Culture and Organizations

Chapter 15

Outline

- Organizational culture and organizational climate
- Cultural differences in work-related values
- Culture and the meaning of work
- Culture, Motivation, and Productivity
- Culture, Leadership, and Management Styles
- Culture and Decision-Making Processes
- Intercultural Issues Regarding Business and Work
- Culture and Sexual Harassment

Organizational culture: meaning and information system shared within an organization and transmitted across successive generations of members, that allows the organization to survive

Organizational climate: shared perception of organizational policies, practices, and procedures

Cultural differences in work-related values conducted by Hofstede

Data from 72 countries

Hofstede's four dimensions: Power Distance, Uncertainty Avoidance, Individualism-Collectivism, and Masculinity-Femininity
Power Distance
- Degree to which different cultures encourage or maintain power and status differences between interactants
- High Power Distance:
  - develop rules, mechanisms, and rituals that serve to maintain and strengthen status relationships among members
  - foster organizations with greater centralization of organization and process, taller organizational pyramids, larger wage differentials, etc.

Uncertainty Avoidance
- Degree to which different cultures develop ways to deal with anxiety and stress of uncertainty
- High Uncertainty Avoidance:
  - develop rules that are mandated and become part of company rubric and normal way of operating
  - Companies are rule-oriented
  - Greater job stress

Individualism-Collectivism
- Collectivistic cultures
  - Foster more compliance with company policies and more conformity in group behavior
  - Foster greater degree of reliance on group work and group orientation to company and organizational tasks
  - Value harmony within groups and likely to engage in behaviors that ensure harmony
  - Freedom, independence, and initiative are normally frowned upon

Masculinity-Femininity
- Degree to which cultures maintain differences between the sexes in work-related values
- High Masculinity-Femininity:
  - Managers value leadership, independence, and self-realization
  - Regard earning, recognition, advancement, and challenge as more important
  - Organizational interests, needs, and goals viewed as legitimate reasons to interfere in personal lives of employees
  - Fewer women in better-paid jobs
  - Greater job stress

Long- versus Short- Term Orientation
- Degree to which cultures encourage delayed gratification of material, social, and emotional needs among its members
- Long-Term Orientation:
  - Unequal status relationships lead to a stable society
  - The family is typical of all social organizations
  - Differentiate more between elders and youngsters and between brothers and sisters
  - Believe humility is a great human virtue
  - Focus on building relationships and market position
  - Integrate business and family lives

Other Research on Organizational Culture
- Other measures of organizational culture
  - Smith et al. (1996): two universal value orientation
  - House et al. (2004): nine value orientations related to leadership
  - Inglehart (1997): two attitudinal-belief-value orientations
- Many of these related to Hofstede's dimensions
Some Practical Implications of Organizational Culture

- Cultural fit between person and company
- Culturally sensitive personnel selection and training

Culture and the Meaning of Work

- Some cultures view work groups and companies as fundamental part of self
- In US, work seen as means to make a living; in collectivistic cultures, work may be seen as fulfilling obligation to larger group. Therefore, in individualistic cultures, easier to change jobs
- Influence of socioeconomic status of society on perception of job
- People's views of their lifeworks are important part of human culture

CULTURE, MOTIVATION, AND PRODUCTIVITY

Social Loafing: decline of individual productivity in large groups
- In US, due to diffusion of responsibility in larger groups
- Social loafing did not occur for Chinese, and Japanese

Social Striving: enhancement of individual productivity in large groups
- Occurred for Chinese children
- Due to increase coordination among ingroups; value of individual contribution

Social loafing decreasing and social striving increasing in US
- Social striving works in US through constructive thought pattern

CULTURE, LEADERSHIP, AND MANAGEMENT STYLES
Cultural Differences in the Definition of Leadership and Management

- Leadership and managerial styles different cross-culturally
  - In industrialized cultures, leaders are dynamic and action oriented
  - In India, leaders are nurturing and take on a parental role
- Leadership boundaries different cross-culturally
  - In some cultures, boundary between work and personal life unclear, and thus leaders play a role in personal life

Cross-Cultural Research on Leadership and Management

- Cross-cultural differences in leadership behaviors
- Identification of culture-specific leadership and managerial styles
- Cross-cultural similarities in leadership behaviors
- Universal leadership goals and culture-specific ways in which goals carried out
- Influence of climate and wealth on leadership styles

CULTURE AND DECISION-MAKING PROCESSES

Making Decisions

- In US: democratic decision making procedure or oligarchy
- In Japan: ringi system, nemawashi (broad-based, consensus building procedure)
- Cultural differences also exist for confidence placed on decision made
- Management decision influenced by organizational culture

Fairness

- Research on judgments of fairness
  - Distributive justice: outcomes of decisions regarding distribution of resources
  - Procedural justice: process of making such decisions
- Different cultures apply different criteria when making allocation decisions
- Americans' judgments of fairness related to merit; in East Asia, it is related to seniority, family size, education

Making Decisions

- Groupthink (collective pattern of thinking that hinders effective group decisions) vs. teamthink (constructive pattern of thinking that leads to more effective decision making)
### Fairness
- As cultural beliefs, values, and opinions change over time, judgment of fairness also changes.
  - In Japan, more merit-based than it was 20-30 years ago.
- Hierarchical nature of cultures important in reward allocation.
  - Hierarchical cultures: rewards distributed on basis of equity and performance.
  - Horizontal cultures: preferred equality over equity.

### Intercultural Issues Regarding Business and Work

#### Negotiation
- Negotiation in US is a business; communication is direct and verbal.
- Negotiation processes in other cultures are different.
  - "diplomatic dance" between Arabs and Americans (due to cultural differences in personal space).
- Cultural differences between US and Japan.
  - Use of "yes".
  - Role of entertainment and getting to know each other.
  - Direct vs. indirect communication styles.

#### Negotiation
- Congruence between relational self-construals of the negotiators.
- Cultural differences between China and Canada:
  - Avoidance of conflict.

### Overseas Assignment
- Difficulty arises because of limited language skills and different expectations.
  - Different views of women.
- Adjustment problems occur because of differences in lifestyle, customs, and behaviors.
- Positive aspects of overseas assignment: learn new skills, broaden perspective.

### Working with an Increasingly Diverse Workforce Population
- Many problems that arise when Americans go overseas occur when foreign workers come to US.
  - Different expectations, customs, and rituals.
  - Different ways of doing business.
- Cultural differences in ways of handling disagreement.
  - Role of Individualism-Collectivism and Power Distance.
- Similar issues when dealing with diverse American workforce.
Working with an Increasingly Diverse Workforce Population

- Many companies overcome these challenges by:
  - Making explicit communication styles, decision making, productivity, and worker behaviors important for success of company
  - Training employees in intercultural issues

CULTURE AND SEXUAL HARASSMENT

- Sexual harassment: verbal or physical conduct of sexual nature in which submission is a condition to employment or employment decision

- Although no systematic study, sexual harassment most likely widespread
  - Cultural differences in masculinity vs. femininity; differentiation of behavior between men and women; differences in sex roles

- Effect of sexual harassment and ways of coping same across cultures