

## 2.3: What Are the Key Methods Used to Describe Cultures?

### Learning Objectives

1. Know several methods to describe cultures.
2. Define and apply Hofstede's and Hall's categories for cultural identification.
3. Identify and discuss additional determinants of culture.

The study of cross-cultural analysis incorporates the fields of anthropology, sociology, psychology, and communication. The combination of cross-cultural analysis and business is a new and evolving field; it's not a static understanding but changes as the world changes. Within cross-cultural analysis, two names dominate our understanding of culture—Geert Hofstede and Edward T. Hall. Although new ideas are continually presented, Hofstede remains the leading thinker on how we see cultures.

This section will review both the thinkers and the main components of how they define culture and the impact on communications and business. At first glance, it may seem irrelevant to daily business management to learn about these approaches. In reality, despite the evolution of cultures, these methods provide a comprehensive and enduring understanding of the key factors that shape a culture, which in turn impact every aspect of doing business globally. Additionally, these methods enable us to compare and contrast cultures more objectively. By understanding the key researchers, you'll be able to formulate your own analysis of the different cultures and the impact on international business.

### Hofstede and Values

**Geert Hofstede**, sometimes called the father of modern cross-cultural science and thinking, is a social psychologist who focused on a comparison of nations using a statistical analysis of two unique databases. The first and largest database composed of answers that matched employee samples from forty different countries to the same survey questions focused on attitudes and beliefs. The second consisted of answers to some of the same questions by Hofstede's executive students who came from fifteen countries and from a variety of companies and industries. He developed a framework for understanding the systematic differences between nations in these two databases. This framework focused on **value dimensions**. Values, in this case, are *broad preferences for one state of affairs over others*, and they are mostly unconscious.

Most of us understand that values are our own culture's or society's ideas about what is good, bad, acceptable, or unacceptable. Hofstede developed a framework for understanding how these values underlie organizational behavior. Through his database research, he identified five key value dimensions that analyze and interpret the behaviors, values, and attitudes of a national culture: "Dimensions of National Cultures," Geert Hofstede, accessed February 22, 2011, [www.geerthofstede.nl/culture/dimensions-of-national-cultures.aspx](http://www.geerthofstede.nl/culture/dimensions-of-national-cultures.aspx).

1. Power distance
2. Individualism
3. Masculinity
4. Uncertainty avoidance (UA)
5. Long-term orientation

**Power distance** refers to how openly a society or culture accepts or does not accept differences between people, as in hierarchies in the workplace, in politics, and so on. For example, *high power distance* cultures openly accept that a boss is "higher" and as such deserves a more formal respect and authority. Examples of these cultures include Japan, Mexico, and the Philippines. In Japan or Mexico, the senior person is almost a father figure and is automatically given respect and usually loyalty without questions.

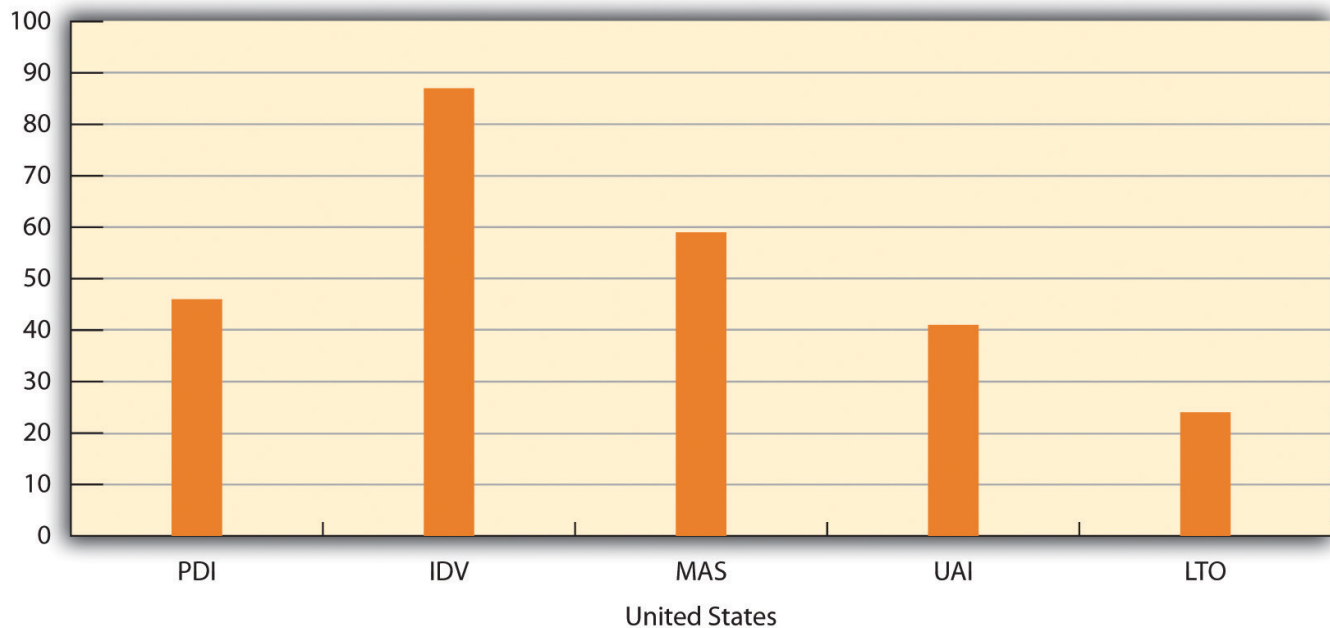
In Southern Europe, Latin America, and much of Asia, power is an integral part of the social equation. People tend to accept relationships of servitude. An individual's status, age, and seniority command respect—they're what make it all right for the lower-ranked person to take orders. Subordinates expect to be told what to do and won't take initiative or speak their minds unless a manager explicitly asks for their opinion.

At the other end of the spectrum are *low power distance* cultures, in which superiors and subordinates are more likely to see each other as equal in power. Countries found at this end of the spectrum include Austria and Denmark. To be sure, not all cultures view power in the same ways. In Sweden, Norway, and Israel, for example, respect for equality is a warranty of freedom. Subordinates and managers alike often have *carte blanche* to speak their minds.

Interestingly enough, research indicates that the United States tilts toward low power distance but is more in the middle of the scale than Germany and the United Kingdom.

Let's look at the culture of the United States in relation to these five dimensions. The United States actually ranks somewhat lower in power distance—under forty as noted in Figure 3.1. The United States has a culture of promoting participation at the office while maintaining control in the hands of the manager. People in this type of culture tend to be relatively laid-back about status and social standing—but there's a firm understanding of who has the power. What's surprising for many people is that countries such as the United Kingdom and Australia actually rank lower on the power distance spectrum than the United States.

Figure 3.1 The United States' Five Value Dimensions



Source: "Geert Hofstede™ Cultural Dimensions," Itim International, accessed June 3, 2011, [www.geert-hofstede.com/hofstede\\_united\\_states.shtml](http://www.geert-hofstede.com/hofstede_united_states.shtml).

**Individualism**, noted as IDV in Figure 3.1, is just what it sounds like. It refers to people's tendency to take care of themselves and their immediate circle of family and friends, perhaps at the expense of the overall society. In individualistic cultures, what counts most is self-realization. Initiating alone, sweating alone, achieving alone—not necessarily collective efforts—are what win applause. In individualistic cultures, competition is the fuel of success.

The United States and Northern European societies are often labeled as individualistic. In the United States, individualism is valued and promoted—from its political structure (individual rights and democracy) to entrepreneurial zeal (capitalism). Other examples of high-individualism cultures include Australia and the United Kingdom.

On the other hand, in collectivist societies, group goals take precedence over individuals' goals. Basically, individual members render loyalty to the group, and the group takes care of its individual members. Rather than giving priority to "me," the "us" identity predominates. Of paramount importance is pursuing the common goals, beliefs, and values of the group as a whole—so much so, in some cases, that it's nearly impossible for outsiders to enter the group. Cultures that prize collectivism and the group over the individual include Singapore, Korea, Mexico, and Arab nations. The protections offered by traditional Japanese companies come to mind as a distinctively group-oriented value.

The next dimension is **masculinity**, which may sound like an odd way to define a culture. When we talk about masculine or feminine cultures, we're not talking about diversity issues. It's about how a society views traits that are considered masculine or feminine.

This value dimension refers to how a culture ranks on traditionally perceived "masculine" values: assertiveness, materialism, and less concern for others. In masculine-oriented cultures, gender roles are usually crisply defined. Men tend to be more focused on performance, ambition, and material success. They cut tough and independent personas, while women cultivate modesty and quality of life. Cultures in Japan and Latin American are examples of masculine-oriented cultures.

In contrast, feminine cultures are thought to emphasize “feminine” values: concern for all, an emphasis on the quality of life, and an emphasis on relationships. In feminine-oriented cultures, both genders swap roles, with the focus on quality of life, service, and independence. The Scandinavian cultures rank as feminine cultures, as do cultures in Switzerland and New Zealand. The United States is actually more moderate, and its score is ranked in the middle between masculine and feminine classifications. For all these factors, it’s important to remember that cultures don’t necessarily fall neatly into one camp or the other.

The next dimension is **uncertainty avoidance (UA)**. This refers to how much uncertainty a society or culture is willing to accept. It can also be considered an indication of the risk propensity of people from a specific culture.

People who have high uncertainty avoidance generally prefer to steer clear of conflict and competition. They tend to appreciate very clear instructions. At the office, sharply defined rules and rituals are used to get tasks completed. Stability and what is known are preferred to instability and the unknown. Company cultures in these countries may show a preference for low-risk decisions, and employees in these companies are less willing to exhibit aggressiveness. Japan and France are often considered clear examples of such societies.

In countries with low uncertainty avoidance, people are more willing to take on risks, companies may appear less formal and structured, and “thinking outside the box” is valued. Examples of these cultures are Denmark, Singapore, Australia, and to a slightly lesser extent, the United States. Members of these cultures usually require less formal rules to interact.

The fifth dimension is **long-term orientation**, which refers to whether a culture has a long-term or short-term orientation. This dimension was added by Hofstede after the original four you just read about. It resulted in the effort to understand the difference in thinking between the East and the West. Certain values are associated with each orientation. The long-term orientation values persistence, perseverance, thriftiness, and having a sense of shame. These are evident in traditional Eastern cultures. Based on these values, it’s easy to see why a Japanese CEO is likely to apologize or take the blame for a faulty product or process.

The short-term orientation values tradition only to the extent of fulfilling social obligations or providing gifts or favors. These cultures are more likely to be focused on the immediate or short-term impact of an issue. Not surprisingly, the United Kingdom and the United States rank low on the long-term orientation.

Long- and short-term orientation and the other value dimensions in the business arena are all evolving as many people earn business degrees and gain experience outside their home cultures and countries, thereby diluting the significance of a single cultural perspective. As a result, in practice, these five dimensions do not occur as single values but are really woven together and interdependent, creating very complex cultural interactions. Even though these five values are constantly shifting and not static, they help us begin to understand how and why people from different cultures may think and act as they do. Hofstede’s study demonstrates that there are national and regional cultural groupings that affect the behavior of societies and organizations and that these are persistent over time.

## Edward T. Hall

**Edward T. Hall** was a respected anthropologist who applied his field to the understanding of cultures and intercultural communications. Hall is best noted for three principal categories that analyze and interpret how communications and interactions between cultures differ: context, space, and time.

## Context: High-Context versus Low-Context Cultures

**High and low context** refers to how a message is communicated. In high-context cultures, such as those found in Latin America, Asia, and Africa, the physical context of the message carries a great deal of importance. People tend to be more indirect and to expect the person they are communicating with to decode the implicit part of their message. While the person sending the message takes painstaking care in crafting the message, the person receiving the message is expected to read it within context. The message may lack the verbal directness you would expect in a low-context culture. In high-context cultures, body language is as important and sometimes more important than the actual words spoken.

In contrast, in low-context cultures such as the United States and most Northern European countries, people tend to be explicit and direct in their communications. Satisfying individual needs is important. You’re probably familiar with some well-known low-context mottos: “Say what you mean” and “Don’t beat around the bush.” The guiding principle is to minimize the margins of misunderstanding or doubt. Low-context communication aspires to get straight to the point.

Communication between people from high-context and low-context cultures can be confusing. In business interactions, people from low-context cultures tend to listen only to the words spoken; they tend not to be cognizant of body language. As a result,

people often miss important clues that could tell them more about the specific issue.

## Space

**Space** refers to the study of physical space and people. Hall called this the study of **proxemics**, which focuses on space and distance between people as they interact. *Space* refers to everything from how close people stand to one another to how people might mark their territory or boundaries in the workplace and in other settings. Stand too close to someone from the United States, which prefers a “safe” physical distance, and you are apt to make them uncomfortable. How close is too close depends on where you are from. Whether consciously or unconsciously, we all establish a comfort zone when interacting with others. Standing distances shrink and expand across cultures. Latins, Spaniards, and Filipinos (whose culture has been influenced by three centuries of Spanish colonization) stand rather close even in business encounters. In cultures that have a low need for territory, people not only tend to stand closer together but also are more willing to share their space—whether it be a workplace, an office, a seat on a train, or even ownership of a business project.

## Attitudes toward Time: Polychronic versus Monochronic Cultures

Hall identified that time is another important concept greatly influenced by culture. In **polychronic cultures**—*polychronic* literally means “many times”—people can do several things at the same time. In **monochronic cultures**, or “one-time” cultures, people tend to do one task at a time.

This isn’t to suggest that people in polychronic cultures are better at multitasking. Rather, people in monochronic cultures, such as Northern Europe and North America, tend to schedule one event at a time. For them, an appointment that starts at 8 a.m. is an appointment that starts at 8 a.m.—or 8:05 at the latest. People are expected to arrive on time, whether for a board meeting or a family picnic. Time is a means of imposing order. Often the meeting has a firm end time as well, and even if the agenda is not finished, it’s not unusual to end the meeting and finish the agenda at another scheduled meeting.

In polychronic cultures, by contrast, time is nice, but people and relationships matter more. Finishing a task may also matter more. If you’ve ever been to Latin America, the Mediterranean, or the Middle East, you know all about living with relaxed timetables. People might attend to three things at once and think nothing of it. Or they may cluster informally, rather than arrange themselves in a queue. In polychronic cultures, it’s not considered an insult to walk into a meeting or a party well past the appointed hour.

In polychronic cultures, people regard work as part of a larger interaction with a community. If an agenda is not complete, people in polychronic cultures are less likely to simply end the meeting and are more likely to continue to finish the business at hand.

Those who prefer monochronic order may find polychronic order frustrating and hard to manage effectively. Those raised with a polychronic sensibility, on the other hand, might resent the “tyranny of the clock” and prefer to be focused on completing the tasks at hand.

## What Else Determines a Culture?

The methods presented in the previous sections note how we look at the structures of cultures, values, and communications. They also provide a framework for a comparative analysis between cultures, which is particularly important for businesses trying to operate effectively in multiple countries and cultural environments.

Additionally, there are other external factors that also constitute a culture—manners, mind-sets, values, rituals, religious beliefs, laws, arts, ideas, customs, beliefs, ceremonies, social institutions, myths and legends, language, individual identity, and behaviors, to name a few. While these factors are less structured and do not provide a comparative framework, they are helpful in completing our understanding of what impacts a culture. When we look at these additional factors, we are seeking to understand how each culture views and incorporates each of them. For example, are there specific ceremonies or customs that impact the culture and for our purposes its business culture? For example, in some Chinese businesses, feng shui—an ancient Chinese physical art and science—is implemented in the hopes of enhancing the physical business environment and success potential of the firm.

Of these additional factors, the single most important one is communication.

## Communication

### Verbal Language

Language is one of the more conspicuous expressions of culture. As Hall showed, understanding the context of how language is used is essential to accurately interpret the meaning. Aside from the obvious differences, vocabularies are actually often built on

the cultural experiences of the users. For example, in the opening case with Dunkin' Donuts, we saw how the local culture complicated the company's ability to list its name in Chinese characters.

Similarly, it's interesting to note that Arabic speakers have only one word for ice, *telg*, which applies to ice, snow, hail, and so on. In contrast, Eskimo languages have different words for each type of snow—even specific descriptive words to indicate the amounts of snow.

Another example of how language impacts business is in written or e-mail communications, where you don't have the benefit of seeing someone's physical gestures or posture. For example, India is officially an English-speaking country, though its citizens speak the Queen's English. Yet many businesspeople experience miscommunications related to misunderstandings in the language, ranging from the comical to the frustrating. Take something as simple as multiplication and division. Indians will commonly say "6 into 12" and arrive at 72, whereas their American counterparts will divide to get an answer of 2. You'd certainly want to be very clear if math were an essential part of your communication, as it would be if you were creating a budget for a project.

Another example of nuances between Indian and American language communications is the use of the word *revert*. The word means "to go back to a previously existing condition." To Indians, though, the common and accepted use of the word is much more simplistic and means "to get back to someone."

To see how language impacts communications, look at a situation in which an American manager, in negotiating the terms of a project, began to get frustrated by the e-mails that said that the Indian company was going to "revert back." He took that to mean that they had not made any progress on some issues, and that the Indians were going back to the original terms. Actually, the Indians simply meant that they were going to get back to him on the outstanding issues—again, a different connotation for the word because of cultural differences.

The all-encompassing "yes" is one of the hardest verbal cues to decipher. What does it really mean? Well, it depends on where you are. In a low-context country—the United States or Scandinavian countries, for example—"yes" is what it is: yes. In a high-context culture—Japan or the Philippines, for example—it can mean "yes," "maybe," "OK," or "I understand you,"—but it may not always signify agreement. The meaning is in the physical context, not the verbal.

Language or words become a code, and you need to understand the word and the context.

### Did You Know?

#### English Required in Japan

It's commonly accepted around the world that English is the primary global business language. In Japan, some companies have incorporated this reality into daily business practice. By 2012, employees at Rakuten, Japan's biggest online retailer by sales, will be "required to speak and correspond with one another in English, and executives have been told they will be fired if they aren't proficient in the language by then. Rakuten, which has made recent acquisitions in the U.S. and Europe, says the English-only policy is crucial to its goal of becoming a global company. It says it needed a common language to communicate with its new operations, and English, as the chief language of international business, was the obvious choice. It expects the change, among other things, to help it hire and retain talented non-Japanese workers." Daisuke Wakabayashi, "English Gets the Last Word in Japan," *Wall Street Journal*, August 6, 2010, accessed February 22, 2011, <http://online.wsj.com/article/SB10001424052748703954804575382011407926080.html>.

Rakuten is only one of many large and small Japanese companies pursuing English as part of its ongoing global strategy. English is key to the business culture and language at Sony, Nissan Motor, and Mitsubishi, to name a few Japanese businesses. English remains the leading global business language for most international companies seeking a standard common language with its employees, partners, and customers.

### Body Language

How you gesture, twitch, or scrunch up your face represents a veritable legend to your emotions. Being able to suitably read—and broadcast—body language can significantly increase your chances of understanding and being understood. In many high-context cultures, it is essential to understand body language in order to accurately interpret a situation, comment, or gesture.

People may not understand your words, but they will certainly interpret your body language according to *their* accepted norms. Notice the word *their*. It is *their* perceptions that will count when you are trying to do business with them, and it's important to understand that those perceptions will be based on the teachings and experiences of their culture—not yours.

Another example of the “yes, I understand you” confusion in South Asia is the infamous head wobble. Indians will roll their head from side to side to signify an understanding or acknowledgement of a statement—but not necessarily an acceptance. Some have even expressed that they mistakenly thought the head wobble meant “no.” If you didn’t understand the context, then you are likely to misinterpret the gesture and the possible verbal cues as well.

### Did You Know?

#### OK or Not OK?

Various motions and postures can mean altogether divergent things in different cultures. Hand gestures are a classic example. The American sign for OK means “zero” in Tunisia and southern France, which far from signaling approval, is considered a threat. The same gesture, by the way, delivers an obscenity in Brazil, Germany, Greece, and Russia. If you want to tell your British colleagues that victory on a new deal is close at hand by making the V sign with your fingers, be sure your palm is facing outward; otherwise you’ll be telling them where to stick it, and it’s unlikely to win you any new friends.

Eye contact is also an important bit of unspoken vocabulary. People in Western cultures are taught to look into the eyes of their listeners. Likewise, it’s a way the listener reciprocates interest. In contrast, in the East, looking into someone’s eyes may come off as disrespectful, since focusing directly on someone who is senior to you implies disrespect. So when you’re interacting with people from other cultures, be careful not to assume that a lack of eye contact means anything negative. There may be a cultural basis to their behavior.

### Amusing Anecdote

#### Kiss, Shake, Hug, or Bow

Additionally, touching is a tacit means of communication. In some cultures, shaking hands when greeting someone is a must. Where folks are big on contact, grown men might embrace each other in a giant bear hug, such as in Mexico or Russia.

Japan, by contrast, has traditionally favored bowing, thus ensuring a hands-off approach. When men and women interact for business, this interaction can be further complicated. If you’re female interacting with a male, a kiss on the cheek may work in Latin America, but in an Arab country, you may not even get a handshake. It can be hard not to take it personally, but you shouldn’t. These interactions reflect centuries-old traditional cultural norms that will take time to evolve.

### Ethnocentrism

A discussion of culture would not be complete without at least mentioning the concept of ethnocentrism. **Ethnocentrism** is the view that a person’s own culture is central and other cultures are measured in relation to it. It’s akin to a person thinking that their culture is the “sun” around which all other cultures revolve. In its worst form, it can create a false sense of superiority of one culture over others.

Human nature is such that we see the world through our own cultural shades. Tucked in between the lines of our cultural laws is an unconscious bias that inhibits us from viewing other cultures objectively. Our judgments of people from other cultures will always be colored by the frame of reference in which we have been raised.

The challenge occurs when we feel that our cultural habits, values, and perceptions are superior to other people’s values. This can have a dramatic impact on our business relations. Your best defense against ethnocentric behavior is to make a point of seeing things from the perspective of the other person. Use what you have learned in this chapter to extend your understanding of the person’s culture. As much as possible, leave your own frame of reference at home. Sort out what makes you and the other person different—and what makes you similar.

### KEY TAKEAWAYS

- There are two key methods used to describe and analyze cultures. The first was developed by Geert Hofstede and focuses on five key dimensions that interpret behaviors, values, and attitudes: power distance, individualism, masculinity, uncertainty avoidance, and long-term orientation. The second method was developed by Edward T. Hall and focuses on three main categories for how communications and interactions between cultures differ: high-context versus low-context communications, space, and attitudes toward time.
- In addition to the main analytical methods for comparing and contrasting cultures, there are a number of other determinants of culture. These determinants include manners, mind-sets, values, rituals, religious beliefs, laws, arts, ideas, customs, beliefs,

ceremonies, social institutions, myths and legends, language, individual identity, and behaviors. Language includes both verbal and physical languages.

## EXERCISES

(AACSB: Reflective Thinking, Analytical Skills)

1. Define Hofstede's five value dimensions that analyze and interpret behaviors, values, and attitudes.
2. Identify Hall's three key factors on how communications and interactions between cultures differ.
3. What are the two components of communications?
4. Describe two ways that verbal language may differ between countries.
5. Describe two ways that body language may differ between cultures.
6. What is ethnocentrism?

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