

Geert Hofstede

Geert Hofstede is a social psychologist who until his retirement was Professor of Organizational Anthropology and International Management at the University of Maastricht, the Netherlands, and Director of the Institute for Research on Inter-Cultural Cooperation there. In the early 1970s he and his colleagues carried out a major systematic study of work-related attitudes based on two questionnaire surveys, which produced a total of over 116,000 questionnaires from over seventy countries around the world - making it by far the largest organizationally based study ever to have been carried out.

Those respondents whose replies were used by Hofstede for research purposes were all sales and service employees of subsidiaries of IBM - a US-based multinational corporation which operates in most countries in the world. Within the sales and service function all types of employees were surveyed - sales clerks, professional engineers, top managers, etc. - using the language of each country. A total of twenty different language versions of the questionnaire had to be made. The IBM employees represented well-matched sub-sets from each country: same company, job and education but different nationalities. National cultural differences found within the company, therefore, are likely to be a conservative estimate of those existing within the countries at large. The survey was repeated after four years with stable results, underlining the persistent cultural nature of the differences found.

Hofstede identifies four basic dimensions of the differences between national cultures based on the forty larger subsidiaries on which the first analyses were made. Each of the national cultures can be positioned from high to low on each of the four scales, and thus has a distinctive cultural profile. The four dimensions are:

1. Power-distance
2. Uncertainty-avoidance

3. Individualism

4. Masculinity

The power—distance dimension is concerned with how close or how distant subordinates feel from their superiors. This is not physical distance, but how big the personal gap is felt to be. In a high power-distance culture (e.g. France, India) being a boss means exerting power and keeping that gap open. Inequality is accepted: 'a place for everyone and everyone in their place'. So employees are frequently reluctant to express disagreement with their bosses and prefer to work for managers who take the decisions - and the responsibility — and then simply tell them what to do.

In a low power-distance culture (e.g. Austria, Israel) superiors and subordinates consider each other to be colleagues, and both believe that inequalities in society should be minimized. So those in power should try to look less powerful than they are. Employees are seldom afraid to disagree and expect to be consulted before decisions are made.

The uncertainty—avoidance dimension is the ease with which the culture copes with novelty. In strong uncertainty—avoidance cultures (e.g. Japan, Greece) people feel the need for clarity and order. They feel threatened by uncertain situations, and higher anxiety and stress are experienced. This is combated by hard work, career stability and intolerance of deviancy. Thus employees believe that company rules should not be broken — even when it is shown to be in the company's best interest - and look forward to continue working with the firm until they retire.

In a weak uncertainty—avoidance culture (e.g. Denmark, Hong Kong) the uncertainty inherent in life is more easily accepted and each day is taken as it comes. A very pragmatic view is taken about keeping or changing those rules which are in existence, and employees expect to be working for the firm for much shorter periods.

The individualism dimension focuses on the degree to which the culture encourages individual as opposed to collectivist group-centred concerns. In an individualist culture (e.g. USA, Britain) the emphasis is on personal initiative and achievement, and everyone has the right to a private life and opinion. By contrast, a collectivist culture (e.g. Iran, Peru) is characterized by a tighter social framework, where people are members of extended families or clans which protect them in exchange for loyalty. Careers are pursued to increase standing in the family by being able to help other members of it. The emphasis is on belonging and the aim is

to be a good member - whereas in the individualist culture the ideal is to be a good leader.

The masculinity dimension highlights 'masculine' cultures (e.g. Australia, Italy) where performance is what counts; money and material standards are important, ambition is the driving force. Big and fast are beautiful; 'machismo' is sexy. In contrast, in 'feminine' cultures (e.g. the Netherlands, Sweden) it is the quality of life that matters: people and the environment are important, service provides the motivation, small is beautiful and unisex is attractive. The expected relationship of men to women differs considerably along this dimension. In 'masculine' cultures the sex roles are clearly differentiated. Men should be assertive, dominating; women should be caring, nurturing. In 'feminine' cultures the sex roles are more flexible, and there is a belief in equality between the sexes. It is not 'unmasculine' for a man to take a caring role, for example.

Equipped with measurements which locate the forty cultures along the four dimensions, Hofstede then offers a set of cultural maps of the world. Two points should be remembered in interpreting the results. The first is that countries spread along the whole of each of the four dimensions, not only at the extremes. So cultures are not only masculine like Italy or feminine like Sweden; there are also many countries in between: Belgium exactly in the centre; Britain on the masculine side, France on the feminine one.

The second point to remember is that the position of a culture along a dimension is based on the averages for all the respondents in that particular country. Characterizing a national work culture does not mean that every person in the nation has all the characteristics ascribed to that culture - there are bound to be many individual variations. There are, for example, many Japanese who are risk-takers and many from Hong Kong who avoid uncertainty; many Indians with low power-distance values and many Israelis with high power-distance attitudes. What these scales are doing is describing the common values of the central core of the culture which come about through the 'collective mental programming' of a number of people (a tribe, a nation or a national minority) who are conditioned by the same life experience and the same education. Although this will not make everybody the same, a country's nationals do share a cultural character — which is indeed more clearly visible to foreigners than to themselves.

The table (opposite) gives a classification of the nations grouped by

Country clusters and their characteristics

<p>I: More developed Latin</p> <p>high power—distance high uncertainty- avoidance medium to high individualism medium masculinity</p> <p>BELGIUM FRANCE ARGENTINA BRAZIL SPAIN (ITALY)</p>	<p>11: Less developed Latin</p> <p>high power—distance high uncertainty- avoidance low individualism whole range on masculinity</p> <p>COLOMBIA MEXICO VENEZUELA CHILE PERU PORTUGAL</p>	
<p>III: More developed Asian</p> <p>medium power—distance high uncertainty- avoidance medium individualism high masculinity</p> <p>JAPAN</p>	<p>IV: Less developed Asian</p> <p>high power-distance low to medium uncertainty- avoidance low individualism medium masculinity</p> <p>PAKISTAN TAIWAN THAILAND HONG KONG INDIA PHILIPPINES SINGAPORE</p>	<p>V: Near Eastern</p> <p>high power-distance high uncertainty- avoidance low individualism medium masculinity</p> <p>GREECE IRAN TURKEY (YUGOSLAVIA)</p>
<p>VI: Germanic</p> <p>low power-distance medium to high uncertainty- avoidance medium individualism medium to high masculinity</p> <p>AUSTRIA ISRAEL GERMANY SWITZERLAND</p>	<p>VII: Anglo</p> <p>low to medium power- distance low to medium uncertainty— avoidance high individualism high masculinity</p> <p>AUSTRALIA CANADA BRITAIN IRELAND NEW ZEALAND USA (SOUTH AFRICA)</p>	<p>VIII: Nordic</p> <p>low power-distance low to medium uncertainty- avoidance medium to high individualism low masculinity</p> <p>DENMARK FINLAND NETHERLANDS NORWAY SWEDEN</p>

cultural similarity according to the statistical technique of cluster analysis. They fall into eight areas. Since a culture's work-related values are so distinctive and different, it is to be expected that its organizational processes and behaviour would be so too. So Hofstede argues very strongly that we should not expect the same conceptions and prescriptions about management to be appropriate for all culture areas.

Some years later Hofstede joined Michael Bond, a Canadian social psychologist working in Hong Kong, in research which added a fifth dimension to the previous four. Bond, realizing that most questionnaires have questions devised by Westerners, as did Hofstede's IBM surveys, investigated what would happen if the questions were developed by Asians. He asked Chinese social scientists in Hong Kong and Taiwan to define some Chinese cultural values. From these a questionnaire was made up in Chinese and then translated into English and other languages - the other way round from the usual practice. The questionnaire was given to matched sets of students in different countries, East and West.

The most compelling finding was that three of the dimensions obtained were compatible with those found previously. Power—distance, individualism and masculinity again differentiated among the national groups. The most distinctive finding was that a new dimension replaced Hofstede's, possibly Western-biased, uncertainty-avoidance. It distinguishes cultures in which persistence, thrift and a firm status order in society, plus a keen sense of shame, are much more important than are respect for tradition, saving face socially, personal steadiness and mutual honouring of favours and gifts. In so far as what is most important is more forward-looking, Bond called this Eastern-orientated characteristic *Confucian Dynamism*. Hofstede subsequently preferred to call it long-term versus short-term orientation.

Remarkably, all the most vigorous Asian economies - Japan, Taiwan, South Korea, Hong Kong, Singapore, and China itself- were high in Confucian Dynamism, i.e. had a long-term orientation. Could this element in the cultures of their peoples partly explain their economic success, much as the so-called Protestant work ethic of earlier centuries in the West has been held to partly explain the Industrial Revolution (see Weber, p. 8)?

Hofstede illustrates the difficulties of applying management practices insensitively in very different cultures by what befell an American idea when attempts were made to introduce it elsewhere. Management by

Objectives (MbO) started in the United States and has had most success there, particularly in situations where the manager's results can be objectively measured. Why is this so? MbO requires that:

1. Subordinates are sufficiently independent to negotiate meaningfully with the boss (i.e. low power-distance).
2. Both are willing to take some risks - the boss in delegating power, the subordinate in accepting responsibility (i.e. low uncertainty-avoidance).
3. The subordinate is personally willing to 'have a go' and make a mark (i.e. high individualism).
4. Both regard performance and results achieved as important (i.e. high masculinity).

This is the Anglo work-culture pattern as the table shows.

But how would MbO work out in other culture areas? For example, the Germanic culture area has low power—distance which fits, as do the results orientation of high masculinity. However, the Germanic group is high on uncertainty-avoidance which would work against the risk-taking and ambiguity involved in the Anglo process. But the idea of replacing the arbitrary authority of the boss with the impersonal authority of mutually agreed objectives fits well in this culture. This is, indeed, the way MbO has developed in Germany, emphasizing the need to develop procedures of a more participative kind. The German name for MbO is 'Management by Joint Goal Setting', and elaborate formal systems have been developed. There is also great stress on team objectives (as opposed to the individual emphasis in the Anglo culture) and this fits in with the lower individualism of this culture area.

The more developed Latin group, as represented by France, has high power-distance and high uncertainty-avoidance - completely the opposite to the Anglo group - so MbO is bound to encounter difficulties there. It did gain some popularity in France for a time, but it was not sustained. The problem was that in a high power-distance culture attempting to substitute the personal authority of the boss by self-monitored objectives is bound to generate anxiety. The boss does not delegate easily and will not stop short-circuiting intermediate hierarchical levels if necessary — and subordinates will expect this to happen and to be told what to do. And in a high uncertainty-avoidance culture, anxiety will be alleviated by sticking to the old ways.

Cultural differences, then, have an important impact on how organizations function, and manufacturing cars or treating the sick will call for different structures and processes in France or Japan or Britain. So it is important even for international organizations to have a dominant national culture to fall back on (e.g. as the American or Japanese multinationals). Organizations without a home culture, in which the key decision-makers can come from any country (e.g. UNESCO, the EU Commission), find it very difficult to function effectively because of this lack. It is less of a problem for the political part of such organizations, since negotiation between representatives is their task. But for the administrative apparatus, where the members represent not their countries but the organization as a whole, it is crippling - and most such 'cultureless' organizations are inefficient and wasteful.

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