

REFLECTING CULTURAL DIFFERENCES IN MANAGEMENT

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***Abstract:** As it is apparent in the opinion of many specialists, culture is an intellectual collective phenomenon, in that it reflects the spiritual mode of existence of a specific human group, a community or a nation. It consists of a set of values, behaviors and symbols that differ from those of the members of a group to another group.*

The concept of culture has different meanings from one individual to another and especially from a group of people to another group.

A culture differs from another, primarily, by the specific data solutions to various problems faced daily community members; this is true in double plan: both at the person when taking a decision on a personal basis and at organizations, when managers set goals and take decisions to subordinates within their jurisdiction.

There are three distinct ways or three distinct levels of manifestation of what we call culture in human society, which is always particularly visible in the organization, especially in the daily management of an institution or company.

The paper presents the various understandings of the concept of culture, the levels of this concept, and how cultural differences are reflected in management.

***Keywords:** culture, dimensions of culture, society, management, organizational culture.*

Introduction

The term culture is widely discussed and used in many fields (anthropology, sociology, philosophy, politics, art, etc.), giving rise to semantic construction of hybrid (digital culture, culture of opposition, mass culture, elite culture, artistic culture, popular culture, national culture, organizational culture, etc.) and making the term culture, a complex term.

This period, culture, presents a sensitive interaction with terms like civilization, mentality, race, acculturation, identity etc. The concept of "culture" comes from anthropology, is used to represent a very broad sense, the physical and spiritual, which a given human community has passed from one generation to another generation.

Many specialists agree that the term culture is a collective phenomenon, which is accepted by all individuals living in the same social environment.

Culture is a phenomenon that develops over time and which includes a fluid continuity past-present-future. Social life depends on the extent of conformism individual, understandings and perceptions that make up a given crop.

Regardless of the approach adopted in defining culture by specialists, can identify specific elements of its basic and influence factors.

Further, we intend to present the various understandings of the concept of culture, the levels of this concept, and how cultural differences are reflected in management.

The Concept of Culture in Management. The Levels of the Culture Concept

As is apparent from the opinion of many specialists, the culture is a intellectual collective phenomenon, in that it reflects the spiritual mode of existence of a specific human group, a community or a nation. It consists of a set of values, behaviors and symbols that differ from those of the members of a group to another group.

Ralph Linter defined the concept of culture *as the totality of knowledge, skills and behavioral patterns that ordinary members of society have in common and that they transmit.*()

Each individual embodies ways of thinking, feeling and expression acquired throughout life, Geert Hofstede termed as *mental programs*. The sources of these individual mental programs come from the social environment in which the individual grew and gained life experience. The typical term that defines this "mental programming" is the term *culture*.

As Hofstede argue, "*culture is the collective programming of the mind distinguishing the members of one group or category of people from others*". (Hofstede, 1980).

Robert Mockler, recognized specialist in multicultural business strategies, considers that the culture is "*that complex which includes knowledge, belief, art, morals, custom, and any skills and habits acquired by a person as a member of society*" (Mockler, 2002).

In Mockler's view, culture is acquired through education and adaptation to the social environment, it is not inherited. Typically up to 9 years of age, a person is already "cultural modeled", she has already mastered certain skills that determine behavior. Most people are unaware of their personal conditioning, Mockler said, but this conditioning occurs when a person comes into contact with other cultural norms or values. In such cases occur need to adapt to another culture, need to know and manage cultural differences in international business world (Mokler, 2002).

E. Schein defines culture as *the way a group of people solve problems facing permanent* (Schein, 1980).

The concept of culture has different meanings from one individual to another and especially from a group of people to another group.

According to Professor Burduş, to understand how individuals perceive the concept of culture, we need to analyze the various distinct cultural layers, which locates those cultural components that define a civilization. Thus, depending on the degree of visibility, the author cited has three layers of sedimentation culture to individuals (Burduş, 2004):

- *the outer layer* includes visible aspect such as language, institutions, and fashion market;
- *the middle layer* is given by the values and norms that generate ideal for a social group; it determines the distribution between good and evil, positive and negative, for different characteristics;
- *the inner layer* includes basic concepts about human existence, leads to a specific individual's attitude towards nature, determines the efficiency of allocation of resources of the group.

Culture action is influenced by several factors, which clearly defines the spheres or the dimensions of culture:

- *national culture* - defined by reference to a national space determined, is in interaction with regional and sub-regional cultures, geographical factors and configured by historians, political and economic forces, language and religion;
- *organizational culture* - is determined by a system of beliefs and values shared by all members of an organization that is forming inside them and guiding employee behavior.
- *industrial culture* - highlights the specifics of branches or sub-branches of being determined by factors such as the nature of decision making, technological dynamics, degree of innovation etc.;
- *functional culture* - expresses the values of a functional specialization within organizations: production, accounting, marketing, etc. sphere;
- *professional culture* - expresses how the person is educated, prepared, trained and motivated effort to achieve a specific job.

In the work entitled "Management of multicultural structures ", in which Geert Hofstede explained the concept of culture, it noted that an individual has a native ability to "deviate" from its mental programs and react in different ways that are new, creative, destructive or unexpected. Individual mental programs come from social environments where someone grew and gained life experience, from family, environment and education (Hofstede 1980).

Reflecting Cultural Differences in Management

A culture differs from another primarily by the *specific data solutions to various problems faced daily community members*; this is true in double plan:

both at the person when taking a decision on a personal basis and at organizations when managers set goals and take decisions to subordinates within their jurisdiction.

The early twentieth century, when it begins to individualize management as a distinct field, great thinkers such as F.W. Taylor and H. Fayol, gives the impression that there is "*only one way to lead a group of people or an organization*" that this way would be the "best" to achieve maximum efficiency. Reality shows that a method or a solution gave spectacular results in a certain situation can lead to catastrophic results in another similar situation. This is especially true if the method or the solution was done without to adapt to new circumstances and problems specific factors.

We all know that there are usually two or more ways to solve a problem of management and applying the solution should always be based on various factors specific to the individuals involved. In other words, cultural differences between individuals (education, values, attitudes, concepts, etc.) associated with different methods of solving management problems. To identify the best way to solve a particular situation requires the management of an organization, together with theoretical knowledge, some experience, imagination and creative capacity in addressing specific case. As mentioned before, the notion of culture has different meanings from individual to individual and from a particular group or community of people to another group or community.

According to Trompenaars Fons, director of the Center of International Studies in Business Dutch, cultural differences are derived or generated by three points (*Trompenaars, 1994*):

- *human relationships* - how form, express and develop the current relations between diverse people that make up an organized group, formally structured;
- *attitude towards time (sequential time vs. synchronous time)* - how every person and especially decision makers in organizations relating to the passage of time;
- *attitude towards nature (environment) (internal direction vs. outer direction)* - the manner in which individuals or makers relate to elements of nature, the environment, the various resources attracted in the economic cycle.

Therefore, there are three distinct ways or three distinct levels of manifestation of what we call culture in human society, which is always particularly visible in the organization, especially in the daily management of an institution or company.

Fons Trompenaars believes that the three aspects are universal problems that groups or communities give different solutions. The author identifies *seven distinct cultural dimensions* associated with various ways to solve the three

problems (*MindTools, 2016*). The most complex universal problem is related to *human relationships*; only this problem it generates five cultural dimensions:

1. Universalism vs. Particularism
2. Individualism vs. Communitarianism
3. Specific vs. Diffuse
4. Neutral vs. Emotional
5. Achievement vs. Ascription
6. Sequential Time vs. Synchronous Time
7. Internal Direction vs. Outer Direction

1. Universalism vs. Particularism

The dimension universalism vs. particularism is the standards by which relationships are measured. Universalist societies tend to feel that general rules and obligations are the source of moral reference. They are inclined to follow the rules, no matter the situation, and look for the single best way of dealing fairly with all cases. Additionally, they assume that their standards are the correct standards and attempt to change the attitudes of others to match theirs. On the other hand, particularist societies are those in which particular circumstances are more important than rules; the bonds of particular relationships are stronger than abstract rules. Response to a situation may change according to the circumstances and the people involved. Particularists will often argue on the side of "it all depends."

This cultural dimension influence business management, so when it comes to managers of a firm located in a particular culture, in daily relations between the makers and performers and when we have solved problems of firms belonging to different cultures. Thus, there are specific aspects or specific mentality of managers belonging predominantly universalism and particularism predominantly.

Typical universalist cultures include the U.S., Canada, the U.K, the Netherlands, Germany, Scandinavia, New Zealand, Australia, and Switzerland.

Typical particularistic cultures include Russia, Latin-America, and China.

2. Individualism vs. Communitarianism

Individualism vs. communitarianism is about the conflict between an individual's desire and the interests of the group which they belong. In an individualistic culture, people are expected to make their own decisions and to only take care of their own needs. Such societies assume that quality of life results from personal freedom and individual development.

Collectivism or individualism individuals' preferences for the various countries is reflected in international management practice, particularly on the following aspects:

- decision-making process;
- procedures for motivating employees;
- the structural organization of the company.

Decisions are often made on the spot, without consultation, and impasses may be resolved by voting. In contrast to this, members of a communitarian society are firmly integrated into groups which provide help and protection in exchange for a strong sense of loyalty. These people believe that an individual's quality of life improves when they take care of each other. The community comes before the individual, and people are mainly oriented towards common goals and objectives (Discussions are used to reach consensus). Often individualism is seen as typical of modern society, whereas communitarianism is associated with traditional societies. However, for every rule there is an exception as evident by some modern societies such as Japan which has a strong communitarian orientation.

Typical individualist cultures include the U.S., Canada, the U.K, Scandinavia, New Zealand, Australia, and Switzerland.

Typical communitarian cultures include countries in Latin-America, Africa, and Japan.

3. Specific vs. Diffuse

This dimension concerns how the people view the picture of life and also concerns the degree of involvement in relationships. Generally people from specifically-oriented cultures analyze elements separately, then put them back together again (The saying, "viewing the whole is the sum of its parts"). Specifically-oriented individuals concentrate on hard facts. People from diffusely-oriented cultures are the opposite, they see each element in the perspective of the complete picture; all elements are related to each other. The elements are synthesized into a whole which is more than simply the sum of its parts. On the relationship level, specifically-oriented individuals engage others in specific areas of life, affecting single levels of personality. Diffusely-oriented individuals engage others diffusely in multiple areas of life, affecting several levels of personality at the same time. In such societies, every life space and level of personality tends to be interwoven.

Typical specific cultures include the U.S., the U.K., Switzerland, Germany, Scandinavia, and the Netherlands.

Typical diffuse cultures include Argentina, Spain, Russia, India, and China.

4 Neutral vs. Emotional

Neutral vs emotional focuses on the degree to which people express their emotions, and the interplay between reason and emotion in human relationships. Every culture has strong norms about how easily emotions should

be revealed. In culture high on affectivity, people freely express their emotions. In a neutrally-oriented culture, people are taught that it is incorrect to overtly show feelings. In such a culture, it is accepted to show one's feelings spontaneously.

Typical neutral cultures include the U.K., Sweden, the Netherlands, Finland, and Germany.

Typical emotional cultures include Italy, France, Spain, and countries in Latin-America.

5 Achievement vs. Ascription

The dimension achievement-ascription focuses on how personal status is assigned. While some societies accord status to people on the basis of their performance, others attribute it to them by virtue of categories such as gender, age, social standing, education, and so on. Achieved status, on the otherhand, refers to action and what the individual does; ascribed status refers to being who they are.

Typical achievement cultures include the U.S., Canada, Australia, and Scandinavia.

Typical ascription cultures include France, Italy, Japan, and Saudi Arabia.

6. Sequential time vs. Synchronous time

The time dimension has two parts, the relative importance cultures gives to the past/present/future, and their approach to structuring time. If a culture is oriented towards the past, the future is often seen as a repetition of past experiences. In a culture leans more towards the present, day-by-day experiences tend to direct people's lives. In a future-oriented culture, most human activities are directed toward future prospects. In this case, the past is not considered to be vitally significant to the future.

People who structure time sequentially view time as a series of passing events. They tend to do one things at a time, and prefer planning and keeping to plans once they have been made. Time commitments are taken seriously and staying on schedule is a must. People structuring time synchronically view past, present, and future as being interrelated. They usually do several things at once. Time commitments are desirable but are not absolute and plans are easily changed (*Provenmodels, 2014*).

Thus, specialists in the field of intercultural discuss three types of cultures associated to this dimension (sandbag, 1998):

- last - oriented culture;
- today - oriented culture;
- future - oriented culture.

Depending on how it goes through the passage of time by the managers of various companies occurs:

- organizing departments of planning, production and marketing;
- setting goals and motivating employees;
- determining strategies to face competitors;

Typical sequential-time cultures include Germany, the U.K., and the U.S.

Typical synchronous-time cultures include Japan, Argentina, and Mexico.

7 Internal direction vs. Outer direction

The internal versus external control dimension concerns the value people put to their environment. People who have an internal mechanistic view of nature usually view themselves as the point of departure for determining the right action (*Provenmodels, 2014*). Opposite of this are cultures with a so called "organic" view of nature (Assumes that man is controlled by nature) align their actions towards others. They focus on the environment rather than on themselves.

Typical internal-direction cultures include Israel, the U.S., Australia, New Zealand, and the U.K.

Typical outer-direction cultures include China, Russia, and Saudi Arabia.

Conclusions

Trompenaars' theory focuses on the way people think, their foresights, behaviour and future expectations using three basic yardsticks; relationship with others, time and environment. He believed culture is a way a group of people solve problems. To a large extent, these are valid points because culture revolves around our orientation and behaviour. Considering the areas of coverage of his seven models explained above, the validity of his theory to a greater percentage is widely acceptable. However, there are also limitations to his theory.

Trompenaars theory focuses more on global corporate managers and leaders, his cultural definitions revolves around national and organisational culture. These two perspectives could not be said to cover individual or group of peoples choices vis-a-vis their cultural backgrounds. It can best be applied on a general and professional level as it covers only the professional cultural life which may not necessarily translate to individual social cultures. He chose managers at different strata in different parts of the world for his research and it basically covers these calibre of people within a much diversified world. Thus, his reliability is somewhat limited to the business world rather than encompass the different aspects of life.

We consider, as many specialists, that a complete analysis of a culture should present both its universal character study and identify aspects of its particularity in relation to other cultures. The contemporary world is moving towards a concept of unity in diversity, therefore, a culture can survive and evolve by integrating the individual into the universal culture.

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