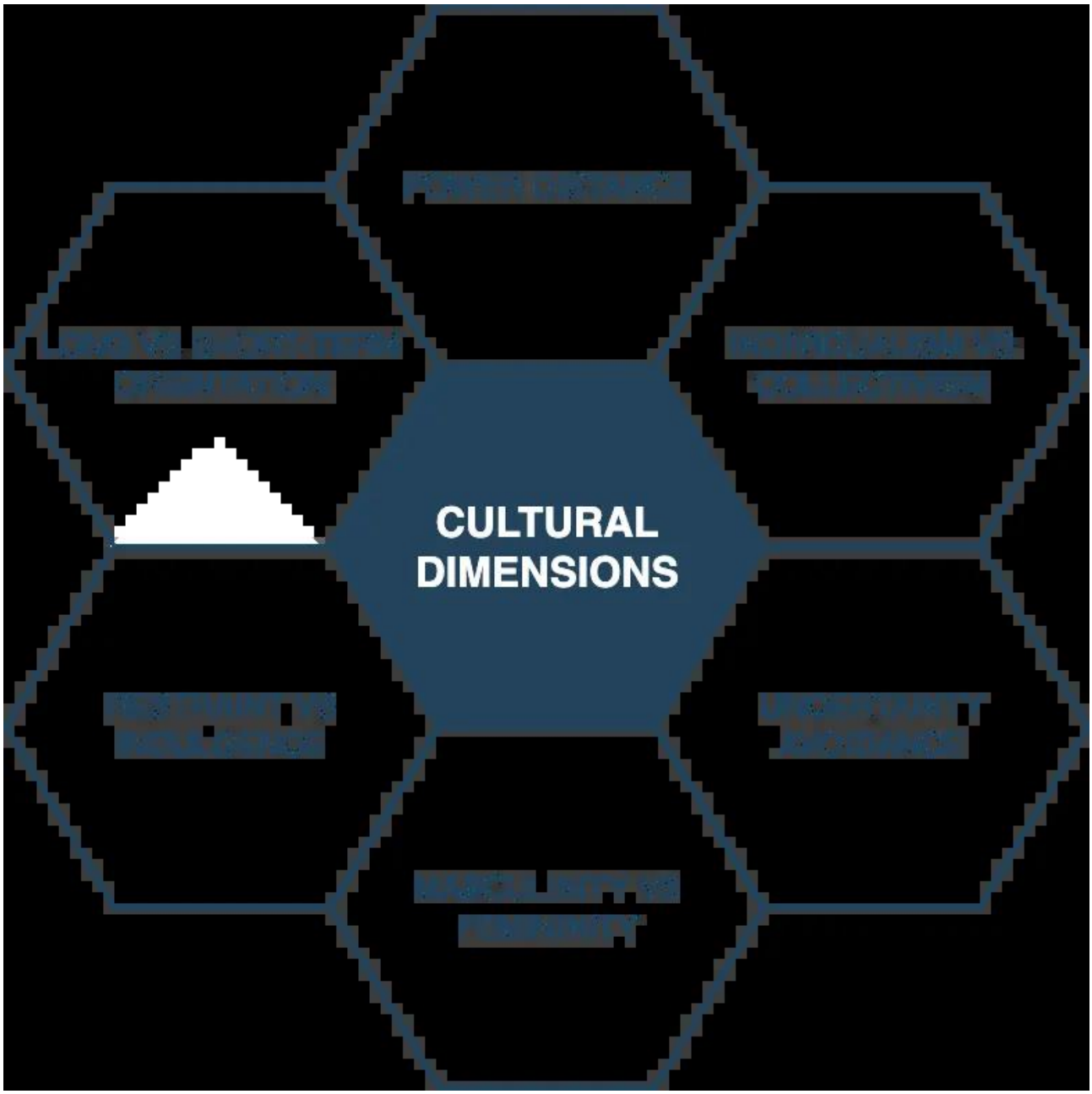
Hofstede's Cultural Dimensions

Idea In Short

Hofstede's Cultural Dimensions is a framework that helps distinguish among various national cultures, cultural characteristics, and their influence on a commercial context. To comprehend management in a country, one must be both knowledgeable and sympathetic to the entire local scene. However, the results of Hofstede's unique statistical survey should make everyone aware that people in other countries may think, feel, and act very differently than you, even when confronted with basic societal problems. Anyone working with Value-Based Management or Corporate Strategy should keep Hofstede's Cultural Dimensions Theory in mind at all times (humans have a tendency to think, feel, and act based on their own experiences), especially when working internationally.

Geert Hofstede, a social psychologist, had a varied career both in industry and in academia, retiring as a professor of organizational anthropology and international management from the University of Maastricht, the Netherlands, in 1993. Through his book culture's Consequences (1980, new edition 2001), he became a pioneer of comparative intercultural research; his ideas are used worldwide. The study's goal was to identify the parameters along which civilizations differ.



Hofstede's

cultural dimensions">

Hofstede's Study

Hofstede's cultural dimensions stem from a large survey he conducted in the 1960s and 1970s that investigated value differences among IBM's various divisions- a multinational computer manufacturing company. This study included over 100,000 employees from 50 countries. Using a statistical technique known as factor analysis, Hofstede initially identified

four value dimensions:

- Individualism and collectivism
- Power distance
- Uncertainty avoidance, and
- Masculinity and femininity

Later studies by Chinese sociologists discovered a fifth dimension - long-term and short-term orientation. Finally, a replication of Hofstede's study in 93 countries confirmed the existence of the five dimensions and identified the sixth dimension - Indulgence and restraint.

Description

Developed by Geert Hofstede, it is a framework for understanding cultural differences across countries. Power distance, uncertainty avoidance, individualism-collectivism, masculinity-femininity, and short-vs. long-term orientation is among Hofstede's initial five key dimensions. Later researchers added the distinction between restraint and indulgence to this list. Understanding the anomalies and the similarities of the Countries holding the key cultural dimensions. Hofstede's cultural dimensions are widely used in business and diplomacy to understand etiquette and facilitate cross-cultural communication.

Hofstede's Cultural Dimensions Theory

The framework which is used to understand the rationality and the variations throughout nations and trade is done across diverse cultures. In a nutshell, the structure is utilized to differentiate between distinct national cultures, cultural aspects, and their influence in a commercial context. Hofstede's identified six categories that define culture:

1. Power Distance
2. Individualism Vs. Collectivism
3. Uncertainty Avoidance
4. Masculinity Vs. Femininity
5. Long- Vs. Short-Term Orientation
6. Indulgence Vs. Restraint

Power Distance

This refers to the degree of inequality that exists – and is accepted – between people with and without power. The power distance index takes into account the degree to which inequality and power are permitted. In an organization, power is seen through the eyes of the followers - the lower level. A high power distance indicates that a culture accepts inequity and power differences, promotes bureaucracy, and values rank and authority. A low power distance index indicates that culture promotes a flat organizational structure with decentralized decision-making responsibility, a participatory management style, and an emphasis on power distribution.

> Parents are more likely to accept it if children argue or talk back to authorities in nations with low power distance index values. There is also a tendency toward greater equality between parents and children in these nations. In contrast, parents may anticipate their children's submission to their authority without challenging it in nations with high power distance. Those with higher status may occasionally see overt displays of difference and respect from inferiors.

A high PDI score indicates that a society accepts an unequal, hierarchical distribution of power, and that people understand their place in the system. A low PDI score means that power is shared and is widely dispersed, and that society members do not accept situations where power is distributed unequally.

> According to the model, in a high PDI country, such as Malaysia (100), team members will not initiate any action, and they like to be guided and directed to complete a task. If a manager doesn't take charge, they may think that the task isn't important.

High PDI cultures are marked by centralized organizations, complex hierarchies and large gaps in compensation, authority and respect. When working with such organizations, acknowledge a leader's status. As an outsider, you may try to circumvent his or her power, but don't push back explicitly. Also, be aware that you may need to go to the top for answers. Likewise, Low PDI cultures are marked by flatter organizations. Supervisors and employees are considered almost as equals. When working with such organizations, delegate as much as possible. Ideally, involve all those in decision making who will be

directly affected by the decision.

Individualism Vs. Collectivism

This refers to the strength of the ties that people have to others within their community. Individualism vs. collectivism is a factor that evaluates how societies are incorporated into groups, as well as their perceived duties and dependency on the group. A high IDV score indicates weak interpersonal connection among those who are not part of a core family. Here, people take less responsibility for others' actions and outcomes. In a collectivist society, however, people are supposed to be loyal to the group to which they belong, and, in exchange, the group will defend their interests. The group itself is normally larger, and people take responsibility for one another's well-being. Individualism denotes a stronger emphasis on achieving personal goals. In this category, a person's self-image is defined as I. Collectivism indicates that a larger emphasis is placed on the group's aims and well-being. In this category, a person's self-image is defined as we.

> An adult from a highly individualistic cultural background may be preoccupied with self-sufficiency and independence after suffering an injury. Caretakers may believe that their main responsibility is to encourage a return to self-care. For individuals and caretakers with a collectivist background, the focus may be on providing ongoing assistance to an individual. Extended family may be very involved in caretaking.

Central American countries Panama and Guatemala have very low IDV scores (11 and six, respectively). In these countries, as an example, a marketing campaign that emphasizes benefits to the community would likely be understood and well received, as long as the people addressed feel part of the same group. High individualism cultures place a high value on people's time and their need for privacy and freedom, an enjoyment of challenges, and an expectation of individual rewards for hard work. When working with such cultures, acknowledge individual accomplishments. Don't mix work life with social life too much. Encourage debate and expression of people's own ideas. Low individualism cultures emphasize on building skills and becoming master of something. People work for intrinsic rewards. Maintaining harmony among group members overrides other moral issues. When working with such cultures, wisdom is important. Suppress feelings and emotions that may endanger harmony. Avoid giving negative feedback in public. Saying No can cause loss of face, unless it's intended to be polite. For example, declining an invitation several times is

expected.

Uncertainty Avoidance [UA]

This dimension describes how well people can cope with anxiety. The uncertainty avoidance index takes into account how much uncertainty and ambiguity may be tolerated. This dimension takes into account how unknown situations and unexpected events are handled. Limited tolerance for uncertainty, ambiguity, and risk-taking are indicated by a high uncertainty avoidance score. The unknown is reduced by enforcing stringent standards, restrictions, and so forth. A strong tolerance for uncertainty, ambiguity, and risk-taking are indicated by a low uncertainty avoidance score. There is more open acceptance of the unknown, and there are regulations, etc. People with strong uncertainty avoidance cultural b ackgrounds might have a strong need for a clear prognosis, timeline, and expectations for the outcomes. People with weak uncertainty avoidance cultural backgrounds might be more at ease with the unknowable and less in need of a clear prognosis. In societies that score highly for Uncertainty Avoidance, people attempt to make life as predictable and controllable as possible. If they find that they can't control their own lives, they may be tempted to stop trying. These people may refer to mañana, or put their fate in the hands of God. People in low UA scoring countries are more relaxed, open and inclusive. Bear in mind that avoiding uncertainty is not necessarily the same as avoiding risk. Hofstede argues that you may find people in high-scoring countries who are prepared to engage in risky behavior, precisely because it reduces ambiguities, or in order to avoid failure.

> In Hofstede's model, Greece tops the UA scale with 100, while Singapore scores the lowest with eight. Therefore, during a meeting in Greece, you might be keen to generate discussion, because you recognize that there's a cultural tendency for team members to make the safest, most conservative decisions, despite any emotional outbursts. Your aim is to encourage them to become more open to different ideas and approaches, but it may be helpful to provide a relatively limited, structured set of options or solutions.

High UA cultures are conservative, rigid and structured, unless the danger of failure requires a more flexible attitude. Many societal conventions exist. In such cultures, people are expressive and are allowed to show anger or emotions, if necessary. Generally, these are high energy societies where people feel that they are in control of their life instead of feeling

overwhelmed by life's vagaries. When working with such cultures, be clear and concise about expectations and goals, and set clearly defined parameters. Encourage creative thinking and dialogue where you can. Recognize that there may be unspoken rules or cultural expectations you need to learn. Recognize that emotion, anger and vigorous hand gestures may simply be part of the conversation. Low UA cultures are marked by openness to change or innovation, and generally inclusive. In such cultures, people are more inclined to open-ended learning or decision making. Generally, a less sense of urgency exists. When working with such cultures, ensure that people remain focused, but don't create too much structure. Titles are less important, so avoid showing off your knowledge or experience. Respect is given to those who can cope under all circumstances.

Masculinity Vs. Femininity [MAS]

The masculine vs. femininity component, sometimes known as tough vs. delicate, analyses society's desire for accomplishment, attitude toward sexuality equality, behaviour, and so on. This refers to the distribution of roles between men and women. In masculine societies, the roles of men and women overlap less, and men are expected to behave assertively. Demonstrating your success, and being strong and fast, are seen as positive characteristics. Masculinity is defined by distinct gender roles, assertiveness, and a focus on financial success and wealth-building. Femininity is defined by flexible gender roles, modesty, nurturing, and a concern for the quality of life. Having a low femininity score indicates that there are more women in leadership positions and higher female entrepreneurship rates. In feminine societies, however, there is a great deal of overlap between male and female roles, and modesty is perceived as a virtue. Greater importance is placed on good relationships with your direct supervisors, or working with people who cooperate well with one another.

> The gap between men's and women's values is largest in Japan and Austria, with MAS scores of 95 and 79 respectively. In both countries, men score highly for exhibiting tough masculine values and behaviors, but, in fact, women also score relatively highly for having masculine values, though on average lower than men. Japan has the highest MAS score of 95, whereas Sweden has the lowest measured value of five. Therefore, if you open an office in Japan, you should recognize you are operating in a hierarchical, deferential and traditionally patriarchal society. Long hours are the norm. And this can make it harder for female team members to gain advancement, due to family commitments. At the same time, Japan is a culture where all children (male and female) learn the value of competition and winning as part of a team from a young age. Therefore, female team members are just as likely

> to display these notionally masculine traits as their male colleagues. By comparison, Sweden is a very feminine society, according to Hofstede's model. Here, people focus on managing through discussion, consensus, compromise, and negotiation. In addition, countries with high femininity scores are more likely to have better maternity leave policies and affordable child care.

High MAS cultures are marked by strong egos – feelings of pride and importance are attributed to status. Money and achievement are important. When working with such cultures, be aware of the possibility of differentiated gender roles. A long-hours culture may be the norm, so recognize its opportunities and risks. People are motivated by precise targets, and by being able to show that they achieved them either as a group or as individuals. In contrast, low MAS cultures are relationship-oriented or consensual. More focus is rendered on the quality of life. Success is more likely to be achieved through negotiation, collaboration and input from all levels. In such cultures, avoid an old boys club mentality, although this may still exist. Workplace flexibility and work-life balance may be important, both in terms of job design, organizational environment and culture, and the way that performance management can be best realized.

Long- Vs. Short-Term Orientation

The dimension of long-term orientation vs. short-term orientation evaluates how society interprets its temporal horizon. This dimension was originally described as Pragmatic Versus Normative [PRA]. It refers to the time horizon people in a society display. Countries with a long-term orientation tend to be pragmatic, modest, and more thrifty. In short-term oriented countries, people tend to place more emphasis on principles, consistency and truth, and are typically religious and nationalistic. Long-term orientation means deferring short-term success or satisfaction in order to attain long-term success. Long-term thinking promotes tenacity, persistence, and long-term progress. Short-term orientation emphasizes the present over the future, focuses on the immediate future, and entails delivering short-term success or fulfilment. Short-term thinking stresses immediate outcomes while respecting tradition.

> The U.S. has a short-term orientation. This is reflected in the importance of short-term gains and quick results (profit and loss statements are quarterly, for example). It is also reflected in the country's strong sense of nationalism and social standards.

In Long-Term Orientation cultures, people often wonder how to know what is true. For example, such questions as What? and How? are asked more than Why?. Thrift and education are seen as positive values. Modesty, virtues and obligations are emphasized. When working with such cultures, behave in a modest way. Avoid talking too much about yourself. People are more willing to compromise, yet this may not always be clear to outsiders; this is certainly so in a culture that also scores high on PDI. In contrast, in Short-Term Orientation cultures, people often want to know Why?. As people tend to oversell themselves, others will assess their assertions critically. Strong convictions, values and rights are emphasized. When working with such cultures, sell yourself to be taken seriously. People are less willing to compromise as this would be seen as weakness. Flattery empowers.

Indulgence Vs. Restraint

The indulgence vs. restraint component examines the degree and proclivity of a community to satisfy its wishes. In other words, this dimension is concerned with how civilizations might exert control over their impulses and wants. Indulgence suggests that society allows relatively unrestricted pleasure in the form of living life and having fun. Restraint means that society suppresses and restricts the fulfilment of desires through social norms. Countries with a high IVR score allow or encourage relatively free gratification of people's own drives and emotions, such as enjoying life and having fun. In a society with a low IVR score, there is more emphasis on suppressing gratification and more regulation of people's conduct and behavior, and there are stricter social norms. An indulgent society may cause individuals to spend more money on luxuries and have more freedom regards to leisure time activities, while a restrained society would encourage people to save money and focus on practical needs.

> According to the model, Eastern European countries, including Russia, have a low IVR score. Hofstede argues that these countries are characterized by a restrained culture, where there is a tendency towards pessimism. People put little emphasis on leisure time and, as the title suggests, people try to restrain themselves to a high degree.

Highly Indulgent cultures are optimistic. Such cultures value freedom of speech and focus on personal happiness. Such cultures don't take life too seriously. When working with such cultures, encourage debate and dialogue in meetings or decision making. Prioritize

feedback, coaching and mentoring. Emphasize flexible working and work-life balance. In contrast, High Restraint cultures are relatively pessimistic, more controlled and exhibit rigid behavior. When working with such cultures, avoid making jokes when engaged in formal sessions. Instead, be professional. Only express negativity about the world during informal meetings.

Correlations

Hofstede's dimensions have been found to correlate with a variety of other country difference variables, including:

- geographical proximity,
- shared language,
- related historical background,
- similar religious beliefs and practices,
- common philosophical influences, and
- identical political systems

For example, countries that share a border tend to have more similarities in culture than those that are further apart. This is because people who live close to each other are more likely to interact with each other on a regular basis, which leads to a greater understanding and appreciation of each other's cultures. Similarly, countries that share a common language tend to have more similarities in culture than those that do not. Those who speak the same language can communicate more easily with each other, which leads to a greater understanding and appreciation of each other's cultures. Finally, countries that have similar historical backgrounds tend to have more similarities in culture than those that do not. People who share a common history are more likely to have similar values and beliefs, which leads, it has generally been theorized, to a greater understanding and appreciation of each other's cultures.

Summary

Cultural norms play a large part in interpersonal relationships at work. When you grow up in a certain culture, you take the behavioral norms of your society for granted. You don't have

to think about your reactions, preferences and feelings, provided that you don't deviate too much from your society's central tendency. However, when you step into a foreign culture, things suddenly seem different, and you don't want to cause offense. By using Hofstede's Cultural Dimensions as a starting point, you can evaluate your approach, your decisions, and your actions – based on a general sense of how people in a particular society might think and react. Of course, everybody is unique, and no society is uniform. But you can use the Hofstede model to make the unknown less intimidating, to help you to avoid making mistakes, and to provide a much-needed confidence boost when you're working in an unfamiliar country.