

RESEARCH INTO HOFSTEDE'S THESIS

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Abstract:

A paper which looks at research that suggests how ICTs are a possible source of global homogenization of “culture” in light of Hofstede’s thesis that persons, organizations and theories of management, are everywhere framed by their primary culture even as they profess to transcend it (Hofstede, Hofstede & Minkov, 2010, pp. 4–25, 309–310). Hofstede’s work is proposed as a knowledge management tool to establish a baseline metrics for analysis of behavioral and situational awareness of global socio-economic change. It can be suggested that socio-economic events and the resulting change, particularly since the 2008 global financial crisis, is manifested in the cultural dimensional indices as developed by Hofstede. After a brief discussion of Hofstede’s hypothesis and framework, a case study of a convenience sample taken over a four year time period (2008-2012) in the Slovak Republic will be used as medium to talk about change as evidenced through the indices, the possible explanation, and possible role of ICT as a driver in the knowledge transfer and awareness process that facilitated a change in cultural dimension indices.

Keywords: Hofstede, knowledge management tool, global socio-economic change.

1. INTRODUCTION

This paper builds on previous work (Delorenzo et al., 2006; Burcik et al., 2007) that explored cultural connections to curriculum, business education and decision making. Curriculum, business, and decision making while attempting to follow global norms such as accreditation, accepted practice, and convention—still are contextualized within a local socio-cultural frame. If not—will likely not succeed (Burcik et al., 2007). However, the focus is on using Hofstede as a basis for explaining change in patterns of socio-cultural perspective. While Hofstede's thesis that persons, organizations and theories of management, are everywhere framed by their primary culture even as they profess to transcend it (Hofstede, Hofstede & Minkov, 2010, pp. 4–25, 309–310) is widely accepted, can changes be adequately explained used this same framework is explored. Furthermore, if changes in socio-cultural index values occur, can Hofstede's social-cultural dimensions be used to both analyze and explain these changes as a functional culturally framed knowledge management tool?

Initially, this essay will provide a context for Hofstede's thesis that includes a description and discussion of his cultural dimensions. Then a discussion will follow with respect to how the most recent published index data compares for a select sample of Eastern European countries to the United States. Finally, convenience sample of data from the Slovak Republic collected over a 2008–2012 time period by the researchers is discussed in the context of global change, ICT infrastructure, and cultural context.

2. HOFSTEDE'S IDEA OF CULTURAL DIMENSIONS

Dimensions: how “national cultures” differ (Hofstede & Hofstede, 2005, p. 23).

“...[dimensions represent] *what* problems were common to all societies...(Hofstede & Hofstede, 2005, p. 22).

These problematic areas are aspects of power in relationships, ambiguity of life, influences of groups, and nurturing perspectives (Hofstede & Hofstede, 2005, p. 23), and a temporal view of human affairs (Hofstede & Hofstede, 2005, p. 31).

The dimensionalities are, in fact, about values. They are cultural norms that have become embedded in society as well as each individual without conscious design. They have inherently been passed from one generation to another without discussion, thought, or action.

Dimensions are: PDI: a theory-in-use about power, and relationships; UAI: a theory-in-use about the uncertainty of situations, affairs, and trust of people; IDV: identification of self with a group or as an individual; MAS: awareness of relationships as nurturing or aggressive, and LTO: “long-term or short-term orientation” (Hofstede & Hofstede, 2005; Hofstede, Hofstede & Minkov, 2010).

A new dimension is Indulgence versus Restraint. “...*Indulgence ...[is] a tendency to allow relatively free gratification of basic and natural human desires related to enjoying life and having fun....restraint, reflects a conviction that such gratification needs to be curbed and regulated by strict social norms*” (Hofstede, Hofstede & Minkov, 2010, p. 281).

This dimension, as it is new, does not, as of yet have sufficient data accumulated to be as significant in conclusions as the other dimensions.

While the number of and data associated with Hofstede’s cultural dimensions have evolved over the past 30 years, the original four dimensions of Power Distance, Uncertainty Avoidance, Individual/Collectivism, and Masculinity/Femininity was amended with two additional dimensions—Long Term Orientation and Indulgence and Restraint. As a note: for the purpose of this research, of the two additional dimensions, the base data gathering tool used in this study—Culture GPS—does not include Indulgence and Restraint. As a result, Long Term Orientation was the only one added to the original four for this analysis. Culture GPS: Professional Edition, an app developed for the iPhone and iPad, applied Hofstede’s questionnaire and weighting methodology using five of the six Hofstede cultural dimensions. These five dimensions form the basis of what is referred to as the 5D Model. This model as defined in the Culture GPS: Professional Edition app is as described in the following (See Table 1).

Table 1: (Adapted from Culture GPS: Professional Edition—5D Model (ITIM, 2011))

	5D Model	
	Low Characteristics	High Characteristics
<p>Power Distance (PDI)</p> <p>The extent to which the less powerful members of society expect and accept power is distributed unequally</p>	<ul style="list-style-type: none"> • Low dependence needs • Inequality minimized • Hierarchy for convenience • Superiors accessible • All should have equal rights • Change by evolution 	<ul style="list-style-type: none"> • High dependence • Inequality accepted • Hierarchy needed • Superiors often inaccessible • Power holders have privileges • Change by revolution
<p>Individualism (IDV)</p> <p>Individualism: people look after themselves and their immediate family only. Collectivism: people belong to in-groups (families, clans, or organizations) who look after them in exchange for loyalty.</p>	<ul style="list-style-type: none"> • “We” consciousness • Relationships have priority over tasks • Fulfill obligations to family, in-group, society • Penalty implies loss of “face” and shame 	<ul style="list-style-type: none"> • “I” consciousness • Private opinions • Fulfill obligations to self • Penalty implies loss of self-respect and guilt
<p>Masculinity/Femininity (MAS)</p> <p>Masculinity: the dominant values are achievement and success. Femininity: the dominant values in society are caring for others and quality of life.</p>	<ul style="list-style-type: none"> • Quality of life, serving others • Striving for consensus • Work in order to live • Small and slow are beautiful • Sympathy for the unfortunate • Intuition 	<ul style="list-style-type: none"> • Performance ambition, a need to excel • Tendency to polarize • Live in order to work • Big and fast are beautiful • Admiration for the successful achiever • Decisiveness
<p>Uncertainty Avoidance (UAI)</p> <p>The extent to which people feel threatened by uncertainty and ambiguity and to try to avoid such situations.</p>	<ul style="list-style-type: none"> • Relaxed, less stress • Hard work is not a virtue per se • Emotions not shown • Conflict and competition seen as fair play • Acceptance of dissent • Flexibility • Less need for rules 	<ul style="list-style-type: none"> • Anxiety, greater stress • Inner urge to work hard • Showing of emotions accepted • Conflict is threatening • Need for agreement • Need to avoid failure • Need for laws and rules

<p>Long-Term Orientation (LTO)</p> <p>The extent to which a society shows a pragmatic future-oriented perspective rather than a conventional historical or short-term point of view.</p>	<ul style="list-style-type: none"> • Absolute truth • Conventional/traditional • Concern for stability • Quick results expected 	<ul style="list-style-type: none"> • Many truths • Pragmatic • Acceptance of change • Perseverance
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3. HOFSTEDE'S ESTIMATES OF DIMENSIONS FOR EASTERN EUROPEAN NATIONAL CULTURES

These are all estimates according to Hofstede and Hofstede, from the “professional” or organizational level of the social-cultural environment, assuming, as Hofstede and Hofstede (2005) do, that the respondents represent their “societal” milieu. Thus, it is assumed that these indices indicate a dimensionality of the overall social-cultural environment, the society of which the people are taken to be representatives. The problematic is that they are professionals, representative only of the layer of the social-cultural environment they work in. So far, there has been little or no conscious attempt to segment each socio-cultural environment based on age, profession, urban/rural, identity. Furthermore, does one cultural identity shift over time, i.e., as one matures?

An interesting set of relationships stands out among Eastern European Union societies (and possible future ones) and between European Union members and selected non-European Union members, when one compares them along the dimensions of power distance and uncertainty avoidance (See Table 2). The combination of the power distance index and the uncertainty avoidance index provide a basis for conjecture and research about the impact of culture on espoused theories of organizations, management, managerial or decision making styles, and curricula implemented across universities within these societies (Burčik et al., 2007).

Table 2: Social-cultural Dimensions*

Hofstede, Hofstede & Minkov					
	PDI #	UAI ##	IDV ###	MAS ####	LTO #####
Slovakia	104	51	52	110	38
Russia	93	95	39	36	81
Romania	90	90	30	42	52
Serbia	86	92	25	43	52
Croatia	73	80	33	40	58
Slovenia	71	88	27	19	49
Germany	35	65	67	66	83
France	68	86	71	43	63
Britain	35	35	89	66	51

Dimensional continua:

large, 110, – small, 10, power distance; (PDI)

strong, 115, - weak, 5, uncertainty avoidance; (UAI)

individualist, 100, – collectivist, 5; (IDV)

masculine, 110, – feminine, 5; (MAS)

long term 100, -- short term, 4; (LTO)

4. THE SLOVAK REPUBLIC — DATA FROM 2008–2012

As part of an ongoing research and data collection project, the following data analysis is focused on a student and faculty sub-population in the Slovak Republic collected annually from 2008 to 2012. The data was collected in 2008 through a hard copy questionnaire of Hofstede's VSM -94 survey. Subsequent data was collected through a combination of the Culture GPS tool administered through an iPhone or iPad and an electronic version of Hofstede's updated VSM-10 survey. Both the VSM-10 and Culture GPS:Professional Edition include Hofstede and Minkov's 5th cultural dimension—Long Term Orientation.

The following data reflected in Figures 1 -5 and Table 3 is from the Slovak Republic for the years 2008, 2009, 2010 and 2012. Also included as a baseline, is current data taken from Hofstede's 2012 index (<http://www.geerthofstede.com/index.aspx>, 2012) for Slovakia and the USA. The data included in Figures 1-5 and Table 3 compare aggregate Slovak questionnaire responses on each of the dimensions (PDI, IDV, MAS, UAI and LTO) in 2008, 2009, 2010, and 2012 with baseline Hofstede Slovak and USA data.

2008 is marked as the year the world went into the financial crisis that began in the United States. With respect to the Slovak Republic, 2008 was the first time the first generation that has grown up under democracy –post the 1992 end of the socialist era had experienced anything other than a promising and prosperous future. The data, for the most part is taken from this new generation.

The PDI dimension while fairly consistent over the four years presented is significantly off from the Hofstede baseline data derived, for most part, from an older aggregate population. The data revealed for the PDI indicates opportunity and optimism while the Hofstede data can be interpreted to indicate skepticism and cynicism. With respect to the IDV dimension, the data reflects more of a consistent “I” orientation reflecting an attitude of self-determination as possibly affected by global knowledge made available to them via ICT access and a usage comfort level. The Hofstede baseline is clearly a residual “we” orientation derived from the Slovak relatively recent socialist heritage. The MAS dimension for the data indicates a feminine nurturing social orientation—again possibly reflective of global trends as acquired through ICT media. Once more, this in contrast to the Hofstede aggregate data that can be interpreted to reflect socio-cultural norms of the past with a focus on masculine attributes of assertiveness, decisiveness, and a strong work ethic—living to work. The Uncertainty Avoidance dimension seems to reflect the increasing stress and uncertainty in the world. This is particularly evident in the 2008 data. The data from the other years reflect values close to the Hofstede baseline data. Finally, the LTO dimension can be interpreted to focus more on stability and shorter term results. However, the data for 2010 and 2012 show a slight movement for the acceptance of change and flexibility. This is in contrast to Hofstede's data that indicates a greater concern with stability and the here and now.

While this data is a snapshot of one segment of the population, it can be explained in the

context of world political and financial dynamics. As time has passed and the data is collected and analyzed, complexity is uncovered. As an analytic tool—much discussion and many questions have been raised. However, it has become clear that analyses into well-defined socio-cultures –such as the Slovak Republic—needs to further refined into distinct sub-cultures based on attributes such as age, profession, region, and “identity.” It can only be surmised that ICT connectivity and knowledge availability—particularly evident with the current university student generation—can explain the disparity in data results with the Hofstede identified aggregate cultural indices. The conversation, discussion, and analysis has just begun.

Figure 1: PDI –Slovak data 2008, 2009, 2010, 2012, Hofstede Slovak and USA

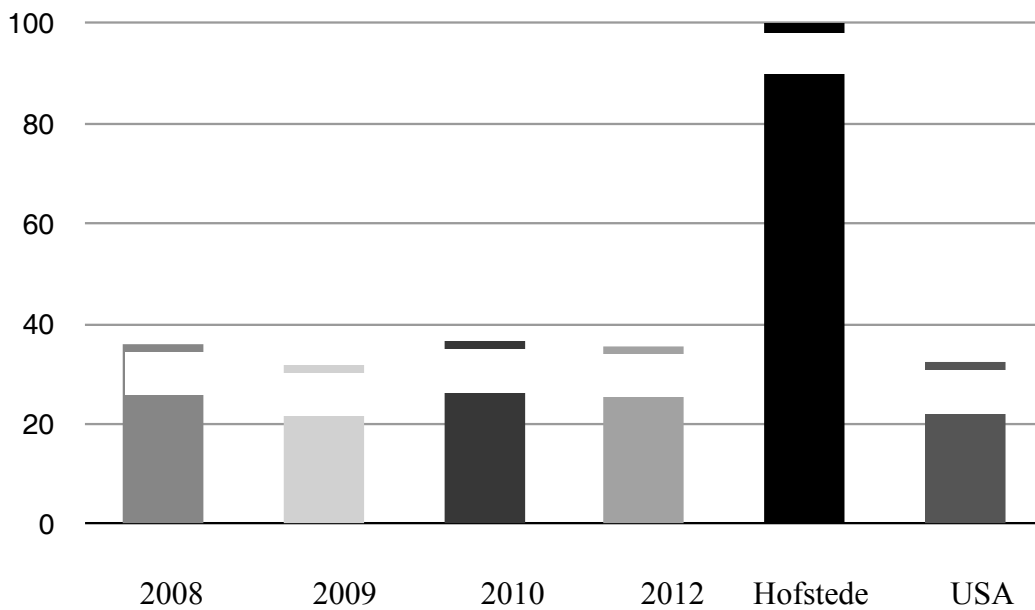


Figure 2: IDV –Slovak data 2008, 2009, 2010, 2012, Hofstede Slovak and USA

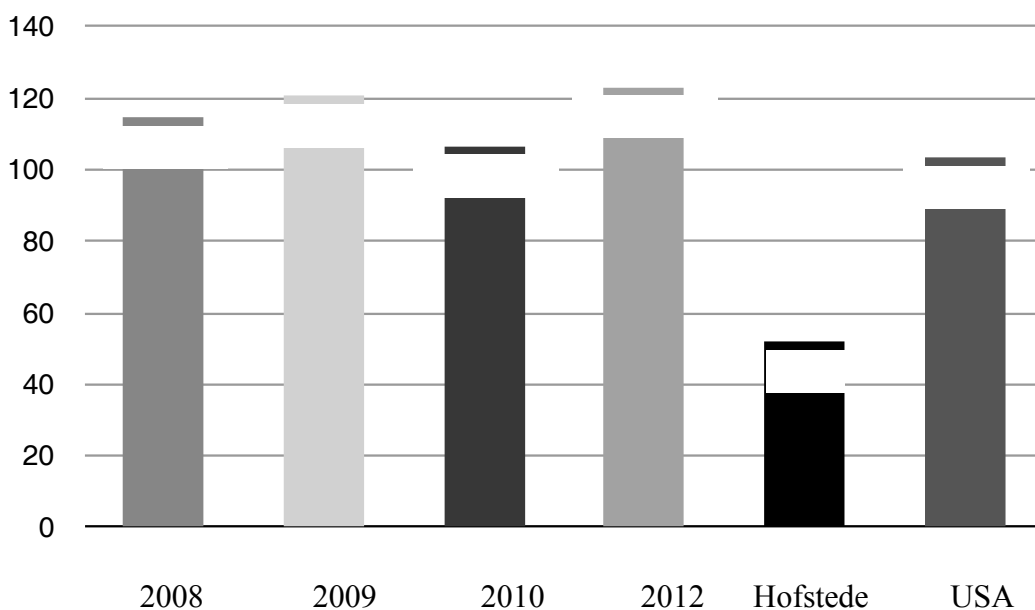


Figure 3: MAS –Slovak data 2008, 2009, 2010, 2012, Hofstede Slovak and USA

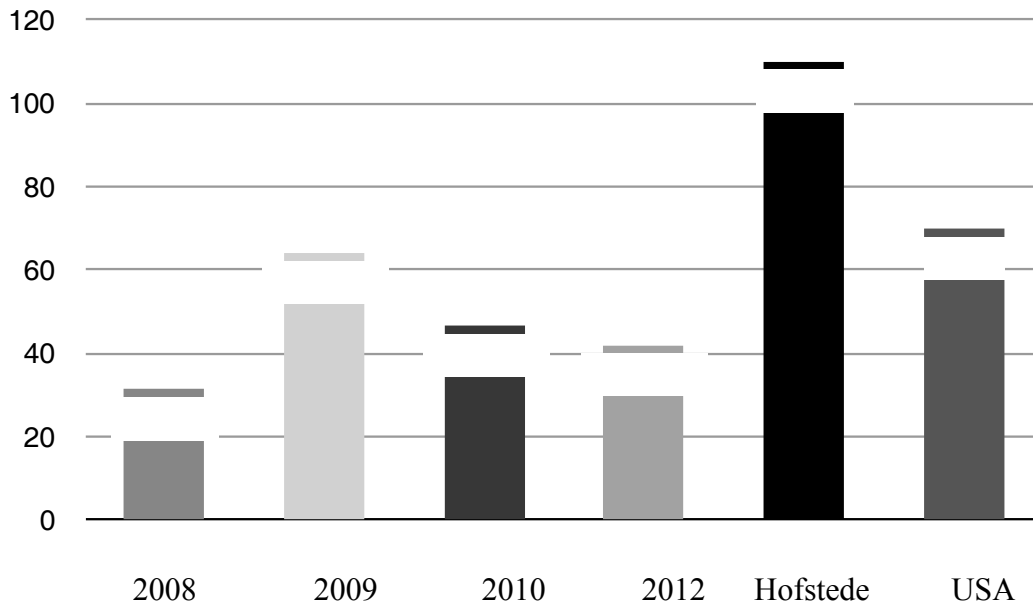


Figure 4: UAI –Slovak data 2008, 2009, 2010, 2012, Hofstede Slovak and USA

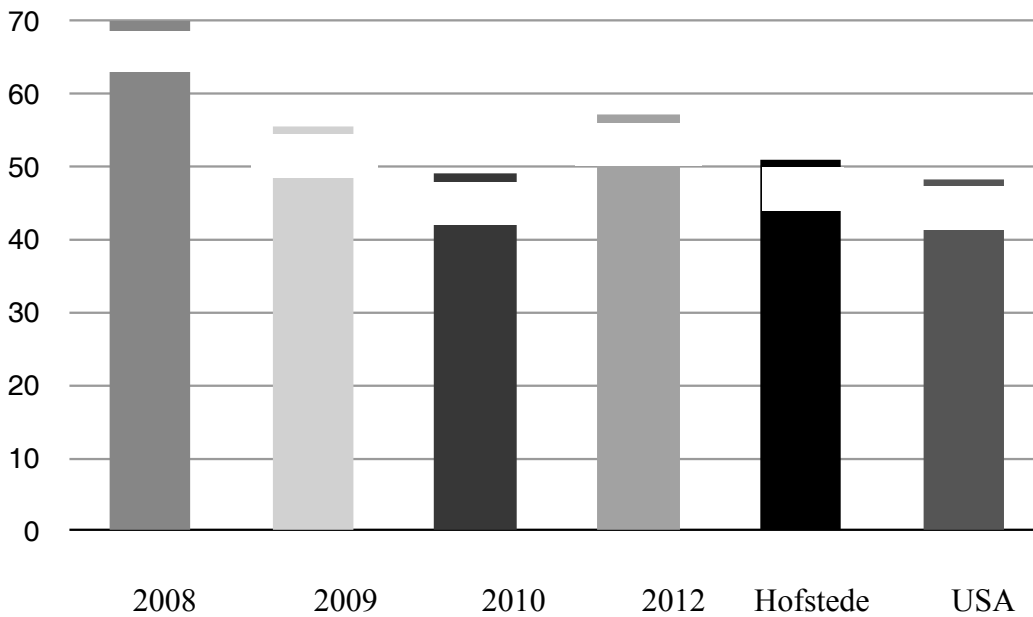


Figure 5: LTO –Slovak data 2008, 2009, 2010, 2012, Hofstede Slovak and USA

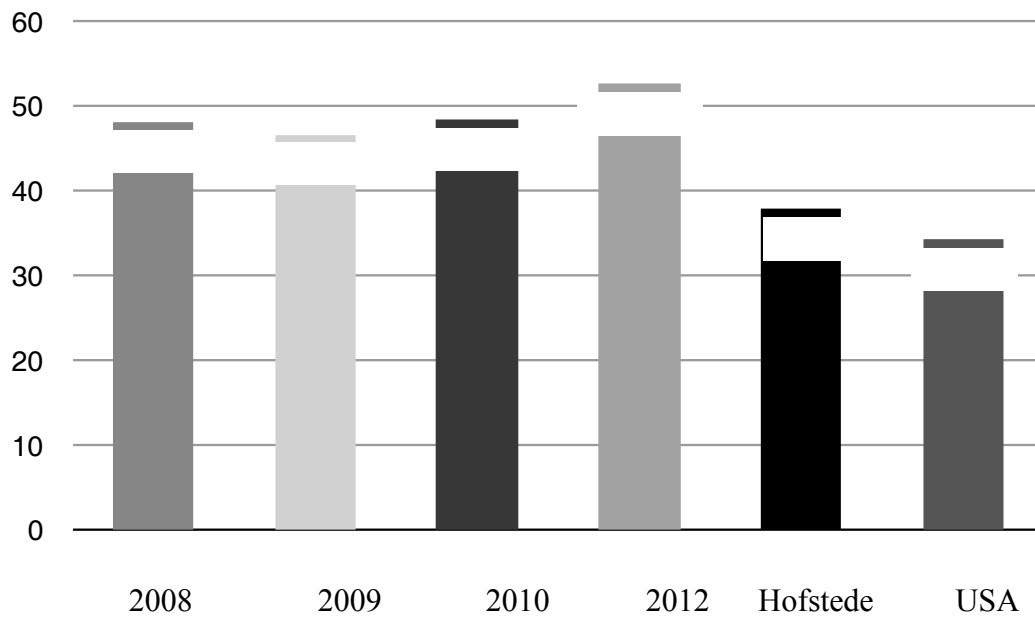


Table 3: Summary Table of Slovak data for the 5 dimensions from 2008–2012

	2008	2009	2010	2012	Hofstede	USA
PDI	36	31,81	36,62	35,53	104	32,4
IDV	114,7	120,83	106,47	122,98	52	103,5
MAS	31,6	64,17	46,76	41,91	110	70
UAI	70,15	55,56	49,12	57,23	51	48,3
LTO	48,2	46,67	48,53	52,77	38	34,4

5. CONCLUSION AND FUTURE RESEARCH

This research reflects on the inherent socio-cultural differences as revealed through Hofstede’s framework in the context of an ICT driven global virtual environment. While it can be argued that the current new generation has grown up in the digital internet based world with a global political-socio-economic context, there still exists socio-cultural differentiations as espoused by Hofstede. To understand this differentiation is fundamental to a knowledge management and decision making frame in an world increasing succumbing to a globalization phenomenon.

Future research in this ongoing project will focus on segmenting the respondent sample on the basis of profession, age, urban/rural/regional identity, and self-reported “identity” (i.e., “Catholic,” “Bratislavian,” “Carpathian,” “accountant,” etc.). The purpose of this segmentation is to determine the boundaries of culture and sub-cultures within the scope of a

national identity. Furthermore, the re-administration of the questionnaire at a later date can provide insight as to if national cultural identity evolves with maturity. It also can provide insight into the effect of globalization as manifested through ICT internet technology in a population that has grown up with it. Particularly—do localized socio-cultural environments have greater long term effect on socio-cultural behavior than do global knowledge, information, and digital ICT virtual reality.

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