

### **Setting the Stage Cross-Cultural Competence and Management**



**ECONOMICS** 

AND BUSINESS

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#### **Overview**



- 1. Fundamental critique on current CC research
- 2. The core issue: predicting behavior
- 3. Five major research fields identified
- 4. Epistemological and ontological background
- 5. Levels of Analysis







- 1. Wong et al (2008): The broad construct of culture cannot be replaced by a few cultural dimensions.
- 2. Tsui et al (2007): Behavior of individuals cannot be causally explained by national value dimensions.
- 3. McSweeney (2002, 2007): Cultures are much more differentiated than the paradigm of national cultural dimensions may make believe. Cultural dimensions are not the software of our minds.







Widespread beliefs and modest experience that behavior of individuals can be predicted and culture can be changed.

Preconditions: We would have to know from different cultures

- which factors influence behavior?
- how individuals make decisions and set action?

'Organization' assumes that information collection, decision making and behavior can be regulated.





#### Five major research fields

- 1. Classical issues in CCC and CCM research
- 2. The Social Viable Systems (SVS) view: three domains and four processes
- 3. Culture and cultural levels
- 4. The time dimension
- 5. The multicultural dimension mixed groups



# Classical issues in CCC and CCM research and new approaches



#### 1. Selected fields/issues

- Cultural intelligence management
- Cross cultural knowledge management
- CC communication and relationship management
- CC careers, expatriation, repatriation management

#### 2. 'New' research approaches

New methods of text, artifact and picture and image analyses and comparison [Ante-narratives, Meta-theatres, Computer assisted text and picture analyses, QCA, Bayesian Networks, etc.]





#### Social Viable Systems (SVS)

#### 1. Three domains:

- Epistemology (values, beliefs, knowledge);
- Ontology (personality and decision making);
- Phenomenology (observable action and patterns of behavior).

#### 2. Four processes [action and learning]

- Values guide thinking and action;
- Individuals set action;
- Individuals reflect on the outcomes of action;
- Individuals adjust their values and knowledge.





#### **Culture and cultural levels**

- 1. Relations of societal culture to
- structural, demographic, and ecological characteristics
- national policies and actions.
- personality traits or distributions of individual attitudes, values, behavior, etc.
- organizational cultures embedded in societies and beyond societies.
- 2. Issues of integration, disintegration and differentiation, cultural similarity and difference.
- 3. Issues of interest conflict and cultural conflict resolution.



#### The time dimension



- 1. Point or flow of time perspectives:
- Cross sectional snap shot studies (single point of time)
- Constant comparative method (several time points)
- Longitudinal studies processes over time.
- 2. Time as a variable  $\rightarrow$  processes over time
- Adjustment and hybridization processes
- Cross cultural careers
- Emerging group cultures
- Global shifts in values and norms
- Learning processes
- Migration processes
- System pathologies.



# The multicultural dimension – mixed groups



- Varying cultural distances no common cultural anchor.
- 2. Common language, but no native speakers.
- 3. Common texts, but no common sense.
- 4. Management of meaning.



# Epistemological and ontological background



- 1. Maruyama universes
- 2. Yolles' Social Viable System Model (SVS)







- 1. Classificational universe structure
- 2. Relational universe relations and correlations
- 3. Relevantial universe motivation and interpretation.

(Maruyama 1965)



# On the structural and relational universe



- 1. What is culture? Is it a whole?

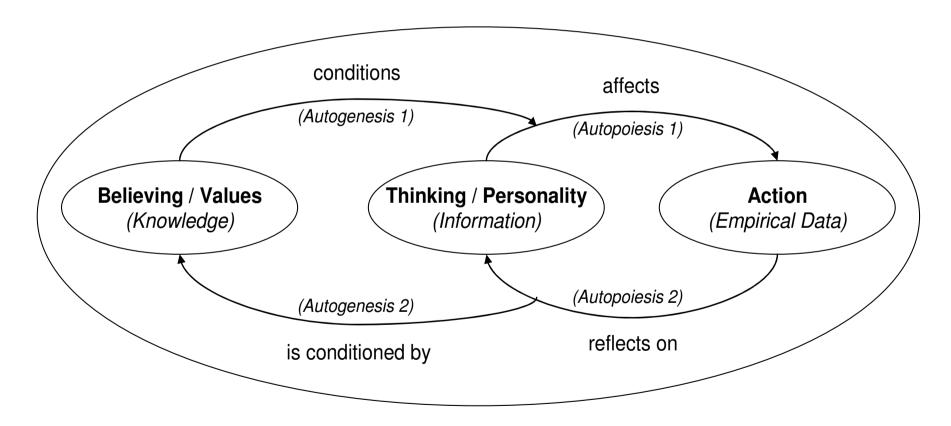
  [Culture is not simply a collection of a few dimensions].
- 2. What are its components, dimensions and structure (structural aspect)?
- 3. How do they relate to each other (relational aspect)?
- latent model,
- aggregate model,
- typological model.

(Wong et al. 2008)



### The SVS embraces the structural, relational and relevantial universe





(Yolles & Iles 2006)





#### **Social Viable Systems (SVS)**

#### 1. Three domains:

- Values, beliefs, knowledge;
- Thinking personality traits and decision making;
- Observable actions and patterns of behavior.

#### 2. Four processes

- Values and beliefs condition (i.e. guide) thinking and action.
- Individuals set action after collecting information and making decisions.
- Individuals reflect on the outcomes of action.
- Individuals adjust their values and knowledge.



#### Levels of analysis





,The world<sup>4</sup>

??

Supra-national units

al

Countries

e.g. nation states; semi-autonomous

Regional, e.g. European Union; ASEAN;

NATO; global, e.g. IMF, UNO, Amnesty

regions; emerging states

International: WWF

Networks of organisations

e.g. strategic alliances; lobbying

networks

Organisation

e.g. indigenous companies; cooperatives; multinational corporations; non-profit or non-governmental organisations; international organisations; public administration; public-

private-partnerships

**Networks** 

e.g. professional associations; social

networks; political networks

Group

e.g. different forms of work teams; culturally mixed work teams; virtual teams; task forces

Individual

e.g. blue-collar workers; managers; females;

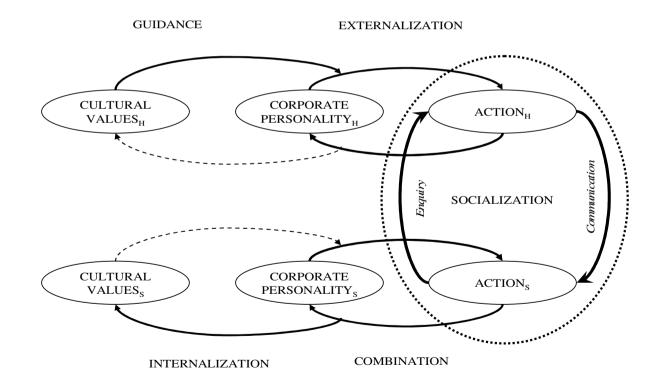
ethnic minorities; expatriates





## Knowledge migration value change is triggered by action







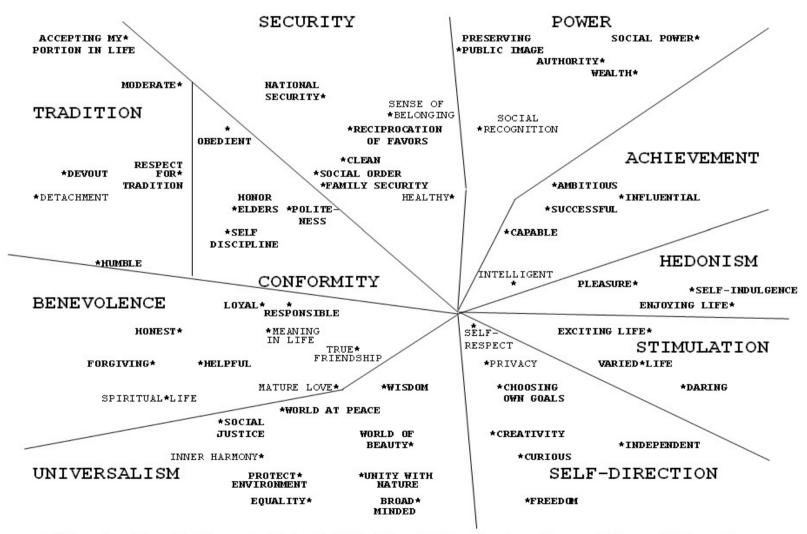




- Individual values (Schwartz)
- Group values (GLOBE)
- Organizational Values (Hofstede et al 1990, Sagiv and Schwartz 2007)
- Society level (Hofstede 1980, Hofstede et al 2008, Schwartz, GLOBE)
- Global perspectives (Inglehart, Welzel, Schwartz)

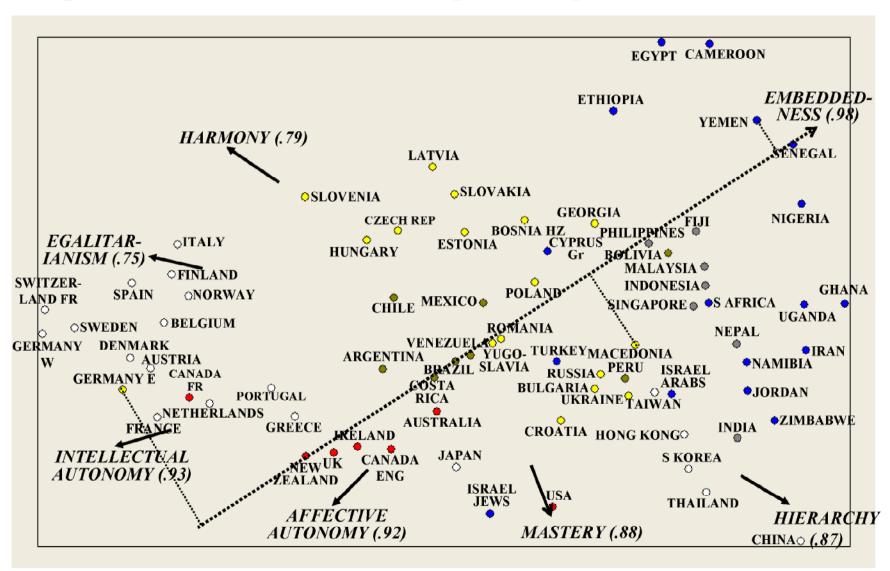


#### **Individual Level (Schwartz 2008)**



2-Dimensional Smallest Space Analysis: Individual Level Value Structure Averaged Across 68 Countries

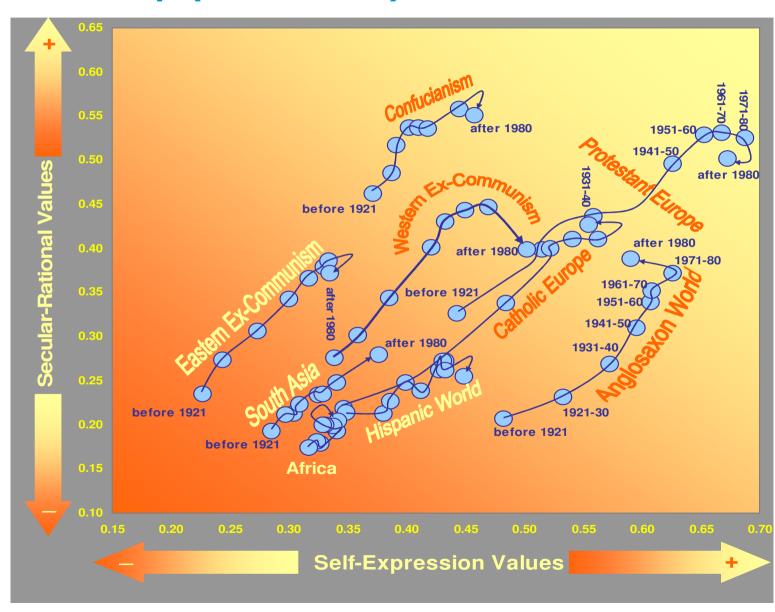
# Organizational Level Sagiv and Schwartz (2007)



### **Global Level**Word Values Survey (Welzel 2006)

Cohort
Differences
throughout
Cultural
Zones

Cohort differences indicate a long-term increase of secular-rational and self-expression values in all cultural zones except Africa.







Personality traits try to capture preferences of individuals in information collection and weighing of arguments for decision making and setting action.

Big-Five Personality Traits

MBTI – Myers Briggs Type Indicator
Socionics

Maruyma's Mindscape
Boje's Mindscape



#### The BIG-Five



#### **Big-Five Personality Traits**

- extroversion,
- agreeableness,
- conscientiousness,
- neuroticism,
- openness to experience.

On the national level the Big Five are partly correlated with Hofstede culture dimensions (Hofstede and McCrae 2004).

An experiment by Daniel Dauber (2009) shows that on the individual level the Big Five are correlated with Schwartz's individual values.





#### **Myers-Briggs-Type Indicator**

MBTI is a hierarchical on/off model: A person is either

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extrovert (E) or introvert (I) and follows a lifestyle (a structure) with a preference for either Perceiving (P) or Judgment (J).
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Perceiving (information gathering) functions are further divided into either

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Sensing (S) or Intuition (N);
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Judgment (decision making) functions into either Thinking (T) or Feeling (F).



# Cultural Standards are part of the cultural orientation system of an organization

Normal **Tolerated** Acceptable Sanctioned Behavior **Behavior Behavior Behavior Spheres of Sanctions** Differentiation of Culture embraces Sub-Culture norms, subcultures and cultures acceptance, sanction systems tolerance, and sanctions



#### Major types of cultural standards

Cultural standards relate to the collective memory of a society or organization about past experience with successful patterns of behavior and action.

#### Cultural differences are notable with respect to:

- Issues of time (time related behavior, use of time, keeping to schedules)
- Issues of communication (voicing critique and agreement)
- Rule obedience (strict or heedful rule obedience, or rule ignorance)
- Privacy (considering the interests of non-organizational stake holders).

(Fink and Meierewert 2009)







- Proactive Cognition (allocation of cognitive resources)
- Deciding (chosing and evaluating choice related variables)
- Action Control (implementation of behavior)

Dewberry and Narendran (2007)





#### Decision making and behavior

Guided by <u>values</u>, <u>stereotypes</u> and their <u>personal disposition</u>, considering the <u>importance of a decision</u>, but also <u>possible sanctions</u>,

individuals either select from an available set of <u>cultural standards</u> and follow the normal patterns of behavior or chose to take an action deviating from normal patterns of behavior.



#### **Summary**

### a perspective for cross-cultural research and EJCCM



- Classical fields and research with new methods.
- Epistemological (Maruyama) position: classification, relation, relevance (motivation).
- Ontological position (Yolles' SVS): domains and processes.
- Theoretical position: relate the culture concept to other concepts explaining differences, e.g. institutional context.
- Same level of analysis interaction between levels.
- Time point, constant comparative method, time flow.
- Time flows spontaneous and managed processes.
- The multicultural dimension: no common anchor no common sense – management of meaning.
- Individual and collective personality and decision making processes.

### Can we predict patterns of individual and collective behavior?

