of the intercultural competence are the cause for a universal business culture and communication style respectively. These questions will be answered by looking at three different sub-hypotheses. In addition, literature supporting theories of acculturation and cultural convergence as well as intercultural competence will be outlined and linked to empirical research findings.

For the reason of convenience, the present thesis has been divided into tow parts: the research thesis as the theoretical part and the appendix, which includes several figures illustrating concepts, models, and definitions as well as tables presenting collected data.

2 Case Study

In what follows, the topic of the present thesis will be illustrated by a case study of four cultural diverse students interning at the United Nations Internship Office for duration of six month. The development of a new Online Application System and a new Data Warehouse, assigned to the four interns, requires not only team spirit but also intercultural competence.

Monday morning - 9:30 A.M.

The United Nations Headquarters, New York; Conference Room S 2513

Susan Watson, Chief of Human Resources Management and Anne Koslowsky, Internship Co-ordinator, had scheduled a meeting with seven of their colleagues - four interns and three IT

specialists - to put them in charge of developing the most recent administrative innovation in the United Nations Internship Office - an Online Application System and a new Data Warehouse.

The three IT specialists to whom programming of the software has been assigned are early and take their seats in one corner of the room. Just when Susan Watson starts wondering when interns - the actual prospective users of the new software - became less zealous than IT 'nerds', the door opens, and Julia Abdulgani enters the conference room. Having taken all her, admittedly superficial, information from Anne Koslowsky, the supervisor of the four young fellows, Susan Watson is surprised at how much of an Asian you can actually get when you have been told to expect a Dutch woman. Anne Koslowsky has hardly finished introducing her when Jens Eisenberg enters the room and chimes in to relieve Anne Koslowsky of the task of presenting him to the others. With a slight but unmistakable American attitude and an impressively well tied cravat, he introduces himself as Jens from Germany. Waiting behind him is Apu Narendra Raddy Katkuri, who seems to lack of talkativeness or, Susan Watson thinks, is simply using all his concentration on the coordination of a permanent affirmative nod and sniffing his snot. Anne Koslowsky informs her co-workers that Apu Narendra is originally from India and is currently obtaining an MBA in London. After all the participants have taken their seats, Ms Koslowsky has a look at her watch and; presuming that the last intern must be delayed; begins the meeting. Susan Watson is presenting the general purpose of the new system as well as enumerating the tasks of the project. A knock on the door interrupts her, the door opens, and Helene, a fellow from France, asks to be excused for her delay - with an accent-free Oxford English. She takes a seat next to the IT colleague from China and smartly salutes him in Mandarin. Finally, Susan Watson can resume her presentation of the project at hand.

After a two hour back and forth of questions and demands, Susan Watson excuses herself while her colleagues are still engaged in a vivid discussion. Bereft of all hope, she turns around at the door and takes a last look. What she is observing is a scene like this: "We should change the whole concept and start from scratch", Jens imposes himself. Julia interrupts to note that changes will be difficult. "I've been with the office for three months now and the suggestions you are making run contrary to all the accustomed structures. Unless it is completely indispensable, you should not change these structures." Jens is wondering about Julia's attitude and asks for a more proactive approach. Could there be any more harmonious work habits, Susan Watson thinks, not daring to imagine how Apu Narendra would add to this commotion if he would say anything at all. Now and then he is turning his head to look at Anne Koslowsky expectantly. While Julia and Jens are still discussing and arguing about general changes, Helene is

wondering of what use this whole discussion might eventually be. “Anne, what is to be done; how can we solve these problems and what should we do?”

Even if they are speaking English, Susan Watson can barely shake off the impression that the four interns were each speaking a different language. A desperate and doubtful Susan Watson leaves the room. A few hours later she calls Anne Koslowsky telling her of her uncertainties concerning the constellation of the group and the compatibility of their respective approaches. Unveiling her worst fears to Anne, she tells her that she can hardly imagine this group of young people fulfilling their task successfully and that it might have been a mistake to assign them the job. “It seems to me these interns are too different.” Anne Koslowsky tries to convince her to put some trust in the four interns. “Believe me, Susan; I know these interns and I have reason to believe that they will make a good team.”

For more than 15 years the United Nations Headquarters have been facilitating the Internship Programme whose purpose it is “to provide a framework by which […] students from diverse academic backgrounds may be assigned to United Nations offices, where their educational experiences can be enhanced through practical work assignments” (United Nations, 2000). The program provides an opportunity to work with people of diverse nationalities and cultures. This cross-cultural experience promotes diversity of thought, tolerance and respect among individuals in an increasingly interdependent world. The United Nations Internship Office is a unit of the Office of Human Resources Management that employs a workforce of more than 20 nations. It is managed by regular employees and interns alike. Currently and for a period of six months these interns are Julia, Jens, Apu Narendra, and Helene (United Nations, 2000; 2006).

Julia Abdulgani is 27 years old, was born in Indonesia and grew up in The Netherlands where her parents migrated to. She is currently pursuing a Master’s degree in business administration specializing in human resources management and a Bachelor in psychology in Amsterdam. Julia speaks Dutch, Indonesian and English fluently; and she understands German and Spanish. She holds a strong connection to her family in Indonesia. Her parents raised Julia with Indonesian as well as Dutch values and beliefs. She has been an intern with the United Nations Internship Office for three months now.

Jens Eisenberg is 27 years old and he is from Germany. He is studying business administration with a specialization in human resources management at a British university and a German business school. Before doing his internship at the United Nations, he was an intern at an international automotive company in the USA. Jens has spent a year in Central America

gaining work experience and he speaks German and English fluently and is conversant in Spanish and French. He has been with the Internship Office for two months now.

Apu Narendra Reddy Katkuri is a 24-years-old student from India. After studying automobile engineering in India, he went to Windsor, Great Britain, where he earned an MBA in International Management. Apu Narendra's origins lie in a high Indian caste and most of his family immigrated to the USA more than 20 years ago. Apu Narendra speaks several languages common in India as well as fluent English. He has been supporting the team of the Internship Office for four weeks so far.

Helene Sejou-LaRoche is a 22-year-old French woman. She was 13 years old when she moved with her parents to Singapore, where they stayed for more than three years before moving to Geneva. After another three years Helene returned to France where she obtained a Bachelor degree before studying business administration. She did a one-year internship in London, before her internship at the United Nation, where she has been for four weeks.

Employees at the United Nations Internship Office act as the liaison between interns and the United Nations departments, as well as handle external queries about the program. Responsibilities include screening and recommending applicants to departments as well as administrating them. Other tasks involve organizing and chairing meetings as well as representing the program (United Nations, 2000; 2006). One of the main projects in which all four interns are involved is the design and implementation of the new Online Application System and Data Warehouse for the Internship Office. All four interns have an internationally-oriented background and are familiar with different cultures. All of them feel very confident in an international working environment and have developed very good interpersonal skills.

Immediately following the meeting, the four interns go for lunch together in the cafeteria. They want to take this chance to discuss their approaches to their new assigned project. Julia is having a Tom-Kha-Gai soup and pasta, Jens is eating a cheeseburger and a Caesar salad, and Apu Narendra is enjoying his Chicken-Tikka-Masala. Helene needed to stop by her office and joins them a few minutes later with a cafe-au-lait and a croissant on her tray and with a big smile on her face: "Salut, ça va?" Jens has a look at her lunch and ironically remarks: "Oh, the French and their croissants." Helene retorted: "You Germans and your, oh wait, you're having a burger. See how much you have turned into an American already?" Jens tells her that his eating habits might relate to his having always lived in countries in which burgers count as staple food, like Guatemala, England and the USA. "I know what you are talking about," Helene replies, "I've only been to places where they have really bad croissants, if any. So I'm benefiting." The

interns spend the rest of their lunch break telling each other from where they are coming, what they do and why they are interning at the United Nations. Apu Narendra rhapsodizes about his beloved England and Julia tells them about her cousin's traditionally wedding in Jakarta.

On their way out of the cafeteria, Jens suggests: "Coffee?" "Jens", Julia says in an unnerved but ironical way knowing that it is not the first time she is telling him this, "Don't be so harsh." And turning to the others: "This must be a German habit. They sound rude, sometimes harsh, but they don't mean it that way; maybe they are just shy showing emotions," and smiles.

Apu Narendra and Jens are discussing a few tasks that need to be done by the end of the week. Halfway through, Apu Narendra asks: "What exactly am I supposed to do?" Jens expresses himself on what he thinks Apu should do and what he himself will do. "Got it, Master Jens!"

Jens is on his way to Julia's office in order to provide her with the information she requested. After asking her whether she needs anything else, he tells her that Apu has taken to call him Master Jens. "I have noticed that, Master Jens", Julia is laughing at him. "Am I giving too many orders", Jens is wondering. "Perhaps", Julia replies, "but is it not typical of Indians to accept orders and acknowledge their approval by perennially nodding their head". However, Jens points out: "Maybe it is but Apu has also adopted a lot of typically English ways of behaviour. "You never give me orders. We both never give orders to each other", Julia remarks. "You're right; we talk to each other in a quite different way, maybe. That is because we both always know what the other expect and what needs to be done without any precise and detailed directives from the other." "Interesting", Jens replies.

The four interns are coming back from a mid-term meeting with their IT colleagues. They had met in order to verify whether, in the process of programming the software, the requirements had been implemented so far and to discuss further steps. Dissatisfied about how the meeting has been held and about how both teams were approaching each other, the interns are reviewing the reunion. "They were beating around the bush from beginning to end. These guys seem to be incapable of giving a simple and direct answer to a simple and direct question", says Jens. "You're right", Helene agrees. "Even when we approached them in a more indirect manner, I didn't understand what their point was. Did you, Apu?" - "No, I didn't get them, either, even though I'm used to beating around the bush. All they ever said was that everything was possible and that there weren't any problems." "Yes", Julia joins in, "and the program they eventually showed us basically met with none of the criteria we constantly outlined in our previous meetings. Did I not express myself clearly when I presented our concept and its requirements?"

“I think you were always as straightforward, clear and pragmatic as possible”, says Jens, “and at the same time as formal, sensitive and respectful as necessary towards our Asian colleagues.” Apu and Helene agree. “Whatever”, the latter sums up. “We will have to adapt our wordings and presentation styles to make ourselves as clear as possible and necessary. But as long as the four of us understand each other, we should be fine”, she smiles.

Jens has come to get Helene for their weekly update on the project. Helene emerges from a messy pile of files and papers and glances at Jens with his neatly arranged documents under his arm. “Just give me a second, Jens. I just need to finish this chart. Julia likes it colourful and shiny.” “Oh, you’ve almost become as perfectionistic as the Germans”, Jens says. She is smiling back at him: “Idiot! I just try to see things through my colleagues’ eyes, dude”.

In Apu Narendra’s office, the four interns are giving each other a heads up on what they have done so far, what problems they have encountered, and what should be done next. Apu interrupts the discussion and points out a problem that the others have not yet thought of. He even offers the perfect solution. “Apu, I didn’t know that you could be this talkative”, Julia says. “Well, you know, we Indians only talk if we really have to say something,” Apu replies cheerfully.

After the meeting, they go to the cafeteria. Julia and Jens are having a cafe-au-lait and a croissant. “Hm, I’m not sure what to take. What are you having, Apu?” “Not sure, either, Helene. Maybe I’m gonna try something new.”

Friday afternoon - 4:30 P.M.

The United Nations Headquarters, New York; Conference Room S 2513

Three months later, Anne Koslowsky scheduled a meeting for the final presentation of the new Online Application System and the new Data Warehouse that has been developed by four culturally diverse interns. These four interns presented a final product of outstanding success. After all of her doubts Susan Watson realized they have worked quite well as a team of such cultural diversity. Somehow they managed to have a perfect intercultural communication and established intercultural competence while understanding each others background. They acknowledge cultural differences and encouraged an open-minded and respectful working environment. Susan Watson realized that the four interns had more in common than she could see three months ago; somehow they were not that different at all. After their presentation, Ms Watson complimented the team of four young interns stating that “these interns exhibit astonishing international competence and a great intercultural communication approach which should be an example for everybody in this organization.”

As indicated in the case study, problems and misunderstandings as a result of cultural diversity and different approaches to communication are expected and sometimes inescapable. However, the four interns were successful and highly efficient in their assignment; they collaborated and established rapport due to a 'shared understanding'. The group of four young students understood each other not only by using English as the same language but also by developing a common - maybe universal - communication style.

With the purpose of exploring tendencies of convergence in culture and communication, theoretical insights in the two topics have to be given. Likewise, it is essential to look at some of the ways in which cultures and communication patterns vary. Therefore, cross-cultural comparative research has to be stressed and communication will be defined as a variable in which cultures distinguish themselves. The theoretical background provided in the following two chapters will help understanding the process of cultural convergence and adaptation.

3 Culture and its Implications

In what follows, the subject of culture will be defined as adequately and comprehensively as possible, differences of culture and their implications will be introduced, as well as four cross-cultural comparative research studies - the surveys of Hofstede; Trompenaar & Hampden-Turner; Lane, DiStefano, & Maznevski as well as the GLOBE Research Project - will be described and evaluated as significant contributions to the topic. The chapter will conclude with the Cultural Orientation Framework of Walker, Walker, & Schmitz (2003) that combines ten approved cultural dimensions by which cultures can be distinguished.

3.1 Definition of Culture

It should be noticed that the term culture is too elusive to define precisely enough. What generally is understood by culture, and likewise what culture defines, differs widely throughout the literature. It is differentiated between the popular definitions and those given by anthropologists, sociologists, and psychologists (Harzing, 2004). The common definition involves, for instance music, theatre, and art but does not recognize that it derives from a more complex structure of understanding (Watson, 2002). Within the scientific literature of international management and sociology there is no absolute and overall accepted definition. In their book *Culture: A Critical Review of Concepts and Definitions*, Kroeber & Kluckhohn (1952)

list more than 200 definitions of culture. They summarize culture as a construct which “consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiments in artefacts; the essential core of culture consists of traditional […] ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, and on the other as conditioning elements of further action" (Kroeber & Kluckhohn, 1952, p.181). Hofstede (1991), as one of the leaders in cross-cultural research, defines culture as “the collective programming of the mind which distinguishes the members of one category of people from another" (Hofstede, 1991, p.18). The GLOBE Research Project scrutinizes culture as the concept of practices and values, and defines culture according to the anthropologist Redfield (1948) who sees culture as “shared understandings made manifest in act and artefacts” (Redfield, 1949, cited by House, 2004c, p.xv). Redfield’s (1948) definition reflects Schein’s (1987) approach conceptualising culture. He defines culture as “the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to these problems” (Schein, 1987, p.9) (*Appendix: Figure 1*). Hatch (1993) developed a framework which includes symbols as an additional level in Schein’s model of culture (*Appendix: Figure 2*). It is less obvious if someone differs culturally; what is obvious, however, is the way in which these differences are expressed. Most likely it will be expressed through communication, especially in an international business environment. Hall (1959, 1976) identifies a strong correlation between culture and communication while stating that “culture is communication and communication is culture” (Hall, 1959, p.169). According to the anthropologist Hall (1959, 1976, 1990), culture is learned through formal, informal and technical means and always expressed, achieved and perpetuated through communication - culture is a system for creating, sending, storing, and processing messages. Culture is therefore passed on via communication and communication reflects someone’s culture. That is why the subject of communication will be stressed in more depth in the next chapter.

Even if the concepts of culture differ widely throughout the literature, many authors find consensus in shared patterns of values and basic assumptions, norms and beliefs, as well as behaviours, practises, and artefacts as the origin of culture. These shared patterns are learned through a process of socialization. They are identifying members of a culture group while distinguishing those of another group (Hofstede, 1980; Hofstede 2001; Kroeber & Kluckhohn,

1952; Trompenaar & Hampton-Turner, 1997, 2006; Lane, DiStefano, & Maznevski, 1992; Schein, 1997, 1993). Following, these shared patterns will be described as cultural layers.

3.2 Cross-Cultural Comparative Research Theories

Cultures are different - there are explicit and implicit differences which do not appear randomly; they appear because cultures are influenced by climate, geography, religion, economy, trade, and history; each bringing to bear unique influences (House, 2004b). The study of differences between societies has been approached from two complementary perspectives: institutional and cultural theories. While the institutional theory focuses the institutional environment, such as laws, labour, and regulations, the cultural theory investigates the influences derive from culture, which is focused in the present thesis (Romani, 2004). Cultural differences can be encountered at different levels in which individuals are embedded. Nolan (1999) distinguishes between:

- Perceptions, as the way of seeing the same things differently;
- Interpretations, as the way of selecting, interpreting, and remembering the same things differently;
- Facts, as the way the same situations are defined differently;
- Goals, as the different purposes or mindsets people from different cultures have;
- Methods, as the different ways people from different cultures achieve their goals; and
- Values, as the different application of standards in order to evaluate situations, individuals, behaviours, and outcomes.

Apart from this categorization, many researchers emphasize the distinction of cultures by identifying behaviours, norms, values, and basic assumptions[1] (*Appendix: Figure 1*) (Hofstede, 1997, 2001; Maznevski, DiStefano, Gomez, Noorderhaven, Wu, 2002; Romani, 2005; Schein, 1993; Sorge, 2004; Trompenaar & Hampton-Turner, 2006). Behaviours, like any form of human action, are comparatively explicit, but norms and values on which behaviours rest are rather implicit (Romani, 2004; Trompenaar & Hampton-Turner, 2006). Norms are implicitly justified by values and are the origin of individuals' behaviours; they describe what is usually considered to be appropriate in a society (Hofstede, 2001; Romani, 2004). Values are defined by Romani

[1] Often in the context of culture artefacts and behaviours are used simultaneously. Artefacts are all material objects while behaviours are all forms of human action identifying a cultural group. Both are highly explicit and refer to shared patterns. Furthermore, the terms of values and basis assumptions, even with defined distinctions are used in the same context of basic beliefs on which a shared understanding rests. In the present paper it will be distinguished between behaviours, norms, and values.

(2004) and Hofstede (2001) as deeply routed beliefs about what is desirable. However, the relationship between values, norms and behaviour is far more complex than causality. In each culture, specific behaviours or practises are persistent because people find it falsified, unethical or unappealing to do otherwise (Jameson, 1994; Hofstede, 1997). These shared patterns are defined either by common characteristics or by social interaction and derive from values and basic assumptions. Early childhood socialization, education and work experiences are potential reasons for a specification of members of the same group. Each individual may react differently to the processes, but even when they do, they share a common sense for acceptable responses (Hofstede, 2001; Romani, 2004; Sorge, 2004).

It is evident that cultures are different. There are obvious differences such as artefacts and behaviours but also highly implicit differences such as values and assumptions (Hofstede, 2001; Schein, 1987). One of the main questions in management literature is how culture and its differences can be measured comprehensively (Hofstede, 2001; Jameson, 1994; Romani, 2004; Trompenaar & Hampton-Turner, 2006). The following section will centre these measurements while discussing four significant cross-cultural comparative research studies.

3.3 Cross-Cultural Comparative Research Studies

Referring to established authors in cross-cultural management, the comparison of cultures is a highly complex assignment and requires the identification of universal dimensions that are common to all cultures. Members of a specific society have developed similar behaviours, practises and norms, as well as similar values and basis assumptions. Only with pre-defined observable dimensions cultures are comparable (Hofstede, 1984; House & Javidan, 2004; Trompenaar & Hampton-Turner, 2006; Walker, et al., 2003). Cultural dimensions are provided as instruments in order to understand that someone's cultural background may differ. While focusing on dimensions, shared experiences of members can be evaluated and categorized since cultural dimensions rest on value systems - culture is consequently presented as composed of values organized in dimensions. In the field of cross-cultural comparative research, cultural dimensions are seen as adequate, consequential and ample (Romani, 2004).

Within the majority of management and sociology literature, cultures are often differentiated by nationalities but nationalities are seldom monolithic or completely uniform. According to Reynolds & Valentine (2004), every culture has a minimum of seven or eight subcultures. It is undoubted that there are always variations within each national sample. Even with a cultural variation within each nationality, the distinction by countries as political, social and cultural

entities seems adequate for cross-national comparative research[2] (Reynolds & Valentine, 2004; Hofstede, 1991; House & Javidan, 2004). The internal variation within each country has been found to be not as significant as between the national samples themselves (Hofstede, 2001).

The following section will review four cross-national comparative research studies identifying cultural dimensions as the measurement of differences. These quantitative studies offer a sample of significant contributions to the positivist debate on the nature of culture. The chapter will conclude with the Cultural Orientation Framework developed by Walker et al (2003) as an appropriate summary of measurable differences of cultures. It combines ten approved cultural dimensions based on generally accepted cross-cultural theory studies. A short description of each dimension as well as its correlation to the four cross-cultural comparative research studies will be given in the *Appendix: Textnote 2*. It has to be mentioned that the majority of the cross-cultural literature reflects North American-based research, and therefore a generalization of assumptions and findings is of limited validity (House & Javidan, 2004; Teagarden, 2005).

3.3.1 Hofstede

Hofstede (1980, 1997, 2001) explored differences in 'thinking and social action' at the national level. He surveyed more than 160.000 employees of IBM from 50 nations and three regions. The questionnaires which focused on employees' company attitudes were conducted around 1968 and 1972. Hofstede (1980) identified and validated four, later five, cultural dimensions for which he presented possible origins as well as predictors and consequences for management behaviours (Hofstede, 2001). These identified cultural dimensions are:

- Power Distance,
- Uncertainty Avoidance,
- Individualism versus Collectivism,
- Masculinity versus Femininity,
- Long-term versus Short-term Orientation[3] (Hofstede, 2001).

Hofstede categorizes these five dimensions as being universal because they appear to be fundamental problems for every society (Romani, 2004). For each cultural dimension, Hofstede

[2] Further distinctions can be made by gender, race, history, religion, geography, status, or profession for example (Jameson, 1994; Peterson, 2004).

[3] The dimension Long-term versus Short-term Orientation is adopted from the Chinese Culture Connection (1987) study. (Appendix: Textnote 1)

constructed an index in order to map each of the observed country according to their scores (Hofstede, 2001). Hofstede (1997) refers to the 'mental programming'. He argues that culture is partly learned unconsciously due to deep-rooted values which are unique to the specific culture. This 'programming of the mind' influences individual's acting and thinking (Hofstede, 1997).

Undoubtedly, Hofstede is one of the leaders in cross-cultural research mainly because of his quantitative survey. It allows for comparisons across countries while cultural dimensions could be validated with significant hard data. Until that time, culture was seen as something which could not be quantified, measured or analyzed. Hofstede's contribution significantly and irrevocably influenced the way culture is perceived and substantiated shows the role of culture in managerial behaviours (Bing, 2004; Romani, 2004; Venezia, 2005). His work has been extensively reviewed and received a good deal of scrutiny. Blom & Meier (2004) criticize Hofstede's equalization of countries as cultural areas as well as his focus on IBM data. Bing (2004), Sondergaard (1994), and Venezia (2005) highlight the most frequently raised criticism of Hofstede's research: the methodology, the choice of nations and the obsolescence of the data. Still, Hofstede is one of the most cited authors when referring to culture and cultural differences.

3.3.2 Trompenaar & Hampden-Turner

Trompenaar & Hampden-Turner (1997, 2006) also applied cultural dimensions to compare countries, likewise cultures. They surveyed more than 30,000 managers from multinational and international companies in 55 countries. According to the authors, each culture has to cope with three universal problems: social interaction, relationship to environment, and passage of time. The characteristics that each culture provides as answers to these problems are described by seven cultural dimensions (Trompenaar & Hampden-Turner 1997):

- Social Interaction:
  - Universalism versus Particularism
  - Individualism versus Communitarianism
  - Neutral versus Affective
  - Specificity versus Diffuseness
  - Achievement versus Ascription
- Relationship to Environment:
  - Inner versus Outer Directedness
- Passage of Time:
  - Sequential versus Synchronic

The first five dimensions are adapted from Parsons & Shils' work (1954, cited by Romani, 2004) while the last two dimensions are based on research done by psychologists and anthropologists