THE IMPACT OF CULTURE ON ORGANIZATIONAL BEHAVIOR

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In the paper, the authors first present two approaches to the scrutiny of the culture - Hofstede's dimensions of cultural values and Hall's approach to high- and low-context cultures. In the second part, they devote their attention to the interaction of culture and organizational behaviour. They also describe how culture affects the ethics and motivation of employees in companies, the way of communicating, success of conflict solving and organizational change. The authors also analyze the ethics of interdependence.

1. INTRODUCTION

People from different countries as well as regions inside them often do things in different ways. One way to explain variations in behaviour is the idea of culture.

We cannot use a single definition of culture because the concept is complex. Hence, let us look at some definitions devised by different authors decades ago, up to the modern ones. Tylor (1871), for example, proposed one of the earliest definitions of culture. According to him, culture is »a complex

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whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society«. Herskowits conceived a little wider definition of culture more than four decades ago by suggesting that culture was a »human-made part of the environment« (Herskowits, 1955). Trying to interpret his definition, we may talk about »objective culture« (e.g., tables, computers, trains) and »subjective culture« (e.g., norms, roles, values).

Let us mention some more definitions of culture that ensued after 1980. According to Hofstede (1997), culture is the software of the mind, similar to a computer program that controls behaviour. Sathe (1985) had something else in mind when he defined culture as a »series of important values and beliefs that are characteristic for the members of a particular society and are relevant to their view of the world as well as to the ideals worth to strive for«. On the other hand, Lipičnik (1998) believes that »culture can not readily be expressed directly, for example, as a rule or pattern of behaviour, but indirectly in our functioning and our relations to ourselves as well as to the environment – human beings, nature....«

Although more than 160 definitions of culture exist (Kroeber and Kluckhohn, 1985), the sample presented illustrates the variety of manifestations culture can take, both as a communicator and receptor of values. It is important to recognize that intra-cultural variation is ubiquitous (Au, 1999), and that cultural variation exists in regions, organizations, and even individuals over time. Still, a large body of research suggests that meaningful, relatively long-lasting distinctions among various international cultures exist.

In this paper, we will present a sampling of approaches to the study of culture. Then we will turn our attention to the interaction of culture and organizational behaviour. We will present the effect of culture upon the ethics and motivation of employees, and its impact upon communication, the successful resolution of conflict, and organizational change.

2. APPROACHES TO THE STUDY OF CULTURE

Researchers have developed various frameworks to classify the cultures of the world (Darlington, 1996). Their models suggest what the approximate values of people in a particular culture will be. However, they cannot predict what any one individual's constellation of values will be—not everyone in a particular culture believes or behaves in the same way. Sometimes, there is greater variation within single cultures than across cultures.

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2.1. Hofstede's definition of culture

Hofstede specifically focused his attention on work-related values in his study of culture. He collected data from IBM employees in 40 countries. In analyzing the data from more than 116,000 employees, Hofstede extracted four dimensions of values to explain the differences among cultures and then later added a fifth. Although his data was collected in the 1970s, several recent studies and data from outside Europe have generally confirmed Hofstede's findings, with minor additions or differences (Chinese Culture Connection, 1987; Darlington, 1996; Hoppe, 1990; Smith, 1996; Trompenaars, 1993). Some substantial differences have also been cited when alternate methods are used or some non-European cultures are surveyed (Pearce and Osmond, 1999).

According to Hofstede (1980, 1997), cultures can be compared and classified on the basis of five different dimensions that affect behaviour, organization practices, and social practices such as marriages, funerals, and religious ceremonies:

- Individualism – collectivism
- Power distance
- Uncertainty avoidance
- Masculinity – femininity
- Short term – long term orientation.

The first dimension refers to whether individual or collective action is the preferred way to deal with issues. In cultures oriented toward individualism – such as the USA, the UK, and Slovenia – people tend to emphasize their individual needs and concerns and interests over those of their group or organization. The opposite is true in countries which score high on collectivism, such as Asian countries like Japan and Taiwan. In a collectivistic society, one is expected to interact with members of one's group. It is almost impossible to perceive a person as an individual rather than one whose identity comes from groups with which that individual is associated (Brislin 1993).

The second dimension—power distance—is connected with the differences in power and status that are accepted in a culture (Zenko, 1999). Some nations accept high differences in power and authority between members of different social classes or occupational levels, while other nations do not. For example, the French are relatively high in power distance; Israel and Sweden score very low. In Israel and Sweden, worker groups demand and have a great deal of power over work assignments and conditions of work (Adler, 1991). French

managers tend not to interact socially with subordinates and do not expect to negotiate work assignments with them.

The third dimension, uncertainty avoidance, refers to the relationship of a particular culture to the uncertainty characteristic of the future. Societies high in uncertainty avoidance tend to prefer rules and operate in seemingly predictable situations as opposed to situations where the appropriate behaviours are not specified in advance. Those with high uncertainty avoidance prefer stable jobs, a secure life, avoidance of conflict, and have lower tolerance for deviant persons and ideas. Japan scores higher than the USA on uncertainty avoidance, while both score higher than Sweden. This means that, for instance, in Japan there is far less tolerance for deviations from accepted behavioural practices than in the USA, while Sweden is generally considered to be a very tolerant society (Tosi, Mero, Rizzo, 2000).

The masculinity-femininity dimension of a culture refers to the degree to which values associated with stereotypes of masculinity (such as aggressiveness and dominance) and femininity (such as compassion, empathy, and emotional openness) is emphasized. High masculinity cultures such as Japan, Germany, and the USA tend to have more sex-differentiated occupational structures with certain jobs almost entirely assigned to women and others to men. There is also a stronger emphasis on achievement, growth, and challenge in jobs (Hofstede, 1991). In these cultures, people are also more assertive and show less concern for individual needs and feelings, a higher concern for job performance and a lower concern for the quality of the working environment. In countries high on the feminine dimension such as Sweden and Norway, working conditions, job satisfaction, and employee participation are emphasized.

The very last among the mentioned dimensions stems from the philosophy of the Far East and was added by Hofstede following the findings of the Chinese Culture Connection (1987). This dimension reflects a culture's view about the future. The short-term orientation, a western cultural characteristic, reflects values toward the present, perhaps even the past, and a concern for fulfilling social obligations. Long-term thought patterns, characteristic of Asian countries, reflect an orientation toward the future, belief in thrift and savings, and persistence. In countries with a long-term orientation, planning has a longer time horizon. Companies are willing to make substantial investments in employee training and development, there will be longer-term job security, and promotions will come slowly.

2.2. Hall's cultural model

An American anthropologist Edward T. Hall used the concept of context to explain differences in communication styles among cultures. According to Hall, the context is »the information that surrounds an event; it is inextricably bound up with the meaning of that event« (Hall and Hall, 1995). He categorized cultures on a scale from high- to low-context. In Table 1, examples of countries with a high- and low-context communication style are presented.

Table 1: High- and Low-Context Countries (Hall, Hall, 1995)

High-Context	Low-Context
China	Australia
Egypt	Canada
India	Denmark
France	England
Italy	Finland
Japan	Germany
Lebanon	Norway
Saudi Arabia	Switzerland
Spain	United States
Syria	Sweden

In a high-context culture, it is characteristic that most of the information is either in the physical context or internalized in the person, while very little is in the coded, explicit, transmitted part of the message. In Saudi Arabia, for example, family, friends, co-workers, and clients have close personal relationships and large information networks. As a result of this, people in high-context cultures know a lot about others within their networks. They do not require extensive background information. In these cultures, people do not rely on language alone for communication. Tone of voice, timing, facial expression, and behaving in ways considered acceptable in the society are oft used tools for communicating messages. In low-context cultures, the mass of the information is vested in an explicit code. People in Switzerland, for example, separate their lives into different aspects such as work and personal lives. Therefore, when interacting with others, they need to receive more detailed information. These cultures depend on the use of words to convey meaning. Expressing complete, accurate meaning through appropriate word choice is important.

3. ETHICS OF INTERDEPENDENCE

In the modern conditions of an increasingly narrow specialization of professions, life in local communities is influenced by global communications and information along with a rather local concentration of globally gained profits – the old issue of interdependence versus dependence and independence. Be it individual, organizational, regional, national or international behaviour, the ethics of interdependence might produce a culture, which may prevent a dangerous partiality, which is quite normal in the open market economy and society. Ethics of interdependence might have the form of solidarity advocated by most religions or a form of the awareness that every specialist needs other specialists and is equally needed by them. Extremes mentioned and all the variations between them imply holistic, that is, systemic thinking and feeling that matters. As industrialization advanced and people/peoples/nations have been evolving, interdependence tended to be forgotten until the two world wars made interdependence crucial again.

Post-industrial society is seeing more interconnection and is hence called an information society (which might better be called a holistic, innovative, and interdependent one).

In transitional countries, one faces the transition of economy, legal institutions and related cultures. It is a historic fact that these countries have been pre-industrial a lot longer than most developed countries. The open issue is: how quickly can the transitional countries evolve their cultures to make them suitable to post-industrial conditions which the globalization process requires. On the other hand, one faces the need for the most advanced economies to consider their own interdependence with less developed ones too. With the most developed ones, this need might show up in the form of solidarity for a more holistic calculation of economic costs to include the natural environment, climate change, and other natural impacts, on the part of their enterprises, including the global ones. Some early work suggests that some of the world's most dynamic businesses are linked to holistic cultures (Hampden-Turner, 1994; Leeds, 1996).

Hence, we should not view culture only as a phenomenon or as a process, but also its economic impact and its interdependence with economic and other real-life processes. Moreover, one needs to do so in a very holistic manner, using very wide horizons. The horror of 11 September 2001 in New York and Washington, DC, demonstrates clearly what happens if one acts without consideration of the ethics of interdependence.

4. THE CONNECTION BETWEEN CULTURE AND ORGANIZATIONAL BEHAVIOR

As communication technologies advance and countries become more closely linked through trade, more information about other cultures becomes available. Products are sold worldwide and, in some cases, marketed in the same way everywhere.

In Slovenia, as well as in other countries in the world, we can find someone eating a McDonald's hamburger while dressed in Levis jeans, sitting in a Honda filled with Shell gasoline. As a result of this, some might say that cultures are becoming more alike and that the study of culture is therefore irrelevant. However, a closer look at what seem to be cultural universals reveals many differences. Having a McDonald's hamburger in Moscow or Beijing is somewhat trendy and the cost is well above average. In Washington, DC, eating at McDonald's is a mere convenience as well as one of the cheapest meals available.

On another level, the effect of cultural differences can be clearly seen. Ethnic conflicts continue to flare around the world. These conflicts often result from attempts to maintain distinct cultural identities. Culture, although not the only variable of importance, contributes significantly to explaining key differences in societal behaviour (Treven, Treven, 2007). With an appreciation of the role of culture in organizations comes a better understanding of management and organizational behaviour around the world.

4.1. Differences in cultures and motivation

The culture of a country or region in which the organizations function influences the way of motivating employees a great deal. In collective countries, such as Japan, giving an individual reward to an employee could embarrass the recipient and thus be de-motivating. In high-context collective cultures, there are often expected norms of behaviour for particular situations. Offering rewards for individual behaviour that runs counter to group norms is unlikely to have a positive influence on motivation.

Hofstede's masculinity versus femininity dimension also suggests what could be rewarding for different societies. If a culture is masculine, people prefer to receive money, titles, or other materialistic or status-oriented rewards. In a feminine society, meaningful rewards are time off, improved benefits, or symbolic rewards (Hofstede, 1997).

In some countries, the perception of material items is as gifts rather than as rewards for performance. In China, for example, organizations often distribute food to all employees as holiday gifts. People in higher positions get more or better quality items, but employees make no connection between their performance and the gifts.

Factors that motivate employees in organizations do not diverge only as regards different forms of organizational culture, but differ quite often within the particular culture. Which rewards are cherished by employees in Slovenia or Croatia does not only reflect the culture of Slovenes or Croats but also depends on other factors, such as age, gender, education, organizational level and tenure of the employees.

4.2. The effect of culture on the communication process

People in different cultures communicate among themselves differently. The major differences in how people from different cultures communicate with each other are language usage, verbal style, and nonverbal communication.

Two people may speak the same language but speak it quite differently. For example, people from the United States and England both speak English, but the meaning of certain words is quite different, sometimes even opposite, in the two countries.

Verbal communication styles are another way for cultures to vary in their communication patterns. In cultures employing a direct style, the speaker tries to convey his true feelings through the choice of words. In the indirect style, the speaker selects words to hide his real feelings. For example, North Americans using the direct style say, »No« or »I can't do that« if they are unable to make a particular deal. In contrast, a Korean speaker might say, »It might be possible«, or »It's interesting in principle«, rather say »no« directly. The direct style is common in individualistic, low-context cultures, and the indirect style in collective, high-context cultures. The direct style allows the individualist to express his own ideas clearly. The collectivistic orientation is to maintain group harmony and concern for the feelings of others (Brislin, 1993).

Culture also has quite a strong impact on nonverbal communication which may be expressed through facial expressions, gestures, eye contact and posture. For example, a smile usually indicates happiness or pleasure, but for Asians, it can also be a sign of embarrassment or discomfort (Samovar, Porter, 1991). The level of gesturing in Italy, Greece, and certain Latin American countries is so

high that people appear to be speaking with their hands. For Chinese and Japanese speakers, using gestures is less common. Greeting gestures also differ. In a business situation, North Americans shake hands, Japanese bow, and Middle Easterners of the same sex kiss on the cheek (Abbasi and Holman, 1993).

4.3. The impact of culture on conflict resolution

The way people sense conflicts varies widely with culture. Intercultural communications expert Stella Ting-Toomey has developed a theory of culture and conflict that explains cultural differences using Hall's low-and high-context framework (Gundykunst and Ting-Toomey, 1988; Hall, 1976).

According to this theory, people in low-context cultures see conflict as instrumentally oriented. These cultures view the world in analytic, linear logic terms, and separate issues from people. Public disagreements are acceptable; people can have a conflict and still maintain a friendly relationship afterwards. In a high-context culture, conflict is expressive oriented. People in these cultures do not separate person from issue. Open disagreement and public confrontation are highly insulting and cause both parties involved to »lose face«.

In either type of culture, conflicts develop for different reasons. In low-context cultures, there is less specification of appropriate ways to behave. Conflict often arises because one party violates the other's expectations. In the high-context culture, which has more specific rules of behaviour, conflict usually occurs when a person violates cultural expectations.

The third aspect of the conflict situation refers to the behaviour of people involved in the conflict. In the low-context culture, people are oriented toward action. This results in a direct, confrontational response to conflict, with all parties wanting a quick resolution. In the high-context setting, the attitude toward conflict is evasive and non confrontational, leading to an indirect, inactive approach. This often results in avoiding or ignoring the conflict.

4.4. National culture and organizational change

Cultures vary in their receptivity to change. Some cultures change slowly and actively resist change – even to the point of attempting to prevent outside influences – because they value traditional behaviour. Other cultures embrace change, but, on occasion, significant segments of their population attempt to re-

establish traditional values and behaviour and view progress as a threat. Yet, other cultures are ambivalent toward change and simultaneously embrace, resist, and fear it (Treven, 2001).

One way to understand a culture's relationship to change is its orientation toward time (Trompenaars, 1993). Some cultures are past oriented, view tradition and history as important, and interpret the present through the lens of ancient principles, customs, and texts. Other cultures are present oriented and focus on the moment. For these societies, history is relatively unimportant and the future is not of great concern. Finally, some cultures are future oriented and emphasize planning and future achievements. In these societies, progress is a central theme, the fate of future generations is a concern, and there is belief that rational thought can guide human action. Traditional cultures with a past orientation resist change, whereas cultures with a present-orientation display either ambivalence or reluctant acceptance of the new. Cultures with a future orientation tend to view change as desirable and, to some extent, inevitable.

Even present and future-oriented societies experience resistance to change. To some extent, for all cultures, resistance to change is attributable to the uncertainty associated with change, including the awareness that change is not always improvement and can produce unintended consequences or reverse results with negative outcomes. It is important for managers to understand the sources of resistance to change so they can anticipate and reduce them. Tradition, habit, resource limitations, threats to power and influence, and fear of the unknown are forms of resistance to change found in all societies (Klarič, 2005).

5. CONCLUSION

In a modern, increasingly interdependent world, studying culture is essential for managers. They have to think globally, notwithstanding the country they live in. No matter what their company produces or to what market it sells its products, it will encounter global competition everywhere. Even in the small nation of Slovenia, which has a lot of companies that successfully meet the needs of people for various products and services, we can observe an ever increasing occurrence of foreign competition on the domestic market. As recently as 1999, for example, companies from abroad, such as OBI, Baumax and Interspar, built three modern shopping centres in Maribor, the second largest city in Slovenia.

It is important for managers to study other cultures also because their competitors, suppliers, shareholders, or employees may come from other cultures. In developed countries – of which Slovenia would be one -- there is also an increasing number of immigrants and guest workers bringing their own cultures into their new homes. Managers have to be able to integrate them into the new work environment. Hence, it is necessary for managers to know their culture as well as to understand their way of life.

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UTJECAJ KULTURE NA ORGANIZACIJSKO PONAŠANJE

Sažetak

U ovom članku autori su prezentirali dva pristupa temeljitom proučavanju kulture – Holfstedeove dimenzije kulturalnih vrijednosti i Hallov pristup visokom i niskom kontekstu kulture. U drugom dijelu pažnju su posvetili interakciji kulture i organizacijskog ponašanja. Također su promatrali kako kultura utječe na etiku i motivaciju zaposlenika u organizacijama, način iznalaženja uspjeha u rješavanju konflikta i organizacijske promjene, te su analizirali etiku uzajamne ovisnosti.