

# A Critical Perspective on Comparative Management

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## *Abstract*

*Positively, the international comparative management represents a recognized research field. The quantity of information generated in this field in the last decades is impressive. One of the essential aspects and often researched in the works of comparative management is the organizational culture.*

*The quantitative and positivist approach prevails in this field. In consequence, the results should be characterized through a high level of signification and representativity. Not always more information means also much more knowledge. The paper analyses the information obtained in a few comparative cultural studies concerning Romania and Russia. We use the data obtained by Hofstede, those obtained by Trompenaars but also the data obtained by the author.*

*Their syntheses are more contradictory and offer an ambiguous image about the real cultural context. The objective of the work consists in formulating a few questions resulted after analyzing this information. The answer to these questions will probably be decisive for the comparative cultural studies, in a more and more critical context for the quantitative researches.*

**Keywords:** *organizational culture, comparative management, cultural studies, competition*

## **Introduction**

In the '80 started to appear papers and books oriented on organizational culture in management area. Hofstede's (1980), Peters and Watermans' (1982) or Deal and Kennedys' (1982) books won an impressive audience. It became clear that a new research area regarding international management was opened. Geert Hofstede affirmed in 1980 "the humanity surviving will depend in a great measure on the different thinking people ability to act together." (Hofstede, 1981, 2002).

The incapacity of explaining the success of the Japanese companies, the competition more and more intense are some of the causes that generated this process. Edgar Schein synthetically surprises the context:

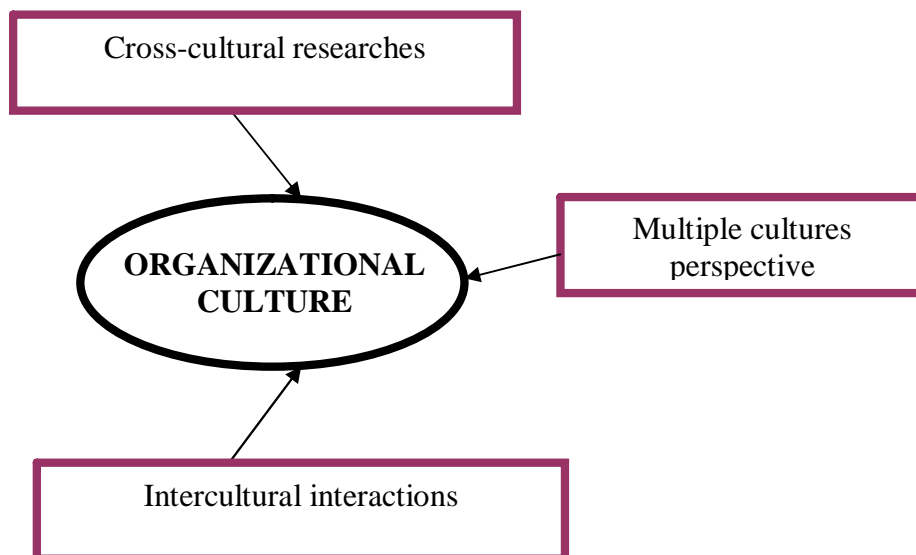
“We have ‘discovered’ with horror that Japanese, Korean and Thailand’s companies have surpassed us relying on indoctrinating, slogans, life employment, loyalty, subordination of the person with respect the group, all those that were ardently condemned in ‘50 and ‘60” (Schein, 1988).

In the last 25 years, the number of studies concerning the culture impact, even indirectly, on the organization was exponentially growing. According with Boyacigiller, the researches are organized in three great directions (Boyacigiller et al. 2004). These directions are represented in figure 1.

1. cultural comparisons between the nations. Is the best known and developed approach. The most of these researches are based on a quantitative positivist methodology. The best-known researcher is Geert Hofstede, but Fons Trompenaars and Charles Hampden-Turner (1998), Van Muijen (1999) or Masour Javidan and Robert House (2002) must be mentioned here. The most frequently used is the inquiry as method, and the questionnaire as research instruments. Generally the results have a high degree of abstraction and generalization. Qualitative approach holds a small area of this research direction, especially through the comparative studies of Philippe d’Iribarne. The complex analyses that join qualitative methods with the quantitative ones, as well as the comparative study of the impact that the historical traditions have upon the organizational behavior are used by d’Iribarne in its researches. This research direction is criticized for the excessive simplification of the culture concept content, but also for using certain research methods giving superficial results. Even Hofstede observed “the idea of comparative cultural researches reflects probably occidental universalistic position” (Hofstede, 2001, pp.18). According with Malinowski, the concept of cross-cultural comparison is not valid, because try to compare incomparable phenomenon, which are significant only in their own cultural context.
2. inter-cultural interactions study. It is based on the interpretation paradigm and the used methodology is in the most part of qualitative nature.
3. the analysis of the culture influences on organizations, professions, behavior, attitudes etc. In this case too, the interpretative paradigm has the greatest weight in approaches. The great majority of studies can be easily included in sciences such as anthropology, psychology or social psychology, than in

management. Still, the results of these researches can have an important impact upon the organizational performances.

The first research direction represents an important direction in international management researches. This paper will be focused on this approach, analysing results regarding Romania and Russia.



**Figure 1 Approaches of organizational culture**

### **1 Hofstede's results**

In the 1980 appeared the first edition of the work *Culture's Consequences*. This work had, and still has a special impact upon the researches from the field of management. Many researchers from this field still lean upon the definition given by Hofstede to the culture, and also lean upon the empiric constructions derived from here (Stening, Zhang, 2007).

Hofstede defines the culture as: "... the collective programming of the thought which discerns the members of a group from the other". The concepts which, in Hofstede's opinion cover the concept of culture are: the symbols, the heroes, the rituals and the values. The applied method is that of a quantitative one. The information used by Hofstede has been obtained from the employees of IBM. Over 116.000 questionnaires have been filled in, in two stages, between 1967 and 1973. After the theoretical analyses but also that of identifying the statistical correlations of the answers to the

questions, have been formed indicators, meaning that the four dimensions of the national culture have been identified:

- ◆ power distance,
- ◆ uncertainty avoidance;
- ◆ individualism versus collectivism;
- ◆ masculinity versus femininity.

Another research made during the 90's in collaboration with Michael Bond lead to the adding of a fifth dimension:

- ◆ long term versus short term orientation.

A later study, this time being that of a quantitative-qualitative nature (the IRIC project) lead to the discovering of 6 new dimensions that characterize the organizational cultures. The research was made in 20 units from 10 different organizations (5 from Denmark and 5 from the Netherlands) and was published in the year 1990. The dimensions of organizational culture identified by Hofstede are:

- ◆ process oriented versus results oriented,
- ◆ employee oriented versus job oriented,
- ◆ parochial versus professional,
- ◆ open system versus closed system,
- ◆ loose control versus tight control,
- ◆ normative versus pragmatic.

Concerning Romania and Russia, one can notice that the two countries were not included in the initial panel of countries subdued to the research. They belonged to a later research (Hofstede, Kolman, Nicolescu, Pajumaa, 1996). The results of this research are synthetically represented in table 1. There are also presented the minimum values, respectively the maximum values obtained in this research.

**Table 1**

<b>Country</b>	<b>Power Distance Index</b>	<b>Uncertainty Avoidance Index</b>	<b>Individualism Index</b>	<b>Masculinity Index</b>
Romania	<b>90</b>	<b>90</b>	<b>30</b>	<b>42</b>
Russia	<b>93</b>	<b>95</b>	<b>39</b>	<b>36</b>
Min	11	8	6	5
Max	104	112	91	95

(adapted from Hofstede, Kolman, Nicolescu, Pajuma, 1996)

An analysis of these results permits the following conclusions:

- ✓ there is a high degree of similitude between the values obtained for Romania, respectively for Russia. This similitude is more

conspicuous regarding the *power distance and the uncertainty avoidance*.

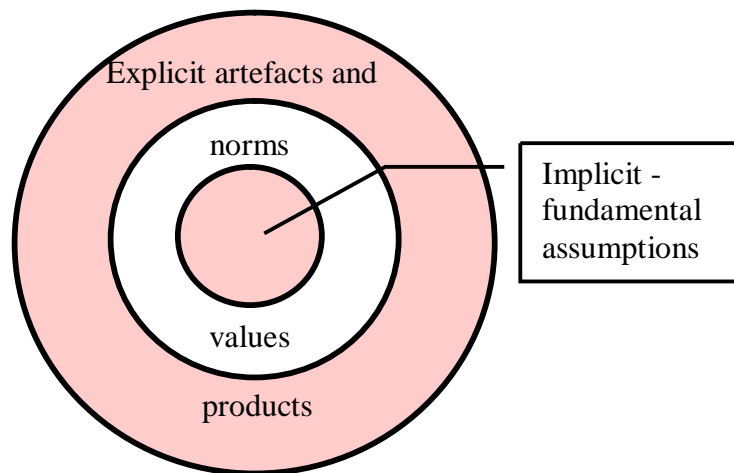
- ✓ both countries show a high level of the *power distance*. Romania occupies the sixth position and Russia the fifth position in a classification of this dimension, in a classification made of the countries included in the initial research (the IBM set) to which it was added the countries from the later research.
- ✓ both countries show a high degree of *uncertainty avoidance*. Romania occupies the ninth position and Russia occupies the fifth position in a classification of dimension the *uncertainty avoidance*, made of the countries included in the IBM set to which it was added the countries from the later research.
- ✓ both countries find themselves in the collectivist area of the dimension *individualism – collectivism*.
- ✓ both countries find themselves in the feminine area of the dimension *masculinity – femininity*.

## 2 Trompenaars' results

Trompenaars and Hampden-Turner did another research across a great number of countries. More than 1000 cross-cultural training programs given in over 20 countries, and 30 companies with departments spanning 50 different countries were the sources for this research. This model suggest three major direction of culture analysis:

- relation with others,
- attitudes to time,
- relation to nature.

The authors saw culture in a concentric perspective (figure 2).



**Figure 2 Levels of organizational culture**

The exterior includes the explicit products of the human activity: language, artifacts and conducts. All these are symbols of the more profound cultural strata. The middle includes the standards and the values of the group. The standards represent the sense which the group has upon what is right or wrong. The values determine the definition of what is good respectively bad. The essence, the culture's depth are the assumptions, the fundamental suppositions regarding the human existence. In the authors' opinion these are resulted from history and are generated by the fight for surviving.

Regarding the relationship with the others, the authors start from those five relational orientations suggested by Parsons:

- universalism versus particularism – it refers to the way in which people judge the conduct of their fellows; the two extreme alternatives are: in the universal case, functions the request to adhere to the standards of conduct appreciated by the culture of the respective group; in the peculiar case, is more important the judgment of the context, of the circumstances rather than that of the general rules accepted.
- individualism versus collectivism – in Parsons' opinion, the individualism can be defined as “the primary orientation towards one self” and the collectivism as “the primary orientation towards the collective objectives”.
- neutral versus emotional – in the relationships between people are included not only the reason but also the affects. If the reason prevails, the conduct is neutral; if the affects prevail, the conduct is emotional.

- specific versus diffuse – it refers to the way in which people communicate in specific areas of life and at one level of personality – in the case of specific culture, or how they communicate in multiple areas and at more levels of personality- the case of diffuse culture.
- achieving versus ascribing – it refers to the way in which people obtain their status. Some cultures assign the status on the basis of people's realizations while other assign the status on the basis of age, social class, sex and education.

Table 2 synthetises a part of the data of the authors regarding Romania and Russia.

**Table 2**

<b>Country</b>	<b>Universal versus particular</b>	<b>Individual freedom</b>	<b>Achieving versus ascribing</b>	<b>Controlling nature</b>	<b>Function versus personality</b>
Romania	<b>88</b>	<b>81</b>	<b>20</b>	<b>68</b>	<b>66</b>
Russia	<b>44</b>	<b>60</b>	<b>30</b>	<b>28</b>	<b>80</b>
min	32	30	4	9	44
max	97	89	77	68	100

(adapted from Trompenaars, Hampden-Turner, 1998)

The analysis of these results leads to the following conclusions:

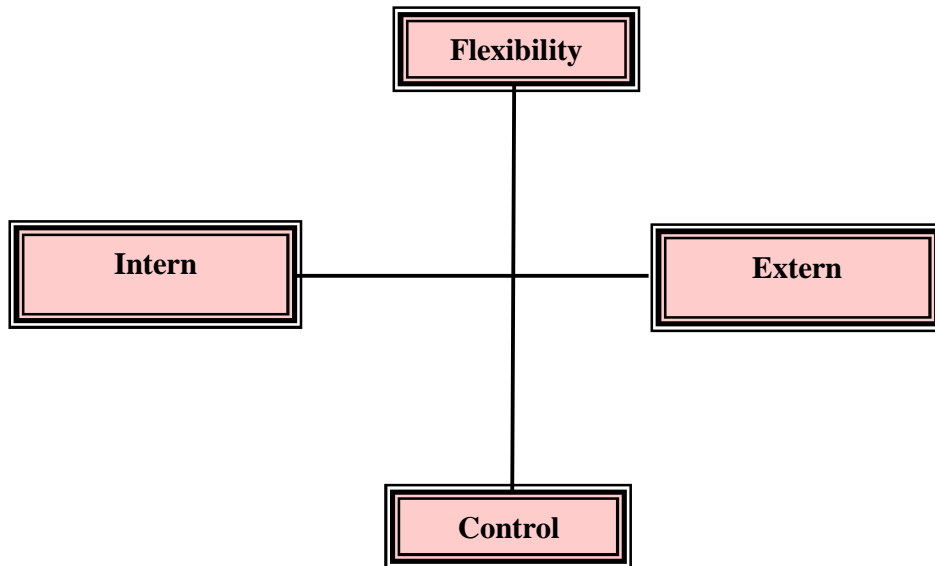
- ✓ the differences between Romania and Russia are solid for the majority of the cultural dimensions studied by the authors,
- ✓ for the dimension *individual freedom*, Romania finds itself in the individualist extreme,
- ✓ regarding the fact that the forces of nature can and must be controlled, Romania obtains the maximum score, while Russia finds itself in the inferior third part of the results.

### **3 Quinn's Competing Values Framework**

This theory was initially developed from a research on organizational efficiency indicators. Statistically analyzing a list of indicators, Quinn and Rohrbaugh identified two major dimensions defining the concept of organizational efficiency.

The first dimension represents the organization's point of view. The focus can either be directed internally, which makes the organization

itself, its processes, or its people, the central issue, or externally, which makes the relation of the organization with its environment the central issue. The contrasting poles of flexibility and control form the second dimension. Combining these two dimensions, four organizational culture orientations are obtained.



**Figure 3 Dimensions for organizational culture**

In 1989, a group of researcher from 11 European countries and USA developed a questionnaire based on Quinn's model. The four quadrants were treated as cultural orientation: support, innovation, rules and objectives. Members of the FOCUS group formulated 250 items after discussing the validity of the concepts of the competing values model in the participating countries. Half of these items were descriptive items; they measured directly observable behaviours, procedures, and policies within the organizations (for example, how many persons with personal problems are helped). The other items were value-characteristic items; they measured the perception of some typically characteristics of the organization (for example, how typical is risk taking).



All items were sent to all members of the group for an expert evaluation. In this was resulted the first version of the questionnaire. This version consisted of 128 items (64 descriptive and 64 value-characteristic statements) divided equally over the four orientations. These items were tested in a pilot study. After the evaluation of these items in the pilot test, resulted the final version of the Focus questionnaire. It consisted of 40 descriptive items and 35 value-characteristic items.

The Focus questionnaire was applied in 2006 in Romania and Russia on a sample of students. Table 3 synthesizes the results.

**Table 3**

Cultural orientation	Romania		Rusia	
	Average value	Rank	Average value	Rank
Support	3.26	IV	3.63	II
Innovation	3.31	III	3.19	IV
Rules	3.58	II	3.57	III
Objectives	3.63	I	3.89	I

Subdued to the tests, the differences between the values obtained for the two countries are significant from a statistical point of view. For both countries the orientation towards the *objectives* is dominant. Romania characterizes itself through an accented preference for *rules*, having the second position in the preferences order, while in the case of Russia, the orientation towards *support* has the second position.

#### **4 Concluding remarks**

1. Without any doubt that each of these researches brings a plus of knowledge regarding the cultural specific of the two countries. The cultural dimensions used by the authors are generated by the theoretical background from which has started in each case. The scores obtained for each of these dimensions reflect the theoretical approach and must be properly interpreted.
2. The visible differences between the results obtained in the analyzed researches can be easily explained through the theoretical approaches, methods, patterns and the procedures of processing the different data used. Also, in the mentioned

researches can be identified weak points – for example in Sucala, 2006 is deeply analyzed the Hofstede model.

3. These results do not lead to the growth of the understanding level, in the specific case analyzed here, of the cultural differences between Romania and Russia. Obviously, the results are contradictory. Are the two countries inclined to collectivism, as Hofstede says, or Romania is an individualist country and Russia a collectivist one, as Trompenaars says, or both in both countries prevails the orientation towards objectives, to the detriment of the orientation towards support, as it results after applying the Focus questionnaire?
4. Finally, which are the consequences of these differences? The researchers and the practitioners of the management are willing to carefully analyze all these differences, and their causes too, and to compose a synthetic and complete picture of the real situation, or the differences finally lead to the compromising of the comparative cultural researches, made in a quantitative manner?

**Note:**

Ideas and information from this paper were presented by the author at International Conference on ‘Strategic Thoughts in the New Age Management’, University of Jammu, India, November 2006, and at The 5<sup>th</sup> International Critical Management Studies Conference, Manchester Business School, July 2007.

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