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DESCRIBING CULTURE

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LEARNING OBJECTIVES

After reading this chapter, you should be able to:

- 2.1 Explain the concept of culture
- 2.2 Outline the characteristics of societal culture
- 2.3 Illustrate the sources of societal culture
- 2.4 Discuss the debates around the concept of culture
- 2.5 Express the relationship of culture to social groups

PARTICIPATE, AND THAT'S AN ORDER!'

Harry is the leader of an advertising agency account team. The team's task is to develop advertising campaigns for a manufacturing company's range of power lawnmowers. The four members of the team are all from different cultural backgrounds, and they seem to be at odds with each other. Harry, an American, has strong ideas about what the campaign should be like; he talks about it a lot and tries to persuade his three colleagues. But despite his strong views, Harry recognizes the value of diversity, of different ideas. He makes it clear to his colleagues that he welcomes alternative ideas. He would be delighted if someone was to come up with a campaign idea that was better than his. Harry says frequently, "Two heads are better than one, and four heads are better than two."

His three team members eye each other cautiously. So far, the only person who has responded to Harry's invitation is Ingrid, a recent immigrant from Germany. Ingrid has ideas about the lawnmower campaign that are not only different from Harry's but also completely opposite. Furthermore, she has had twenty years of experience in the industry back in Germany and believes she has forgotten more about advertising than Harry ever learned. She is not about to back down on her ideas. She, too, talks, frequently and forcefully, about the new campaign. Harry doesn't agree with her and argues back. But after all, he did say he values alternatives.

The other two members of the team keep a low profile. José, who is Puerto Rican, does not like Ingrid. He can't believe the way she talks to their boss! Why doesn't she have respect for authority? It's not so much that José doesn't agree with Ingrid's ideas—in fact, he secretly thinks they are quite good—it's the rude and aggressive way in which she presents them and her contemptuous way of treating Harry as if she were equal to him in

job position, if not higher, that he objects to. José would rather do anything than encourage Ingrid by supporting her ideas, so he sides quietly with Harry and wishes Ingrid would stop interjecting her ideas.

Ming is Taiwanese and less outspoken than Ingrid, and although she is an expert in this type of campaign, she too keeps quiet. Harry says he wants her opinions and ideas, but she doesn't think he means it. If he does, why does he argue so aggressively with Ingrid? If you really want to hear what other people think, Ming believes, you should behave as if you respect them. Listening to Harry and Ingrid makes Ming sad. These people are talented, but completely egocentric. Ming believes good decisions are made through patient reflection, the respectful exchange of ideas, and the protection of the harmony of the group that will, after all, have to work together to execute the final decision. She wishes she knew how to implement this method with Harry and Ingrid. In the meantime, she puts forward her views when Harry asks her, but she speaks in a way that makes Harry wonder if Ming herself believes what she is saying.

INTRODUCTION

The previous case demonstrates how cultural background may influence the attitudes and behavior of individuals. While this affects everyone who lives with people from other cultures around them—and that is virtually everyone on the planet—it especially affects international managers, who must constantly interact with and make decisions involving multiple others from different cultures. Ahead in this chapter, we take a systematic look at the concept of culture.

In Chapter 1, we suggest that culture has a broad influence on how international managers see their world, on what they do, and on what others expect of them. But what exactly is culture? Anthropologist Clyde Kluckhohn² presented a widely accepted definition:

Culture consists of patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievement of human groups, including their embodiment in **artifacts**; the essential core of culture consists of traditional (i.e., historically derived and selected) ideas and especially their attached **values**. (p. 73)

Artifacts Objects made by human beings, typically an item of cultural or historical interest.

Values A person's principles and beliefs about what is important in life.

Roles The expected behavior associated with a particular situation or position in a group.

Culture affects the psychology of individuals. It is demonstrated in shared ways of doing things, unstated assumptions, tools, norms, values, habits, and so on.³ It affects how people perceive the world and their social contacts, beliefs, attitudes, **roles**, and values. Another way of understanding culture is to think of it as consisting of shared mental programs that control individuals' responses to what goes on around them.⁴ In our opening case study, the team members had different culturally based mental programs controlling their perceptions of how a team should function, and these differences dramatically determined their behavior.

FEATURES OF CULTURE

Based on these definitions, we can begin to understand how cultural issues influence global management. Consider the example in Box 2.1.

In this book, we find it helpful to focus specifically on *three* main characteristics of culture:

- Culture is *shared*.
- Culture is *learned*.
- Culture is *systematic* and *organized*.

Culture Is Shared

A first characteristic of culture is that it is shared by members of a particular group. *Shared*, in this case, means that most members have similar mental programs enabling them to understand immediately the basic values, norms, or **logics** that underlie what is acceptable in a society. For example, when the U.S. national anthem is played, U.S. people know how to stand and where to put their hands. North Korean people are socialized to show deference and adulation to their “Dear Leader,” Kim Jong Un. Scottish people share an understanding that the local word “Sassenach” refers to their English neighbors and is a term of mild abuse.

This does not mean that everyone in a society knows everything about it, nor that people from the same culture will behave identically. In contrast to cultural norms, there are assertive people in Japan and shy people in the United States. Culture is only one of a number of factors that affect how people act. Some mental programming comes from universal characteristics of human nature, and some from unique personalities developed through individual experiences.

Logic A particular mode of reasoning viewed as valid.

BOX 2.1

WHAT? NO RED CARPET!⁵

In midsummer 2004, the small Chinese computer company Lenovo Corporation entered secret talks with IBM Corporation, seeking to acquire IBM’s personal computer (PC) business. Yang Yuanqing, CEO of Beijing-based Lenovo, and a group of his senior managers undertook a 13-hour flight to JFK Airport in New York to begin talks. They were surprised to find no representatives of IBM waiting for them and had to find their own way to their

hotel. In China, such high-ranking guests would have seen their counterparts waiting for them and a limousine ready to whisk them away to their accommodation. Luckily, Lenovo and the IBM division it acquired were able to overcome differences in cultural norms, such as attitudes toward hierarchy and authority. By 2013, Lenovo was the world’s largest vendor of personal computers by unit sales, and in March 2019, it was still in that position.

As shown in Figure 2.1, individuals carry in their minds three levels of programming for their behavior.

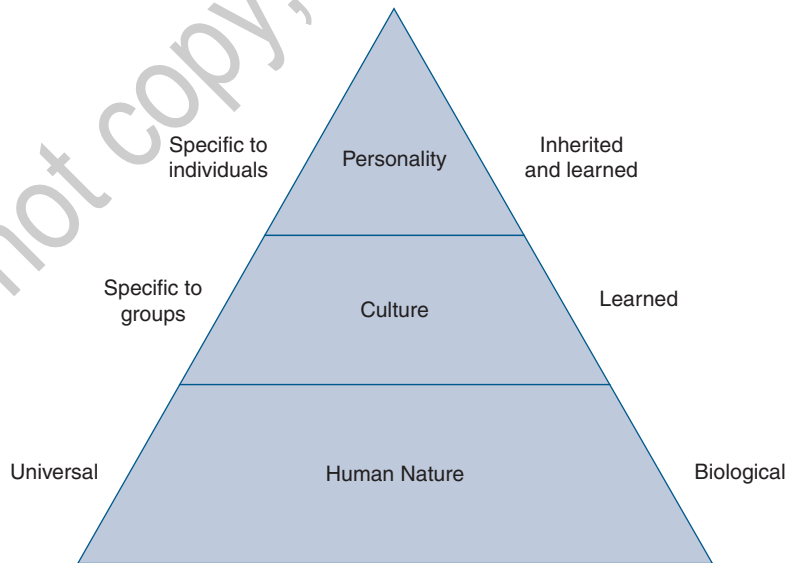
At the broadest level, all human beings share certain biological reactions. For example, we eat when we are hungry. At the narrowest level are the personality characteristics that are unique to each of us as individuals: For example, one child born in a family may be noisy and demanding, but another—with the same parents—shy and quiet. Culture affects mental programming at an intermediate level based on experiences shared within a particular **society**. Individuals within a society share an intuition for many of these cultural understandings, an intuition that is not shared by outsiders. Members of any society are more familiar with values and understandings that are shown by its heroes than with those of the heroes of other societies. For example, people in the United States know that the (probably fictional) story of George Washington chopping down a cherry tree and then confessing that he had done so demonstrates the values of honesty and acceptance of the consequences of one's misdeeds. Saudi Arabians know that they should be kind to spiders, because it was spiders that protected the Muslim prophet by hiding him from his enemies. And people in China know to honor their teachers on September 29, the anniversary of the birth of Confucius.

These examples illustrate a key point about culture. This is that individuals living in a society cannot choose whether or not they are familiar with the central cultural values and norms of their society. They *learn* their culture, whether they want to or not! What our examples do not show, however, is that individuals can nevertheless differ quite widely in what they personally like and dislike about their society's culture. The United States has many dishonest people, Saudi Arabia has Muslims who simply don't care about spiders, and China has citizens who

Society

An enduring and cooperating social group whose members have developed organized patterns of relationships through interaction with one another.

FIGURE 2.1 ■ Three Levels of Mental Programming



Source: Adapted from Hofstede (1980).

BOX 2.2**HOW MANY WIVES?⁶**

Most U.S. citizens do not identify with the marital practice of polygamy. Their unease about the practice is supported by various factors. First, polygamy is illegal. Second, it is inconsistent with the beliefs and traditions of the predominant U.S. religions. Third, in a cash economy such as the United States, it is inefficient for an individual to have multiple partners because these partners require more money to support their children.

In contrast, the Kikuyu of East Africa regard polygamy as a viable marital alternative. In their own context, polygamy may work for them. Kikuyu

society is based on subsistence agriculture, and because wives and children produce more than they consume, polygamy enhances the economic well-being of the household. Social status is based on the size of one's household and particularly on the number of male kin. More wives provide more sons. In addition, because Kikuyu religion is fundamentally ancestor worship, larger families develop a bigger religious following. Therefore, in Kikuyu society, cultural beliefs about polygamy not only are viewed as moral but also fit in with other aspects of the Kikuyu cultural context.

disliked their teachers and ignore September 29. However, while individuals can differ widely in their attitudes about their society's heroes and stories, most members of a society have a deep understanding of its values. Thus, culture is a collective phenomenon involving the mental programming that we share with others in our society. Whether you like it or not, your culture has, to a greater or lesser extent, programmed your everyday thinking.

Culture Is Learned

A second characteristic of culture is that it is gained through the process of interacting with the social environment (mainly other people) and learning from it. Over time, the people in a society develop patterned ways of interacting with their environment. When we are born into a society, its language, systems of government, forms of marriage, religious systems, and so forth, are all functioning. Although these institutions gradually change, their patterns are transmitted to us as we learn the culturally acceptable range of responses to various situations. For example, the stories that parents tell their children often provide guidance about appropriate behavior.⁷ Such learning through stories implies not only that children can learn about their own culture but also that it is possible to learn about the cultural patterns of other societies. However, some aspects of an unfamiliar culture are likely to seem strange. Adults may find that developing an understanding of a new culture is an even greater challenge than learning to speak a new language.

Culture Is Systematic and Organized

A third characteristic of culture is that cultures are not merely random assortments of attitudes, customs, and behaviors but integrated coherent systems. Each culture is an organized system of interrelated values, attitudes, beliefs, and meanings that determine

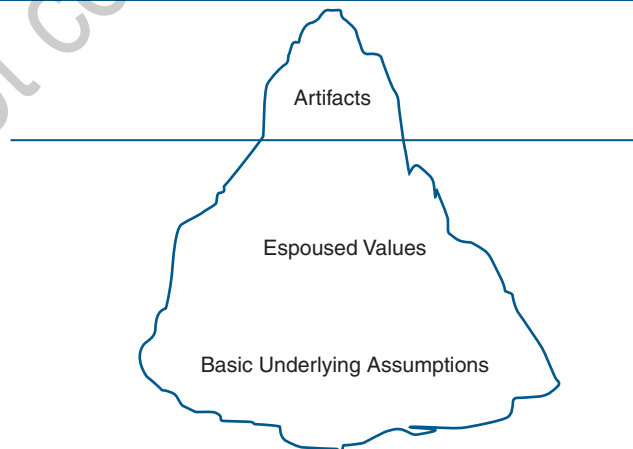
behavioral responses to a cultural group's environment, to other people, and to other cultural groups. To understand a particular facet of a culture, it is necessary to understand its context. Box 2.2 provides an example.

DEFINING CULTURE

Our working definition is that *culture is a set of knowledge structures, consisting of systems of values, norms, attitudes, beliefs, and behavioral assumptions that are shared by members of a social group (society), that are embedded in institutions, and that are learned from previous generations.* Consistent with this definition, culture can be described as having three levels: artifacts and creations, values, and basic assumptions.⁸ Figure 2.2 depicts the relationship among these three levels of culture, which can be likened to an iceberg with only a small part of it visible above the surface of the water.

In Figure 2.2, the only part of culture above the surface is cultural artifacts, which include all the *visible* features of a culture, such as its architecture, language, technology, clothing, customs, dress, literature, and music. Just below the surface are the culture's *espoused values*, which are *consciously* held and which provide explanations for the visible features. Deep below the surface are the underlying assumptions shared by the culture, the ultimate source of values, artifacts, and behavior. These basic sources shape members of the culture's beliefs, perceptions, thoughts, and feelings at an *unconscious* level and are taken for granted by them. Because of this, the culture's effects are often not apparent to members and go unnoticed by international managers. For example, the ritualistic exchange of business cards among managers in Japan is such a normal part of doing business there that even Japanese business people may not be consciously aware that it stems from the need to establish the status relationship between speakers.

FIGURE 2.2 ■ Levels of Culture



Source: Adapted from Schein [1985].

WHY CULTURES DIFFER AND PERSIST

Armed with a working definition of culture as a set of knowledge structures shared in a society, we can now examine elements that give rise to and reinforce cultural differences. There are so many factors that contribute to cultural variation that we can't consider them all. However, anthropologists have derived a set of assumptions about how cultures interact with the environment, and these show how societies confront and solve common problems. These characteristics are summarized in Box 2.3.

Based on these assumptions, elements of culture evolve to provide solutions to common problems. A particular context will, however, not always result in similar cultural characteristics.⁹ For example, while developing methods of producing warm clothing is more useful to societies in semi-Arctic climates than to those in tropical climates, groups in the colder parts of the world have developed many different kinds of warm clothing and ways of producing it.

International managers may need to understand cultural norms that may have been first developed many centuries earlier but still influence their international associates today. If international managers can understand something about how other cultures have emerged, are maintained, and are changed, they may be able to anticipate the reactions of people who have grown up in these cultures to them and to the surrounding globalizing conditions.

Survival and the Emergence of Cultural Norms

Many cultural characteristics originally developed to aid the survival and safety of group members in their environments. For example, the common Western practice of shaking hands with their right hand as a form of greeting originated historically as an indication that the dominant hand held no weapon. Despite the fact that few people in modern societies carry weapons, the old custom persists. (It will be interesting to see if the handshake

BOX 2.3

ASSUMPTIONS ABOUT A SOCIETY'S INTERACTIONS WITH THE ENVIRONMENT

- There are a limited number of common human problems for which all peoples at all times must find solutions. For example, every society must decide how to feed, clothe, house, and educate its people.
- There are a limited number of alternatives for dealing with these problems.
- All alternatives are available to a society at all times, but some are preferred over others.
- Each society has a dominant pattern of value orientations (beliefs about what is appropriate and how one should behave) but also has numerous variations or alternative patterns.
- In both the dominant profile and the variations there is an ordered preference for alternatives.
- In societies undergoing change, the ordering of preferences may not be clear.

Source: Adapted from Kluckhohn, C., & Strodtbeck, K. (1961). *Variations in value orientations*. Westport, CT: Greenwood, as presented in Adler (1997).

BOX 2.4**CHALLENGING VISITORS—THE WERO**

The Maori of New Zealand have an elaborate challenge ceremony or *wero*, which is now reserved for greeting dignitaries, including high-status business people. This ceremony involves Maori warriors, dressed in traditional clothing, who challenge the visiting party by prancing about, shouting challenges, and brandishing fighting weapons, but then present a token—often a feather or a leaf, symbols of peace—at the feet

of the leader of the visiting group. If the visitors come in peace (as, nowadays, they always do), the leader will pick up the token, and the warriors will lead them onto the *marae* (community meeting place). Having determined the intent of a visitor, Maori do not need to display an empty right hand (handshake) as a form of friendly greeting. As a sign of peace, the Maori greeting among individuals is to press noses, or to *hongi*.¹⁰

survives the social distancing introduced as a result of the COVID-19 pandemic.) In Box 2.4, we provide a specific example of a different cultural practice—but one that also has its roots in group safety.

Another important example is the different attitudes that people in different climates have toward time. For example, people from cooler climates may find the lack of urgency often observed in locations with typically warmer climates irritating. It is in marked contrast to attitudes toward time represented in timetables, rosters, diaries, billable hours, and so on, where every minute has to be planned and accounted for. However, the low time concern of those in warmer climates may reflect, historically, the fact that crops can be grown year-round and do not need to be planted and harvested at certain times, leading to a more relaxed attitude about deadlines.¹¹

Language

Language plays a prominent role in the spreading and maintenance of cultural characteristics.¹² Because people think in particular languages,¹³ language defines the way they view the world, determining how a society enables its members to represent their environment. For example, the Inuit language of the indigenous people of northern North America contains numerous words describing snow: For example, *aput* means snow lying on the ground, *qana* snow falling, and *piqsirpoq*, snow drifting. For the Inuit people, to whom snow has always been an important part of their lives, these distinctions were probably historically important.

Although language is influenced by the environment and reflects the concerns of the society, linguists disagree about how much control that language exerts.¹⁴ Language varies by culture but does not constrain thought. For example, when we do not have a word for something and need one, we invent or borrow one. *Pochemuchka*, the unique Russian term for someone who asks too many questions, might be used more if it was easier for non-Russians to pronounce.

Some features of language are related to how people view the world.¹⁵ For example, speakers of languages based on pictorial representations (e.g., Chinese characters) tend to see the world more holistically than do speakers of languages based on phonetic

(sound-based) scripts (e.g., English, French, Greek, Russian). Even the way we think about time may be influenced by language.¹⁶ For example, English speakers mainly think of time horizontally as *behind* followed by *ahead*, whereas Mandarin speakers think of time vertically as up (*shang*) followed by down (*xia*). Language, therefore, is an artifact of culture that helps to perpetuate its values, attitudes, beliefs, and behavioral routines. Because we use language to interact with others, it is powerful in shaping behavior and in perpetuating beliefs and habitual, cultural, patterns of interaction.¹⁷

Religion and Ideology

Religions and ideologies reflect beliefs and behaviors shared by groups of people that cannot be verified by scientific tests.¹⁸ Religious traditions are closely related to cultural values. They can have a cultural influence through the *content* of their belief systems, the *structure* of their beliefs and rituals, and the *identities* that they promote. For example, the content and specific teachings of many religious traditions promote a strong work ethic, not just among their adherents but also throughout the societies in which they exist. Reliance on authoritative texts or leaders can influence a society's structure even when the content of the teachings changes. For example, in many Chinese societies, reliance on written texts as a basis of authority has contributed to written language unity and an emphasis on education: This respect for the authority of texts has been maintained even as authority has changed from Confucian teaching through twentieth century to Maoist (communist) teaching involving other sources of values, to today's embrace of capitalist activities.¹⁹

Religious groups have long competed with countries as a basis for **social identities** that shape people's choices about who they are most willing to work, trade, or fight with. Governments are often originally designed to protect a group that has a common religious and cultural history. The extent to which religion influences the cultural profile of a society depends on the following:

- The extent to which a particular religion is dominant or state-sanctioned
- The importance that society places on religion
- The degree of religious homogeneity and fervor in the society
- The society's tolerance for religious diversity

Some evidence suggests that religious devotion is related to particular cultural values and that devoutly religious individuals are more likely to endorse the dominant cultural profile of a society.²⁰ As societies shift from agrarian to industrial and survival is taken for granted, traditional religious beliefs tend to decline. However, while attendance at religious services has declined, spirituality is on the rise, and deep differences along religious lines remain.²¹ Due to deeply rooted religious beliefs, international managers engaging with business people from cultures that are strongly influenced by religion may face particular difficulties in some business dealings.

Although Christianity currently has the largest number of adherents worldwide, its percentage of followers is projected to be relatively stable, in the near future, with Muslims and Hindus, who have higher birth rates,²² representing increasing percentages of the world population. Because people's beliefs about what is valuable and what actions

Identity (ies) The understanding a person has of himself or herself, their self-concept.

Social identity A person's sense of who they are, based on their group memberships.

will have what consequences are difficult to demonstrate scientifically, religious belief may therefore outweigh hard evidence available. Societies may therefore continue to support very rigid values and beliefs that shape the politics of how and with whom they should operate. Their members take for granted worldviews that become self-evident truths because of underlying beliefs, which may be translated into practice. Box 2.5 is an example of how religion can influence a key business activity.

Other Factors

Numerous other factors contribute to cultural variation and persistence:²³

- *Climate, topography, and the indigenous economy* affect traditions and behavior in the primitive heritage of modern societies, as in our previous Kikuyu of Kenya example.
- *Proximity and topography* affect the exchange of culture among societies because barriers, such as mountains and oceans, limit the potential for cross-cultural interaction.
- *Economic systems and technology* affect the exchanges between cultures and hence the transfer of culture.
- *Political boundaries* (also discussed ahead) define areas where there is more or less interaction among cultures.

Culture and Institutions

Institutions are the structures and activities that provide stability to a society; they consist of the family, educational, economic, religious, and political systems. Institutions that support a society's cultural orientation typically include a governing group that rewards desired behavior and punishes unacceptable behavior and organizations that teach and promote desirable behaviors. Children learn the concepts that are reflected in their

BOX 2.5

ISLAMIC BANKING²⁴

Islamic banking is banking activity that complies with *sharia* (Islamic law). *Sharia* prohibits *riba* or usury, which is usually defined as the charging of interest on loans of money. In addition, investment in businesses that provide goods or services considered contrary to Islamic principles (e.g., pork or alcohol) is also prohibited. As part of the Muslim revival in the late 20th century, a number of Islamic banks were formed to apply these principles to commercial

institutions within the Muslim community. Now there are hundreds of banks and mutual funds around the world complying with Islamic principles. Although Islamic banking makes up only a fraction of the banking assets of Muslims, it has been growing faster than banking assets as a whole. There are both proponents and critics of Islamic banking. However, the influence of religion on this fundamental commercial activity is undeniable.

society's institutions in terms of beliefs about right or wrong, good or bad, ugly or beautiful, and so on. Deep-rooted cultural concepts that have their foundation in ancient beliefs have become fundamental beliefs about right and wrong in a society are *programmed* into members at a very deep unconscious level.²⁵ Their meaning might not be apparent to the outsider and can even be unclear to members of the cultural group. Once a cultural pattern is established, it is very resistant to change, even when surrounding circumstances change. Differences in cultural responses to criminal behavior provide an example: In 28 of the 50 United States, the most severe crimes are punishable by the death penalty, while its neighbor to the North, Canada, abolished capital punishment in 1976. Canada has actively opposed the death penalty in recent years, refusing extradition requests to the United States unless there are assurances that prosecutors will not seek the death penalty.

DEBATES SURROUNDING THE CONCEPT OF CULTURE

There are a number of debates regarding the concept of culture. The issues raised are important to international managers because they affect the usefulness of the concept of culture for allowing managers to understand, explain, and predict behavior in organizations.

The issues in question are

- national cultures,
- the convergence or divergence of cultures,
- organizational cultures, and
- cultural modification or **acculturation**.

National Cultures

A key factor affecting managers is the extent to which a nation has its own distinctive culture. Can we, for example, generalize about the cultural characteristics of mainland U.S., German, Taiwanese and Puerto Rican people—as we have done, to some extent, in our comments on the opening case about a multicultural team—or is there so much variation within each group that generalization is impossible? Much of the research reported in this book is based only on the nations in which respondents lived. This may be misleading: Multiple cultures can exist within a country, and the same cultural group can span many countries.²⁶ For example, Canada is the home to both **Anglophones** and **Francophones**, each having a distinctive culture. While we recognize the differences that exist between them, both are Canadian. The indigenous peoples of North America span the borders, not only of Canada but also of the United States, and all major North American cities have groups in distinct cultures that also exist elsewhere. The 19th and 20th centuries saw the emergence of nation-states that in many cases were a political expression of cultural similarity—for example, the 1990s saw the break-up of the former Soviet Union into 15 independent republics. There is potential conflict between national unity and cultural fragmentation: So do national cultures really exist?

Acculturation

Cultural modification of an individual, group, or people by adapting to or borrowing traits from another culture.

Anglophone

A person who speaks English.

Francophone

A person who speaks French.

A powerful argument in favor of national culture is that because nations are political entities, each has its distinctive form of government and its own legal, educational, and employment relations systems, and these all reflect a cultural consensus.²⁷ In addition, most nations use one or a small number of official languages. Smaller nations often have homogeneous geographical conditions that promote cultural uniformity.²⁸ Such factors influence how people interact with their environment and each other and thereby the way they think—their *mental programming*. Nationality also has symbolic value because it reinforces the view that nationals have a shared culture that is distinctive from anywhere else. We thus derive part of our self-identity from our nationality.²⁹

For managers, the laws and regulations of sovereign nations govern the activities of their firms. Therefore, for international managers, understanding culture at a national level is logical. But if, for practical purposes, the concept of national culture is adopted, two major issues arise.³⁰ First, we may ignore the large number of subcultures that exist within some nations: In reality, differences often observed between subcultures within a country that are not obvious to the outside observer but are apparent to local nationals may be as big as differences between countries. Second, we may ignore the *individual* variations that exist within national cultures—the effects on people of their unique life experiences, gained in various local and global cultural groups that, within a national culture, provide even more diversity. While acknowledging these differences, we nevertheless believe that understanding national culture brings advantages to the international manager

Convergence, Divergence, or Equilibrium

Some people believe that cultures around the world are becoming more similar. Is this true, or are they becoming more different? Because national culture is related to other societal factors, such as political, legal, educational, and labor relations systems, some experts suggest that the rapid technological and economic development around the world (characterized by globalization and described in Chapter 1) has a homogenizing (making more similar) effect on culture.³¹ We call this the *convergence* theory of national cultures—the view that all cultures are converging to be more similar.

Other experts, however, who emphasize cultural stability, argue that as societies with different cultural traditions respond to rapid technological development, cultural diversity will persist or even expand.³² The stability of cultures, they argue, is created by the large number of complex links between the various elements within the nation and its long history of having a distinctive culture.³³

The argument that cultures are converging hinges on the fact that nations are not static but develop over time with changes, such as the expansion of education, increased occupational diversity, urban intensification, and the development of mass communication.³⁴ Supporters of the convergence view suggest that this modernization results from countries' common economic positions and will eventually lead to a society where cultural differences in values, attitudes, beliefs, and behavior disappear. A good example is the European Union, which at the time of writing contains 27 European countries and exercises many common trade regulations, with other principles and rules across all of them. Furthermore, because economic development has historically been equated with Western capitalistic economic orientations, convergence suggests that the culture and ideological values of non-Western countries will converge toward those of the West. Some

support for the convergence view is also provided by research that has found that as wealth increases in a country, cultural differences diminish and people become more similar.³⁵

An interesting response to the idea of cultural convergence has been seen in many developing countries, where people take action to distinguish themselves from the West and to assert their cultural uniqueness. Political leaders in these countries often worry about the growth in self-centeredness—“individualism,” discussed ahead in Chapter 3—and the erosion of civil harmony that they associate with Western-style modernization.³⁶ This may explain why China asserts significant control over the Internet and blocks websites that the government considers offensive.

Despite the logic of arguments in favor of cultural convergence, upon close examination they are somewhat less convincing. Although there has been a shift in some values related to economic development, this finding does not hold for other elements of culture.³⁷ That is, culture is more than just holding modern values, and other variations in national culture that have nothing to do with modernization are probably related to social behavior in much the same way. Box 2.6 provides an example.

While some convergence toward Western managerial values is evident in firms in economies that are moving from less developed to developed, the form of this convergence is not uniform, nor is the effect on managerial behavior.³⁸ Moreover, modernization is probably not the linear uniform process that is sometimes presented. Studies of modernization reveal that countries can modernize in different ways, at different rates, and with different outcomes based on cultural differences.³⁹ Because of the unique origins and complexity of their cultures, they evolve in different and unpredictable ways, making the idea of convergence toward some common end point unlikely. While economic development brings widespread cultural changes, the historical basis for a society has an enduring effect on the character of this development.⁴⁰

A final perspective on cultural variation is that while different environments often produce different social systems, different environments can produce similar systems, and similar environments can produce different systems.⁴¹ This is because the social nature

BOX 2.6

MCDONALDIZATION⁴²

McDonaldization is the reorganization of the economic sector of society so that in terms of management and efficiency it resembles the famous fast-food restaurant. McDonaldization can apply to any industry, and many organizations, including international organizations, have moved in this direction. However, even in McDonald's, the trend is limited by cultural factors. The seemingly identical McDonald's restaurants that exist almost everywhere actually have different meanings and fulfill

different social functions in different parts of the world. Although the physical facilities are similar, eating in a McDonald's is a very different social experience in Japan or China from that in the United States or France. For example, in the United States, McDonald's is a place for a quick meal that will meet quality expectations regardless of the particular store, while in China, it is more of a social event and an opportunity to experience a novel foreign product.

of humans leads to multiple possible solutions to the issues a society faces and because cultures form in relation to other surrounding cultures. For example, the countries of Norway and Finland have similar physical environments, but because of social factors and their relationship to other cultures around them, their cultures vary significantly.

Once a society's cultural characteristics have emerged, their stability or change is not determined by any one influence but by a combination that includes some forces that promote stability (e.g., traditions) and others that promote change (e.g., modernization). Those who take either of the extreme positions—that culture dramatically changes all the time or that culture is largely unchanging—are likely to overstate their views.

Organizational Versus National Culture

In the early 1980s, researchers and managers became aware that in some ways, the social characteristics of organizations resemble the cultural characteristics of societies.⁴³ This awareness came partly because it seemed, at the time, that the huge competitive success of Japanese organizations was due to factors of Japanese culture, such as the sense of service to others and people taking collective responsibility for performance (see Chapter 3). Could that success be imitated by mimicking or manipulating a culture *within an organization*? For example, could the organization develop a set of values related to its objectives, such as high levels of customer service or belief in the organization's vision for growth that all employees shared? The idea of an organization having its own culture raises two questions about culture and its influence:

- First, how are national culture and organizational culture related? How are they similar or different?
- Second, to what extent does an organizational culture moderate or negate the effect of national culture?

The term *organizational culture* was brought into the management literature from anthropology. However, the definition of culture is not the same in the two fields.⁴⁴ In particular, as we have described previously in this chapter, traditional anthropological views of culture emphasize the very strong influence that a society has in shaping how its children—who go on to become active citizens—view the world. Organizations, however, have culture-like qualities in that they can (1) attract and select a subset of a society's members who have already adopted the organization's values and (2) **socialize**, or indoctrinate members into the organization's way of doing things.⁴⁵ Organizational culture involves attitudes, beliefs, values, and expectations that organization members hold in common and behaviors that they commonly exhibit. Organizational culture is often described as an internal attribute of the organization that is

- socially constructed,
- historically determined,
- holistic, and
- difficult to change.

Socialize

To teach and enforce behavior that is acceptable to a group or society.

Much of what we know about organizational culture focuses on consciously held values about an organization's strategies, goals, and philosophies.

There is evidence that organizational culture and national culture are composed of different elements.⁴⁶ Although the values of founders and key leaders shape organizational cultures, the way these cultures affect organizational members is through the routine practices of the organization. These practices include both organizational programs, such as training, and informal ways of doing things. For example, although Walt Disney died in 1967, the values of fun and wonder that he originally developed in the Disney organization continue to be firmly established in the staff of today's Disneyland theme parks through staff training and work procedures.

We distinguish between organizational and national culture because people enter organizations *after* their national cultural values, attitudes, and fundamental beliefs have been developed, whereas organizational practices are learned through workplace socialization. Organizational cultural practices such as goal-setting programs and workmates going out together after work have different implications depending on the national culture in which they occur. The focus on behavioral norms—"how we do things here"—as the fundamental element of organizational culture demonstrates and amplifies the distinction between organizational culture and societal culture. Organizational norms tell people how they should behave in a particular situation, whereas societal culture tells them the inherent *meaning* of the situation.⁴⁷ Thus, norms are on the surface of the iceberg diagram (Figure 2.2), whereas societal culture runs much deeper. The effect of organizational culture is probably weaker than that of national culture, is confined to organizational contexts, and has limited lasting impact. For example, in a classic study,⁴⁸ which we discuss in more detail in Chapter 3, a single company's (IBM) strong corporate culture did not prevent it from having striking cultural differences among its staff. Individuals are only partly involved with their organizations but are totally immersed in their national culture. Membership in an organization is based on an exchange relationship that depends on both the person and the organization meeting certain conditions. Membership in a national culture, however, is much broader in scope and is unconditional. Table 2.1 outlines the characteristic differences between national and organizational culture.

How compatible is organizational culture with national culture? Research suggests that national or societal-level culture influences the relationship of an organization's culture to its outcomes. Attempts to transfer organizational practices across national

TABLE 2.1 ■ Comparison of Organizational and National Culture

National Culture	Organizational Culture
Shared meanings	Shared behaviors
Unconditional relationship	Conditional relationship
Born into it	Socialized into it
Totally immersed	Partly involved

cultures—for example, when a multinational organization tries to copy a successful practice across all the countries in which it operates—can produce intercultural stress unless the practices are adapted to local conditions.⁴⁹ For example, diversity programs aimed at developing workforces involving more women and/or other underrepresented groups in senior positions may face difficulties in countries where there are cultural barriers to women's access to senior organizational roles or to employing specific ethnic groups. We present more complete discussion of this compatibility in Chapter 9. National culture may also limit the type of local organizational culture that evolves within a firm. The implications of societal culture for specific organizational norms, rules, and procedures may therefore need to be evaluated. MNOs that seek to duplicate a particular organizational culture in multiple countries with different national cultures face special problems.

The convergence argument discussed previously can also be applied to organizational cultures. That is, in different countries, there may be convergence toward common organizational practices due to similar technological innovation. However, research results indicate that similar general technology can be operated differently by different social systems.⁵⁰ For example, although Japan has adopted Western technology, distinctive practices that relate to national culture have persisted. Despite technological changes toward U.S. methods, Japanese workers have maintained many traditional national attitudes toward their work, such as their commitment to the company and to its productivity goals and a norm of workplace harmony.⁵¹

The debate over cultural convergence versus divergence has resulted in a number of compromise proposals concerning organizations. One is that cultural convergence–divergence is a matter of level of analysis.⁵² Convergence among organizations is often found in organizational structure and technology while there is divergence in the behavior of individuals. Another suggestion is that there is convergence only in cultural characteristics that enable people to function more easily in a technological environment.⁵³ Thus, certain behaviors and attitudes (such as an openness to innovation and change) are necessary for organizations to adapt to the imperatives of an industrial society, but others (such as respect for one's parents and ancestors) have no functional relationship to industrialization and are therefore not influenced by modernization.

The idea of organizational culture remains central to the way many managers think and feel about their organizational experiences. The expectation that a strong organizational culture will have overall positive effects has not been supported in most studies.⁵⁴ However, analyses of specific components often find that the strength of norms emphasizing specific outcomes, such as safety, production quality, or service quality, often predict organizational performance.⁵⁵ Also, organizational culture research has extended beyond the United States, so that the majority of studies since 2000 have been done in other parts of the world. Recent organizational culture research has been especially prominent in nations such as China as they seek to optimally use and appropriately adjust practices developed elsewhere.⁵⁶

In summary, organizational culture is different from national culture and is composed of different elements. In addition, entry to and transmission of organizational culture occurs differently to national culture. Individuals are only partially involved with an organizational culture but are totally immersed in their national culture. Overall, the best way to consider the influence of these forces on behavior in organizations is to think of organizational *norms* operating within and together with societal *culture*.

Acculturation and Biculturalism

Acculturation concerns the psychological and behavioral changes that people experience because of contact with different cultures, particularly people who relocate from one culture to another. Acculturation can also occur on a larger collective scale where a whole group (e.g., Turkish immigrants in the Netherlands or the nation of Japan when controlled by the United States after WWII) undergoes change.⁵⁷ The gradual process of psychological acculturation during immigration results in changes in individuals' behavior, identity, values, and attitudes. For example, in a study of Italian and Greek immigrants to Canada, first-generation immigrants exhibited a stronger (Greek) ethnic identification than did their children.⁵⁸ Thus, over time the identification of immigrants with their new country becomes stronger, though some evidence suggests that these changes may take generations. In a study of Polish immigrants to Canada, for example, even after two generations, participants' values were still more closely allied to typical Polish rather than to Canadian values.⁵⁹

The acculturation of individuals and groups can be influenced by individual differences and situational factors. The entry status of individuals, their ability to communicate in the local language, their personality, and whether they form relationships with host country nationals or co-ethnics all influence acculturation.⁶⁰ For example, one study found that individuals with a high need for certainty who formed initial close relationships with co-ethnics had a strong tendency to maintain their culture of origin, while those who formed initial close relationships with host nationals showed a stronger tendency to adapt to the new culture.⁶¹

Finally, some individuals with the experience of living in multiple cultures acculturate to such an extent that they are able to function very effectively in more than one culture.

These so-called **bicultural** individuals (also discussed in Chapter 11) have, through living in another culture or having intensive daily interaction with people who are culturally different, developed so much cultural flexibility that they can adjust their behavior to the immediate cultural situation.⁶² Research indicates that biculturals do not just adapt their superficial behavior but that they can also hold different views of themselves, reflecting two different cultures.⁶³ For example, a Japanese American person might define themselves simultaneously both in typically American terms and typically Japanese terms.

A society's culture is resistant to change, and this resistance is typically too strong for a work organization to overcome. However, this does not mean that cultures are static. One way that cultures change is through the process of acculturation, as large groups migrate from one society to another and mutual adjustment occurs.

Bicultural

Individuals who have dual cultural identities.

In-group/out-group

An in-group is a social group to which a person psychologically identifies as being a member. By contrast, an out-group is a social group with which an individual does not identify.

CULTURE AND SOCIAL GROUPS

A key aspect of culture is that cultures are associated with specific groups of people. When we identify ourselves with a particular social group, we place boundaries around our group (in-group) and define non-members as an out-group. The **in-group/out-group** distinction is useful in describing attitudes and behavior both within and across cultural group boundaries. An important starting point is that identifying a social group serves

no purpose if no one is excluded from it. Groups are about differentiation. For example, anthropologists report that cultural groups that exist in isolation do not have characteristics (e.g., tribal name or unique symbols) that indicate a strong group identity.⁶⁴ Associating culture with social groups further illuminates two important considerations of cultural groups.

First, while groups have systems of norms and role structures that give them stability despite changes in their membership, the characteristics of groups can change as different members come and go. At the societal level, the migration of people who have special abilities change both the migrated-from and the migrated-to societies. Second, our membership in a cultural group helps to determine how we perceive ourselves—our self-identity—and also how others perceive us. Thus, the categorization of individuals into different groups results in a number of assumptions about both the in-group and out-group members, such as different

- beliefs about in-groups and out-groups,
- attitudes toward in-group and out-group members, and
- behavior directed at particular cultural groups.

When categorized in a group,

- individuals are thought to be more similar in their beliefs and behavior,
- their behavior is thought to convey less information about them as individuals, and
- the group is believed to be a more important because of their behavior than their individual characteristics.⁶⁵

Stereotype A widely held but fixed and oversimplified image or idea of a particular type of person.

When people refer to national groups, such **stereotypes** of cultural groups are prevalent—for example, when we say, “Japanese people are like this, and U.S. people are like that.”

The in-group/out-group boundary that results from categorization affects how individuals select, structure, and process social information. Typically, categorization results in a comparison of our own group with other cultural groups resulting in intergroup bias, which can be either positive or negative but usually favors one’s own group.

In-Group Bias and Prejudice

The almost universal bias in favor of one’s own group is related to the role of our cultural group in defining who we are. We derive our sense of self in part from our identification with the groups to which we belong, including our cultural group.⁶⁶ To maintain our self-image, we favorably compare the attributes of our own group (the in-group) with those of out-groups. Therefore, we consistently discriminate in favor of the group(s) with which we identify. Prejudiced judgments about members of out-groups relate to beliefs about the character of these groups. These often negative attitudes toward out-group members are based solely on their membership in a

particular group. When action is taken against members of this out-group, prejudice translates to discrimination.

The extent to which prejudiced attitudes result in discriminatory behavior depends on both personal and cultural factors.⁶⁷ However, in-group favoritism is a common consequence of social categorization according to gender, age, and nationalities. Numerous management-related examples of this bias exist, including reports of the so-called country-of-origin effect.⁶⁸ For example, although there may be some global country-of-origin biases to prefer special products from specific countries, such as perfume that comes from France, products described as coming from a person's own country are typically rated higher in quality than the same products coming from another country. But it is when such biases apply to people rather than to products that real problems can occur. In this process, much depends on people's sources of information. An example is presented in Box 2.7.

BOX 2.7

STEREOTYPING MIGRANTS

Since the entry of many Eastern European countries into the European Union in 2004 through 2007, giving their people the right to live and work freely in any EU country, there has been much controversy in the United Kingdom (UK) about the numbers of Poles, Romanians, and others flowing into Britain. Some UK citizens believe that European migrants are “taking our jobs,” “robbing our homes,” and “getting large British welfare benefits.” That's the stereotype. This was probably a major factor in the UK public's 2016 referendum decision to “Brexit”—that is, leave the European Union. But what is the truth? Here are three perspectives:

Sections of the British press have for years published negative stories about European immigrants. According to these stories, EU migrants in the UK have undesirable cultural characteristics and are a major drain on the economy. But are the news stories representative of a wider truth, or are they hand-picked to support anti-immigration political views?

Jenny Sutton, a professional woman living in London, has a different view. She used to employ a part-time handyman, a part-time gardener, and a part-time cleaner. All of them were English, and all of them did their jobs so poorly that Jenny

had to replace them. She found that, in contrast, her complaints disappeared when she hired Polish workers. Jenny found that the Poles are “great—honest, courteous, and hard-working.” She is delighted. But are the three employees in question typical of their nationalities?

A third perspective comes from Oxford Economics, a group of professional economists that in 1918 published a report on the economic impact of migrants in the United Kingdom. Their conclusion? “The average UK-based migrant from Europe contributed approximately £2,300 more to UK public finances in 2016/2017 than the average UK adult. . . . The average European migrant arriving in the U.K. in 2016 will contribute £78,000 more than they take out in public services and benefits over their time spent in the U.K. By comparison, the average U.K. citizen's net lifetime contribution in this scenario is zero.” Anti-immigrant groups claim, however, that the economists are politically biased and/or incompetent and that the evidence about immigrants in everyday life contradicts such statistics.⁶⁹

Who do you believe, and why? Is there anything that the three perspectives agree on? What are some of the key perspectives on migrants in your country, and what is the truth?

Ethnocentrism

Ethnocentrism An attitude that one's own cultural group is the center of everything and all other groups should be evaluated with reference to it.

The attitude that reflects the categorization of cultural groups is encapsulated under the term **ethnocentrism**. Ethnocentrism is an attitude that one's own cultural group is the center of everything and all other groups should be evaluated with reference to it.⁷⁰ It is a universal tendency that has broad implications. The following are the characteristics of ethnocentrism:

- What goes on in our culture is *natural and correct*, and what goes on in other cultures is *unnatural and incorrect*.
- Our own in-group customs are universally valid.
- Our in-group norms, roles, and values are correct.
- It is natural to help and cooperate with members of our in-group, to favor our in-group, to feel proud of our in-group, and to be distrustful of and even hostile to out-group members.⁷¹

Examples of ethnocentric attitudes in management include beliefs that the way business is conducted in one's own country is the only way to be effective, that people of one's own culture are naturally better suited to almost any management job, and that the role of women in management is only correct as it exists in our own culture.

Summary

In this chapter, we have presented the concept of culture as a set of shared mental representations that shape how managers interact with their world. Therefore, culture determines how management is conceptualized and how managers act. Culture is not inherited but is developed over time by the way societies interact with their physical environment, their social context, and with other societies. It is learned by each new generation and can occur in any social group. Thinking of culture in this way places boundaries around our cultural group and differentiates us from those in other groups. This perspective provides a basis for understanding that culture influences the values that a society's members hold and act on.

The concept of a national culture is an appropriate starting point for understanding cultural influences on international management.

Managers are concerned with the legal and political characteristics of countries, which are derived from the countries' history and culture. Culture can include the most fundamental characteristics of a society. National culture can be seen as distinct from organizational culture in terms of both its components and its influence on behavior. Although national cultures are relatively stable, they do change over time, and individuals can identify with a new culture through the process of acculturation. Some can even identify with more than one culture. While arguments can be presented for convergence or divergence of national cultures, the reality is probably in between: Some aspects of cultures may be converging because of globalization, but other aspects of culture are affected very little by global technological and economic changes.

PRACTICAL IMPLICATIONS

For International Managers

A starting point for understanding other cultures is to become aware of the characteristics of your own national culture, particularly aspects of it that you yourself demonstrate. It also pays to study, in advance, the characteristics of cultures you visit in your work, if possible before you go there. You can get relevant resources in libraries and online. Pay attention not just to culture but to things such as religion, language, and institutions that often reflect the culture. Avoid criticizing or making fun of other cultures. You must respect cultural differences, learn about them from local people, volunteer for new culturally different experiences when you are abroad, and consider what these cultures may offer that yours does not.

For Students

You can develop your cultural knowledge and sensitivity without leaving your own country or even

your own town. As well as learning new ideas and facts about culture from this book and other sources, you probably have many people from other cultures in your immediate environment (e.g., students visiting from other countries). If you confine yourself to relationships and events with members of your own culture, you will miss a huge opportunity to prepare yourself for a career as an international manager (and to improve yourself generally). Try to think of yourself not only as a citizen of your own country but also as a citizen of the world. Get outside the boundaries of your own culture and open yourself up to new possibilities by meeting new, culturally different people and going to the events of different cultural groups. And when you do, look around you for evidence of in-group/out-group behavior, ethnic prejudice, and some of the other ideas mentioned in this chapter.

Questions For Discussion

1. What are the main features of any culture?
2. Where does a societal culture come from? Why do cultures differ and persist?
3. Some people compare culture to an iceberg. What does this mean?
4. Are societal cultures becoming more similar or more different around the world?
5. Is the concept of a national culture useful for international managers?
6. What are the main differences between societal and organizational culture?
7. What does culture have to do with social groups? With our self-identity?

Key Terms

Acculturation 33	Francophone 33	Social identity 31
Anglophone 33	Identity (ies) 31	Socialize 36
Artifacts 24	In-group/out-group 39	Society 26
Bicultural 39	Logic 25	Stereotype 40
Ethnocentrism 42	Roles 24	Values 24