Geert Hofstede : Cultural Diversity.

Geert Hofstede has identified four dimensions for defining work-related values associated with national culture)

Geert Hofstede (b. 1928) is a Dutch academic who has also spent long periods in industry, most notably at IBM. He is Emeritus Professor of Organisational Anthropology and International Management at the University of Limburg at Maastricht in the Netherlands, and he founded the Institute for Research on International Cooperation. He has become known for pioneering research on national and organisational cultures.

The management of cultural diversity is becoming a significant issue for companies of all sizes, not just multinationals. The rise of global business, with an increasing number of joint ventures and cross-border partnerships, greater cooperation within the European Union, and the business need to embrace people from a variety of ethnic backgrounds and cultures, have all contributed to the need to develop a cultural sensitivity. Problems can arise in international operations because of cultural ignorance or insensitivity. The transfer of Western

values to the East, for example, can be inappropriate, and corporate culture and management practices may need modifying to suit local conditions.Hofstede's work has provided a framework for understanding cultural differences.

Summary

Hofstede has identified four dimensions for defining work-related values associated with national culture: power distance; individualism/collectivism; masculinity/femininity; uncertainty avoidance. He devised the Values Survey Module for use in researching cultural differences, and this has been used by many other researchers in their work.

Hofstede's theory

Hofstede defines culture as being collective but often intangible. It is, however, what distinguishes one group, organisation or nation from another
In Hofstede's view, culture is made up of two main elements: the internal values of culture - which are invisible - and external elements of culture - which are more visible- and are known as practices. The latter include rituals (such as greetings), heroes (such as people or television shows) and symbols (such as words and gestures). The cultures of different organisations can be distinguished from one other by their practices, while national cultures can be differentiated by their values.

Values are among the first things that are programmed into children. These are reinforced by the local environment, at school and at work. It is therefore difficult for an individual to change them in later life, and this is the reason why expatriate workers often experience difficulties when faced with another national culture.

The Dimensions of National Culture

Hofstede carried out his research using a questionnaire called the Values Survey Module. From the results, he drew up indices which reflect the national cultural characteristics or dimensions of a country. (All the quotations in this section are taken from Hofstede's Cultures and Organizations, 1991.)

Power distance - how a society handles inequalities

Power distance is defined by Hofstede as "the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally".

In low power distance nations such as the United Kingdom, inequalities among people will tend to be minimised, decentralisation of activities is more likely, subordinates expect to be consulted by superiors, and privileges and status symbols are less evident. Conversely, in high power distance nations

inequalities among people are considered desirable, there is greater reliance by the less powerful on those who hold power, centralisation is more normal, and subordinates are likely to be separated from their bosses by wide differentials in salary, privileges and status symbols.

Individualism/collectivism - behaviour towards the group

"Individualism pertains to societies in which the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family. Collectivism as its opposite pertains to societies in which people from birth onwards are integrated into strong, cohesive in groups, which throughout people's lifetime continue to protect them in exchange for unquestioning loyalty."

In some societies people need to belong to a group and have a loyalty to the group. Children learn to say `we'. This is true of countries such as Japan, India and China. In other societies such as in the United Kingdom, individualism is more important, with a lower emphasis on loyalty and protection. Children learn to say `I'. In strong collectivist countries there tends to be greater expectations of the employer's obligations towards the employee and his or her family.

Masculinity/femininity - behaviour according to gender

"Masculinity pertains to societies in which social gender roles are clearly distinct; femininity pertains to societies in which social gender roles overlap."

In a masculine society (Hofstede gives the United Kingdom as an example) there is a division of labour where the more assertive tasks are given to men. There is a stress on academic success, competition and achievement in careers. In a feminine society such as France (according to Hofstede) there is a stress on relationships, compromise, life skills and social performance.

The last 10-15 years have seen enormous changes - a `feminisation' process - to the behaviour of Western democracies. It has been said that the emergence of developing countries is as much about feminisation as it is about harder business and economic realities.

Uncertainty avoidance - the need for structure

Uncertainty is "the extent to which the members of a culture feel threatened by uncertain or unknown situations."

In societies where there is a need for structure it is because there is a fear of uncertainty. Countries characterised by weak uncertainty (such as the

United Kingdom) do not perceive something different to be dangerous. Conversely, in strong uncertainty avoidance societies people will seek to reduce uncertainty and limit risk by imposing rules and systems to bring about order and coherence. This may be seen in organisation structures: for example, where there is a need for rules and dependence there will be a pyramidal organisational structure.

In Practice

With the rise in global business, many people are working with, or managing, individuals and groups from cultures other than their own. Hofstede is keen to emphasise that the "dimensions" are not a prescription or formula but merely a concept or framework. They equip us with an analytical tool to help us understand intercultural differences. For example, the practical experience of many multinationals in building international teams can be explained in terms of Hofstede's framework.

Knowing about such differences can help to avoid conflict in international management. Hofstede's framework shows that it is not safe to assume that apparently similar countries in the same region, for example Holland and Belgium, or Austria and Hungary, have similar cultures.

The cultural dimensions also provide us with a convenient shorthand term to illustrate a characteristic of a particular organisation or country. For example if someone refers to a country as having a `high feminine index' it suggests that people in that country characteristically value having a good working relationship with their supervisor and with their co-workers, living somewhere they and their family want to live and having job security.

In Perspective

Hofstede's theory has been extensively validated, although the point needs to be made that cultures change and specific country examples
which Hofstede has used in the past may not be valid today.

The framework has been used by other researchers to determine the suitability of certain management techniques for various countries or to make comparisons between countries to understand cultural differences in various areas of management. Mo Yuet-Ha used Hofstede's framework to assess the cultural differences and similarities between East Asian countries. The findings were then used to underpin the understanding of competency-based behaviours in these countries.

Hofstede's original research focused on middle class workers. Other writers have extended his work by looking at different groups of workers and different countries. Michael Bond took Hofstede's work into Hong Kong and Taiwan by using a Chinese Values Module devised by Chinese social scientists to test whether Hofstede's work was conditioned by his Western outlook and methods. The cultural dimensions were confirmed, except that of uncertainty avoidance, which may be a theory applicable only to the West. (Other researchers have also cast doubt on this dimension, suggesting that it may have been merely a product of the time at which Hofstede did his original research and may not be as relevant today.) Bond's work led to the discovery of a fifth dimension, long-term/short-term orientation. This dimension measures the extent to which a country takes a long or short term view of life. The long term orientation of Confucian dynamism and thrift correlated strongly with economic growth.

Fons Trompenaars, another noted writer on cultural diversity, has carried out work which shows how national culture influences corporate culture. For Trompenaars, the major types of culture - the Family (a power-oriented culture), the Eiffel Tower (a role-oriented culture), the Guided Missile (a project-oriented culture) and the Incubator (a fulfilment-oriented culture) - are comparable

with Hofstede's model. Hofstede himself has also extended his work into this area by collaborating with Henry Mintzberg, linking Mintzberg's five organisational structures with his own cultural dimensions. This link is intended to show that some organisational structures fit better in some national cultures that in others.

Bibliography

The editions cited here are those held in, and available for loan from, the Chartered Management Institute's Management Information Centre. These may not always be the first editions.

Key works by Hofstede

Culture's consequences: comparing values, behaviours, institutions and organizations across nations, 2nd ed London: Sage, 2001

Culture's consequences: international differences in work related values Beverly Hill: Sage, 1980

Cultures and organizations: software of the mind London: McGraw Hill, 1991

(Hofstede has pointed out that Culture's Consequences was a scholarly book whereas Culture and Organizations was written for practising managers and students. The latter book revisited the

basic material of the former and also included some new information.)

Further reading

Journal articles

Orienting values with Eastern ways, Mo Yuet-Ha
People Management, vol 2 no 15, 25 July 1996, pp28-30

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survey of British and Egyptian technical managers, Andrew D Brown and Michael Humphreys
International Journal of Public Sector Management, vol 8 no 3, 1995, pp5-23

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Organizational Dynamics, vol 21 no 4, Spring 1993, pp53-61

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