

Leadership & Motivation

MGT 3206

Lecture 19

 **National Cultures, Globalization &
Leadership**

Dimensions of Culture

- How do cultures differ?
- Hofstede (2001) analyzed questionnaires from 100,000 people in 50 countries and identified 5 major dimensions of culture that show how they differ:
 1. Power distance
 2. Uncertainty avoidance
 3. Individualism – Collectivism
 4. Masculinity – Femininity
 5. Long-term – Short-term orientation

Dimensions of Culture

- Building and expanding on Hofstede (2001) was the very influential GLOBE studies by House et. al (2004)
- They published the 800 page *Culture, Leadership & Organizations: The GLOBE Study of 62 Societies*. It is an ongoing research project of more than 160 separate investigations
- The goal of GLOBE is to *increase our understanding of cross cultural interactions and the impact of culture on leadership effectiveness*
- More than 17,000 managers in 950 organizations have participated to date

Dimensions of Culture

- Some of the GLOBE findings correlate with Hofstede's research findings. Together there are 9 cultural dimensions that distinguish different cultural groups.
- We will look at these now:

1. Uncertainty Avoidance

- Refers to the extent to which society or organizations rely on established social norms and procedures to avoid uncertainty
- Uncertainty avoidance is concerned with how cultures use rules and laws to make things more predictable and less uncertain

2. Power Distance

- This refers to the degree to which members of a group expect and agree power should be shared unequally.
- Power distance is about how egalitarian society is based on the number of hierarchical levels that separate people based on class, wealth, possessions, authority etc

3. Institutional Collectivism

- Refers to the degree to which a society or organization values collective action
- Do cultures identify with broader societal interests or do they focus more on individual goals?

4. In-Group Collectivism

- Refers to the degree to which people express pride, loyalty and cohesiveness in their organizations / families.
- In-group collectivism is concerned with how far people are devoted to family / organization

5. Gender Egalitarianism

- The degree to which society / organizations minimize gender inequality.
- How much do societies consider gender when determining the roles men and women play in the organization / family

6. Assertiveness

- The degree to which people in a culture are determined, assertive, confrontational and aggressive in their social relationships
- Assertiveness is concerned with how much a culture or society encourages people to be assertive and tough with others as opposed to being timid and submissive

7. Future Orientation

- The degree to which people engage in future oriented behaviours such as planning, investing in the future and delaying gratification
- Future orientation emphasizes that people prepare for the future rather than enjoy the present / be spontaneous

8. Performance Orientation

- The extent to which a society or organization encourages and rewards people for improved performance and excellence
- Are people in the culture rewarded for setting and meeting challenging goals?

9. Humane Orientation

- The degree to which a society or organization encourages and rewards people for being fair, altruistic, generous and caring to others
- How much does the society emphasize sensitivity to others, social support and community values?

Clusters of World Cultures

Eastern Europe	Middle East	Confucian Asia	Southern Asia
Greece	Turkey	Singapore	Philippines
Hungary	Kuwait	Hong Kong	Indonesia
Albania	Egypt	Taiwan	Malaysia
Slovenia	Morocco	China	India
Poland	Qatar	South Korea	Thailand
Russia		Japan	Iran
Georgia			
Kazakhstan			

Clusters of World Cultures

Latin America

Ecuador
El Salvador
Colombia
Bolivia
Brazil
Guatemala
Argentina
Costa Rica
Venezuela
Mexico

Nordic Europe

Denmark
Finland
Sweden

Anglo

Canada
USA
Australia
Ireland
England
South Africa
(whites)
New Zealand

Germanic Europe

Austria
Netherlands
Switzerland
Germany

Clusters of World Cultures

Latin Europe

Israel

Italy

Spain

Portugal

France

Sub-Sahara Africa

Zimbabwe

Namibia

Zambia

Nigeria

South Africa

(black sample)

Clusters Classified on Cultural Dimensions

Cultural Dimension	High-score clusters	Low-score clusters
Assertiveness Orientation	Eastern Europe Germanic Europe	Nordic Europe
Future orientation	Nordic Europe Germanic Europe	Eastern Europe Middle East Latin America
Gender egalitarianism	Eastern Europe Nordic Europe	Middle East
Humane Orientation	Southern Asia Sub-Saharan Africa	Germanic Europe Latin Europe
Institutional Collectivism	Nordic Europe Confucian Asia	Germanic Europe Latin Europe Latin America

Clusters Classified on Cultural Dimensions

Cultural Dimension

In-group collectivism

High-score clusters

Confucian Asia
Eastern Europe
Latin America
Middle East
Southern Asia

Low-score clusters

Nordic Europe
Germanic Europe
Anglo

Performance orientation

Anglo
Confucian Asia
Germanic Europe

Eastern Europe
Latin America

Uncertainty Avoidance

Germanic Europe
Nordic Europe

Eastern Europe
Latin America
Middle East