CZD ;^O[JLTURES ONSEQUENCES SECOND EDITOM

Comparing Values, Behaviors, Institutions, and Organizations Across Nations

Geert Hofstede

Sage Publications International Educational and Professional Publisher Thousand Oaks • London • New Delhi

Contents

From the Preface to the First Edition (1980)	XV
Preface to the Second Edition	xvii
Summary of the Book	xix
Values and Culture	1
Summary of This Chapter	1
Definitions and Distinctions Mental Programs Describing Mental Programs in Measurable Terms Values Measuring Values Culture National Cultures and Their Stability National Character and National Stereotypes Cultural Relativism	1 4 5 7 9 11 13 15
Studying Culture Comparing Cultures: Changing the Level of Analysis Avoiding Ethnocentrism The Need for a Multidisciplinary Approach Language and Translation Matching Samples: Functional Equivalence Modal and Marginal Phenomena	15 15 17 19 21 23 24
Dimensions of Culture The Specific and the General Searching for Dimensions of Culture Dimensions Versus Typologies Five Basic Problems of National Societies Other Dimensions of Culture in the Literature: Theory Based Other Dimensions of Culture in the Literature: Empirical	24 24 26 28 28 29 31
Culture Change The Process of Culture Change Culture Change and the IBM Data	34 <i>34</i> <i>34</i>
Notes	36

1.

2.	Data Collection, Treatment, and Validation	41
	Summary of This Chapter	41
	The Research Settings The IBM Corporation The Use of Attitude Surveys in IBM Questionnaire Translation and Survey Administration The IBM Survey Database A Second Research Setting: IMEDE Business School	41 41 43 46 48 49
	Data Treatment Frequency Distributions and Central Tendency Within Groups ANOVA: Country, Occupation, Gender, and Age Comparing 40 Countries: Matching Occupations Extension to 50 Countries Plus Three Regions Selecting Stable Questions Eclectic Analysis: Power Distance and Uncertainty Avoidance Work Goal Importance Data: Eliminating Acquiescence Work Goal Importance: Ecological Factor Analysis Putting the Four Dimensions Together Value Shifts in IBM Between 1967-69 and 1971-73 Correlations Between Index Scores Country Clusters Multilingual Countries: Belgium, Switzerland, and Yugoslavia	49 49 50 51 52 52 53 56 58 58 60 60 60 62 63
	Validation The Reliability of Country Dimension Scores Replicating the IBM Research Comparing With Data From Other Sources Economic, Geographic, and Demographic Indicators Adding a Fifth Dimension Studying Organizational Cultures Support and Criticisms of the Approach Followed	65 65 66 67 68 69 71 73
	Notes	73
3.	Power Distance	79
	Summary of This Chapter	79
	Inequality and Power Distance On Animal and Human Inequality Inequality in Society Inequality in Organizations The Concept of Power Distance Power Distance and Human Inequality	79 79 80 82 83 84
	Measuring National Differences in Power Distance in IBM Organization of Chapters 3 Through 7 A Power Distance Index for IBM Countries Power Distance Index Scores by Occupation Gender Differences in Power Distance Country Power Distance Index Scores and Other IBM Survey Questions	84 84 85 88 90 90
	Validating PD1 Against Data From Other Sources Straight Replications of the IBM Survey PDI Vareus Studies of General Values in Society	91 91 92
	PDI Versus Studies of General Values in Society Summary of General Connotations of the Power Distance Index Found in Survey Material	92 96

Origins and Implications of Country Power Distance Differences	97
The Power Distance Societal Norm	97
Power Distance in the Family	98
Power Distance, Schools, and Educational Systems	100
Power Distance in Work and Organization	102
Power Distance, Worker Participation, and "Industrial Democracy"	106
Power Distance and Political Systems	110
Power Distance and Religion, Ideology, and Theories of Power	113
Power Distance and Aviation Safety	115
Predictors of PDI: Latitude, Population Size, and Wealth	115
Power Distance and Historical Factors: D'lribarne's Contribution	117
Power Distance and Historical Factors: The Roman Empire and Colonialism	119
The Future of Power Distance Differences	121
Statistical Analysis of Data Used in This Chapter	123
Calculating the Power Distance Index by Country	123
Power Distance Index Scores by Occupation	125
Straight Replications of the IBM Survey	126
Results of Other Survey Studies Significantly Correlated With PDI	126
Indexes at the National Level Significantly Correlated With PDI	128
PDI Versus Eight Geographic, Economic, and Demographic Indicators	132
Trends in PDI	135
Notes	137

4. Uncertainty Avoidance

145

Summary of This Chapter	145
The Concept of Uncertainty Avoidance <i>Time, Future, Uncertainty, and Anxiety</i> <i>Uncertainty Avoidance in Organizations</i> <i>Uncertainty Avoidance Is Not the Same as Risk Avoidance</i>	145 <i>145</i> <i>146</i> <i>148</i>
Measuring National Differences in Uncertainty Avoidance in IBM An Uncertainty Avoidance Index for IBM Countries Uncertainty Avoidance Versus Power Distance Occupation and Gender Differences in the Scores on the Uncertainty Avoidance Items Country UAI Scores and Other IBM Survey Questions	148 <i>148</i> <i>150</i> <i>151</i> 153
Validating UAI Against Data From Other Sources Straight Replications of the IBM Survey UAI, Anxiety, and Emotions: Studies by Lynn and Others UAI and Subjective Well-Being UAI Versus Studies of General Values in Society Summary of General Connotations of the Uncertainty Avoidance Index Found in Survey Material	154 154 155 157 158 159
Origins and Implications of Country Uncertainty Avoidance Differences The Uncertainty Avoidance Societal Norm Uncertainty Avoidance in the Family Uncertainty Avoidance, Schools, and Educational Systems UAI and Achievement Motivation: McClelland's Data Uncertainty Avoidance in the Work Situation Uncertainty Avoidance and Consumer Behavior Uncertainty Avoidance and Political Systems Uncertainty Avoidance and Legislation Uncertainty Avoidance, Nationalism, and Xenophobia Uncertainty Avoidance and Religions	159 159 161 162 163 165 170 171 174 175 176

Uncertainty Avoidance, Theories, and Games	177
Predictors of UAI	179
Uncertainty Avoidance and Historical Factors	179
The Future of Uncertainty Avoidance Differences	181
Statistical Analysis of Data Used in This Chapter	183
Calculating the Uncertainty Avoidance Index by Country	183
Calculating Differences in Item Scores by Occupation	183
Country UAI, Average Age of Respondents, and Other IBM Survey Questions	184
Straight Replications of the IBM Survey	186
Studies of Stress and Well-Being	188
McClelland's Study of Motivation	190
Results of Other Surveys Correlated With UAI	190
Indexes at the National Level Correlated With UAI	197
UAI Versus Eight Geographic, Economic, and Demographic Indicators	198
Trends in UAI	198
Notes	199

5.	Individualism and Collectivism	209
	Summary of This Chapter	209
	The Individual and the Collectivity Individualism in Society Individualism in Organizations and Organization Theories	209 209 212
	Measuring National Differences in Individualism in IBM An Individualism Index for Countries in the IBM Sample Societal Versus Individual Individualism and Collectivism,	214 214
	and Whether Ind and Col Are One or Two Dimensions Individualism Versus Power Distance and Uncertainty Avoidance Individualism and Occupation, Gender, and Age Country Individualism Index Scores and Other IBM Survey Questions	215 216 218 218
	Validating IDV Against Data From Other Sources Distinguishing IDV From PDI and GNP/Capita Straight Replications of the IBM Survey	219 <i>219</i> <i>219</i>
	IDV Versus Schwartz's Values Surveys of Teachers and Students IDV Versus Smith and Dugan's Analysis of Trompenaars's Data	220 221
	IDV Versus Inglehart's Analysis of the World Values Survey IDV Scores and Other Studies of General Values Summary of Value Connotations of the Individualism Index Found in Surveys and Related Material	223 224 225
	Origins and Implications of Country Individualism Differences	225
	The Individualism Societal Norm	225
	Individualism and Collectivism in the Family	225
	Individualism and Collectivism Versus Personality and Behavior	231
	Individualism and Collectivism in Language Use and Group Identity	233
	Individualism and Collectivism, Schools, and Educational Systems	234
	Individualism and Collectivism in the Work Situation	235
	Collectivism and the Applicability of Management Methods	240
	Individualism and Consumer Behavior	241
	Health and Disability in Individualist and Collectivist Societies	242
	Individualism or Collectivism, Political Systems, and Legislation	243 249
	Individualism and Collectivism, Religions, and Ideas Predictors of IDV: Wealth and Latitude	249 250
	Individualism and Historical Factors	250
	The Future of Individualism Differences	255

	Statistical Analysis of Data Used in This Chapter Calculating the Individualism Index by Country Work Goal Dimensions by Occupation Country IDV Scores and Other IBM Survey Questions Earlier Studies of Work Goals in IBM Straight Replications of the IBM Survey Results of Other Surveys Correlated With IDV Indexes at the National Level Correlated With IDV IDV Versus Eight Geographic, Economic, and Demographic Indicators Trends in IDV	255 255 257 258 258 260 264 268 269 272
	Notes	273
6.	Masculinity and Femininity	279
	Summary of This Chapter	279
	Sexes, Genders, and Gender Roles Absolute, Statistical, and Social Sex Differences Gender Differences in Work Goals	279 279 281
	Measuring National Differences in Masculinity in IBM A Masculinity Index for Countries in the IBM Sample Masculinity and Occupation, Gender, and Age Country MAS Scores and Other IBM Survey Questions MAS and Work Centrality in IBM Societal Versus Individual Masculinity and Femininity, and Whether Mas and Fem Are One or Two Dimensions Masculinity Versus Individualism	284 284 285 290 291 292 293
	Validating MAS Against Data From Other Sources The Need to Control for Wealth Differences Straight Replications of the IBM Survey MAS Scores Versus Other Values Surveys Summary of Connotations of the Masculinity Index Found in Surveys and Related Material	294 294 295 296 297
	Origins and Implications of Country Masculinity Differences The Masculinity Societal Norm Masculinity and Femininity in the Family Masculinity, Schools, and Educational Systems Masculinity and Femininity in Gender Roles Masculinity and Consumer Behavior Masculinity and Femininity in the Workplace Masculinity, Femininity, and Political Priorities Masculinity, Femininity, and Political Mores Masculinity and Sexual Behavior Masculinity, Femininity, and Religion Masculinity and Geographic, Economic, and Demographic Factors Masculinity and (Pre)Historical Factors The Future of Masculinity/Femininity Differences	297 298 303 305 310 311 317 321 322 327 331 331 331 333
	Statistical Analysis of Data Used in This Chapter Computing MAS for Old and New Cases Country MAS Scores and Other IBM Survey Questions Straight Replications of the IBM Survey Results of Other Studies Correlated With MAS MAS Versus Eight Geographic, Economic, and Demographic Indicators Trends in MAS	335 335 335 335 337 339 340
	Notes	341

7.	Long- Versus Short-Term Orientation	351
	Summary of This Chapter	351
	East Versus West Cultural Biases in the Researchers' Minds The Chinese Value Survey Long-Term Orientation as a Fifth Dimension	351 351 352 353
	Measuring and Validating National Differences in Long-Term Orientation A Long-Term Orientation Index for 23 Countries Replications of the Measurement of Long-Term Orientation Validating LTO Against Other Studies of Values LTO and Savings Rates: Read's Study Summary of Validations and Connotations of the Long-Term Orientation Index Found in Surveys and Related Material	355 355 355 355 358 358
	Implications of Country Long-Term Orientation Differences LTO and Family, Social Relationships, and Work LTO and Ways of Thinking LTO and Economic Growth Long- and Short-Term Orientation in the Hindu and Muslim Worlds African Values: A New Dimension? The Future of Long-Term Orientation	359 359 362 365 368 369 370
	Notes	370
8.	Cultures in Organizations	373
	Summary of This Chapter	373
	Organizations and National Cultures There Are No Universal Solutions to Organization and Management Problems The Functioning of Organizations Culture and Organization Theories: Nationality Constrains Rationality Planning, Control, and Accounting Corporate Governance Motivation and Compensation Leadership and Empowerment Management Development and Organization Development Performance Appraisal and Management by Objectives	373 373 375 378 381 384 385 388 390 391
	Organizational Cultures The "Organizational Culture" Construct Differences Between Organizational and National Cultures The IRIC Organizational Culture Research Project Dimensions of Organizational Cultures Validating the Practice Dimensions Organizational Subcultures The Usefulness of the Organizational Culture Construct How Universal Are the Six Organizational Culture Dimensions? Individual Perceptions of Organizational Cultures Implications of the Level of Analysis: Gardens, Bouquets, and Flowers Occupational Cultures	391 393 393 395 397 400 405 408 410 411 413 414
	Notes	415

Summary of This Chapter	423 423
	423
Intercultural Communication and Cooperation General Principles Language and Discourse Culture Shock and Expatriate Failure Training in Intercultural Competence	423 425 425 427
Political Issues Minorities, Migrants, and Refugees International Politics and International Organizations Intercultural Negotiations Economic Development, Nondevelopment, and Development Cooperation	429 429 431 435 437
Multinational Business The Functioning of Multinational Business Organizations International Acquisitions, Mergers, and Joint Ventures International Marketing, Advertising, and Consumer Behavior	440 440 445 448
Schools, Tourism, and a Look Ahead Intercultural Encounters in Schools Intercultural Encounters in Tourism The Influence of New Technology Cultural Relativism, Convergence, and Divergence	451 451 452 453 453
Notes	454

10. Using Culture Dimension Scores in Theory and Research	461
Summary of This Chapter	461
Applications of the Dimensional Model	461
The Fortunes of Continued Research in Six Areas	461
Fields of Application	462
Replications and Their Pitfalls	463
Extensions to New Countries	464
Using the Dimensional Model as a Paradigm	465
Closing Remarks	466
Notes	466

Appendixes

Appendix 1 Questions From the IBM Attitude Survey Questionnaire Referred to in This Book	467
Appendix 2 Country Scores on A, B, and C Questions (except A5-A32 and C1-C8)	475
Appendix 3 Standardized Country and Occupation Scores for Work Goals (questions A5-I8 and CI-C8)	483

Appendix 4 Replicating the IBM-Style Cross-National Survey	
Appendix 5 Summary of Country Index Scores (including additions)	
Appendix 6 Summary of Significant Correlations of Country Index Scores With Data From Other Sources	503
Appendix 7 Two Case Studies From the IRIC Organizational Cultures Research Project	
Appendix 8 The Author's Values	523
References	525
Name Index	569
Subject Index	585
About the Author	596