

Cross-Cultural Business Values And A Training Method

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Key words: Business values, cross-cultural values, organisation, management training, human resource management.

The rapid processes of regions' convergence determine the cross-cultural interaction as well as the emergence of multicultural business environment. This inevitably urges the demand for cross-cultural values' cognition and compatibility as an important precondition for effective business. This determined the organizations of 5 countries, Lithuania, Austria, Greece, Spain and Germany to develop a model of European business values and to establish a training method for managers and employees working in a multicultural business environment. The vision behind the project is to force social and economic integration in Europe with respect to cultural heritage of each country/organization. The training method should finally enhance the cultural (self-) awareness of businessmen and -women. The project is financed with the support of the European Community Programme "Leonardo da Vinci, Pilot Projects" Programme.

Research

Organizations are complex systems, organisational culture a multi-staged phenomenon. As it is impossible to cover all, the preliminary study concentrates on the main (influencing and reproductive) factor of organizational culture, the cultural business values. Firstly based on research literature a model of business values was developed, which was subsequently tested in an empirical study.

The model covers, with regard to latest studies, the eight most significant dimensions of business values. They are described by polarities, although both parameter values can occur at the same time and can be therefore separately measured. So a person can be career-orientated, but also esteem personal needs, family and leisure time. This 8th category “work – personal needs, family” was added to gain some insight on the balance between work and personal life.

1. human relationships – business-like efficiency
2. collectivism – individualism
3. formality – cooperation
4. seclusion – openness
5. autocratic management – leader/subordinate cooperation
6. passivity – activity
7. hygiene factors – motivation factors
8. work – personal needs, family

To measure these eight dimensions two questionnaires were developed, one for managers and another one for subordinates. 52 statements describe typical “ways to work”, attitudes and behaviour of managers and employees, organizational processes and organisational-technical environments. Participants had to evaluate how these statements correspond to the situation in their enterprise. Motivation and the balance between work and personal needs were separately controlled.

Table 1: Example for questions

	“Human relationship”	“Business like efficiency”
Question for the managers	Employees participate in discussions regarding tasks, ways and terms to fulfil them.	Employees seek to improve their qualification and to develop their competences.
Question for the subordinates	Managers trust employees and involve them into tasks and discussions, related to ways and terms of tasks fulfilment.	Enterprise is seeking to provide the conditions to improve qualification and to develop competences.

In the questionnaires the employees were asked their opinion about the managers and vice versa.

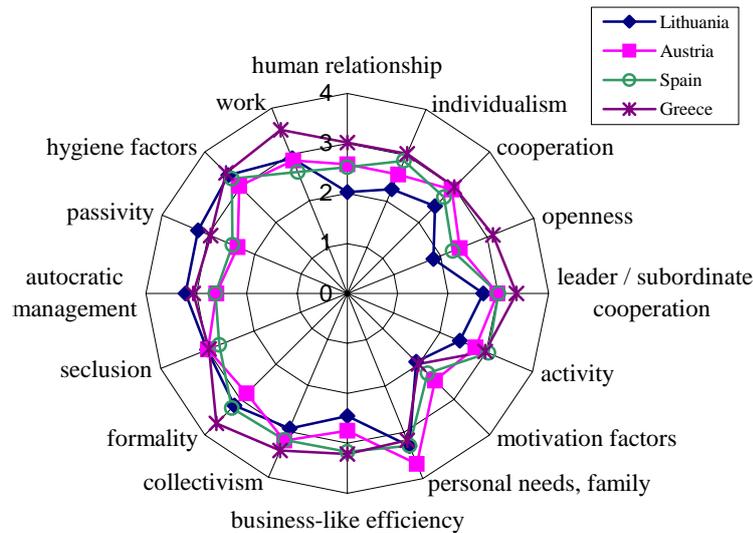
42 national enterprises working in European business environments took part in the research, 715 respondents were surveyed: In Austria 14 managers and 30 of their subordinates, in Italy 10 managers and 250 subordinates, 72 managers and 298 subordinates in Lithuania, 15 managers and 21 subordinates in Spain and 34 managers and 71 of their subordinates in Greece.

Results

Most similar are the answers of the Lithuanian and Austrian managers concerning the cultural dimensions, differing only in the attitude to human relationship and passivity. Austrian managers state high orientation to "relationship", i. e. they evaluate the relations between managers and employees as rather good and tense. But at the same time they are also orientated towards "business like efficiency", i. e. they do business orientated on objectives, goals and achievements. In Lithuania there is in general a lower orientation to human relationship, business-like efficiency, individualism, collectivism, cooperation, openness, activity than in other countries, but higher orientation to autocratic management and passivity in the perception of managers. Another peculiarity about the Lithuanian data is that there is the biggest dissent between managers and subordinates. Subordinates additionally point out, that there is poor attention to subordinates, that enterprises have little own traditions of leisure time activities and that there are rare informal discussions among managers and subordinates (factor "orientation to relationship"). According to the subordinates' opinion, there is rather small individuality promotion in enterprises. The compensation system does not evaluate subordinates' skills, competencies and achieved individual results sufficiently ("orientation to individualism"). Formality is higher in Lithuania than in other countries, especially from the managers' point of view. Formality emerges through clear formulated tasks, defined rights and responsibility for employees, which is necessary for effective business. But horizontal cooperation is poor: employees are not aware of the issues solved in other departments and there is rather low cooperation between different departments, work teams and shifts. One of the reasons of low evaluation of orientation to openness (Graph 1) is lack of cooperation, open discussions between manager and subordinates, reluctance or absence of financial resources to meet technical-organizational innovations. Managers especially emphasize subordinates' passivity and necessity for work process control in

order to seek good results, but subordinates state that managers follow the principle: „subordinates’ task is to carry out the managers’ orders“.

Graph 1: Business values from subordinates’ point of view



Surprisingly Austrian managers emphasize the appearance of autocratic management more than the subordinates feel its presence. This and the high level of orientation to relationship can be explained by the carriers of managers. Employees typically reach management position (on medium level) by being selected out of the team or department. Therefore, on the one hand they have to work on good relations and cooperation and on the other hand they may feel the need to act in an autocratic way to hold the position.

For the dimension “motivation” the two main factors of Herzberg’s theory were used (Scholz, 2000):

- “hygiene factors”, such as payment and (technical) working conditions
- “motivation factors”, such as self-realization and development aspirations.

Accordingly to the prerequisite that European countries reach high and medium level of development, it was expected that motivation factors are evaluated as being more important, because hygiene factors are already

fulfilled. But on the contrary, the results show that nevertheless the hygiene factors like payment are the important motives for employees, although the managers sometimes overestimate the importance of money for the employees, like in Austria.

Conclusion

Interpreting Thomas' theory (2000), Europe faces two possible developments in organizational culture (and in general): Convergence or divergence. Wide-spread modern management methods, technologies and communication force the "assimilation", the convergence, of organization cultures. The assimilation of formal business enhances people to keep and reinforce their own organizational culture. With regards to the research results, there are still differences in European enterprises, although they work in international environments and although some authors, like Brinkmann (2002), announce the end of the organizational culture and a shift from "shared values" to "shareholder value". It must be admitted, that the significant differences ($p > 0,05$) are partly rather small. The differences between the subordinates and their managers' evaluations in some countries¹ lead to the constructivist conclusion, that there are different perceptions of the organizational culture. The "one" culture as "shared meanings in an organisations" (Alvesson, Berg 1992) does not exist in every enterprise.

The data and results are fully shown on the web-site

www.crossculturalvalues.org .

Interested persons may fill in the culture-questionnaire used for this study and compare their results with the results of their own or other countries. There exists also the possibility to do some exercises and reflections online, if the results are not satisfying; so for example exercises for "ways to delegate" are provided to improve leader-subordinate cooperation and business-like efficiency. Books or CDs with research results and training methodology including exercises can be ordered.

¹ In Greece the managers and subordinates evaluated the culture nearly identically.

Abstract

On the basis of a long tradition of research in the field of organizational culture a model of "European business culture" is developed by theoretical assumptions and empirical data. As a survey carried out in 75 small and medium enterprises in Lithuania, Austria, Greece, Spain and Italy including 715 employees indicates, there are significant differences in organizational culture concerning the investigated dimensions: orientation to human relationships vs. orientations to business like efficiency, collectivism vs. individualism, formality vs. cooperation, seclusion vs. openness, autocratic management vs. leader/subordinate cooperation, passivity vs. activity, motivation factors and work-personal needs balance. As a result of the research and vocational-pedagogical project a questionnaire and a training methodology including exercises for interested employees is offered. The training method should enhance the cultural (self-) awareness of businessmen and -women. The project is financed with the support of the European Community Programme "Leonardo da Vinci, Pilot Projects" Programme.

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Annotation:

In dem Vortrag wird die Unternehmenskultur der Länder Litauen, Spanien, Griechenland und Österreich anhand von acht Dimensionen verglichen. Diese acht Dimensionen decken im wesentlichen die bereits aus der Forschungsliteratur bekannten Polaritäten ab. Es werden interpersonalen Beziehungen auf der einen Seite und die formalen und organisationalen Aspekte von Arbeit auf der anderen Seite thematisiert. Interessante Parallelitäten lassen sich zwischen Litauischen und Österreichischen Unternehmen erkennen. Es zeigt sich, dass sich die Unternehmenskulturen der vier Länder unterscheiden, dass es aber auch einen Unterschied macht, wer befragt wird. Das Urteil der Manager und ihrer MitarbeiterInnen fällt nicht immer gleich aus. Im Anschluss wird eine Trainingsmethode für Lernen im Unternehmenskontext präsentiert, die auf eine Entwicklung einzelner Dimensionen und Faktoren abzielt. Exemplarisch wird eine Übungsanleitung vorgestellt.

In the scope of the presentation the corporate culture of Lithuanian, Spanish, Greek and Austrian organizations will be compared within eight dimensions. These dimensions cover the main aspects known from scientific literature and include interpersonal relationships and formal-organizational conditions of work. Between Lithuanian and Austrian enterprises interesting similarities will be shown. In general there are differences between the four countries in the "way to work". But the evaluation of culture in organization depends also on the function of the person within the enterprise: Managers and their employees differ in the assessment of culture in some countries. A training method for learning in organizational context will be presented. It aims at advancement of single cultural dimensions. A short example of exercises will top the presentation.